

[भी भी भा० कुशालगंगी]

17.34 hrs.

[Mr. SPEAKER in the Chair]

हमारे डाइरेक्टर विसिपल्स हैं जोडे कि हाथी के दांत होते हैं, एक बातें के और एक दिक्काने के। हम लोगों ने डाइरेक्टर विसिपल्स विक्राने के बास्ते रखे हैं। आप इसना सबकिये कि हम लोग भी तभ्य देखों में हैं।

We are also civilised people and we think in such high terms.

यह बातें याद कर के इस तरह के प्रस्ताव न लाने तो अच्छा होगा जिन में आमच्छाह बहुत होती है और सदन का टाइम चारब होता है।

Shri Naik Pal: We assume that this Bill will come up next time.

Mr. Speaker: Yes. Now, we take up half an hour discussion.

17.35 hrs.

PURCHASE OF TYRES BY MINISTRY OF DEFENCE*

Shrimati Tarakeshwari Shaha (Barh): I raise this half an hour discussion on points arising out of the answer given on the 27th March, 1967 to Starred question No. 58 regarding Purchase of tyres by Ministry of Defence. This discussion was being postponed from one day to another in the last session. I am grateful to you for permitting this discussion today. So many lapses have been discovered by the PAC and yet the Government is going on with the same kind of lackadaisical approach to the entire problem. The PAC reports do not generally make very pleasant reading. They always display or provide a whole array of errors of commission and omission by the Government. It is very embarrassing for

us to come forward with such reports that the PAC gives. It undermines the entire prestige of not only the Government but of the entire public sector, and we as the party which is running the administration have to admit that it puts us in a situation as if we are indirectly conniving at it. The working of the public sector and the public administration comes into disrepute and it undermines the very socialist economy to which we have been wedded. So many complaints are made about the performance of the public sector. Maybe, some public sector firms might be making a profit but the other inefficient units put the entire socialist philosophy of our Government to ridicule.

This report mentions one of the biggest scandals of mismanagement and maladministration by the STC. The STC is to be blamed not only for over-estimating the requirements but also for getting the tyres from the east European countries in such a way that they were faced with a large bulk and they had to find out some ways and means for getting them re-exported. One-sixth of these tyres were re-exported at a great loss to this country because those who had exported the tyres had to be reimbursed for the loss and they had to be given incentives so that they could dispose of this dirt and filth. These tyres had been imposed, so to say on various departments. I do not know what happened to the inter-departmental co-ordination and co-operation of which we talk from roof-tops every day. What happened to the inspectors and other persons who are in charge of purchasing these tyres? This is not the only time when the DGSD kept his eyes closed over this. It happens every day. We would have understood if this deal had come as an eye opener to them and in that case, this House would have excused the Government if they had set their house in order. But no; every day we come

to know about such deals and they multiply one after another. The DGSD seems to be sleeping over these. Every day, every report brings out some such cases but nothing seems to be done about them. What happened to these inspectors who were put in charge of inspecting these tyres? What happened to those people who purchased these tyres and after that what happened to them? The tyres were not only given to some other Ministries, and when the Defence Ministry reported about the shabby condition of these tyres, how did they themselves agree to take it easily? How did they get large number of them, and we would also like to know as to how they came to be misfit for our Defence requirements. At the time, when Pakistan had committed aggression on this country, when we were confronted with each other, God forbid, these tyres were not used. Otherwise, there would have been another NEFA debacle and another else. Not only were we playing with money, but we were playing with the lives of the people who perhaps may have used these things,—our soldiers, our people, who were carrying out the duties in respect of transportation for meeting the aggression committed by Pakistan. What could have happened? It would have been a suicide if they had been asked to use those tyres. Nobody seems to have been able to fix the responsibility in this matter.

Not only that. All these things came as a revelation. I do not know who was instrumental: whether the STC was instrumental or the DGSD was instrumental or the Defence Ministry was instrumental; or whether all of them had connived with each other to save each other. We know that, whenever one talks of a lapse of one department, they all try to form a consortium, as it were, for saving each other's skin. It is very difficult, or it becomes very difficult, to fix the responsibility. Though everybody is shouldering some responsibility, nobody seems to know about these things; for example, in the Hazari Committee report, Dr.

Hazari has pointed out that so many licences have been given, but it is most impossible to find out the responsibility, to find out the person or persons to whom the responsibility can be bestowed. A big, peculiar consortium, an invisible consortium, gets formed in respect of these matters, and it becomes difficult even to locate the responsibility. This is the way in which the whole thing has been going on in a vicious circle.

The Public Accounts Committee has pointed out that the Government have failed to check these things in time. Not only that. The PAC has taken very serious objection to the fact that they failed to include a warranty clause in the rate contract, even after the omission was brought to their notice. What kind of agreement was entered into with the firm of Ramkrishan Kulwantra? How they were shown this peculiar love, how they were so cherished that when the terms of the contract were entered into, an ordinary clause for safety was not included? I do not know why the Government of India were not concerned at all about it while getting these contracts, that they did not even consider that there is any need to have a warranty clause in the rate contract even after the omission was brought to their notice.

Last but not the least, the firm of Ramkrishan Kulwantra was made an agent to negotiate and to bring these tyres. I do not know who was responsible, and I do not know what qualifications they had, that they could be an agent,—an Indian firm,—for the State Trading Corporation. The State Trading Corporation could certainly find out a better agent than such a firm; all his has led to such scandal and ridicule.

Lastly, I would like to refer to the Public Accounts Committee, whose Chairman is sitting here. We know that this matter is again going to be re-examined by the PAC. I would like to be enlightened by the Chairman of the PAC, whether the PAC has issued a questionnaire, whether the replies have been received and so

[Shrimati Tarakshwari Sinha]

on. They have a schedule and a time-limit. The Government department have said that they would send the replies within a particular time-limit. My information is that the replies have not come in. I wish that the Chairman of the PAC enlightens us as to why there was so much delay. This House takes serious cognizance of this thing and would like to appeal to the Government to come forward with whatever facts they have clearly and specifically, so that it may be easy for PAC and this Parliament to fix the responsibility for the misdeeds.

Shri M. R. Misra (Rajkot): Sir, I think it might help the discussion if I were to mention certain things since the hon. Member has referred to the Public Accounts Committee and our own part in this scheme of things.

It was on 27th March, that Mr. Madhu Limaye and others gave notice of a motion to raise this matter, and at that time, the Speaker had anticipated the sense of that motion by saying that it was an important question; one cannot elicit the whole information. He realised that it was an important question and therefore the PAC should naturally go into it and give some details about it, and that mandate we in the PAC would be only too happy, and are only to happy, to carry out.

We tried to give this matter the highest urgency, but when we approached the Defence Ministry to give us information and we thought of calling them for examination, we were informed by them through the Secretariat of Parliament that they had appointed an inter-departmental committee of officers from the Defence Ministry, the Commerce Ministry and the Supply Ministry . . .

Shri Naik Pai (Rajapur): What for?

Shri M. R. Misra: . . . to investigate the matter and they suggested that we might wait for their

report to be given. I appreciate the anxiety of hon. Members. I do not go into the merits or argue over this matter.

Shri Naik Pai: We can draw the necessary conclusion; this is to cover up.

Shri M. R. Misra: I must state the position and say what the PAC proposes to do. We also were a little disconcerted about it. It was long ago. When the PAC report was placed before Parliament in November, a committee of this nature should have been appointed, perhaps, in December or January. It is a pity that it has been appointed in April. However, now that the officials are getting together to go into it, there is no doubt that waiting for a few weeks may do more good than harm; that could give the facilities to go deeper into the matter, and that might facilitate the work of PAC. Therefore, we have fixed the hearings for 14th and 15th July on this matter, and we do expect the report of that inter-departmental committee to come to us before then so that we may proceed without further delay. I do hope there will be no more delay. I echo the impatience of the hon. Member who has spoken and hope there should be no further delay in a matter of this kind which is of a rather serious nature.

श्री नायक पौडे (भुंगेर) : भाषण करने का बहुत समय नहीं है। मि. टो केवल भुंगेर संसदीय बिन की बही सही जाहीरत तकात करें।

पंडा यह बात नहीं है कि वह हवार दावर 42 लाल चप्पा दे कर देना के हारा खारीं गोंद बिन का दी। श्री ए. वीरेंद्रकुमार के द्वारा कोई ट्रिलियन नहीं दिया गया, कोई आवधि नहीं की गई।

‘पंडा यह बात नहीं कहता है कि इस दावर के हारा खारीं गोंद बिन का दी। 1949 में 1950 तक भी

और इनको माना गया कि ये 1963 साल में
बने हैं?

ये टायर मिले थे बाद में लेकिन क्या
किताबों में सेना की या डिपो की ये पहले
मिले हैं ऐसा दिखाया गया और इसलिए
इनको पहले इस्यू किया गया और जो अच्छे
टायर थे और जो पहले मिल चुके थे, उनको
नहीं दिया गया, क्या यह सच नहीं है?

क्या ये टायर खराब होते हुए भी और
सरकार को इसकी जानकारी होते हुए भी
ये सेना के लिए खरीदे गए हैं क्या यह नहीं
कहा गया कि इन्हे फील्ड यूनिट्स को न दिया
जाए, जहां मोर्चे पर लड़ने का मौका आता
है? आपने ऊपर से हुक्म तो जारी किया
कि फील्ड यूनिट्स को मत दो, लेकिन क्या
यह सही नहीं है कि इस हुक्म के बावजूद
इनको फील्ड यूनिट्स को दिया गया?

और भी मेरे पास बहुत सी बातें हैं कहने
को, लेकिन मैं अन्त में इतना ही पूछूँगा कि
जिस कमेटी द्वारा सारी जांच करने की बात
है क्या वह सारी सदन के सामने भी रखी
जाएगी, पी० ए० सी० के सामने भी रखी
जाएगी? और फिर बाद में मैं आप से,
अध्यक्ष महोदय, जानना चाहूंगा कि क्या
इस पर विस्तार से चर्चा करने का मौका
आप देंगे?

Shri B. R. Bhagat: rose—

Shri Nath Pai: Why downgrade this
subject? Let Mr. Swaran Singh
answer.

The Minister of State in the Ministry of Defence (Shri B. R. Bhagat):
There is no downgrading as between
one Member and another.

Mr. Speaker, Sir, I am glad the matter has come up in this House so that it gives me an opportunity of clarifying some of the points which could not be clarified in the Question Hour. I would like to remove one

misconception about it. As I said in the course of answers earlier, in answer to the questions, that neither the Defence Minister nor myself had any personal knowledge about these things because we came on the scene much later. It was asked why the Committee was not appointed in December and January. The House will remember that the whole country was busy in elections and most of the Ministers were away. Right from the beginning, when this matter came up before this House, we have said that we would urgently look into it. We also gave the assurance that we would see that a thorough inquiry is made and no guilty person escapes. It was on the demand in this House, that this matter must be enquired into by a committee, that we immediately appointed a committee. Because this concerns more than one department—the commerce department, the supply department which is mainly concerned, and also the defence department—this committee that we have appointed consists of representatives of all the three departments concerned. The terms of reference of this committee will meet the points raised in this House. The first is to fix responsibility for the various lapses revealed in this case on the part of officers in all the three ministries and suggest remedial measures. The second is to take steps to assess the loss in various departments, not only defence but also transport organisations where these tyres may have gone. The third is to suggest replies to the Public Accounts Committee on their recommendations. This committee will facilitate the replies being given because this matter will be gone into by all the departments concerned. I can assure the House that we will conform to the convenience of the Public Accounts Committee. The Chairman has said that the committee will be meeting on 14th July. We will see that this inter-departmental committee's replies are given very much in advance, at least before the end of June, so that they have ample time to go through them.

[Shri B. R. Bhagat]

The hon. Member asked, how many tyres were purchased. It is not 10,000 actually it is 12,686. 12,686 tyres were purchased. When the question was raised in this House, I had not the information about the performance review of these tyres.

Shrimati Tarkeshwari Sinha: He asked about testing of these tyres. Out of the total number how many were tested?

Shri B. R. Bhagat: I am coming to that. At that time I had not the performance review of these tyres with me. Since then we have got a review done and it is a very interesting revelation. Tyres were purchased through two sources. The average kilometre given by an imported cordiatic tyre from Hungary is 20,747 and that of the other one, the Polish tyre, is 17,064 kilometres per tyre. As against that, the indigenous c.c. tyre, that was the specification given, gives 21,580 kilometres. And, the price of these imported tyres is cheaper to the extent of 12 per cent to 20 per cent. So the Hungarian tyres are more or less on the same footing and the Polish tyres are nearly 85 per cent. If you see the overall percentage of tyres giving a higher percentage, the performance is more in these tyres than the indigenous tyres. Therefore, to say that there is a loss is not correct. There are two points. The conception that these tyres are defective is not borne out by this. Secondly, they have different specifications. Because the tyres approved was the c.c. tyres—cross-country tyres manufactured in this country—and as against that, because of enormous demand in the country, tyres of another specification were imported and in that process the rules and regulations may have been infringed. The points that these tyres should not have been purchased or that the orders that had gone from higher quarters were not obeyed are also there. But the point here is that the tyres cannot be described as defective because the tyres did not burst.

Shrimati Tarkeshwari Sinha: Is the hon. Minister giving a clean chit, for the Committee's consideration, that these tyres were all right? Is he making a statement that they were not inferior?

श्री मधु लिमये : मेरी गुजारिश है कि मैंने जो चार पांच मूँहे रखे हैं, मंत्री महोदय उन का सीधा जवाब दें। टैस्टिंग के लिए कम्पनी ने नहीं भेजा। उन्होंने कहा कि हम नहीं भजग। यह कहा गया कि इन को फील्ड यूनिट्स को न दिया जाये, लेकिन फील्ड यूनिट्स को दिया गया। मंत्री महोदय इन सब प्रश्नों का एक एक कर के 'हाँ' या 'न' में जवाब दें।

श्री ब० रा० भगत : मैं सब वातों का जवाब देने का प्रयत्न करूँगा। अन्य माननीय सदस्यों ने जो सवाल उठाए हैं, मैं उन का जवाब दे रहा हूँ।

Mr. Speaker: He is replying to the points raised by the hon. lady Member first.

Shri B. R. Bhagat: Out of the total number of 12,686, only 253 tyres have been reported defective and the value of these tyres is Rs. 90,600. Arrangements are being made to put a claim on the suppliers. So the question of loss is not there and to say that the tyres are defective is also a misnomer.

About the points raised with regard to inspection, it is true that at that time the COD Malad . . .

श्री मधु लिमये : टैस्टिंग के बारे में क्या स्थिति है?

श्री नाथ पाई : टैस्टिंग और इस्पैक्शन में काफी फर्क है।

Shri B. R. Bhagat: The inspectorate does the testing. They pass it after testing. It is true that no technical men did it and they did not get it checked through the Directorate of

Inspection (Vehicles). That point is under investigation and we will fix responsibility on that.

The replies that I am giving are to the points raised. But, as I said in the beginning, all these matters are being gone into by this committee and we will place their report before the Public Accounts Committee. The Public Accounts Committee will then go into all these things and come to their own conclusions which will come to this House.

