

the restoration of all the properties back. I have been giving to the House all the facts that developed from time to time.

श्री श्रीकार लाल बेरवा : मैं यह जानना चाहता हूँ कि ताशकन्द समझौते के बाद भारत ने पाकिस्तान को कितना माल लौटाया और इस बारे में कब-कब मॉटिंग्स हुई और उसमें क्या क्या निर्णय किये गए ?

श्री मनुभाई शाह : मेजर साहब प्रोरिजनल प्रान्सर पद लें, इन में फिगर्स दी हुई हैं, प्रापर्टी में एड-कारगो और इन्टररिबर कारगो हैं।

श्री श्रीकार लाल बेरवा : प्रापने कितना लौटाया है ?

श्री मनुभाई शाह : इसका जबाब कई दफा दिया है, बारबार फिगर दे रहे हैं।

Shri Gokulananda Mohanty: When the sold-out property has fetched much less than the actual price, who will be held responsible?

Shri Manubhai Shah: There is a system of valuation. When two properties, whichever category it belongs to, are such that there is a difference of opinion on the price, either the original property is restored or the independent valuers will arbitrate as to what the correct valuation is.

Shri Kapur Singh: Judging from past experience and also based on commonsense, do the Government have any hopes that Pakistan will give us back what is due to us in this matter?

Shri Manubhai Shah: We have not lost any hope.

Shri Nath Pal: The statement of the hon. Minister shows that Pakistan's action is thus one more nail driven by Pakistan into the coffin of what is called the Tashkent agreement. In the light of this experience, may I

know whether Government will consider the feasibility of withholding payment of Rs. 8 crores which we will be giving to Pakistan under the Indus Water Agreement?

An hon. Member: We are honest.

Shri Manubhai Shah: I am glad the reaction of the House is what I wanted to express. We have never dishonoured any international commitment of that character and we do not propose to do so.

श्री रघुनाथ सिंह : हमारे क्राफ्ट्स को ले लेने के कारण ब्रह्मपुत्र नदी में जितना नेविगेशन होता था प्रायः सब बन्द हो गया है और हमारा कोई कनेक्शन घसम से अब रिवर के द्वारा नहीं रह गया है। ताशकन्द एग्जिमेंट का कोई स्वागत भी पाकिस्तान की तरफ से नहीं हो रहा है। इसलिए क्या सरकार इस पर विचार करेगी कि पाकिस्तान का जो कारगो हमारे पास है या जो शिप उसके हमारा पोर्ट्स पर आकर लगने है हम यह घाईर जाया कर दें कि तब तक पाकिस्तान के शिप्स हमारे पोर्ट्स में शैलटर्न नही पा सकेंगे जब तक हमारे जहाज लौटाये न जायें ?

श्री मनुभाई शाह : प्रभा वह पोजीशन में समझता हूँ सदन के सामने नहीं आई है। हम अभी तक यही कोशिश कर रहे हैं कि

By persuasion and goodwill, all these problems should be settled in the spirit of Tashkent.

Shri Raghunath Singh: Our ships are being spoiled. रिपेयर नहीं हो रहे हैं नौ महीने में। सब खराब होते जा रहे हैं।

Quotas of Raw Materials to the Blacklisted Firms

*1669. **Shri Rajeshwar Patel:** Will the Minister of Supply, Technical Development and Materials Planning be pleased to state:

(a) whether it is a fact that though some firms like M/s. Arun Chand

Pyare Lal, M/S Khemchand Rajkumar, M/S Ram Krishna Kulwantraï and M/S. J. Cohen and Co. were either blacklisted or business with them was suspended because of serious irregularities, yet they are being given regular quotas of raw materials for their factories and the factories of their associate firms since 1956;

(b) if so, the reasons therefor; and

(c) the total amount of raw materials so released, in quantity and value, during the above period of blacklisting and or suspension?

The Minister of Supply, Technical Development and Materials Planning (Shri Raghuramaiah): (a) and (b). Only M/S Amin Chand Pyare Lal remained suspended/blacklisted during May, 1954 to January, 1957. The Directorate General of Supplies and Disposals did not suspend business dealings with or blacklist the other three firms. Such blacklisting/suspension of suppliers does not automatically involve denial of quotas for raw materials.

(c) The information required for the past period is not readily available.

Shri Rajeshwar Patel: May I know what are the circumstances in which the issue of raw materials is stopped?

