

2002-2003	(Amount Rs.)
April '03	11.90
May '03	12.00
June 2003	Book Closure

US-64 will fully reopen for fresh sales and repurchases at NAV based prices with effect from 1 January 2002. Thereafter, for 3000 units per unitholder covered under measures in paragraph 1 above, the repurchase price would be the higher of the applicable repurchase price under paragraph 1 above or the then prevailing NAV based repurchase price. These 3000 units per unitholder will also be entitled to dividend, as may be declared.

The deficit, if any, between the NAV and the applicable repurchase price under paragraph 1 above will be met and so funded that this will prevent any NAV dilution on account of the measures at paragraph 1 above.

Adequate liquidity arrangements have been made to ensure that any funds needed for redemption will be available without UTI having to resort to large scale sale of its investments in the market.

Freeze by UTI on Tradings in US-64

@*38. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether UTI has recently decided to freeze all tradings in US-64 for six months.

(b) if so, the reasons therefor;

(c) whether aforesaid decision has created panic among investors who have invested their hard-earned earnings in various UTI

(d) if so, Government's reaction, ministerial accountability and responsibility therefor;

@ Question Nos. 23, 33 and 38 were taken together.

[24 July, 2001]

RAJYA SABHA

(e) whether Government propose to conduct time-bound high-level probe into working of and mismanagements in UTI;

(f) if so, the details thereof; and

(g) the details of other measures taken to restore confidence of investors in Government-sponsored financial institutions?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (e)
A statement is laid on the Table of the House.

Statement

(a) and (b) Yes, Sir UTI announced on 2nd July, 2001, its decision to suspend both sales and repurchase of US-64 units for a period of six months upto December, 2001. The decision was taken with a view to arresting redemptions and restructuring the scheme. However, keeping in view the interests of small investors, UTI has decided to reopen limited repurchase facility for small investors from August 1, 2001 details of which are provided in Statement-I {See below}.

(c) There was concern that this decision of UTI would adversely affect the interest of investors, particularly the small investors.

(d) Government has appointed a new Chairman, UTI and has held meetings with UTI officials to work out a plan of action to restore liquidity in US-64 for small investors.

(e) to (g) Government has announced the appointment of a three member High Level Committee to conduct an independent enquiry into, *inter-alia*, investment decisions taken by UTI.

Statement-I

All unit holders holding units as on 30th June, 2001 may offer for

repurchase upto 3000 units per unitholder an any time during the period from 1st August, 2001 to 31st May. 2003 at the price indicated hereunder or the NAV, whichever is higher.

Period	Amount (Rs.)
2001-2002	
August 2001	10.00
September '01	10.10
October '01	10.20
November '01	10.30
December '01	10.40
January 2002	10.50
February '02	10.60
March '02	10.70
April '02	10.80
May '02	10.90
June 2002	Book Closure
2002-2003	
July 2002	11.00
August '02	11.10
September '02	11.20
October '02	11.30
November '02	11.40
December '02	11.50
January 2003	11.60
February '03	11.70
March '03	11.80
April '03	11.90
May '03	12.00
June 2002	Book Closure

US-64 will full reopen for fresh sales and repurchases at NAV based

[24 July, 2001]

RAJYA SABHA

prices with effect from 1 January 2002. Thereafter, for 3000 units per unitholder covered under measures in paragraph 1 above, the repurchase price would be the higher of the applicable repurchase price under paragraph 1 above or the then prevailing NAV based repurchase price. These 3000 units per unitholder will also be entitled to dividend, as may be declared.

The deficit, if any, between the NAV and the applicable repurchase price under paragraph 1 above will be met and so funded that this will prevent any NAV dilution on account of the measures at paragraph 1 above.

Adequate liquidity arrangements have been made to ensure that any funds needed for redemption will be available without UTI having to resort to large scale sale of its investments in the market.

MR. CHAIRMAN: Now, Question No. 23. Question Nos. 33 and 38 can also be taken up together.

SHRI V.V. RAGHAVAN: Mr. Chairman, Sir, one of the companies which has looted the UTI is the Cyberspace Infosys, Lucknow. About 3.45 lakh shares of this Company were bought by the UTI at the rate of Rs.930/-per share, while the market value of the share, at that time, was merely Rs. 2 per share. Besides this, this transaction was objected to by the Equity Research Cell of the UTI. But, after four days under extraneous influence, it got through. These are not my words; these are the findings of the CBI in its FIR. Now, the PMO has washed of its hands by giving a statement. Mr. Finance Minister, now the needle turns towards you. What have you got to say?

SHRI YASHWANT SINHA: Sir, my reply to this question is straight and simple. The investment decisions of the UTI, as has been the tradition in the Finance Ministry for a very long time, are taken by the UTI. The Government does not interfere in the day-to-day functioning of the UTI and it does not influence the decisions of the UTI. As far as this particular investment is concerned, it was entirely the decision of the UTI to make this investment, and the matter is under investigation by the CBI. Now, as far as pointing the finger at me is concerned, I deny it with all the emphasis at my command.

...(Interruptions)... Sir, I deny the fact that I have, in any way, influenced the decision of the UTI, as far as this particular investment is concerned.
...(Interruptions)...

SHRI JIBON ROY: The incident is connected with the Minister. ...
(Interruptions)...

MR. CHAIRMAN: **MR. RAGHAVAN,** you put your next supplementary... (Interruptions)...

SHRI V.V. RAGHAVAN: Mr. Finance Minister,(Interruptions)
Please let me put my question. ...(Interruptions)...

MR. CHAIRMAN: Let him put the second supplementary. ...
(Interruptions)...

SHRI V.V. RAGHAVAN: Mr. Finance Minister, you were one of the members of the JPC that was constituted in 1993 to look into this question. The report submitted by it—you were also a Member clearly stated and recommended that the UTI should be brought under SEBI's overall control. You have been the Finance Minister for such a long time. Have you taken any step to implement the report submitted by the JPC, of which you were also a member?

SHRI YASHWANT SINHA: Sir, it is true that I was a member of the Joint Parliamentary Committee which had inquired into the 1992 securities scam. That Committee had made a number of recommendations. Though I had not put my signature on the Committee's report, because I had to resign from the membership of the Rajya Sabha before that day, I fully associate myself with the Committee's recommendations because I was associated with it for most of the time. Sir, as far as the UTI is concerned, it runs about 87 schemes, most of them are SEBI-compliant. Voluntarily, the UTI has submitted itself to SEBI's regulations. As far as the US-64 is concerned, there are certain problems with regard to the UTI Act; and, as far as the amendment of the Act and the repositioning of the SEBI are concerned, presently, this is under the examination of a Committee, headed by Mr. Malegam, which the UTI Board has appointed, I am hoping that the Committee will give its report very soon, after which we shall proceed to amend the UTI Act.

MR. CHAIRMAN: Shri N.R. Dasari; Shri Pranab Mukherjee.

SHRI PRANAB MUKHERJEE. Sir, in reply to Question No. 38

[24 July, 2001]

RAJYA SABHA

the hon. Finance Minister has stated that no prior approval of the Government is needed to declare the decision of freezing the sale and purchase of the scripe of US-64. My specific question to the Finance Minister is: Before the UTI announced this decision, which was to be effective from 2nd July, did he have any inkling? Did UTI's Chairman inform the Finance Ministry that they were going to take this decision? I would like to know, precisely, at what point of time, the Finance Minister came to know of the decision of the UTI. He has said in the written statement given to us that, now at the instance of the Government, the IDBI has nominated the Joint Secretary of the Ministry of Finance connected with the controller of capital issues on the Board of the UTI. This decision is like bolting the stable after the horse had fled. We had problems with the UTI only a couple of years back.

The Government of India had to pump in more than Rs.3,000/-crores by way of a bail out package. Was it not the responsibility of the Government of India, especially the Ministry of Finance, to ensure when they were providing money to the UTI for bailing it out, with the good intention of protecting the small investors, to ensure that somebody looked into the interests of the Government. Was it not part of the recommendation of the Deepak Parikh Committee? In the background of the experience which they had after the first scam, if we can call it so, did the Government draw any lessons? AH sorts of news items are floated that the Finance Ministry was kept informed. Mr. Subramaniam is quoted as having said, as per newspaper reports, that hours before the decision, the Finance Minister was informed. I would like to know whether this information is correct or not.

SHRI YASHWANT SINHA: I think, this House is going to discuss this matter in detail at 2 O' clock, and many of these issues will come up during the discussion and during my reply. However, in reply to the specific question which the hon. Member, Shri Pranab Mukherjee, has asked, let me state as candidly as possible that the Ministry was concerned, that the Ministry was worried, and the Ministry tried to keep in touch with the UTI repeatedly to find out what the state of health of the UTI generally was, what the state of

health of this particular Fund was. It has been recorded in the files and it is there in the correspondence. We were assured that the UTI was taking care of the problem, that the UTI had a certain projection of the stock market, that they still felt that they would be able to declare a good dividend and that they would be able to carry on with the scheme. It was late on the evening of 30th June that the Finance Secretary received a letter from the Chairman of UTI, at his residence, in which the Chairman of the UTI mentioned that there had been redemptions during the months of April and May, that the UTI was now facing a problem and that they were taking the matter to the Board of Trustees of the UTI; and they had two alternatives. One of the alternatives was to declare a dividend of ten per cent and also, simultaneously announce a-freeze on the sale and re-purchase of US-64 units for a period of six months, during which they will work out the Net Asset Value of this Scheme and make some other structural changes and they will reopen the scheme from 1st January, 2002. This letter was received, as I said, on Saturday, the 30th June, 2001 at the residence of the Finance Secretary. The Board of the UTI was meeting in Delhi at 12.30 p.m. on the 2nd of July, 2001. The matter was brought to my notice on Monday, the 2nd July, 2001 by the Finance Secretary. The Chairman of the UTI happened to be in the North Block building. He dropped in. I had a meeting with the Prime Minister at 11 O'clock. Just before 11 O'clock, I was told that the Chairman, UTI, was in the building; 'could he drop in and pay a courtesy call on me'? he dropped in, and just before 11'o clock, he told me about this.

Now, the alternative before the Ministry was to tell them not to have this meeting, not to take this decision on US-64, not to declare their results, to hold back the entire balance sheet of the UTI for the whole year. We did not find this agreeable because this could have created a much worse problem. Therefore, there was no question of stopping the UTI from doing this. The UTI Board met at 12.30. In their wisdom, they have taken a decision. When we came to know about the decision, we intervened and we have taken a number of subsequent steps. Now, as far as the question of a Government

Director is concerned, the UTI Act does not provide for a Government Director. It merely says that the Chairman of the UTI will be appointed by the Government, in consultation with the IDBI, which is the basic bank looking after the UTI alongwith some other shareholders. In earlier years, the Finance Ministry's Director on the Board was nominated by the IDBI. That is how the Finance Ministry was represented on the Board of the UTI. In 1997, the Finance Ministry felt that in view of the nature of the functioning of the UTI, it was not necessary for the Ministry to be represented on the Board and associate itself with the kind of decisions which the UTI was taking on a day-to-day basis. Therefore, with the approval of the then Minister of Finance, the Ministry of Finance decided to withdraw its representative from the UTI Board. From 1997 till the other day, there was no representative of the Government on the Board. Then, I decided to have a representative of the Ministry of Finance—through the IDBI—on the UTI Board. When we discussed this matter further, I could get a number of questions which have been answered in this House by the previous Government. The previous Government had stated their position about the relationship between the Government and the UTI. Now, the point which Shri Pranab Mukherjee had raised was, "In view of the problem which the UTI has encountered in 1998, why couldn't we learn any lessons?" I would like to inform him, we had learnt a number of lessons. A bail out package was worked out after the UTI Board appointed a Committee, under Shri Deepak Parikh. That Committee submitted its report to the UTI Board. Then, the UTI Board took certain decisions. Some of the decisions involve the Government in two ways. One was the tax concession which we extended to dividend payments on the Mutual Funds, generally, which I built into the Budget proposals of 1999. The other was the transfer of the Public sector shares which the UTI had acquired between 1992 and 1995. The market value of these public sector shares, at the time of acquisition of these shares was Rs. 3,300 crores. In 1999, the market value had come down to around Rs. 1,500 crores only. The UTI and the Deepak Parikh Committee recommended that the Government should take over these public

