

LOK SABHA DEBATES

LOK SABHA

*Thursday, August 9, 1990/Sravana 18,
1912 (Saka)*

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

HOMAGE TO MARTYRS OF FREEDOM
MOVEMENT AND VICTIMS OF ATOMIC
BOMBS DROPPED IN HIROSEMA AND
NAGASAKI

[*English*]

MR. SPEAKER: Hon. Members, today is the forty-eighth anniversary of the historic day when the Quit India Movement was launched under the leadership of Mahatma Gandhi.

We pay our homage to the memory of those patriots who laid down their lives for the liberation of our motherland from foreign rule. Let us rededicate ourselves to the high ideals for which they made the supreme sacrifice.

Today, we are also reminded of the large scale devastation caused by the atomic bombs that were dropped on the Japanese cities of Hiroshima and Nagasaki on 6th and 9th August, 1945, respectively. The untold sufferings caused to humanity are even today affecting the lives of succeeding generations. This brings home to us the bitter truth that there will be no victors or vanquished in the event of another nuclear war. We, there-

fore, welcome the steps taken by the two super powers in the direction of nuclear disarmament and dismantling of the nuclear stockpiles and other weapons of mass destruction in their possession.

The House may now stand in silence for a short while in memory of the martyrs of freedom movement and the victims of the atomic holocaust.

*The Members stood in silence for two
minutes*

ORAL ANSWERS TO QUESTIONS

[*English*]

Purchase of Jute and Hope Bags

*41. DR. ASIM BALA : Will the Minister of AGRICULTURE be pleased to state:

(a) the outcome of enquiry conducted into the alleged irregularities in the purchase of jute and HDPE bags through the Central Purchase Committee;

(b) whether Government have introduced any reforms in the existing system of such purchases; and

(c) if so, the details thereof?

[*Translation*]

THE MINISTER OF STATE IN THE
DEPARTMENT OF RURAL DEVELOP-
MENT IN THE MINISTRY OF AGRICUL-
TURE (SHRI UPENDRA NATH VERMA):

(a) to (c). A statement is laid on the Table of the House.

STATEMENT

Following allegations in respect of purchases of jute and HDPE bags made through the Central Purchase Committee (CPC), CBI made preliminary enquiries and has registered a case for further investigations against Managing Director, Krishak Bharati Cooperative Ltd (KRIBHCO), Managing Director, National Fertilizers Ltd (NFL), Chairman & Managing Director, Rashtriya Chemicals & Fertilizers Ltd (RCF), former Managing Director Indian Farmers Fertilizers Cooperative Ltd and Shri Mahadev Kharkia of M/s Ashok Laminators, Howrah.

2. The Central Purchase Committee which was set up to recommend the purchase of jute and HDPE bags for public/cooperative fertilizer companies was abolished w.e.f. 16.1.90. Thus, Companies are now free to make their own purchases of jute and HDPE bags according to their laid down procedures on competitive rates.

[English]

DR. ASIM BALA: Sir, it is alleged that the top technocrats of some companies are involved in corruption in some public sector enterprises. Nowadays, corruption is becoming so common that the people, even the high Government officials, are taking it very casually. Some days back, the Secretary of the Health Department and the Drug Controller also alleged some persons while consuming injurious and contaminated saline. We have written a number of letters to the Chairman of IPDL but we are not getting any proper answer. They are trying to avoid the answers. I want to know from the Minister as to what are the stringent measures to be taken by the Government and the time to be taken to take action. This is my first question.

[Translation]

SHRI UPENDRA NATH VERMA: Sir,

this case has been handed over to the C.B.I. Officers concerned have been placed under suspension on the basis of the preliminary enquiry report received from the C.B.I. So far as I know it, is perhaps the first case of this kind in which Chief Executives of Public Sector undertakings have been suspended. Moreover, it was not a solitary case, but as many as 3-4 officers have been placed under suspension among whom one officer was already under suspension. An F.I.R. was lodged on 15th May in this connection and these people were placed under suspension on 11th May. Houses of officers who were involved in this case were searched on 25th May. Since enquiry is underway, it will not be proper to divulge anything more than what I have said.

[English]

DR. ASIM BALA: I would like to know whether the Ministry of Agriculture is aware of the fact that the use of polythene bags for packing is injurious to life. If so, is the hon. Minister thinking to use jute fibre bags instead?

[Translation]

SHRI UPENDRA NATH VERMA: In fact, hon. Members; question is not directly connected with his main question. He should give a separate notice for this.

SHRI YUVRAJ: Mr. Speaker, Sir, I would like to know the amount of money involved in the alleged bungling in connection with the purchase of jute and HDPE bags in which some personnel were charge-sheeted? What was the rate schedule of jute and HDPE bags, what rate was fixed and what has been the overall difference? If this allegation is against various institutions functioning under different public Sector undertakings then I would like to know as to how much money is involved in this bungling?

