

good use of the intelligence and the reports were quite good. But the general proposition that he has made is covered by the last sentence in the reply that I gave. I am in full agreement with him that apart from the usual officers that we have for such purposes certain other experts in other fields should be associated for these purposes.

DR Z A AHMAD. The hon Minister has given a reassuring reply but unfortunately I am not satisfied with it. In his reply he has said nothing concrete. So I want to know whether any concrete steps are being visualised in order to strengthen the assessment of the situation. Apart from getting reports, what are you going to do about those reports, what conclusions do you come to, what concrete steps are you going to take in order to strengthen the mechanism of assessment?

SHRI VIDYA CHARAN SHUKLA. I have already drawn the Member's attention and I have said that "the working of our intelligence agencies, however, is being reviewed in the light of practical experience", and I do not think I am called upon to give details of the review and the things that we propose to do but we have said, Mr. Chairman, that we are doing it.

SHRI JOACHIM ALVA. Is the hon Minister aware of the second book produced by the first Intelligence chief after independence, Shri B N Mullick, on the Kashmir tangle, and the first one in reply to General Kaul, wherein he has analysed the strength and the defects of the Intelligence system? Now, what have you done since then to bring the Intelligence system up-to-date, effective and as good as the best in the world? Is the hon Minister able to put the system on the top of effectiveness, in comparison with the system in the old days under the British when hardly two or three men kept an effective intelligence system in undivided India even before the Japanese strove to invade India?

SHRI VIDYA CHARAN SHUKLA. Sir, we are reviewing our requirements and our working constantly, and whatever opinions are expressed from time to time by competent people, we take those opinions so into account and, therefore, if Mr Mullick has expressed any opinions which are useful

to us, we shall surely take them into account while we are reviewing our intelligence system and its working in the present context.

MR CHAIRMAN. Next question.

WEALTH-TAX RETURNS OF SHRI MOINUL HAQUE CHOUDHURY

*32 SHRI SURAJ PRASAD :
SHRI S G SARDESAI :
SHRI BHUPESH GUPTA †
DR Z A AHMAD
SHRI BALKRISHNA GUPTA :

Will the Minister of FINANCE be pleased to state

(a) whether the Minister for Industrial Development, Shri Moinul Haque Choudhury, was asked by the Income Tax authorities to submit a statement during the last year about the acquisition of assets included in his Wealth Tax Return,

(b) if so, whether he submitted any written statement to the Income Tax authorities in Gauhati,

(c) if the answer to part (b) above be in the affirmative, whether that statement *inter alia* showed "saving from 1967 Election Funds", collection from public, friends and relatives Rs. 23,000 as his personal income, and

(d) whether similar entries had been shown in his earlier Income Tax returns submitted in 1961 and other years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K.R. GANESH). (a) Yes, Sir.

(b) Yes, Sir.

(c) The word "income" is defined in Section 2, Sub-section (24) of the Income Tax Act, 1961 as inclusive of certain items of receipts like profits and gains, dividends etc. In the said statement,

†The question was actually asked on the floor of the House by Shri Bhupesh Gupta.

while giving an account of the total savings relating to his wealth-tax returns, Shri Moinul Haque Choudhury had included under "non-taxable income" an amount of Rs. 23,000/- as "savings from 1967 Election Fund collected from the public, friends and relatives—roughly".

(d) While no similar savings have been shown in the returns of income filed in 1961 and other years, in the return of income of assessment year 1963-64, in Section F, it was mentioned,

"Help received from friends for running the 1962 General Election—Rs 5,000 (of which Rs. 4,984 53 was spent in the election including fee paid to Congress)".

SHRI BHUPESH GUPTA May I know, Sir, whether, in view of the fact that this is an unusual entry in the wealth tax return, the Government made an investigation through the Congress President of Assam or the Treasurer of the Congress in Assam as to whether permission was sought by Shri Moinul Haque Choudhury to include the collection for the election fund from friends, relatives and the public as his personal income? If no such investigation had been made, why not? In this connection I should also like to know whether, in view of the fact that there is large evasion of income-tax and attempt to legalise black money or illegal money by showing this kind of entries in the income-tax returns, such an investigation was made to find out whether here was an attempt to legalise illegal money.

MR. CHAIRMAN: That is enough

SHRI K. R. GANESH: The hon. Member has asked two questions, first whether the investigation was made by Government. I think, Sir, Government is not required to make investigation through the Congress President. All that I could say is that Shri Moinul Haque Choudhury had himself stated in this House that this was a collection which was done not on behalf of the A.I.C.C., which was done not on behalf of the Pradesh Congress Committee, which was done not as the agent of either of the two bodies. That this was his personal collection is the statement that he has made. In reply to the hon.

Member's second question as to whether there is evasion and whether investigation was made, or whether this was a method to escape tax or to evade tax the facts are already before the House because in his personal statement the Minister has mentioned them. We have also gone into the acts. When Shri Moinul Haque Choudhury filed his wealth-tax return, the competent officer, the Income-tax officer asked him to explain the source of the acquisition of the wealth which was included in the wealth-tax return. Shri Moinul Haque Choudhury has given a long explanation to the competent authority and after having gone through the explanation the competent authority was satisfied with the statement given by him.

SHRIBHUPESH GUPTA: Reference has been made to the statement. Has it occurred to the hon. Minister to investigate it? On going through the statement, to which reference has just been made, it is mentioned, "As is usual with all Indian ladies, my wife had brought with her a considerable amount of cash on her marriage. This was substantially augmented by agricultural income from her land at Madhurband, outside Silchar town, which I would estimate at about Rs. 25,000 during the period of eleven years. In addition, however, she used to receive gifts in cash and kind from time to time over the period of twenty years of her married life from numerous well-to-do relatives of hers, including one from me mentioned earlier." May I know whether it is not a fact that Begum Saheba comes from a relatively poor family and the presumption should be that she could not have brought any substantial property from her parents who are poor? In this connection I should like to know whether enquiries were made in the light of this statement from others who are supposed to have made donations over a period of twenty years. I am not a married man and I do not know how wives are getting presents. You are one and you can tell us about it. Now, for twenty years his wife was getting.

MR. CHAIRMAN: Now, no speech.

SHRI BHUPESH GUPTA May I know whether any investigation has been made?

MR. CHAIRMAN Now, you have already put your question

SHRI BHUPESH GUPTA Finally, may I know why the income-tax authorities did not make any investigation with regard to the sum of Rs 23,000 when the election rules say that for one election one cannot spend more than Rs 12,000? While Mr Moinul Haque Choudhury collected more money than actually required, why did he not return the money to the donor? Let him answer

SHRI K R GANESH I would seek your protection.

SHRI BHUPESH GUPTA Whose protection? I am not attacking him

MR CHAIRMAN. Not your protection

SHRI K R GANESH From the very privileged document which the hon Member has the privilege to have in his possession he has quoted Now, Sir, this document is a confidential document, not confidential in the sense that it is a Government document It is a very intimate and confidential document which the assessee has given to the Income-tax Officer

SHRI BHUPESH GUPTA Everything is intimate Wife is also intimate.

MR CHAIRMAN Now, let him complete his answer

SHRI K R GANESH Now, apart from this sum of Rs 23,000/-, which is the crux of the question which he has raised, all the details which he has given about the property

SHRI BHUPESH GUPTA I need your protection From a five-page document I have given and read out only four lines

SHRI K R GANESH. Now, Sir, all these were facts which were supplied by Shri Moinul Haque Choudhury That is why Shri Bhupesh Gupta has got them All these facts were taken into consideration by the competent authority and the competent authority was satisfied with the explanation given by Mr. Moinul Haque Choudhury.