Shri Raghuramaiah: The suspension of business and blacklisting in this case was on suspicion that there were some entries interpolated in the tender form submitted by the firm. Later on there was a case in the court and the Manager of the Delhi Branch was acquitted. The then Works, Housing and Supply Ministry reviewed the case and lifted the blacklisting order. That was only suspension of Government dealings with the firm. The supply of raw materials is controlled by other considerations. If the raw materials are misused or sold in blackmarket or something like that, there is a different order under which raw materials are stopped. Suspension of Govern-

ment business dealings does not automatically cut off raw materials. This was done in consultation with the Home Ministry and Law Ministry. For instance, in the case of steel, if the steel quotas are misused or sold in blackmarket or if there is anything irregular, we recommend to the Steel Ministry to cut off the raw materials supply.

Shri Rajeshwar Patel: Do I understand that raw material quota is refused on the basis of blackmarketing and misuse and it is not refused merely on the basis of some case pending, because the Government does not want to punish the industry, but only wants to punish the industrialist?

Shri Raghuramaiah: As regards the raw materials supply we are guided by the department concerned. We only carry out their instructions. In the case of steel the circumstances under which the steel quota can be stopped are as follows:

1. Steel material quota can be stopped by the DGTD if the firm's name is suspended from the steel processing industries list for one reason or the other.

2. If a party does not submit production returns or steel processing returns it can be stopped.

3. If misuse or sale of the material allocated comes to the notice of the DGTD and is established the DGTD makes a recommendation to the Ministry of Industry and with the approval of the Ministry further allocation of raw material is stopped. It varies from department to department.

Shri R. Ramanathan Chettiar: Has it come to the notice of the Government that the partner of Messrs. Amin Chand Pyare Lal is the Gentleman who was allotted £6,000 on health grounds, whereas the hon. Mr. Speaker was not given more than £10, and also Messrs. Ram Krishna Kulwantraï of Madras has been allotted steel quota in spite of having been black-listed?

Shri Raghuramaiah: As I said, this refers to transactions between 1954

to 1957. At the same time, the following associated firms of Amin Chand Pyare Lal were also blacklisted:

1. Messrs Amin Chand Pyare Lal, 21-A Canning Street, Calcutta.
2. Messrs Amin Chand Pyare Lal, 101, Narayan Dhuru Street, Bombay.
3. Messrs Amin Chand Pyare Lal, 50, G. B. Road, Delhi.
4. India Engineering Works, Calcutta.

So, wherever they had any connection, that was also blacklisted.

Shri R. Ramanathan Chettiar: What about Ram Krishna Kulwantrai of Madras?

Shri Raghuramaiah: I do not find that name readily here.

Shri Ranga: I think the PAC also has had occasion to make some remarks about this firm and their misbehaviour. Have Government ever thought of giving up this restriction of considering it department by department and section by section, so that once a firm is blacklisted in regard to transactions with one particular section within the Supply Ministry, it would be treated as blacklisted in regard to other things also and they would not be allowed to play mischief, especially in view of the fact that all these firms are all related one with the other and they have been playing mischief with the Government for a long time?

Shri Raghuramaiah: So far as blacklisting is concerned, we follow the rule that all associated firms are also blacklisted. The only question is because a firm is blacklisted and Government is not doing business with them, whether their whole production should be stopped and raw materials should be topped. There are different considerations for that. This matter has been gone into in consultation with the Home and Law

Ministry recently in 1966. Our Department was advised by the Law Ministry that as the rule stands now, because Government suspends business with a firm and it is blacklisted, you cannot completely stop the issue of raw materials, although it would be one of the important factors to be taken into consideration by the distributing authority so far as supplies of raw materials are concerned.

Shri Manoharan: Sir, I am asking a specific question and I request you to help me in getting a proper reply. Is it a fact that this firm Amin Chand Pyare Lal entered into collaboration with the Government of Kashmir for a ceramic unit in Kathua in Jammu province and G.C. sheets, cement and other raw materials were supplied to this firm on the recommendation of the Jammu and Kashmir Government by the Director of Supply of the State Government, through the Iron and Steel Controller of the Government of India, through a permit which far exceeded the quantity actually used and the excess thus obtained was sold in black-market at an exorbitant rate by this firm, making a profit of several lakhs? I want to know whether the Government is prepared for a physical check-up of the roofing of the factory and take whatever action is called for?

Shri Raghuramaiah: May I request that a separate question may be put about this?

Some hon. Members: Why?

Mr. Speaker: If he wants notice, what can I do?

Shri Bhagwat Jha Azad: The name of this firm is mentioned in the question and the question has been given long before. He should be ready with the details.

Mr. Speaker: Hon. Members would kindly appreciate that if the details are wanted and the Minister says that he wants notice for it, he has a right to say that. What can I do?

Shri Bhagwat Jha Azad: Sir, this is a notorious case known to the Minister. Why should he not furnish the answer?

Shri Raghuramala: Sir, this question, which has been raised, relates to certain details which are not available. The Iron and Steel Controller has to be consulted before I can give the information. I shall lay a statement on the Table after ascertaining the facts.

Shri R. Ramanathan Chettiar: Sir, I rise to a point of order arising out of the answer given by the hon. Minister for Technical Development. He said that these firms are black-listed. I want to know on what grounds Messrs. Ramakrishna Kulwantra of Madras have been given steel quota recently?

Mr. Speaker: This is for the Minister to answer. A point of order is to be answered by me. A point of order cannot be addressed to the Minister; it can only be addressed to me and I have to give a decision on that. Now, what decision should I give on this?

श्री प्रकाशवीर शास्त्री : मैं श्रीमन्मन्त्र प्यारे लाल की फर्म के बारे में जानना चाहता हूँ कि क्या यह सत्य है कि यह फर्म ब्लैक लिस्ट हो जाने के बाद अपना नाम बदल कर सरकार को धोखा देती रही है और उसके सम्बन्ध में पब्लिक अकाउण्ट्स कमेटी ने पिछले कई वर्षों में सरकार को रिपोर्टें भेजी ह। पब्लिक अकाउण्ट्स कमेटी ने स्पष्ट लिखा है अपनी रिपोर्ट के अन्दर कि फाइनेन्स मिनिस्ट्री के सेक्रेटरी और सम्बद्ध विभाग के मिनिस्टर भी इससे सम्बन्धित थे। करोड़ों रुपये के कोटे और आयात लाइसेंस किस प्रकार से अनुचित रूप से दिये जाते रहे हैं, इसका भी कमेटी ने अपनी रिपोर्ट में वर्णन दिया है। यदि यह बात सत्य है तो क्या पब्लिक अकाउण्ट्स कमेटी की रिपोर्ट के अनुसार मन्त्रालय के सेक्रेटरी और मन्त्री के खिलाफ कोई कार्रवाई की गई है। यदि की गई है तो वह क्या है।

Shri Raghuramala: So far as the period 1954-57 is concerned, to the extent this department was aware of associated firms and so on, to that extent they were suspended and all the firms were blacklisted. But on a review by the then Works, Housing and Supply Ministry the order was lifted in January 1957. This is the information I have at the present moment.

श्री शिव नारायण : अध्यक्ष महोदय . . .

अध्यक्ष महोदय : इस तरह से तो नहीं हो सकता कि मुझे बुला कर उम्मीद करे कि मैं दूसरे को रोक दूँ। मैं बुरा उगा आप को।

Whether the report of the Public Accounts Committee.....

The Minister of Iron and Steel (Shri T. N. Singh): Sir, may I intervene, because probably my hon. colleague could not fully follow the question put in Hindi by Shri Prakash Vir Shastri. I wish to say that so far as the Steel Ministry is concerned, immediately after receipt of the report of the Public Accounts Committee—it was received hardly a week ago—our Ministry has taken notice of it and is proceeding according to whatever information may be available and action is being taken (*Inter-ruptions*).

श्री हुकम चंद कछवाय : अध्यक्ष महोदय, मैं जानना . . .

अध्यक्ष महोदय : यह मैं कैसे कर सकता हूँ कि जब पन्द्रह या बीस मेम्बर खड़े हो रहे हों तो एक ही दफे में सब को बुला लूँ। पन्द्रह मेम्बर एक दम से बोलना चाहते हैं। मैं एक एक कर के चांस दे रहा हूँ। मेरा काम ही इतना बिकलेस है कि मैं क्या करूँ।

श्री शिव नारायण : क्या सरकार को मालूम है कि फर्म श्रीमन्मन्त्र प्यारेलाल ने कश्मीर में नदी के ऊपर एक पुल बनवाया और उस पुल के प्लैन्क तबदील करवाये। जो लोहा बाजार में 750 ह० टन था उसे उन्होंने

1850 रु० पर टन में गवर्नमेंट को दिया और आधे इंच के लोहे के बजाय 516 इंच के लोहे का पुल बनाया जिसमें 4 लाख रु० मुनाफा कमाया। क्या सरकार इस की जांच करवाने की कृपा करेगी।

Mr. Speaker: Would that be enquired into?

