SOME HON. MEMBERS: After lunch.

THE DEPUTY CHAIRMAN: Since you want lunch, it is all right. Mr. Krishan Kant has taken five minutes.

SHRI KRISHAN KANT: There were interruptions.

THE DEPUTY CHAIRMAN: Interruptions included. He will get another ten minutes more, and after that every Member will get ten minutes only. The speeches will be guillotined.

The House stands adjourned till 2 P.M.

The House then adjourned for lunch at one of the clock.

The House reassembled after Lunch at two of the Clock, The Vice-Chairman (Shri D. Thengari) in the chair.

REFERENCE TO INCIDENTS IN U. P. VIDHAN SABHA

श्री राजनारायण: (उत्तर प्रदेश): श्रीमान्, मैं आप की आज्ञा से एक विशेष महत्व की बात कहना चाहता हूं। श्रीमान्, उत्तर प्रदेश की विधान सभा में अभी तक तनाव जारी है। कल उत्तर प्रदेश में एक समझौते की बात हुई की और वह समझौता अमान्य हो गया और वहां के तमाम त्रिपक्ष के लोग वहां से चले गये। एक सामान्य नियम है कि जब केवल सरकारी पक्ष ही रह जाय तो सही माने में ऐसी विधान सभा समुचित व्यवस्थित विधान सभा नही कही जा सकती । मै आप के द्वारा निवेदन करना चाहता हूं कि आप सरकार को आदेश करें कि वह पता लगाये कि इस समय वहां क्या स्थिति है । उत्तर प्रदेश में कोई वैधानिक सरकार है या नहीं है, संविधान के म्ताबिक वहां की विधान सभा चल रही है या नहीं? क्या वहां कोई डड़लाक हो गया है ? क्योंकि अभी अभी मझे सूचना मिली है कि वहां के सभी विपक्षी नेता दिल्ली आ गये हैं और उनका राष्ट्रपति से मिलने का समय निश्चित है । वह इस लिए आये है कि इस समय वहां कोई

वैधानिक सरकार नहीं हैं और विधान सभा मनमाने ढंग से चलायी जा रही हैं। वहां न संविधान की परवाह है, न नियमावली की। तो यह संसद् हैं और हम लोगों का कर्तव्य हैं कि अगर किसी राज्य में विधान सभा संवेधानिक ढंग से काम नहीं करती तो उस को भी देखें। वहां क्या नहीं हूआ, पुलिस आयी, उस ने सब को निकला, मारपीट की, डंडे चलाये, यह अमानवीय है। इस लिए मेरी प्रार्थना है कि आप इस की ओर सरकार का ध्यान आकर्षित करें।

MOTION RE REPORT CF INDUSTRIAL LICENSING POLICY INQUIRY COMMITTEE ON CERTAIN ALLEGATIONS AGAINST THE BIRLA GROUP OF INDUSTRIES—contd.

THE VICE-CHAIRMAN (SHRI D. TEHNGARI): Yes, Mr. Krishan Kant.

SHRI LOKANATH MISRA: Sir, even for a debate like this the bell had to be rung so many times. Now the matter has become stale and you will kindly take the sense of the House. If the House is in favour of a closure, then let us close it.

THE VICE-CHAIRMAN (Shri D. THENGARI): Let us go on with the debate.

SHRI LOKANATH MISRA: Mr. Krishan Kant, are you very particular?

SHRI KRISHAN KANT: I go by the sense of the House.

SHRI DAHYABHAI V. PATEL: The sense of the House is the voice of Mr. Chandra Shekhar. That is what Mrs. Alva did. She never put it to the House. Only it means the voice of Mr. Chandra Shekhar was taken as the sense of the House. I always protested against it. This is not the proper way of dealing with it.

SHRI CHANDRA SHEKHAR: I very much regret. In spite of all the discomfiture of Mr. Dahyabhai Patel things are happening which are sure to happen. Mr. Dahyabhai Patel may feel annoyed, but his days are over and he should reconcile himself to his fate now.

SHRI DAHYABHAI V. PATEL: My days are not over. There are higher powers that work. My days will be over when they willit, and not because it is the wish of Mr. Chandra Shekhar.

SHRI KRISHAN KANT: Mr. Vice-Chairman, I hope we should not mind what the hon leader of the opposition, Mr. Dahyabhai Patel, has said because it is clear today, Mr Vice-Chairman, that the points raised, the allegations made and the demands made by Mr. Chandra Shekhar two years back are n the demand made by the whole country is why the Government of India has accepted it. So the voice of Mr. Chandra Sekhar is the present voice of the House and the present voice of the country.

SHRI DAHYABHAI V. PATEL: It does not become the voice of the House if he demands it. How does it become the voice of the country?

SHRI KRISHAN KANT: The whole House has voiced it . . .

श्री राजनारायण: श्रीमन्, एक प्वाइंट आफ इंफामणन है। देखा जाय कि जब हम ने एक जांच कमीशन बनाने की व्यवस्था पेश की थी तो भाई कृष्णकान्त भी चले गए और भाई चन्द्रशेखर भी चले गए, सभी लोग चले गये। तो यह नही कहना चाहिये यहां पर कि एक यह चन्द्रशेखर की वायस है क्योंकि प्रधान मंत्री का व्हिप जारी हुआ था और अकबारों में बयान आया था कि विरोध पक्ष का अगर कोई मोशन मूब करे तो सरकारी पक्ष का कर्तव्य होगा कि उस को वोट डाउन करे और अगर कोई अमेंड मेंट करे तो उस को गिराना है। इस लिये कृष्णकान्त और चन्द्रशेखर जी यहां से चले गये थे।

THE VICE-CHAIRMAN (SHRI D. THENGARI): Mr. Krishan Kant, your time is limited.

SHRI KRISHAN KANT: I accept what you say. I need not care for what Mr. Rajnarain says.

Mr. Vice-Chairman, at that time while closing for lunch I was dealing with the question that this Commission of Inquiry according to the statement may look into the allegations for which the prima facie cases have been proved by that Committee.

It should not confine itself or limititself only to the recommendations of that Committee because the allegations made by Mr. Chandra Shekhar ran into a much wider field, into the Ministry of Railways, the Ministry of Finance, the Ministry of Foreign Trade, etc. So this Commission of Inquiry should look into all those cases, and because some of the cases were prima facie proved and because action was proposed to be taken in a court of law these should not be precluded from the purview of the Commission. As I said, we are going to probe into the machinations, into the mechanism of a rival system using the parliamentary democracy to subvert it and subvert the planning processes which the country has accepted as our objective. It must be made very clear, and some people are having doubts whether this Commission of Inquiry will be a whitewash, limited only to some of the cases which have been referred to it and not others, because, Mr. Chairman, you were present in the House when we dealt with the various cases. Specifically, I would like to mention the income-tax cases which were referred to at that time and which were shown to have been compromised surreptitiously, under suspicious circumstances, and the House was not satisfied in spite of the reply of Shri Morarji Deasi. Some of the cases were mentioned by my colleague, Shri Kulkarni. What the then hon. Finance Minister, Shri Morarji Deasi, said at that time has been contradicted by the Dutt Committee. So we should not go by the replies of the Government given at that time. The whole thing should be looked into de noto and all those other cases must be looked into by the new Commission.