DR Z A AHMAD In view of the fact that the hon Member has given a very routine and formal reply to this very important question, which relates to the income or savings of an hon Minister, I would like to know whether this fact has been taken into account, viz, on the floor of the Assam Assembly again and again allegations have been made that Mr. Moinul Haque Choudhury has been amassing wealth in an undue manner and in an illegitimate manner, that he has been getting land at very reduced prices from some of the poor land-owners, from the poor peasants and thus, amassing wealth Now, Sir, I would like to know whether you are prepared to enquire into the whole affair It is not the affair of one ordinary gentleman in this country, it is the affair of one of the very important Ministers who happens to be a member of the Cabinet Are you going to enquire into the whole affair and into the statement made by Mr Moinul Choudhury that his wife inherited wealth and that she has been receiving huge presents from her friends and relations for the last twenty years? All that has gone to increase his wealth Thirdly, are you prepared to enquire into the allegation that Mr Moinul Haque Choudhury is connected with some industrial companies in Assam in a *benami* capacity? Are you going to enquire into this question whether Mr Choudhury has been grabbing land at very low prices from the poor peasants and thus amassing wealth?

MR CHAIRMAN. Please conclude your questions

DR Z A AHMAD Will you be satisfied by the assessment of one Income-tax Officer or will you take into consideration that this is a serious charge levelled against a member of the Cabinet Will you hold a high power enquiry into all the allegations made against him and the wealth that he has amassed during the last several years? May I know whether you are going to take such a step or not?

SHRI K R GANESH About some of the points that the hon Member has mentioned, about the allegations in the Assam Assembly, there were many printed complaints circulated against the hon. Minister in 1961 Complaints were received from

31st July These were thoroughly gone into processed, and at the level of the Finance Minister, were found to be exaggerated, and therefore no action was taken (*Intrusions*) I will use precise words The complainant was misinformed both in regard to income and expenditure These have been gone into

The hon. Member has raised other points which have nothing to do with the question that he has asked, and there is no question of any enquiry being set up.

श्री जगदीश प्रसाद माथुर एक सहयोगी मंत्री के खिलाफ एक दूसरा बराबर की स्थिति का मंत्री जाच करता है, आप ने कहा कि फाइनेंस मिनिस्टर ने जाच कर ली, तो क्या न्याय की दृष्टि से ओर जनता की दृष्टि से अगर एक फाइनेंस मिनिस्टर एक इंडस्ट्री मिनिस्टर के खिलाफ जाच करता है तो क्या इस को आप उचित मानते हैं? और जिस प्रकार की शिकायतें आमाम की जनता ने प्राइम मिनिस्टर को लिख कर दी है, जब श्री मोइनुल हक चौधरी वहा के मंत्री थे उस समय की वे शिकायतें है तो जनता में श्री चौधरी के चेहरे को साफ करने के लिए एक हाई पावर कमीशन बिठाने की दृष्टि से आप को क्या एतराज है ओर उस के लिए आप फाइनेंस मिनिस्टर की जाच को ही आप उचित क्यों मानते है? जब जनता चाहती है ओर सदन चाहता है कि श्री मोइनुल हक चौधरी का चेहरा साफ निकले तो आप एक जाच कमीशन बिठाने के लिए तैयार क्यों नहीं है?

SHRI K. R. GANESH : The hon. Member is repeating the same question.

Sir, some complaints were received. They were gone into at the highest level of the Finance Minister. At that time, Mr. Moinul Haque Choudhury was not a Minister of the Central Government Secondly, all these facts were with the proper authority, with the quasi-judicial authority, the competent authority who is the quasi-judicial authority under the statute, has already gone into these facts. And what-

ever other things have got to be done, have got to be done in the context of the quasi-judicial authority that is there.

SHRI JAGDISH PRASAD MATHUR : What is the decision.

SHRI K. R. GANESH : No Commission of Inquiry is being set up.

SHRI K. CHANDRASEKHARAN : May I know from the hon. Minister whether it is a fact that very important persons from Assam have submitted a memorandum to the Prime Minister that when Shri Moinul Haque Choudhury was the Supply Minister in Assam, he was favouring the rice-mill owners, contractors and other businessmen? I would also like to know whether it is a fact that some sort of informal C. B. I. enquiry is going on against Shri Moinul Haque Choudhury in Silchar and other places in Assam. Therefore, may I put it to the hon'ble Minister whether it has struck him and the income-tax authorities that the election funds which have been earmarked in his income tax returns are really converted white money from unaccounted money?

SHRI K. R. GANESH : In relation to two questions whether certain complaints have been made to the Prime Minister and whether a C B I. enquiry has been conducted and whether the conversion of the funds into election funds was a device to convert black money into white money, I have already said that the income tax authorities had gone into the statement and had accepted this as non-taxable receipt.

श्री नागेश्वर प्रसाद शाही : श्रीमन्, इस संदर्भ में कि उन्कम टैक्स अधिकारी को किसी केन्द्रीय मंत्री के सबध में जाच करते समय किस प्रकार संतोष होता है या असंतोष होता है मैं जानना चाहता हू कि इसी सदन में श्री चौधरी के सबध में यह कहा गया था कि जौनपुर के एक व्यक्ति ने स्कूटर के कारखाने के सम्बन्ध में, उसे लाइसेंस देने के सबध में.....

श्री सभापति : आप मवाल पूछिये। स्कूटर कारखाने का जिक्र इस में नहीं आना चाहिए।

श्री नागेश्वर प्रसाद शाही सदरम में मैं पूछ रहा हूँ कि जोतपुर के एक व्यक्ति से स्कूटर के कारखाने के लाइसेंस के संबंध में कुछ नाजायज माग की गयी थी, तो क्या मंत्री जी बताने की कृपा करेंगे कि इस मामले में कोई विशेष जांच करवाने की क्या व्यवस्था होगी ?

SHRI K R GANESH : It has no relation with the question.

श्री नागेश्वर प्रसाद शाही : व्हाइट आफ आर्डर ।

SHRI BHUPESH GUPTA : I am also on a point of order.

MR. CHAIRMAN : This has nothing to do with the scooter business.

श्री नागेश्वर प्रसाद शाही : यह वही साधारणासी बात है कि मंत्री जी ऐसा कह दे कि इस का इस से कोई संबंध नहीं है ।

(Interruption)

SHRI BHUPESH GUPTA : The hon'ble Minister is shielding his colleague. The statement should be investigated by a Committee of Parliament. You are shielding him, otherwise any private citizen making such a statement could have been hauled up immediately.

MR. CHAIRMAN : All right. Please sit down. Mr Niren Ghosh.

SHRI BHUPESH GUPTA : I think you will agree that it is a colossal waste of time if the Minister do not reply to questions properly

MR CHAIRMAN : Please sit down I have called Mr Niren Ghosh.

SHRI NIREN GHOSH : Sir, Shri Bhupesh Gupta is not exercised over a mink coat or Shri Sanjay Gandhi's car project. He is suddenly exercised over Mr Moinul Haque Choudhury

MR. CHAIRMAN : Please be relevant

SHRI NIREN GHOSH : May I know whether it is not an attempt to get rid of Mr. Moinul Haque Choudhury? Since Mrs.

Gandhi wants to get rid of Mr. Moinul Haque Choudhury she has set Mr. Bhupesh Gupta upon him so that the Prime Minister can find a plea that since he is being discussed in Parliament he cannot stay as Minister. Therefore, Mr. Moinul Haque Choudhury must be guilty. Let him go to hell, but there should be fairplay...

SHRI RAJ BAHADUR : The Prime Minister is not at all connected with this matter. Why should her name be dragged here?

MR CHAIRMAN: Dr. Mathew Kurian. Last question.

DR K MATHEW KURIAN : May I know from the hon'ble Minister whether the income tax authorities are aware of the fact that Mr Moinul Haque Choudhury was connected with some companies in Assam like Messrs. Budhai Gagan Chandra and Rasik Ranjan Shah which have been entering into *benami* transactions?

MR. CHAIRMAN : How does that question arise here?

SHRI BHUPESH GUPTA : Why do you say that? Let him finish

DR K MATHEW KURIAN : May I know whether it is a fact that while Mr. Moinul Haque Choudhury was practising at the Bar he appeared for Mundhras and Turner Morrison & Co charging Rs. 1,700 per day? May I know whether this type of amassing the wealth by him is in their knowledge?