SHRI UPENDRA NATH VERMA: The enquiry is underway and no charge-sheet has been made out against anybody. As such, as far as bungling in the purchase of bags is concerned, the total amount involved

has been worked out to be above Rs. 1 crore. It is because the companies which supplied the bags earned a profit of about Rs. 1 crore. Even then, nothing could be said about exact figures at the moment, because all these papers are with the C.B.I.

SHRI RAJVEER SINGH: Through you, I would like to ask a few things. I had put a question in this regard last time also and had made a demand that a CBI enquiry should be conducted against those officials. I am happy to note that enquiry has since been started. Now I would like to know as to how much money is involved in the corruption charges against the Central Purchasing Committee constituted for this purpose? I would like to know whether as a result of the search conducted in the houses of officers against whom F.I.R. has been lodged, anything has been recovered or not? Apart from this, it may also please be stated whether persons who are involved in this scandal have been interrogated during the CBI enquiry and also whether any enquiry is being conducted against them or not?

SHRI UPENDRA NATH VERMA: Enquiry has not yet been completed, it is still going on. But one thing is certain that officials against whom charges were made in the preliminary report have been placed under suspension and F.I.R. has been lodged against them. (*Interruptions*)

MR. SPEAKER: Please let the hon. Minister complete his reply.

SHRI UPENDRA NATH VERMA: In addition, some papers connected with the case have also been recovered from their houses during the course of the search (*Interruptions*)

SHRI RAJVEER SINGH: Mr. Speaker, Sir, my question has not been replied to. It is all right that officers against whom charges were made have been apprehended and action has been taken against them. But I would like to know from the hon. Minister as to what action has been taken against the people at where instance the Central Pur-

chasing Committee was constituted and also as to when the CBI would bring them to into their net? Is there any such possibility or not?

SHRI UPENDRA NATH VERMA: cannot say anything at the moment in this regard as the case is still being investigated. But I can say this much that the Central Purchasing Committee is at the root of all these irregularities. Now, everything will come to light after the CBI enquiry is over. The said enquiry is still underway.

[*English*]

DR. THAMBI DURAI: Mr. Speaker, Sir, most of our colleagues from West Bengal have raised the issue regarding the jute bags not only in this Session but in the last Lok Sabha also. For so many years they are facing this problem. Hence I would like to know from the Minister as to why most of the industries are using synthetic bags instead of jute bags. If at all there is any deficiency in the jute bags, whether the Ministry has undertaken any research work in order to manufacture modified Jute bags which will be suitable to the Indian consumers?

[*Translation*]

SHRI UPENDRA NATH VERMA: So far as the question of polythene bags in concerned, no enquiry has so far been conducted in this regard. I cannot say anything in this regard as long as the C.B.I. enquiry is not completed and report submitted to us. (*Interruptions*)

MR. SPEAKER: He wants to know as to why synthetic bags are being purchased instead of jute bags?

SHRI UPENDRA NATH VERMA: Both jute and synthetic bags are being purchased.

[*English*]

SHRI A.K. PANJA: There are a large number of jute growing areas, particularly in West Bengal, parts of Orissa and Assam. The Government has an established policy

of maintaining a particular ratio of Jute bags to be used not only by various industries but also by the Indian Air Force and Army. I would like to know whether the Minister is aware of the fact that the Indian Air Force in spite of having 7 lakh Jute bags in store has recently purchased 14 lakh polythene bags and has again ordered for 5 lakh more polythene bags. Whether the Minister is aware of it; if so, whether after making proper inquiry he is going to stop this practice?

[*Translation*]

SHRI UPENDRA NATH VERMA: Recently different companies have placed their respective orders. So far as the question of C.P.C. is concerned, it had placed orders for the purchase of 154 lakh jute bags and over 153 lakh polthene bags per month and it used to make purchases accordingly.

[*English*]

SHRI LOK NATH CHOUDHARY: Sir, I would like to know what are the prima facie concrete charges that have been found by the CBI on which FIR has been lodged.

Secondly, it is a fact that since many industries are not using Jute bags, the farmers are being affected. Under these circumstances the farmers of Orissa and West Bengal who produce jute are ruined. Government should make a policy to see that most of the industries use Jute bags so that Jute cultivation continues on and the farmers are benefitted.

[*Translation*]

SHRI UPENDRA NATH VERMA: In fact, when the C.P.C. was abolished all the individual units were asked to purchase bags themselves. It has been left to them and they are making purchases accordingly.

MR. SPEAKER: The question is what are the charges.