Shri Raghuramaiah: This relates to a transaction with the Kashmir Government, I understand. I do not know, Sir, how I come into the picture (*Interruptions*).

श्री शिव नारायणः अध्यक्ष महोदय, आधे इंच के बारे में नहीं बतलाया गया...

अध्यक्ष महोदय : आप आधे इंच और 516 इंच की बात पूछते हैं यह कैसे बतलाया जा सकता है। मिनिस्टर साहब कैसे इस बात का जवाब यहां पर दे सकते हैं।

There are so many allegations and complaints against this firm. The Public Accounts Committee has also taken note of it. Certain officers are also involved in that. This must be enquired into thoroughly so that the real facts can be found out and then the House can form its own opinion.

Shri Tyagi: Sir, I want one clarification. **Shri Prakash Vir Shastri** said that the Public Accounts Committee had taken notice of active association of some of the ministers. Either it must be a misunderstanding or, if that is so, I would like those ministers to be named.

श्री प्रकाशवीर शास्त्री : अध्यक्ष महोदय, जैसा त्यागी जी कह रहे हैं मिनिस्टर का नाम बतलाया जाये कि वह कौन हैं।

Mr. Speaker: He said "Secretaries" and not "ministers".

Shri Surendranath Dwivedy: Sir, the Minister of Iron and Steel, who came to the assistance of the hon. Minister who is replying to the Ques-

tion, said that the report of the Public Accounts Committee was received by them only a week back. But is there no co-ordination between these ministries, because about this particular firm, which black-marketed about Rs. 1 crore worth of steel, purchasing from Messrs. Hindustan Steel and selling it to the Oil and Natural Gas Commission, this fact was brought out by the Committee on Public Undertakings last year in its report which was submitted to Parliament? May I know whether they have taken notice of this; if so, why is it that this firm, in spite of this, is still being given quotas?

Shri Raghuramaiah: There is co-ordination between the Ministries. My colleague represents the administrative department concerned. He has already given the assurance that the report of the Public Accounts Committee is under examination, and we will examine it thoroughly (*Interruptions*).

Shri Tyagi: Sir, ministers names have been brought in. This must be investigated thoroughly. Either the remark should be expunged or it should be contradicted by the Treasury Benches.

Mr. Speaker: If the Minister does not want to contradict it, should I ask him to do it?

Shri Raghunath Singh: Then we should be allowed to put questions.

श्री रामेश्वरानन्द : अध्यक्ष महोदय...

अध्यक्ष महोदय : आप बैठ जाइये।

श्री रामेश्वरानन्द : मैं बैठ जाता हूँ लेकिन क्या मिनिस्टर कह सकते हैं कि कौन क्या कहे। इस के लिये हमें कोई और अध्यक्ष बनाना पड़ेगा क्या।

अध्यक्ष महोदय : इसके लिये आप कौं अध्यक्ष बनना पड़ेगा। जब आप सवाल करते

हैं तो मिनिस्टर जो जवाब चाहेगा देगा। क्या मैं कह सकता हूँ कि इस तरह का जवाब दिया जाये।

श्री रामेश्वरानन्द : तब क्या मिनिस्टर बतलायेगा कि यह पूछा जाये।

अध्यक्ष महोदय : इस वक्त तो वही बतलायेगा। जब आप आ जायें तो जैसे चाहें वैसे कर लें।

Shri T. N. Singh: I do not think the Public Accounts Committee has referred or made any allegation against any minister. The Committee has referred to the then Secretary. Some remarks have been made against the then Secretary. If hon. Members can tell me where the Minister has been referred to, I shall look into it. But to the best of my knowledge, the Public Accounts Committee has not referred to it.

श्री प्रकाशवीर शास्त्री : पब्लिक अकाउण्ट्स कमेटी की रिपोर्ट में पूरा पैराग्राफ है जिसमें उसने यह रिमार्क दिया है कि समझ में नहीं आता कि कंसन्ड मिनिस्टर ने इस प्रकार की सैंशन क्यों दी। मैं चाहता हूँ कि पब्लिक अकाउण्ट्स कमेटी का यह रिमार्क हाउस की टेबल पर रक्खा जाये।

Shrimati Savitri Nigam: May I know how many people and how many firms were blacklisted in the year 1965-66 and how many of them were again blacklisted because of the proceedings taken by the Ministry?

Mr. Speaker: We have the cases of three here.

Shri Bhagwat Jha Azad: Since information on the vital part of this question, about raw material supplied to firms either suspended or blacklisted has not been given, may I know from the hon. Minister what is the meaning of "blacklisting"? Does "blacklisting" mean writing the name of the firm in black colour and then

supply them with all raw materials to carry on blackmarketing? What is the meaning of blacklisting", I want to know from the Government. I also want to know why this firm, which has done so much of blackmarketing, a note of which has been taken even by Shri Subramaniam when he was Minister of Iron and Steel and also by other ministers, is again being supplied raw materials? Why is it that the Minister is not able to do anything in this regard? Why is it that he is shielding this firm?

Shri Raghuramaiah: Blacklisting can be done by any administrative department for misuse of raw materials or blackmarketing of raw materials. It may be done by the Director General of Supplies and Disposals also for unsatisfactory supplies or for some irregularities in the supply of goods to Government. Therefore, blacklisting by DGS&D means only for that period Government will not buy goods from them. But whether the raw material was suspended, steel for instance, is a matter which the Steel Ministry has to tell me.

Shri Surendranath Dwivedy: You change your rules.

Shri Raghuramaiah: It is done on joint consultation. There are rules governing circumstances when the raw material should be stopped.

Shri Bhagwat Jha Azad: We are asking the Government and not one particular Ministry. What is the meaning of this?

Shri Ranga: Sir, you were good enough to ask for a full-scale inquiry into this matter. In the light of it we would like the rules to be suitably altered so that in future at least this kind of a thing would not be repeated.

Shri Surendranath Dwivedy: A full statement should be placed on the Table of the House because it seems that ministers are also involved.

Shri Raghunath Singh: This firm is dealing with shipping also. It is called APJ Lines. So, I should be allowed to ask a question.

Mr. Speaker: The Question Hour is over.

SHORT NOTICE QUESTIONS

Closure of Jute Mills

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- S. No. 31. **Shri S. M. Banerjee:**
Shri Indrajit Gupta:
Dr. Ranen Sen:
Shri Daji:
Shri B. K. Das:
Shri S. C. Samanta:
Shri Subodh Hansda:
Shri Shree Narayan Das:
Shri Yallamanda Reddy:
**Shri Dinen Bhatta-
 charya:**
Shri Imbichibava:
Shri Pottekkatt:
Shri Nambiar:
Shri A. V. Raghavan:
Shri Madhu Limaye:

Will the Minister of Commerce be pleased to state:

(a) Whether the Indian Jute Mills Association has proposed block closure of all its member mills for at least one week in May, 1966;

(b) if so, the grounds for the proposal;

(c) whether Government have given its approval to the same;

(d) the total loss in production and number of workers involved in the proposed closure; and

(e) whether there has been any unforeseeable scarcity of raw jute?

The Minister of Commerce (Shri Manubhai Shah): (a) to (e): The Indian Jute Mills Association propose to have a block closure of all the jute mills for a week in view of the acute shortage of jute fibre. As a result of the block closure, the industry expects that the consumption of raw jute which is in short supply will be reduced by 1.5 lakh bales. The industry has been concerned that due

to extreme shortage of raw jute, the prices of raw jute have shot up to a very high level that is Rs. 174.15 per quintal (Rs. 65 per maund), whereas the prices of jute goods have not risen proportionately. This is resulting in losses to the industry.

Due to severe failure of monsoon last year, the 1965-66 jute and mesta-crops suffered sharp decline in production and is now estimated at not more than 58.59 lakh bales, which shows a fall in raw jute production by 17.18 lakh bales as compared to 76 lakh bales of raw jute production in 1964-65. The industry started the July 1965-June 1966 season with a carry over of 20.25 lakh bales as compared to 28.36 lakh bales at the end of June 1964. Due to rising demand of jute goods abroad and at home, the production of jute goods was maintained at a very high level with a view to satisfy the internal demand for jute goods and the opportunities of increased foreign exchange earnings from exports. The exports touched a record level of Rs. 184 crores in 1965 as compared to Rs. 161 crores in the previous year. Consequently, the consumption of raw jute which stood at 77 lakh bales in 1962-63 rose to 88.80 lakh bales in 1964-65.

With a view to meet the gap between demand and supply, Government had to permit since the middle of June 1965, import of as much as 18 lakh bales of jute and mesta cuttings from abroad costing about Rs. 25 crores to Rs. 30 crores of foreign exchange. Out of this the industry is likely to get about 14.15 lakh bales mostly mesta from Thailand by the end of June 1966.

In view of the continued tightness of the raw jute supply position last year and continuously increasing consumption of raw jute and the continuing dry spell in the Eastern States of India and the limited prospects of getting larger quantities of raw jute from abroad, the jute industry feels