I may refer again to one of the points which had been raised in that debate, That was about the New Asiatic and the Insurance, about which the audit report was prepared by the authorised till now that audit report auditor. Up has not seen the light of day. As was said by Shri Morarji Desai, a summary was given in the Lok Sabha, and the allegation Chandra Shekhar and my fr end here at that time when I read out from that report was that the summary and the original recommendation were not the same, were not in consonance with one another, the summary in a way put a curtain on the main allegations which are proved in That audit report the auditor's report. must go to this new Commission, because what we are feeling is that under the pretext that that case is over or that case is

completed and need not be looked into it should not be brushed aside, but this Commission of Inquiry must look into how this summary was given to the Prime Minister, who was responsible for distoriting the summary, and under what circumstances those cases of fraud, cheating, misappropriation and embezzlement were shelved by the persons in authority. They must go into the details of this. Otherwise, this Commission of Inquiry will be a fraud.

Motion re report on

Another allegation is about the undue favours given by the financial institutions. Here, I would not merely refer to the Report, on the Birla allegations, made by the Dutt Committee, I would refer to the main four terms of reference of the Dutt Committee and just try to point out what the Dutt Committee has said with reference to the four terms of reference that the biggest culprits, the biggest machinators and manoeuvrers in case have been the Birlas. The first term of reference of this Committee is-

"(i) To enquire into the working of the industrial licensing system in the last ten years with a view to ascertaining whether the larger industrial houses have, in fact, secured undue advantage over other applicants in the matter of issue of such licences; and if they have received a dispro-portionately large share of such licences, whether there was sufficient justification for this;"

Without going into details of all that they have said, I will read only three or four lines from the concluding paragraph of their findings :-

"But whether in the case of individual products or in regard to individual larger Houses and Large Companies, disproportion is observed only in the case of a few, the most prominent among them being the Birla.'

Now, I take the second term of reference-

"(ii) to assess to what extent the licence issued to the larger industrial houses have been actually implemented and whether the failure to do so has resulted in pre-emption of capacity and the shutting out of other entrepreneurs;"

Sir, in regard to this term of reference the Dutt Committee says in its concluding paragraph, and I quote--

"From our aggregative analysis and case studies, we have found that

among the Houses which were responsible for various forms of preemption, the most prominent is the House of Birlas. They held the largest number of unimplemented licences, made repeated attempts to obtain a large number of icences for many products, created excess capacities and tried to have them regularised afterwards and also produced more than authorised capacities."

allegations against Birla

group of industries

The fourth term of reference is-

"The Committee will also inquire whether, and if so how far, the policies followed by specialised institutions, such as the Industrial Finance Corporation and the Industrial Credit and Investment Corporation of India in advancing loans to industries have resulted in any undue preference being given to the larger industrial houses."

What does this Committee say in its finding? Only a few lines I will quote-

"The public sector banking institutions are also found to extend favoured treatment in the credit facilities offered by them to the Large Industrial Sector. Not only does large-scale assistance go to the Large Industrial Sector by the share of the 20 Larger Houses is very large and a few Houses benefit most. The House which seems to benefit most is that of Birlas, the others being Mafatlal Tata and ACC. In the investment portfolio of the LIC also, the position in 1966 as compared to that in 1956 shows a clear shift in favour of the House of Birlas".

Mr. Vice-Chairman, Sir, I am not going into the third term of reference which says "to examine to what extent the licences issued have been in consonance with the Policy of the Government as laid down in the Industrial Policy Resolution", etc. But it is very clear that aluminium was to be in the public sector about which an investigation was going on with French collaboration, with Messrs. Pech-And Amarkantak was found to be the best-suited bauxite area. Without telling anybody, surreptitiously and suspiciously, Mr. G. D. Birla was told to go ahead and he had gone to the United States to negotiate, when this work was being done by N.I.D.C. The French company approached the Government

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[Shri Krishan Kant.]

saying, you have called for us for doing this work. How can we do our work? And the Secretary of the Ministry wrote, to them, if you want to continue, go and talk to the Birlas. It means

AN HON. MEMBER: Who was it?

SHRI KRISHAN KANT: The Birla become the Government. Anybody may become the Secretary. I am not concerned with it. The whole thing started from the Minister down to the Secretary and everybody. I am not going into details. The question here is, the combination of the corrupt politician, the corrupt officials and the corrupt businessmen is functioning to undermine our planning and our parliamentary Government. So, this Commission of Inquiry, I request through you, Sir, must undo these things but also look into the whole myth. Otherwise, our parliamentary democracy is in danger. Mr. Chandrasekhar has done a monumental work of history in asking for such an inquiry. Otherwise, there is danger of handing over this country to the Fascists and others. In this fashion, with this perspective, the Commission of Inquiry must go into the matter.

. The question was proposed.

THE VICE-CHAIRMAN (SHRI D. THENGARI): There are eleven amendments. Mr. Bhargava.

SHRI M. P. BHARGAVA (Uttar Pradesh): I am not moving.

SHRI NIREN GHOSH: Sir, I move:

2. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House recommends that a Commission under the Commissions of Inquiry Act, 1952, be set up with comprehensive terms of reference to probe into all aspects of malpractices by the Birla group of Industries and to recommend suitable measures against them.' "

SHRI CHITTA BASU (West Bengal): Sir, I move:

3. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House recommends that the Government should set up a Commission under the Commissions of Inquiry Act. 1952, to go into the affairs of the Birla Group of Industries'."

SHRI BABUBHAI M. CHINAI (Maharashtra): Sir, I move:

4. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House recommends that normal legal action be taken against offenders if any'."

SHRI CHANDRA SHEKHAR: Sir, I am not moving my amendment.

SHRI BHUPESH GUPTA: Now, I want to get a clarification.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Are you moving? At this stage, you are only to say whether you are moving or not.

SHRI BHUPESH GUPTA: I want to know whether I should move or not. Why don't you understand it?

SHRI CHANDRA SHEKHAR: Do not move it, if you want to know.

SHRI BHUPESH GUPTA: You have a very dogmatic mind, I have a very flexible mind. I have tabled an amendment and I want to know whether my amendment has been met by the Government. If it is met and if they say so, I withdraw it; if they say that my amendment has not been met, then, of course, I will move it. Therefore . . .

AN HON. MEMBER: You can decide this at a later stage.

SHRI BHUPESH GUPTA: My amendment is-

"and having considered the same, this House notes with deep concern and perturbations the deplorable attitude of the Government towards the persistent demand for the institution of public inquiry into the allegations against the Birla Group of Industries . . ."

That is the first part. The second part . . .

THE VICE-CHAIRMAN (SHRI D. THENGARI): You move it and then it will come.

SHRI BHUPESH GUPTA: I want to know.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Are you moving or not?

SHRI BHUPESH GUPTA: I want the Government's statement.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Not at this stage.

SHRI BHUPESH GUPTA: The second part is . . .

SHRI SUNDAR SINGH BHANDARI: Say whether you move or not.

THE VICE-CHAIRMAN: (SHRI D. THENGARI) You say whether you move or not.

SHRI BHUPESH GUPTA: On a point of order. Amendments are amendments. But the basic...

SHRI SUNDAR SINGH BHANDARI: You are not speaking on the amendment at present.

SHRI BHUPESH GUPTA: I am not. I will be speaking on the amendment when I speak on the motion.

SHRI SUNDAR SINGH BHANDARI: At this stage you are only to say whether you are moving or not.

SHRI BHUPESH GUPTA: I will not say what you want me to say at this stage. At this stage I must say what the rules say. I will not say what Mr. Bhandari would like me to say.

SHRI SUNDAR SINGH BHANDARI: You must say whether you move or not. You are never required to say other things.

SHRI BHUPESH GUPTA: I want to know, Mr. Vice-Chairman. You are an exceedingly wise man. The simple thing I want to know is this. When he sits there he is a nice person, whereas when he sits in the company of Mr. Sundar Singh Bhandari and his company, he is a different type of man. The Mover of the motion or the Government should tell me whether the amendment is becoming factual.

SHRI CHANDRA SHEKHAR: Yes, of course.