sector shares which had been off-loaded to the UTI. We created a special unit scheme which is called SUS, 1999. We issued five-year bonds to the UTI, at 11.25 per cent rate of interest. This was the so-called bail out package. So, apart from the fact that the Government has acquired the stocks of its own PSUs, there is no other dimension to this bail out package.

Now, the lesson to be learnt was the US-64 should move to basically a debt-oriented fund. It should restructure itself. This could not have been done in a hurry, the Deepak Parikh Committee itself recommended that this should be done over a period of time. This would have expired next year, in February/March. The UTI felt it had time to do this; and this is how this thing went on. We pursued.. (*Interruptions*)..

SHRIMATI JAYANTHI NATARAJAN: We also want to put question, Mr. Chairman.

SHRI YASHWANT SINHA: If the question is long, the answer also has to be long. If you put short questions, I will give short answers. (*Interruptions*)

SHRI DIPANKAR MUKHERJEE: You are not disturbed by the difficulties of investors! You are not disturbed! You are talking about disturbance! Millions of people are disturbed, and you are talking about disturbance to the Finance Minister, not to the millions of people who are disturbed. Your Finance Minister did not get disturbed till now. You are talking about disturbances! Go and see what type of disturbances people are facing. A man who is suffering from cancer is not getting the money! You are talking about disturbance! What disturbance? Don't you feel disturbed yourself? (*Interruptions*) Show us one reason why he should not resign. (*Interruptions*)

श्री विक्रम वर्मा : सर, फाइनेंस मिनिस्टर जवाब दे रहे हैं, जवाब सुन नहीं रहे और ऊपर से डिस्टर्ब कर रहे हैं।...(व्यवधान)...

श्री जीवन राय: रिजाइन करने के लिये बोल दीजिये, बेहतर होगा।...(व्यवधान)...

SHRIMATI JAYANTHI NATARAJAN: The point is, the Finance Minister should take the responsibility. We want to put questions to him. If it is such a long answer, he should have laid it on

[24 July, 2001]

RAJYA SABHA

the Table of the House. The rest of us also want to put questions to him. He cannot answer paragraphs for half an hour. We are going to have a discussion. Let him now answer the questions, to the point.

श्री राजू परमार: घपलों को कहां तक बर्दाशत करते रहेंगे आप लोग?
...(व्यवधान)...

श्री मूल चन्द मीणा: सभापति जी, ...(व्यवधान)...

श्री जीवन राय : हिन्दुस्तान में कोई सरकार है क्या। ...(व्यवधान)...

Such a horriendous thing has happened. There is none to take the responsibility.

SHRI KAPIL SIBAL: Why were they buying stocks... (*Interruptions*)...
The market price was Rs. 800. (*Interruptions*)

SHRIMATI JAYANTHI NATARAJAN: One minute, Kapiiji. We are all aware of these details. These details have come in the papers. We are going to have a discussion in the afternoon. My question is this. Obviously, the buck stops with the Finance Minister, as he himself has admitted. Will the Finance Minister accept moral responsibility? If he does, will he resign or not? That is what we want to know.

SHRI JIBON ROY: There should be somebody to take the responsibility.

SHRI B. P. SINGHAL: This is no way of handling any problem.

श्रीमती सरला माहेश्वरी : ये कह रहे हैं हमारी कोई जिम्मेदारी नहीं है।
...(व्यवधान)...

SHRI JIBON ROY: We want to know whether the Government will take the responsibility, whether the Finance Minister will take the responsibility and resign. That is the only question that remain with the nation...(*Interruptions*)..There are crores of people who do not invest in private stocks. They have invested in the UTL...(*Interruptions*)... The prices have fluctuated. They have siphoned off the money.