श्री मधु लिमये : वे तो पहले ही आ चक हैं।

Shrimati Tarkeshwari Sinha: He said that a committee has been appointed. Does it mean that this question whether the tyres were defective or not will not be referred to that committee because Government has given a categorical statement that the tyres were not defective.

Shri B. R. Bhagat: It has already happened. Different tyres were purchased and the specifications were not similar. That is the basic point. Then there is the question of loss, certain rules and regulations were not adhered to, there is the question of procedural lapses and also the question of possible *mala fide* intentions or corruption. All these points are there and the recommendation of the Public Accounts Committee is also there. This inter-departmental committee is already going into it. As I said, their replies will be placed before the Public Accounts Committee before the end of June. All these matters will be gone into. But because these questions have been raised, I am giving to this hon. House the information that we have gathered so far.

So far as the question of violation of rules or *mala fide* intentions is concerned, we are looking into it. We will deal with the question of inter-departmental coordination. There is inter-departmental coordination and to the extent there have been lapses we will make amends. It is true that soon after the Defence Minister's

orders, the file went to the Home Ministry and there was some delay. We have already issued instructions that in any matter where decisions have been taken if the file is urgently required somewhere else the decision should first be communicated. On the basis of experience, we have taken steps to see that such things do not happen in future.

We are completely in agreement with this august House that the prestige of socialist order, the prestige of public sector or the prestige, for that matter, of the Government or any enterprise must be above board and we must see that guilty persons are punished. We also agree that rules must be adhered to and such lapses should not happen in future. We are at the interim stage. We are looking into it. A Committee has been appointed as demanded in this House. We are trying to cooperate with the Public Accounts Committee fully and I can assure this House that we will see that for any lapses that have taken place those who are responsible for them are dealt with suitably.

श्री मधु लिमये : मेजर सिंह और गुप्ता का क्या किया ? मेजर सिंह को सेना से मुक्ति दी गई। अगर निःचत मियाद समाप्त हो जायेगी, तो फिर कोई कार्यवाही नहीं हो सकेगी। उन्होंने श्राव्यासन दिया था।

Shri B. R. Bhagat: Since he did not raise it I did not reply. Already the time period is over, because we could not take any action.

श्री मधु लिमये : बिल्ली बाहर आ गई है। इसी लिये तो मैं ने उस दिन कहा था।

18 hrs.

श्री ब० रा० भगत : ग्राप सुनते भी तो नहीं हैं तो क्या करें। बिल्ली बाहर तो है ही।

The only action we could take was on his pension. We have cut out one-third of his pension.

श्री मधु लिमये : सजा नहीं कर सकते।

Shri B. R. Bhagat: That is the only thing we could do.

जी वनु लिखें : उः महीने की मियाद होती है उस मियाद का क्या हुआ ?

Shri Shrichand Goel: What action has been taken against the firm, Ramkishan Kulwantrai?

जी वनु जानें : उः महीने की मियाद का यह है

The rule is, three years from the date of the offence. Unfortunately, three years expired on 12th April, 1966 and we could not take action.

जी वनु लिखें : भरकारिरप्पेटसी, अवधि का महोदय, यहीं तो होता है। तीन साल हो गए। यह तो आप सदन को बेवकूफ बना रहे हैं और पर्लियर एकांटर्स कमेटी ये जी बेवकूफ बना रहे हैं।

Shri Sheo Narain (Basti): On a point of order, Sir. He can attack the Government but he cannot attack the Public Accounts Committee . . . (Interruption). He should withdraw it . . . (Interruptions).

Mr. Speaker: Order, order.

Shri Sheo Narain: He must withdraw it. Ask him to withdraw it.

Mr. Speaker: The House stands adjourned to meet again on Monday at 11 A.M.

10.02 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, May 29, 1967/Jyāistha 8, 1889 (Saka).