SHRI BHUPESH GUPTA: Mr. Chandra Shekhar says "of course". If I were so convinced as himself, I would have said "I withdraw". The decision is not yours, Mr. Chandra Shekhar. The decision is theirs. Let them say that this amendment has become infructuous. In view of their decision I will withdraw.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Mr. Gupta, whatever has to be said will be said during the debate. Presently you are either to move or not to move.

SHRI BHUPESH GUPTA: Again you are wrong.

SHRI DAHYABHAI V. PATEL: Are you conducting the House or is Mr. Bhupesh Gupta conducting the House?

SHRI BHUPESH GUPTA: Both are conducting the House. Only my friend is indulging in misconduct.

THE VICE-CHAIRMAN (SHRI D. THENGARI): You either move or you do not move. No clarification will be allowed at this stage.

SHRI BHUPESH GUPTA: All right, Mr. Vice-Chairman, I move:

6. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House notes with deep concern and perturbations the deplorable attitude of the Government towards the persistent demand for the institution of public inquiry into the allegations against the Birla Group of Industries, and calls upon the Government not to stall this demand any more but to institute such an inquiry under the Commissions of Inquiry Act, 1952, immediately'."

SHRI MOHANLAL GAUTAM (Uttar Pradesh): Sir, I move:

7. "That at the end of the Motion, the following be added, namely:—

'and having considered the same this House is of opinion that such and like corrupt practices be stopped at all costs; and that a permanent Commission of Inquiry be set up by Government to suggest ways and means to put an end to such corrupt practices committed by any industrial house in the country and also to find out how far the officers, the Ministries and the Ministers concerned and also the Cabinet has failed to check the corrupt practices of these houses.' "

SHRI DWIJENDRA LAL SEN GUP-TA (West Bengal): Sir, I move: 6185

[Shri Dwijendra Lal Sen Gupta.]

8. "That at the end of the Motion, the following be added, namely:--

'and having considered the same, this House recommends that responsibility be fixed on the Ministers and officials having complicity with the House of Birlas'."

The questions were proposed.

THE VICE-CHAIRMAN (SHRI D. THENGARI) : Mr. Dahyabhai.

SHRI SHEEL BHADRA YAJEE (Bihar): What about the amendment in my name?

THE VICE-CHAIRMAN (SHRI D. THENGARI): Mr. Chandra Shekhar has not moved it. So there is no question of moving it.

SHRI M. M. DHARIA (Maharashtra): Mr. Vice-Chairman, it is true that the first name against the amendment is that of Mr. Chandra Shekhar. But other names are also there. We have never authorised Mr. Chandra Shekhar to either move or not to move it. Our right exists.

THE VICE-CHAIRMAN (SHRI D. THENGARI): That can be done. I thought he is representing all.

SHRI M. M. DHARIA: I exercise my right. I am not moving.

SHRI LOKANATH MISRA : Mr. Dharia gave a wrong impression. The procedure that has been adopted in this House is that you go only by the first name. The Chairman calls the first name. Supposing Mr. Bhupesh Gupta's is the first name and. there are seven more names from his party. Never you call the other names if the first person does not move. In the case of our group we had never exercised this right. And if Mr. Dharia is going to exercise his right, then the procedure should be changed. Our party must have the same facility from the Chair as was given to Mr. Dharia hereafter. Each Member, whose name is there whether he belongs to the same party or not, should be called.

श्री राजनारायण : आन् पौइन्ट आफ आर्डर मैं खड़ा हुआ हूं। (अंतर्वाधा) सुनिये, बैठ जाइये। मेरी श्री मिश्र जी के प्रस्ताव से असहमति है। जहां तक बुलाने का प्रश्न है आप जिसका नाम पहले है उसको ही बुलाएंगे लेकिन अमेन्डमेन्ट में इस तरह का नियम है कि अगर पहला कह दे मैं मव नहीं करूंगा तो दूसरे के लिये भी मान लिया जाये, हर आदमी चाहे मूव करे चाहे न करे। तो पहले ने मूव कर दिया तो निश्चित रूप से दूसरे को मूव करने का राइट नहीं होगा। लेकिन यह राइट सब को है मूव करने के लिये हां बोलने का।

SHRI M. M. DHARIA: Mr. Vice-Chairman, Sir, . . .

SHRI BANKA BEHARY DAS: On a point of order, Sir...

SHRI M. M. DHARIA: I am on my legs. I am not yielding. Had the hon'ble Mr. Chandra Shekhar said that he wasmoving, then there was no question of asking other Members. But when other Members are present, in spite of Mr. Chandra Shekhar saying that he is not moving, their right exists. Let Mr. Misra properly understand the procedure.

SHRI BHUPESH GUPTA: Mr. Vice-Chairman, it is quite possible thaat an identical amendment may stand in the names of hon'ble Members belonging to many parties. Therefore, if some Members' name at the top is called out and he does not want to move, it stands to reason that other names should be called out. According to Mr. Misra the second name need not be called. In the Questions, Mr. Vice-Chairman, if the first name is not there the second name is to be called. My Swatantra friends are sometimes so absurd.

SHRI S. S. MARISWAMY (Tamil Nadu): Mr. Vice-Chairman, I just want to draw the attention of the House to Rule 169, sub-clause (viii) which says:—

"it shall not relate to any matter which is under adjudication by a court of law having jurisdiction in any part of India."

It applies to this case also. It has a major effect. An enquiry has been ordered. Why not wait till the outcome of the enquiry? Would it not prejudice the court of enquiry?

SHRI DAHYABHAI V. PATEL: Mr. Vice-Chairman, since the objection that I have raised has been over-ruled, I will not pursue the point further. But 1 must repeat...

SHRI MOHANLAL GAUTAM: Mr. Vice-Chairman, may I know, Sir, if the movers of the amendments are going to get precedence?

THE VICE-CHAIRMAN (SHRI D. THENGARI): At the proper stage.

SHRI DAHYABHAI V. PATEL: Mr. Vice-Chairman, in spite of the interruption I must persist in expressing my view that a debate in this House on this subject, when an enquiry is to be conducted, is likely to prejudice the issues and, therefore, it would have been better if the Deputy Chairman had agreed to our suggestion and not gone by only one person's voice. Consensus of the House is a matter which can be decided either by a vote or by judgment. When there are voices on both sides saying that a debate is not necessary, surely a vote could have been taken. That would have been a more appropriate But the new procedure that has been prevalent in this House since last year of a few people getting up and shouting at the top of their voice being called I have protested consensus is wrong. against it again and again and I repeat the same thing again. This is not going to help the cause which the people want to propound.

Mr. Vice-Chairman, the question of industrial licensing and what its repercussions are is something which has gone on in this country for a very long time. The Prime Minister of India, Pandit Nehru, said that he wanted a public sector and a private sector to go on. He wanted the public sector to go faster at a certain stage, and when the Chinese aggression came all industries were asked to go ahead as fast as they could because it was necessary to step up production. Now for certain reasons the Government has started having bad thoughts, or certain Members of the Congress Party have started having bad thoughts and they are blaming people for doing this, that and the other.

We have a system of issuing licences for industries. It is not one person who does it. It goes through several scrutinies. Therefore, if any one has to be blamed for a large number of licences going to one house or one particular individual, it is the system that is faulty, and I would like to emphasise this point to the utmost. Our party has been saying that if a system of licensing has to be pursued for certain reasons, I dare say restricting a certain number of industries to a point may be

more beneficial in preventing waste of effort than a quasi-judicial body put in charge of this, not the official machinery of the Secretariat which has ultimately to depend upon A Minister, B Minister, C Minister or D Minister.

In the case of industrial licences and particularly some of these licences that were granted to the Birla Group of Industries, it is not one Ministry that has given them. The licensing authority may be one, but the licences are given according to the system that is prevalent in the Government of India. It is scrutinised not by one Ministry but by two or three different Ministries and then licence is given. Therefore, this Report does not satisfy me as being a judicious report at all. It is a rough scrutiny like Mr. Hazari's Report, roughly gone over. If a proper enquiry had been made, it would have been a different matter. It could have been enquired into separately.

Mr. Vice-Chairman, let me quote what the Minister of Industry had said here and in the other House in answer to certain questions. The Minister has admitted that several cases were started against the Birla Group of Industries because of certain allegations that were made. what has been the result? Only on August 13, in the Lok Sabha the Minister pointed out that the total number of cases filed in court by the CBI on various concerns was 10; cases filed, charges could not be framed so that the cases were discharged-6 out of the 10; cases filed, proceedings going on, but charges not yet framed—2; applications made for transfer of cases to another court—2. That is short is really the position of these cases. These cases do not stand any chance of being heard and enquired into in a proper court of law. It is only a certain type of propaganda that has been raised that has resulted in all this hubbub and what is called consensus being raised in this House. And, therefore, we have got into this mess. It is an indictment of the implementation of a policy which was defective because the area of discretion in certain cases was very large. Certain conclusions have been reached on wrong premises. Large industrial houses obtained favourable treatment in the matter of assistance from financial institutions, it is said. This cannot be factually correct or literally true because the financial institutions have to look to the safety of the money that they give, and they have to look to the return that they have to get and the capability

[Shri Dahyabhai V. Patel].

Motion re report on

of the industry to produce enough to pay interest and return the capital. On these considerations loans have been given. When this procedure has been followed, I do not know how there could be any real case for an enquiry of this type. Since the Minister has yielded to pressure or consersus or whatever you want to call it, and an enquiry has been ordered, I do not see the purpose of a debate here.

I will recall to this House that there has been a case in which a commission of inquiry was appointed against a business house before. And what was the result? Individual cases had to be filed in every case before the law could take its course. So, appointment of a commission of inquiry is not going to be the solution. On the contrary, the commission of inquiry itself said that many matters did not come to light, that certain evidence came and certain evidence did not come before the commission and certain things could not be brought out in which many high-ups and even Ministers were concerned and therefore the purpose of the commission of inquiry was not fulfilled. Is this what is going to happen in this case? After all, what do we want? Do we want industry to grow in this country, or do we not want industry to grow? I know that there are some people who are allergic to size. There are some people who are allergic to private enterprise and they do not want anything to grow. Let us recognise the fact that in the industrial growth of the world, we are not even a pigmy; we are a drop in the ocean. Some of these largest concerns in this country are in size a drop in the ocean as compared to the large industries all over the world. It is recognised that when you emphasise on the building up of an export market, it is the size that helps to build an export market. For example, there is the recent case of Britain. When the British Government found itself in difficulty because of the Common Market and other reasons, they set up a special fund by which the Government encouraged mergers and amalgamations. British people are individualistic, it is Yet the Government took an known. active interest and assisted in the amalgamations and mergers so that the industries would become larger, so that the industries would get the advantage of the economies of size. Here we want precisely to cut at the root of this. If our industries cannot economise, cannot grow, how will we compete anywhere? (Time bell rings.) After

all, for the prosperity of the country, we want industrial production to rise. Unless industries grow, we will not be able to provide employment for our large popu-And unless production rises, the difficulty of high prices that we are facing will not be removed. I do not know whether all this has been got up and cooked up by certain exponents of the public sector, who are feeling diffident, who are feeling dejected or despondent at the repeated and justified criticism about the failure of the public sector. Is that why they have cooked up all this? I am vinced that it is not so.

SHRI LOKANATH MISRA: They are allergic to the success of the private

SHRI NIREN GHOSH: Why are you allergic Mr. Biju Patnaik?

SHRI DAHYABHAI V. PATEL It is worthwhile to note that according to a recent survey conducted by the Director-General of Technical Development, 45 industrial units in this country, of which 40 did not come under the Birla Group of Industries, produced more than their permitted capacity and this was done in accordance with the exhortations of the Government to maximise production, especially of essential vital materials after the 1965 war with Pakistan. One fails to understand what is wrong in increasing production. One of the charges made here is that they increased product ion Now, if the increase in production falls within the . .

SHRI A. P. CHATTERJEE (West Bengal): That is not the charge.

SHRI DAHYABHAI V. PATEL: It is one of the charges.

THE VICE-CHAIRMAN (SHRI D. THENGARI): No interruptions. Kindly wind up, Mr. Patel.

SHRI DAHYABHAI V. PATEL: That is all.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Ten minutes each.

SHRI DAHYABHAI V. PATEL: What are we going to do in 10 minutes? Do you expect us to deal with this bulky subject in 10 minutes? Mr. Vice-Chairman,

this justifies our plea that this debate is futile. What is anybody going to say in 10 minutes, unless of course, one wants to indulge in mud-slinging; in that case, that is the easiest way to do so.

THE VICE-CHAIRMAN (SHRI D. THENGARI): The Chair has already declared that each Member will be given to minutes.

SHRI DAHYABHAI V. PATEL: Mr. Vice-Chairman, I would have liked to discuss some of the aspects mentioned in the Report and point out how futile this

THE VICE-CHAIRMAN (SHRI D. THENGARI) : I understand, but there must be some regulation. Otherwise, the whole thing cannot be finished to-day.

SHRI DAHYABHAI V. PATEL : I hope you will apply the same regulation to everyone. This regulation is applied to us, but when you come to my friend next, I hope you will insist on it. Mr. Bhupesh Gupta can speak for 10 minutes in arguing a point of order.

Mr. Rajnarain can speak for an hour at length. And simply because we agree to observe the rules we are prohibited from speaking. Mr. Vice-Chairman, I appeal to you that this is rather unfair. Thir does not serve the purpose of the debate. This is unfair.

SHRI MOHAN LAL GAUTAM: On a point of order, Sir. मेरे नाम के पहले जिनके अमें डमेंट्स थे उन्होने यह कहा है कि हम मूव नहीं कर रहे हैं। उस हिसाब से अमेन्डमेन्टस मव करने वालों में मेरा नाम सबसे ऊपर है . . . (Interruption.)

THE VICE-CHAIRMAN (SHRI D. THENGARI) : That stage is over.

श्री मोहन लाल गौतमः मैं उनसे रूलिंग चाहता हूं। आप लोगों से रूलिंग नहीं चाहता हुं। आप कोई चेअर पर नहीं बैठे हैं।

SHRI ARJUN ARORA (Uttar Pradesh): On a point of order, Mr. Vice-Chairman. Can a Member call the interruption of another Member a howl? Mr. Mohan Lal Gautam has called by interruption a howl. That is unparliamentary.

श्री मोहन लाल गौतमः में यह चाहता हुं कि अमेन्डमेन्ट्स मूव करने वालों में

मेरा नाम किस आर्डर में आयेगा । यही मेरा प्वाइंट आफ आर्डर है । मैं आपसे रूलिंग चाहता हं और दूसरे मेम्बरों से नही चाहता हूं।

उपसमाध्यक्ष (श्री दत्तोपन्त ठॅगड़ी) : आप बैठिये । जिस समय आप का नाम बुलाया जायगा उस समय आप बोलियेगा ।

Now, Mr. Gulam Nabi Untoo.

श्री मोहन लाल गौतम: मैं बोलने की बात नहीं कहता हूं । जितने नाम यहां पर आर्डर पेपर में हैं उनमें से जिन के नाम मेरे ऊपर हैं वे सब कह चके हैं कि वे अमेन्डमेन्ट नहीं मूव कर रहे हैं। बाकी मृव करने वालों में मेरा नाम सब से ऊपर है।

उपसभाध्यक्ष (श्री बत्तीपन्त ठेंगड़ी) : ऊपर नही है ।

Now Mr. Gulam Nabi Untoo please.

SHRI GULAM NABI UNTOO (Jammu and Kashmir): Mr. Vice-Chairman, Sir, before I thank the Government for taking this decision after a long, long pause, I take it a privilege to express my felicitations to the honourable Member of this House who constantly, persistently and continuously purseed this matter with his best efforts, agitated it inside the House and outside the House-he is Mr. Chandra Shekhar. I express my felicitations to him on this issue. He has been keeping it alive in spite of the fact that several attempts were made by the interested parties to have However, the Gothis matter shelved. vernment's decision is welcome.

Over the last several years an atmosphere towards concentration, an atmosphere towards monopoly, an atmosphere towards big business, has grown in the country and the common man is feeling greatly concerned about this trend. The very existence of this trend, its very nature. is influencing the public men, men in the politics, the Government servants, and all others concerned. It is there always to corrupt all those who are at the helm of affairs and for this reason an atmosphere was created in this House and the other House that the Government should take such measures which would put serious curbs and limitations on all such people who have exploited the common man, who have expioited the democratic insti-

[Shri Gulam Nabi Untoo.] tutions. In this regard I would suggest that one of the terms of reference of the Commission of Inquiry should be that all those people—the Government officials, the people serving in the public undertakings, the people who have at the relevant time helped directly or indirectly in the misinterpretation of the laws of the land and who have allowed the Governmental authority to be misused-should be covered by the inquiry and be dealt with severely. It should be a part of the terms of reference that the Government officials who will be held responsible under the Commissions of Inquiry Act, would be treated according to the law and all those public men who are equally responsible by virtue of their office, who have helped or who have connived with the Government officials, should be fully exposed before the public. In this way alone we can try to curb the monopoly, the concentration of power, in a few hands. With these words, Sir, I hope that the Government will take note of my suggestion and in-

clude it as one of the terms of reference.

श्री सुन्दर सिंह भंडारी : उपसभापति जी, श्री चन्द्रशेखर जी ने बिडला जी के सम्बन्ध मे आरोप पत्न दिये और उन आरोप पत्नो में लगभग 88 आरोप थे। उन 88 आरोपो के बारे मे पिछली बार जब हमने इस सदन मे चर्चा की थी तो श्री फखरुदीन अली अहमद ने सरकार की तरफ से एक वक्तव्य इस सदन के पटल पर रखा था और उसमे इस बात का उल्लेख था किये 6 मामले दत्त कमीशन को दिये गये है। ^इन को छोडकर बाकी 82 मामलो पर उन्होने किसी न किसी तरह से सब बाते समाप्त करने की घोषणा की थी। उनमे 7 एलीगेशन राज्य सरकारो के दायर में आते हैं। जिन पर प्राइमा-फेसी केस भी नही बनता है ऐसे 20 मामले है। 11 मामले ऐसे है जिनमे कोई इल्ली-गलिटी और इम्प्रोपरायटी का पता नही लगता है । 16 एलिगेशन्स ऐसे है जिनमे वायोलेशन हुआ है और कानूनी या डिपार्टमेन्ट के अनुसार उन पर मामला चल रहा है।

इस के बाद उस समय जो यह माग की गई थी कि बिड़ला जी के इस सवाल को लेकर एक जाच कमीशन बैठाया जाय, तो कैबिनेट के फैसले के अनुसार श्री फखरुद्दीन अली अहमद ने उस माग को अस्वीकार किया था। मै समझता हू कि अब जो यह माग मानी गई है जिस की घोषणा आज सबेरे मती महोदय ने की, मुख्य रूप से वह इस बात पर निर्भर है कि जो 6 मामले दत्त कमेटी को सुपुर्द किये गये थे जाच करने के लिये और उस दत्त कमेटी ने जो अपनी रिपोर्ट दी है उस रिपोर्ट मे कुछ ऐसी बाते सामने आई है जिन के आधार पर एक जाच कमीशन बैठाना जरूरी हो गया।

मै गलत नही हुगा अगर मै यह बात कहू कि दत्त कमेटी श्री चन्द्रशेखर के मेमोरेन्डम के आधार पर बनाई नही गई थी। जैसा कि स्वयं उन्हों ने अपनी रिपोर्ट में कहा है। दत्त कमेटी जनरल लाइसेसिंग के आधार पर विचार करने के लिये गठित की गई थी। यह बात सच है कि वह गठित की गई थी 1967 के जुलाई के महीने मे और श्री चन्द्रशेखर का पहला मेमो-रैंडम भी जुलाई, 1967 में दिया गया था। लेकिन इसमे से यह कोई अर्थ निकाले कि श्री चन्द्रशेखर के मेमोरैडम के जवाब के रूप मे दत्त कमेटी का गठन किया गया था. तो यह गलत होगा । मुझे इस बात का उल्लेख इस-लिये करना पडा कि चुकि समाचार-पत्नो ने आज इस कमीशन की नियुक्ति की बात कही है और उन्हों ने दत्त कमेटी का हवाला देते समय इस बात को पेश करने की कोशिश की है कि यह दत्त कमेटी श्री चन्द्रशेखर के द्वारा लगाये गये आरोपो के आधार पर निवुक्त की गई थी। सरकार की तरफ से जो जिम्मेदारी से बोलने के हकदार है वे इसके सम्बन्ध मे सफाई दे, नही तो मेरा यह निश्चित मत है कि वे जान-बुझ कर इस गलतफहमी को जिन्दा रखना चाहते है। यह मेरा उन पर आरोप है।

इसलिए यह जो कमेटी बठो थी, जिसके साधारण टर्म्स आफ रिफरेंस का उल्लेख किया गया, छ: मामले भी उसको सौपे गये थे। मैं यह मान कर चल रहा हू कि आज के इस विवदा में, जो श्री कृष्ण कान्त ने उठाया है, हम इस मेन रिपोर्ट को डिस्कस नहीं कर रहे हैं क्यों कि सरकार की तरफ से भी यह कहा गया है कि इस रिपोर्ट के सुझावों पर विचार करने में काफी देर लगेगी, लाग टर्म डिसीजन्स लेने पड़ेगे। इसलिए मैं चाहूगा कि इस रिपोर्ट के आधार पर फैसला लेने के पहले गवर्नमेट अपनी तरफ से इस रिपोर्ट पर दोनो हाउसेज में डिस्कशन रखे, दोनो हाउसेज के मेम्बर्स को अपने विचार प्रगट करने का अवसर दे। तब ओवरआल लाइसेंसिंग के बारे में अपनी नीति निर्धारित करने का विचार करे तो पालियामेन्ट को अपने कानफीडेन्स में लेने के कारण उसकी नीतियों के सफल होने की सम्भावना रहेगी।

इसलिए मैं इसकी कुछ उन रिकमेन्डेशन्स का ही उल्लेख करूगा जिनका श्री बिडला के बारे में इन सारे नतीजों के साथ सम्बन्ध जोडने में सहूलियत होगी । कानक्त्यूशन्स एड रिक-मेन्डेशन्स के चेप्टर में इस कमेटी ने शुरूआत ही यहा से की है —

"It should be remembered that the licensing system did not always have before it clear guidelines about these matters."

यह पहला रिमार्क है उसका ।

"While the necessity to use these different instruments in a well-designed combination was realised even at the time of the First Five Year Plan, adequate operational methods for such co-ordinated use of these instruments were never devised"

आगे उसने कहा है-

"Our studies show that licensing in the earlier years was guided for more by technical than by economic, leave alone social considerations"

इसका नतीजा क्या हुआ है । पेज 184, पैरा 8.07 पर वह दिया गया है--

"Licences were issued in excess of capacity targets even in non-essential industries. Influential parties and Large Houses were permitted to preempt capacities."

और उसका परिणाम यह हुआ-

"The licensing system worked in such a way as to privide a disproportionate share in the newly licensed capacity to a few concerns belonging to the Large Industrial Sector"

allegations against Birla

group of industries

मोनोपोलीज कमेटी ने इस पर विचार किया । मोनोपोलीज कमेटी के मुझावो के अनुसार हमने मोनोपोलीज कमीशन का बिल इस सदन मे पास किया है । वह बैठा है, उससे हमे अपेक्षा है । इस कमेटी ने ही इस रिपोर्ट मे कहा है –

"We hope that as a result of this proposed legislation, a Monopolies Commission will be set up with sufficient powers and adequate organisation to deal with the problems of concentration of economic power as well as product monopolies"

इस कदम का मैं स्वागत करता हू । सरकार ने इसके लिए जो कानून बनाया है, हमें आशा करनी चाहिए कि अभी तक जो, लाइसेंसिंग पद्धित के ऊपर बहस के बाद भी, गवर्नमेन्ट मशीनरी दिशाविहीन, लक्षविहीन होकर चल रही थी, उसको वह कानून और यह मोनो-पो जि कमीशन कुछ दिशा देगा, उस को ठीक रास्ते पर ला सकेगा ।

इसलिए अब मैं सक्षेप में आपके सामने उने चीजो का उल्लेख करना चाहता ह जिन परं इस दत्त कमेटी को खास तौर पर अपनी राय प्रगट करने के लिए कहा गया था । पहला था हैदराबाद एस्बेस्टोज़ सीमेट के बारे मे । दूर **न** जाते हए, इसने अन्त मे जो कुछ कहा है उसी की तरफ मैं आपका ध्यान दिलाना चाहुगा । जो एडीशनल केपेसिटी की बात, मोर देन लाइ-सेस्ड केपेसिटी की बात इसने कही है उसके एक उदाहरण के तौर पर उन्हों ने एक महीने मे 4800 शीट्स बनाने की बात कही है जब कि केपेसिटी 3000 टन की थी। लेकिन इसमे कही इस बात का आरोप नही है कि साल भर का ओवरआल प्रोडक्शन लाइसेम्ड केपेसिटी से ज्यादा था । ओरिएन्ट पेपर मिल्स, अम्लाई यनिट के बारे मे यह साफ तौर पर कहा गया है बिडला के बाहर से फारेन लोन लेने

ŧ,

[श्री सुन्दर सिंह भंडारी] बात के बारे में उसमें कहा गया है -

"There was nothing special in the authority given to negotiate."

इसमें जरूर एक आक्षेप लगता है-

"Adequate supervision was not exercised."

अब यह जरूरी है कि दोष सरकारी महकमों का ज्यादा है। अगर सरकारी महकमें आगे से इसके बारे में ज्यादा सावधान रहेंगे तो फिर सुपरवीजन ज्यादा रहने के कारण ये गलतियां आगे रोकी जा सकेंगी। मुझे इतना ही निवेदन करना है कि इन 6 मामलों में जिनके बारे में इस कमेंटी ने एक स्पेशल सप्लीमेंट के रूप में अपनी रिपोर्ट दी है।

जब सरकार ने यह जांच कमीशन बैठाने का फ़रमा किया है तो एक चीज जरूर मैं कमिटमेंट के रूप में चाहुंगा। जो यह मांग की जा रही है कि बिड़ला पर ही नहीं, और भी इंडस्ट्रियल हाउसेज को इसमें जोड़ा जाय, सरकारी कर्मचा-रियों की गलतियां भी हुई हैं उनको भी शामिल किया जाय, मैं समझता हूं कि इसको अलग रखने की जरूरत है। यहां पर सारी की सारी लाइसेंसिंग के लैक्यूना बता कर बाकी सब बातों में पाइन्टेड अटैंक बिड्ला पर किया गया है । इसलिए मैं चाहुंगा कि जो कमेटी आप बिठाना चाहते है वह स्पेसिफिकली केवल बिड्ला पर बिठाएं, इस कमेटी की नियक्ति के औचित्य को ।सद्ध करने के लिए जबरदस्ती दुनिया भर का बोझ उसके सिर पर मत डाल दीजिए। सरकारी महकमों में जो लेथार्जी, इन-एफीशिएन्सी और लेक आफ आउटल्क रहा है उसको भी इस जांच कमेटी के परव्यू में लाने की कोशिश मत करिए । धरेडवेयर, हियर एंड माउ एक आदमी को अपना टार्गेट बनाकर, उसने किस तरह से लाइसेंसिंग की नीति का कन्ट्रावेंशन करके, सरकार को बेवकुफ बना कर, सारी गार्नमेंटल मशीनरी को अपने कबजे

ें लपेट कर, सब लाइसेंसेज प्राप्त करके मोनो-पोली की कन्डीशन्स पैदा कीं, आज यही रिलेवेन्ट पाइन्ट आपके सामने है । इसको मिक्स **अप** करके हमने पिछले दिनों में एक दूसरी कमेटी की बात सोची । मैंने पौंइंटेडली कहा था कि इसको किसके लिए बना रहे हो, उसका स्पष्टीकरण दो । उस समय मुझे नकारात्मक जवाब दिया और आए घूम-फिरकर उसी पर । मेरा यही कहना है कि दत्त कमेटी की रिपोर्ट के बाद इंडीवीजअल केसेज की गुंजाइश है, उनमें जाना चाहिए, उनको प्रोसीक्युट करना चाहिए, किसी भी प्रकार से छट की जरूरत नही लेकिन कहा गया है कि-There is some additional information with you. मैं चाहता हूं कि इस कमेटी के काम को जस्टीफाई करने के लिए श्री बंद्र शेखर द्वारा दी गई इनफारमेशन के बाद जो भी इनफारमेशन सरकार के पास आई है, इस डिबेट के जबाब में वह इनफारमेशन सदस्यों के सामने सरकार को रखनी चाहिए ताकि कमीशन इन सब फैक्ट्स के आ**धार** पर अपना काम चाल करे । मिसजाइन्डर आफ फैक्ट्स मत करिए, केवल बिड़ला और बिड़ला द्वारा मोनोपोली कन्डीशन्स निर्माण के प्रयत्नों को एकमात उद्देश्य बनाकर इसको एपाइन्ट करिए, बिड़ला की आड़ में दूसरों को लपटने से यह कन्ट्रोवर्सी समाप्त नही होगी। इसलिए मै इतना ही कहना चाहता हूं कि यह कमीशन सिर्फ बिड़ला पर बैठना चाहिए, दूसरे इंडस्ट्रियल हाउसेज के लिए बैठाना है तो अलग से बैठाइए, गवर्नमेंटल लेथार्जी को दूर करना हो तो उसके लिए अलग से बैठा-इए, मगर यह कन्ट्रोवर्सी हमेशा के लिए समाप्त होनी चाहिए ।

SHRI T. N. SINGH (Uttar Pradesh): I want to raise a point of procedure. We are to-day discussing a particular report of the Dutt Committee. The other report is yet to be discussed by the House. Now the Government have also decided to appoint a Commission of Enquiry. I think it refers only to the Birlas. I want to have it clearly from the Government and the Minister is here-that we shall be provided with some apportunity to discuss the main Licensing Committee

report in the next session and that any Commission of Enquiry will not bar us from discussing this report. That is the point I wanted to raise.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI K. V. RAGHUNATHA REDDY): Do you want me to make it clear?

THE VICE-CHAIRMAN (SHRI D. THENGARI) : You may.

SHRI K. V. RAGHUNATHA RED-DY): To the extent where the enquiry would be confined in relation to certain actual malpractices or other lapses, that would be referred to the Commission. In respect of matters on which enquiry will have to be conducted, that may not be permitted for discussion but in respect of the general policy and the recommendations made by the Committee in the following certain procedure in respect of licensing. certainly the House would be entitled and it would be open for discussion and the main policy involved can be discussed.

SHRI A. G. KULKARNI: At the outset I want to heartily congratulate my colleague, Mr. Chandra Shekhar for a rare, daring fete he has done in bringing out and disclosing the malpractices of industrial houses as such, in acquiring licences etc. I have known Mr. Chandra Shekhar for the last 2 years and I know what mental torture he is suffering for getting these accepted by the Government because he himself is convinced that there malpractices and at the outset I congratulate him on my own behalf becuase he has done the greatest thing in this contry's history of the industrial licenisng being used for self-aggrandisement. I posed myself the question why we are asking for an enquiry and not a legal departmental procedure as enunciated in the last Session. I was all along feeling that an enquiry is necessary and not a legal procedure and now I am fortified because my submission has been found to be correct. If you go through page 64 of the main report you will find this:

"As ours is not an inquiry into the conduct of persons but one into the working of the system, we decided not to call witness for oral evidence regarding the results of these ..."

This is a very important. What we are attacking and what the allegaions are not only against the house of Birlas. It is against all the industrial houses grouped together who are indulging in malpractices and Mr. Chandra Shekhar has highlighted the allegations against cetain houses but such misuse of the Government ma chinery has been made by other houses and that is why I say that I am more than convinced that an all-pervasive enquiry is necessary and I congratulate the Government but I do not understand why this Government has taken the stand in the previous session and the Deputy Prime Minister himself and the Minister of In-Development said that only departmental recourse and legal recourse will do justice. It will not do justice.

SHRI KRISHAN KANT: They have changed.

SHRI A. G. KULKARNI: That is because of the pressure from the public, not on their own.

SHRI G. H. VALIMOHMED MOMIN (Gujarat): At that time there was not this report of the Dutt Committee. No use criticising the previous Minister.

SHRI A. G. KULKARNI : How the previous decision was wrong I will explain to you. You know in a given circumstance 'A' has applied for a licence. How can you blame A for having applied because in the licence procedure there is nothing ! said that if A is connected with B or C and he has some Rs. 100 crores of capital he is not to be given the licence. Nothing has been said. So in the legal term, the stand taken by the Minister in the previous session was totally wrong becuase even in the case of Income-tax, when Mr.Chadra Shekhar mentioned so many things the Finance Minister replied that had been referred to the I.T.Os. what can he do? He will see whether the payment of say Rs. 5000 made to X is a valid one or not whether it is stamped or not. How can he go beyond that and say whether that Rs. 5000 was paid to a person though that fellow did not deserve it or whether it was a clever ruse to defraud the Government of the tax. That is why I say that there should be an all-pervasine enquiry and the Government should take to note this and this must be on the scale of the Vivian Bose enquiry and the terms of reference must be more elaborate than that because that was only against one house and now you are including so many houses.

[Shri A. G. Kulkarni.]

This enquiry should also include experts on Income-tax, Customs and Excise maters. The personnel also be having a running judge of a High Court or Supreme Court, not a retired Judge, because we have found that the retired judges take useally a long time as they want to have more time in Delhi. So have a young judge who can dispose of the case within 6 to 8 months.

SHRI KRISHAN KANT: Having no connection with the Birlas.

SHRI A. G. KULKARNI: The personnel should also include an Income-tax expert who is also in conversation with Excise and Customs matters because the enquiry, being all-pervasive, must be also taking care of these things. I am not discussing the entire report because that is for the Commission to enquire into all matters. Now so many big industrialists feel that the Parliament is persecuting certain industrial houses. I heard so many industrialists saying this when I go out. I am asking myself the question whether we are persecuting a single house either of Birla or somebody else. My own intuition is 'no'. If I have understood the Parliament properly, it is against the system by these industrialists have acquired certain licences and fraudulently acquiring some assets to which they are not legally entitled. When millions of people in the country are not getting even 30 paise per day, how an ordinary person can tolerate these people making money and assets and so much position by corrupt means and that is why the industrial houses must not think that this is an enquiry against X, Y or Z but it is against the corruption created by the industrial houses in the country. I do not want to refer to the report but the Committee has found out about the guest-houses maintained in Delhi and the vices practised there I do not want to describe. Then, Mr. Vice-Chairman. I want to draw your attention to another point. You know why this commission and its terms of reference must include other points. It has been found out here. Government says it is a banned list. But for certain favourite industrial houses that banned list vanishes within a moment. I can quote umpteen examples here where some favourite industrial houses get licences even for items in the banned list; such items come out of the banned list in no time. There are a

number of examples where licences are found to have been issued when the item was on the banned list. This includes licences for calcium carbide given to DCM, for calico given to Sarabhai, for asbestos cement to Hyderabad Asbestos Cement—these names by way of examples are enough for that purpose.

Then, Mr. Vice-Chairman, another term of reference must go into the expeditious disposal of business. Mr. Vice Chairman, I will say this. Some people, the ordinary entrepreneurs—I also know something of industrial licensingtake years to get a reply from the DGTD. The DGTD and the Ministry of Industrial development, these are the people, Mr. Vice-Chairman, who have really driven out the small-scale industrialist and the poor industrialists. I say "poor industrialists" because they have got no guts to have these guest houses in Delhi. That is why they are poor. Otherwise they could have seen to it. Mr. Vice-Chairman, here I have found out what this report says about "Expeditious Disposal". One man applies for a licence in the morning and in the evening he gets the licence. How is it possible? Such type of 'Expeditious Disposal', how is it possible writhout there being some sort of understanding? Here also, Mr. Vice-Chairman, I see this stated on page 66 of this report.

"One cannot obviously object to expeditious disposal as such. In the cases stated, what we observe is that it is not a question of speedy disposal of all similar applications, but of the favour being reserved for particular applicants" * * *

Mr. Vice-Chairman, here I shall read out certain names and you will be surprised. Apart from the Birlas—I do not only name the Birlas here; you know they are—there are the Kilachands for rubber, Parikh Brothers for chipboard industry, Janata Machine Tools for iron castings and Shrimati Sharda Mukherji for phosphoric acid. I am really surprised that a Member of Parliament figures here. (Interruptions)

She may not be the Member of Parlia-

SHRI BANKA BEHARY DAS: Of the Congress Party or some other party?

ment but the name is there.

SHRI A. G. KULKARNI: Mr. Vice-Chairman, why I say this s only . . .

श्री राजनारायण : यह शारदा मुकर्जी सिंडिकेट की हैं या इंडिकेट की हैं ?

SHRI A. G. KULKARNI: That you know better, Mr. Rajnarain, because now-a-days you are getting much better lawyers, you are getting the syndicate, vindicate, indicate-walas. You have got much better lawyers because you have voted for Mr. Sanjiva Reddy against the mandate of your party—I know that. (Interruptions)

Mr. Vice-Chairman, Sir, he has taken my time. Now Mr. Bhupesh Gupta is standing, What can I do?

SHRI BHUPESH GUPTA: You mentioned Sharada Mukherji. She is an hon. Member of the other House. Kindly tell us what about it.