AN HON. MEMBERS: It is a case of bungling involving huge sums of money.

(*Interruptions*)

SHRI UPENDRA NATH VERMA: It is a fact that bungling has been done. It is also true that immediately after receiving preliminary enquiry report the C.B.I., the concerned officers were suspended and their houses were searched. F.I.R. has also been lodged against them and further investigation is going on. As I said it is the first case of its kind in a Public Sector undertaking as far as I know, that an officers of the rank of managing Director have been placed under suspension.

[*English*]

SHRI LOKANATH CHOUDHARY: My question was this. The CBI have not established as to what are the concrete charges.

MR. SPEAKER: Mr. Choudhary, I have reminded the hon. Minister about his question. Please take your seat.

(*Interruptions*)

[*Translation*]

MR. SPEAKER: What was the complaint?

SHRI UPENDRA NATH VERMA: Mr. Speaker, Sir, in the preliminary report of the C.B.I., it has been mentioned clearly that the officers purchased the jute bags on too much higher rates and the bag suppliers earned profit of about rupees one crore.

SHRI GUMAN MAL LODHA: Mr. Speaker, Sir, I would like to know from the Hon'ble Minister as to who was the Minister In-charge of Central Purchase Committee at the time of this misappropriation. Besides, that I would like to urge upon the Minister to read out the first information report in the House also and to place it on the Table of the House.

SHRI UPENDRA NATH VERMA: As I have stated that nothing can be said at the moment in this regard... (*Interruptions*) ...

SHRIDAU DAYALJOSHI: Mr. Speaker, Sir, he is trying to protect the then Minister and is not telling anything about him (*Interruptions*)

MR. SPEAKER: Mr. Joshi, please take your seat.

SHRI UPENDRA NATH VERMA: Mr. Speaker, Sir, an order was issued on 27.12.88 for the setting up of Central Purchase Committee and it was constituted in January 1989 but the same was abolished in January, 1990..... (*Interruptions*) ...

SHRI HARIN PATHAK: Who was the Ministries charge at that time? Was he from the Congress Party or from the Janata Dal? (*Interruptions*)

SHRI GUMAN MAL LODHA: Mr. Speaker, Sir, let him tell the name of the Minister also.

SHRI UPENDRA NATH VERMA: I have already stated that an order was issued on 27.12.88 for the setting up of a Central Purchase Committee which was constituted in January, 1989. At that time, Shri Bhajan Lal was the Cabinet Minister in charge... (*Interruptions*)

MR. SPEAKER: I have observed that they have taken the name of Shri Bhajan Lal in the House. (*Interruptions*)

SHRI BHAJAN LAL: Mr. Speaker, I was not the Minister of State. I would like to know from him whether the file of the Central Purchase Committee is sent to the Minister of Agriculture? (*Interruptions*)

SHRI SURYA NARAYAN YADAV: Mr. Speaker, Sir, just now the Hon'ble Minister has admitted that there has been a bungling of Rupees 1 crore sir, in this case. As the case relates to the farmers and labourers I would, therefore, like to know from the Government the number of days in which the enquiry is likely to be completed by the C.B.I. and whether any time limit has been fixed for the same by the Government?

SHRI HAR GOVIND SINGH: So long Shri Bhajan Lal is here, nothing can be done.

MR. SPEAKER: Now, where is Shri Bhajan Lal?

SHRI UPENDRA NATH VERMA: Mr. Speaker, Sir, no definite date can be fixed for completing the enquiry... (*Interruptions*) ...those who appear to be innocent but commit offence with the stroke of their pen, they are more crafty and dangerous than the gun wielding criminals. They will make their all out efforts to defend themselves. Therefore, it will take a long time to complete the work of enquiry against them. The officers of C.B.I. are going to delve deep in the case and it will take time. Therefore, it is difficult to say as to how much time it will take to complete it... (*Interruptions*) ...

MR. SPEAKER: Shri Rajveer Singh, please sit down.

[*English*]

SHRI BAL GOPAL MISHRA: Just now, the hon. Minister admitted that misappropriation to the tune of Rs. 1 crore has taken place. So, will the Income Tax Department search and enquire into the wealth of the suppliers and the members of the CPC and the Executive? We are concerned about this.

[*Translation*]

SHRI UPENDRA NATH VERMA: Mr. Speaker, Sir, I have already stated in this regard that enquiry is being conducted by the C.B.I., search has been carried out in their houses and some incriminating documents have also been recovered from their houses in this regard. Unless and until the enquiry is completed nothing else can be said in this regard.

Waiting List for Telephone Connections in Madhya Pradesh Districts

*42. **SHRI LARANG SAI:** Will the Minister of COMMUNICATIONS be pleased to state: