

13.03 hrs.

**STATEMENT RE DELHI POLICE
ORDINANCE, 1978**

**THE MINISTER OF STATE IN
THE MINISTRY OF HOME AFFAIRS
(SHRI DHANIK LAL MANDAL):** Sir,
I beg to lay on the Table an explanatory statement (Hindi and English versions) giving reasons for immediate legislation by the Delhi Police Ordinance, 1978.

MR. SPEAKER: Now, there are five Rule 377 statements. Is it the pleasure of the House to take them up now or do we take them up after lunch? If we take them up after lunch, it will cut into the time for the discussion of the Shah Commission report.

SEVERAL HON. MEMBERS: After lunch.

PROF. P. G. MAVALANKAR: If we finish them now itself, it will be better.

MR. SPEAKER: But the House is not in a mood. So we adjourn now and meet at 2 p.m.

13.04 hrs.

The Lok Sabha adjourned for Lunch till Fourteen of the Clock.

The Lok Sabha re-assembled after Lunch at Five Minutes past Fourteen of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

MATTERS UNDER RULE 377

- (i) REPORTED ATTEMPT FOR REMITTANCES ABROAD BY CENTRAL PROVINCES MANGANESE ORE COMPANY LTD., NAGPUR.

SHRI C. K. CHANDRAPPAN (Cennanore): Sir, under Rule 377, I wish to raise the following:

The case in question is one which reveals how a powerful foreign company can influence people in high places and with their connivance commit a fraud on the country and get away with millions of rupees.

Central Provinces Manganese Ore Company Ltd., Nagpur, is incorporated in U.K. and held 49 per cent share in Manganese Ore India Ltd, a public sector undertakings. The company refused to dilute its holdings in accordance with FERA and this led to its take-over by the Government of India in 1977. With this the activities of the company came to an end and the company which hardly had any assets worth the name, started the process of its winding up.

But now they are making an attempt to take away from India Rs. 80 lakhs in a fraudulent manner, in the name of remittances abroad of its past profits. This fraud was exposed by the Reserve Bank of India and Income Tax officials and permission was withheld since 1975. But now people connected with highest authority in the country came to the rescue of this foreign company....

** (Interruptions)

MR. DEPUTY SPEAKER: Nothing except what Mr. Chandrappan reads out will go on record. He is also not permitted to say anything beyond what is already given here.

SHRI C. K. CHANDRAPPAN: pressurised the officials of the RBI and IT and obtained permission to the company to remit its past profits abroad. It is now in the final stage with the Exchange Control Department of RBI in Bombay for processing the release of remittance abroad. If everything goes well as planned, within a few days, India will lose about Rs. 80 lakhs in this shady transaction.