MR. CHAIRMAN: This is Question Hour. It is not a question of confronting the Minister. Mr. Pranab Mukherjee has put certain questions. The Minister wants to reply. He is replying to his question. The question of resignation does not arise in the Question Hour.

SHRIMATI JAYANTHI NATARAJAN: Why?

MR. CHAIRMAN: This is Question Hour. Questions of Members have to be replied...*(Interruptions)*... Let him complete the answer... *(Interruptions)*... No, please this cannot be a supplementary.

श्री राजू परमार : सर, वे अपनी जिम्मेदारी से भाग रहे हैं। ...*(व्यवधान)*...

SHRI YASHWANT SINHA: I was talking about the lessons which were learnt from the 1998 scam or the 1998 problem. It is quite clear that in 1998, the problem had arisen; as on 30th June, 1998, our Government had been in office barely for three months; and what happened in the UTI in 1998 could not have been ascribed to the doings of that Government. I recall to my mind, Sir, that there was a Calling Attention Motion, which had been moved by the hon. Member, Shri Narendra Mohanji, in December, 1998, to which I had replied in this House, and we had made the position clear. Now, coming finally to the question that the hon. Member Shri Pranab Mukherjee had raised about the lessons to be learnt, we have learnt lessons. We have taken a number of steps to improve the functioning of the UTI, and the implementation of the recommendations of the Deepak Parikh Committee. It has been the Ministry's endeavour to ensure that it functions properly.

SHRI RAVI SHANKAR PRASAD: Hon'ble Minister, we have just seen that from 1997, the Government of India's representative was not there. We have learnt certain lessons. And is it also one of the lessons that the UTI is required to be brought under greater control of the Government of India, apart from being professionally competent? If that be the case, do you propose to take certain more steps in that direction?

SHRI YASHWANT SINHA: Sir, the Unit Trust of India was set up by an Act of Parliament, as far back, as 1964. The capital market had not developed in 1964. This was an effort on the part of the Government to promote the capital market in the country. A lot of things have changed since then, especially, in the decade of Nineties. What should be the role of the UTI in the liberalized atmosphere of today, is exactly the task which has been assigned to the Committee to which I made a reference, headed by Mr. Mailgram. The repositioning of the UTI is one of the terms of reference of this

[24 July, 2001]

RAJYA SABHA

Committee, and as I have mentioned earlier, I expect the report of this Committee to be submitted to me and to the UTI Board, and the recommendations of the UTI to come to the Ministry in the next few weeks or months, and we will then take a comprehensive view of what we should do with the UTI. I do believe, however, that an organisation, whose responsibility is to invest people's money, in debt and equity instruments, is something which the Government cannot run, and therefore, as I have mentioned in this House before, it has been the tradition with respect to the UTI, over a period of time, not in the last three months, but ever since that I can recall, that the Government has maintained a distance from the functioning of the UTI.

SHRI C.P. THIRUNAVUKKARASU: Mr. Chairman, Sir, Mr. Subramaniam was mainly responsible for the defalcation committed in the UTI. I was just going through the India Today, wherein, it has been stated that the former UTI Chief was selected, not by the Finance Ministry, but by the AIADMK Supremo, Ms. Jayalalitha in 1988... *(Interruptions)*...

SHRI R. MARGABANDU: Sir, how can he interfere during the Question Hour?...*(Interruptions)*...

SHRI C. P. THIRUNAVUKKARASU: Let me complete my question. Mr Margabandu, wait for some time..*(Interruptions)*..! am quoting from the India Today...*(Interruptions)*...I have not yet completed my question...*(Interruptions)*...I am putting the same question...*(Interruptions)*...Mr. Margabandu, you are entitled to raise objection to my question. I would like to ascertain from the Finance Ministry whether the Finance Ministry had recommended his name as the Chairman of the UTI or whether his name was recommended by Ms. Jayalalitha, the present Chief Minister of Tamil Nadu in the year 1988... *(Interruptions)*...

SHRI R. MARGABANDU: How can he be permitted to raised this question? Sir, the appointment of the Chairman of the UTI is made by the Central Government, not by Ms. Jayalalitha. He is indulging in a vilification campaign. He is raising this question and the Chairman allows this question to go on...*(Interruptions)*...

SHRI C. P. THIRUNAVUKKARASU: I am raising a very important question. The whole UTI has gone into darkness because Ms. Jayalalitha had recommended the name of Mr. Subramanyam, who was mainly responsible for the scandal. I would like to know from the hon. Minister whether this is true or not.

SHRI R. MARGABANDU: Whether the Government is acting independently.. (*Interruptions*)..

SHRI C. P. THIRUNAVUKKARASU: So, there is a conspiracy between Ms. Jayalalitha and Mr. Subramanyam. Whether it is true or not; this is my question..(*Interruptions*),

SHRI R. MARGABANDU: I would like to know whether the Government is acting *independently*..(*Interruptions*)..

SHRI C. P. THIRUNAVUKKARASU: You need not answer my question. I am not expecting an answer at the fag end of the day from Mr. Margabandu! I am expecting an answer only from the Finance Minister...(*Interruptions*)..Let him reply..(*Interruptions*)..

MR. CHAIRMAN: I have called Mr. Thirunavukkarasu. Please sit down.

SHRI C. P. THIRUNAVUKKARASU: Whether Mr. Subramanyam has been appointed by the Finance Ministry, on the recommendation of somebody, Ms. Jayalalitha, former Chief Minister, in the year 1988. This is my question..(*Interruptions*)..

SHRI R. MARGABANDU: I would like to know whether the Government is acting independently or not..(*Interruptions*)..

SHRI YASHWANT SINHA: Sir, the Chairman of the UTI is appointed by the Government of India through the recognised process of the Appointments Committee of the Cabinet, and Mr. Subramanyam was also appointed through this process... (*Interruptions*)...

श्री सी० एम० इब्राहीम: सर, 1980 तक एक प्रबंध था कि डिपार्टमेंट आफ कम्पनीज एफफेयरस से एक कंट्रोलर बैठता था जिसकी शेयरों को बेचने में, खरीदने में और कीमत बढ़ाने में तथा कीमत घटाने में राय ली जाती थी। तो 1980 के बाद उस सिस्टम को निकाल दिया

गया। अगर कोई दस रुपए वाले शेयर को सौ रुपए कह दे तो इस पर न कोई लगाम है और न बंदोबस्त ही है। तो जो 1980 से पहले सिस्टम था क्या आप उसको वापिस लाएंगे क्योंकि उस वक्त रजिस्ट्रार आफ कम्पनीज का एक रिप्रजेंटेटिव वहां पर बैठता था और उसके पास जो भी कम्पनी पब्लिक इश्यू लाना चाहती थी वह पहले उसको एप्लाइ करती थी तथा वह तय करते थे कि आपको शेयर का कितना केपिटल रेज करना चाहिए तथा आपकी वर्थ क्या है और शेयर प्राइस कितनी रखनी चाहिए इन सभी चीजों पर वह फैसला करती थी। उसके बाद ही उनको पब्लिक से पैसा उठाने का अधिकार था, जो 1980 के बाद से निकाल दिया गया। नम्बर-एक। दूसरी बात, अब एक सिस्टम चल रहा है कि कोई पुरानी कम्पनी स्टॉक एक्सचेंज में है जिसको बेनामी समझिए या जो भी है, जिसका शेयर ले देकर दो सौ रुपए तीन सौ रुपए कर देते हैं। नई कम्पनी लेकर उसमें मर्ज करके यह जो घोटाला चलता है तो इस कम्पनी को भी पुरानी स्थिति मिल जाती है इसकी ऑटोमेटिकली कीमत दो सौ रुपए हो जाती है। तो क्या आप इस सिस्टम को रोकेंगे कि अगर यह कम्पनी नई है तो वह कम्पनी दूसरी किसी कम्पनी में मर्ज न की जाए और इससे ऐसे घोटालों को रोक सकते हैं। क्या वित्त मंत्री जी इन दोनों चीजों पर ध्यान देंगे तथा क्या ये आपके ध्यान में हैं?

श्री यशवंत सिन्हा : सभापति महोदय, 1980 के पहले क्या व्यवस्था थी यह मेरी जानकारी में नहीं है। मैं इतना जानता हूँ कि कंट्रोलर आफ केपिटल इश्यूज का एक पद मिनिस्ट्री आफ फाइनेंस में था जो कंट्रोलर आफ केपिटल इश्यूज के नाम से जाना जाता था और स्टॉक एक्सचेंज में क्या आई०पी०ओ० का होगा, सकेन्ड्री मार्केट कैसे चलेगी उसकी जिम्मेदारी कंट्रोलर आफ केपिटल इश्यूज के ऊपर हुआ करती थी। जब आर्थिकवाद का दौर शुरू हुआ तो कंट्रोलर ऑफ कैपिटल इश्यूज के पद को वित्त मंत्रालय में समाप्त कर दिया गया और यह सारी जिम्मेदारी सिक्योरिटीज एंड एक्सचेंज बोर्ड आफ इंडिया के जिम्मे कर दी गयी। सिक्योरिटीज एण्ड एक्सचेंज बोर्ड ऑफ इंडिया एक मार्केट रेग्युलेटर है और सारी व्यवस्था जो स्टॉक मार्केट की है वह सब देखना सिक्योरिटी एण्ड एक्सचेंज बोर्ड ऑफ इंडिया-सेबी की जिम्मेदारी है। सेबी भी एक स्टेटयूटरी बॉडी है जो पार्लियामेंट ऐक्ट के तहत गठित की गई है और समय-समय पर उसमें सुधार भी होता रहता है। अभी तत्काल भी हमारे विचाराधीन है कि हमे सेबी ऐक्ट में अमेंडमेंट करके सेबी को और अधिक सक्षम कैसे बनाएं, यह एक लगातार सी प्रक्रिया है जो चलेगी। लेकिन मैं एक बिन्दु इस गरिमामय सदन के सामने रखना चाहूंगा और वह यह है कि जो कुछ चल रहा है उसमें गड़बड़ तो नहीं होनी चाहिये, घोटाला नहीं होना चाहिये। साफतौर पर यह काम चलना चाहिये। मैं नहीं जानता हूँ कि दुनिया के किसी देश में जहां पर कि केपिटल मार्केट्स हैं और जहां पर कि ट्रेडिंग होता है, शेयर्स खरीदे और बेचे जाते हैं, जहां पर हजारों करोड़ रुपये का सौदा होता है वहां पर भी कोई भी गड़बड़ी नहीं होती होगी, ऐसी व्यवस्था

दुनिया के किसी भी देश में अभी तक नहीं बन पाई है। निरन्तर प्रयास चल रहा है, हमारे देश में भी प्रयास चल रहा है। हम इसको चलाते रहेंगे ताकि हम इसके ऊपर रोक लगा सकें।

श्री सी० एम० इब्राहीम : सर, कंपनी के मर्जर के बारे में मैंने सवाल पूछा था?
...(व्यवधान)...

श्री यशवंत सिंहा : हां, वह सेबी है।

MR. CHAIRMAN: There is a Short Duration discussion on this issue. Now, we will go to the next question, question No. 24, Shri Gaya Singh. We will take up Question No. 36 also alongwith it.

Suspension of MD, AIR India

\$*24. SHRI GAYA SINGH:†
SHRI J. CHITHARANJAN:

Will the Minister of CIVIL AVIATION be pleased to state:-

(a) whether it is a fact that the Managing Director of Air India was suspended from his job; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) A statement is laid on the table of the House.

Statement

(a) Yes, Sir.

(b) A report was forwarded by the then acting Chief Vigilance Officer, Air India Limited on 18.10.2000 regarding misuse of official position by senior officers of Commercial Department, Air India including Shri M.P. Mascarenhas, Managing Director, Air India by showing undue favours to M/s. Welcome Travels ex-General Sales Agent (GSA), U.K. The

† The question was actually asked on the floor of the House by Shri Gaya Singh.

\$ Question Nos. 24 and 36 were taken together.