SHRI MAHAVIR TYAGI : Sir, on a point of order. मैं यह सजेस्ट करना चाहता हूँ, यह आपसे अर्ज करना चाहता हूँ कि चौधरी मोइनुल हक का पूरा काडक्ट, उनका सारा करेक्टर, डिसकस करना इस क्वेश्चन के लिए रेलेवेट नहीं है ।

श्री सभापति . मैंने यह कहा ।

श्री महावीर त्यागी जब तक कि कोई पृफ या बैकग्राउड नहीं आता है तब तक इस किस्म के एलिंगेशस लगाना, जो चाहे सच भी हो, इस क्वेश्चन के साथ उनका जिक्र करना, मेरे ख्याल से, ठीक नहीं है ।

MR CHAIRMAN : I have ruled that out of order already.

SHRI BHUPESH GUPTA : What is this point of order? You must not allow this point of order by Mr. Tyagi. I oppose this point of order.

MR. CHAIRMAN. Please sit down. We have had enough.

SHRI MAHAVIR TYAGI : My point of order is quite clear. A supplementary question can be put only if it is directly related to the main question. Other charges cannot be brought in.

MR. CHAIRMAN: Yes, I agree with you.

SHRI BHUPESH GUPTA : Sir, if Mr. Moinul Haque Choudhury was earning a lot of money appearing for Turner and Morrison and if the statement does not indicate that, then it does arise out of this question. It means he is suppressing facts.

MR CHAIRMAN : If you put a relevant question, I will allow it; otherwise, I will not.

DR K. MATHEW KURIAN: Sir, I want to know whether the Income tax authorities are aware that Mr. Moinul Haque Choudhury was getting from companies like Mundhra and Turner and Morrison Rs 1,700 per day ..

SHRI RAJ BAHADUR : Even an ordinary lawyer is getting Rs 1,600 per day.

MR CHAIRMAN : All right, next question.

SHRI BHUPESH GUPTA : On a point of order, Sir, we feel a little aggrieved about it. You please consider it. I think you will see that we are doing it in public interest. We have no personal grudge against Mr. Moinul Haque Choudhury. I have got a copy of the statement given by Mr. Moinul Haque Choudhury. I am prepared to lay it on the Table of the House. Therefore, it is not fair that there is an attempt on the part of the Government to protect Mr. Moinul Haque Choudhury.

MR. CHAIRMAN : I rule out this point of order.

DR. K. MATHEW KURIAN : Sir, my question was not answered.

MR. CHAIRMAN : Next question.

IMPLEMENTATION OF RECOMMENDATIONS
OF VIVIAN BOSE COMMISSION

- *33. SHRI KRISHAN KANT †
SHRI SUNDAR MANI PATEL :
SHRI CHANDRA SHEKHAR :
SHRI LOKANATH MISRA :
SHRI D. P. SINGH :
SHRI CHANDRAMOULI
JAGARLAMUDI :
SHRI GULAM NABI UNTOO :
SHRI K C PANDA :

Will the Minister of COMPANY AFFAIRS be pleased to state whether the recommendations of the Vivian Bose Commission have been examined; if so, the details of the follow-up action taken by Government so far?

THE MINISTER OF COMPANY AFFAIRS (SHRI K. V. RAGHUNATHA REDDY) : A statement is placed on the Table of the House.

STATEMENT

On the submission of the report by the Vivian Bose Commission, Government considered the recommendations made by the Commission on the amendment to the Companies Act and requested Shri C. K. Daphtary, the then Solicitor-General and the late Shri A. V. Vishwanath Sastri, a retired Judge of the Madras High Court to consider the report from the legal point of view and also from the larger point of view of public interest. Most of the recommendations of the Commission and those of the Daphtary-Sastri Committee were given effect to by the amendments of the Companies Act, 1956 in 1963 and 1965.

2. With respect to the recommendations made by the Commission in regard to the disclosure of beneficial ownership a clause was inserted in the Companies (Second Amendment) Bill, 1964. The Joint Committee on the Companies (Second Amendment) Bill, 1964, however, omitted the relevant clause (42) as the Committee felt

†The question was actually asked on the floor of the House by Shri Krishan Kant.