SHRI A. G. KULKARNI: This Dutt Committee Report does not mention Sharada Mukherji as a Member of Parliament. They say, "phosphoric acid (Shrimati Sharada Mukherji)". God knows what is meant by "Shrimati Sharada Mukherji". Somebody says that licence is sold also, whether she has sold or not sold . . . (Interruptions)

Mr. Vice-Chairman, Sir, he has taken my three minutes.

SHRI BHUPESH GUPTA: On a point of order. I am entitled to know because I am the editor of a certain paper. Shrimati Sharada Mukherji has written a letter to the editor—which we have published—saying that she has nothing to do with any industrial licence. (Interruptions). If this Sharda Mukherji is the same Sharada Mukherji, then she has done me a very wrong thing by writing such a letter to me.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Now please wind up.

SHRI BHUPESH GUPTA: Tell me something about that because I have published a letter.

SHRI A. G. KULKARNI: Please ask the Minister for Industrial Development. He is sitting here. He knows who is what. How can I know?

SHRI BHUPESH GUPTA: I do not interrupt you except to say this. We made an allegation in one of our columns

that Shrimati Sharada Mukherji held an industrial licence. Then she sent in aletter of protest against it to the editor and said that she never held licences. But now you are quoting from the report that she has held licences. What is the address? Is it given there?

SHRI A. G. KULKARNI: The address is not given,

SHRI M. M. DHARIA: Mr. Bhupesh Gupta being a bachelor he never understands ladies' protests.

SHRI A. G. KULKARNI: Sir, these people are taking my time. I want your protection because unnecessarily they are provoking me.

Mr. Vice-Chairman, Sir, now I want to submit finally and I am coming to the last part of my submission.

SHRI A. P. CHATTERJEE: It seems that Mr. Bhupesh Gupta is gloating over the distress of some ladies.

AN HON. MEMBER: Because he is a bachelor.

SHRI BHUPESH GUPTA: It appears that my friend, Mr. Arun Prakash Chatterji, is very much conversant with the problems when the ladies are in distress.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Your time is over.

SHRI A. G. KULKARNI: Mr. Vice-Chairman, Sir, my last submission still remains. Now I am not going into the report at all. I only broadly hinted what should be included in the terms of reference, what should be the personnel of this commission, and again I demand that no retired High Court Judge or retired Supreme Court Judge should be appointed. I strongly object to it. Now again I come to the same thing. I appeal to all the industrial houses. Let them not take it as an affront. It is not an affront at all. It is the business of this Parliament; it is our duty, sacred duty, to unearth anything which is going maliciously and against any man whom we represent here, because he cannot represent himself either on the strength of money or on the strength of power.

Mr. Vice-Chairman, Sir, lastly I have got to say that I have got to congratulate the Government also because, having Motion re report on

said all these things, I rightly say it is the Prime Minister who has shown the courage, and I congratulate her. Among all her Cabinet colleagues she has shown exemplary courage in getting the banks nationalised and also in ordering this inquiry against not only the Birla house but all the industrial houses also, because she has stated at Bangalore that the working of the private sector has to be probed into. And she has fulfilled her promise. Hats off to her for having ordered and inquiry into this matter.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Mr. Rajnarain.

श्री राजन।रायण : श्रीमन्, इनके बाद हमको बुला दिया आपने ।

SHRI NIREN GHOSH: name is before his. Why precedence to Mr. Rajnarain? He always gets 1t.

श्री राजनारायण: अगर यह चाहते तो इनको बोलने दो । मै समझता हू कि इनकी पार्टी हमसे पीछे है

श्रीमन्, मैं समझता था कि सदन में जो यह सुनहरा अवसर प्राप्त हुआ है उसका सद्पयोग होगा परन्तु अभी तक जो हमको मत सूनने को मिला है उसस हमको ऐसा लगता है कि सही मानो मे हम सदन के समय का सदुपयोग नही कर रहे है । मैं आपके द्वारा माननीय सदन के सम्मानित सदस्यो का ध्यान आकर्षित करना चाहगा कि इस प्रकार की गडबडी ीने की सम्भावना क्यो हो, हम ऐसी व्यवस्था ही क्यो न बनाये कि जिस व्यवस्था की तह मे कोई एकाधिपत्य स्थापित न कर

तो मूल रूप में हमको यह देखना है, इस-लिये हम चाहते हैं कि जो यहा कुछ पढने-लिखने से मतलब रखते हो वह इस काग्रेस सरकार के 1948 ई० के इडस्ट्रियल पालिसी रेजोत्युशन को पढे । 1948 ई० के इड-स्ट्रियल पालिसी रेजोल्युशन के अनुसार पहली पचसाला योजना मे यह जोर दिया गया था कि बडे उद्योगो, मघ्यम एव छोटे उद्योगो, सब-स डियरी उद्योगो, अन्य उद्योगो को,

रूप से प्राइवेट सेक्टर को प्रोत्साहन दिया जायगा । यह 1948 ई० का इडस्ट्रियल पालिसी रेजोल्यशन है। प्राइवेट सेक्टर को प्रोत्साहन देने की नीति कांग्रेस सरकार की रही है और इस नीति की तह मे तमाम भ्रष्टाचार है, इस नीति की तह में तमाम गडबड घोटाला है । हमारे मित्र जो लोग इसको समझते है वह कही इधर से उधर न जाय खद अपनी नीति को देखें

allegation againsts Birla

group of industries

तो एक पहलू सामने आया । सिक्के के इस एक पहलू के लिये किमशन भी बैठा है मगर सिक्के का जो दूसरा पहलू है मै चाहुगा कि आज उसको सदन मे थोडा सा रखू ।

अब 1956 ई० मे एक दूसरा इडिस्ट्यल पालिसी रेजोल्युशन हुआ । उसके अनुसार दूसरी पचसाला योजना में पहले-पहल समाजवादी ढाच की ओर जोर देते मिश्रित अर्थव्यवस्था के सिद्धात को स्वीकार किया गया और प्राइवेट सेक्टर मे लाइसेंस पद्धति चलाई गई। यह दूसरा रेजोल्युशन है। उसको भी देख लें। प्राइवेट सेक्टर और पबलिक सेक्टर दूसरी पचवर्षीय योजना मे दोनों साथ साथ चले।

तीसरी पचवर्षीय योजना के प्रारम्भ मे फिर इडस्ट्यिल पालिसी रेजोल्युशन मे पूरा सशोधन हुआ और इडस्ट्रियल डेवलपमेट एड रेग-लेशन एक्ट पास हुआ, जिसमे कहा गया कि सरकार का उद्देश्य सिर्फ आधिक-केन्द्रीयकरण और एकाधिकार को रोकना ही नही है बल्कि नये उद्योगपतियो को मध्यम एव लघु उद्योगों मे प्रोत्साहन भी देना है। इसको भी पढ लें। प्रोत्साहन दे रहे है बराबर। यह बार बार बदलने वाली नीतिया काग्रेस सरकार की रही है जो काग्रेस सरकार के मंत्रियो और विभागीय अधिक रियो के बीच बुद्धि विभ्रान्ति करने की आवश्यकता पैदा करती है। वह खुद ही नहीं समझ पाये इस समय सरकार की क्या पालिसी है क्या नही।

इसी की तह में मैं सफाई करने के लिये कह रहा हं, यह देखिये किताब रात भर इसको पढ़ा एक एक लाइन । हमारा ज्यादा संबंध मिर्जापुर से हैं, अल्यूमिनियम से हैं। हम उत्तर प्रदेश की विधान सभा में बराबर इसको ला रहे हैं कि अल्यूमिनियम पब्लिक सेक्टर से प्राइवेट सेक्टर में कैसे चला गया। अब राज खुला जब कि रात को इस रपट को हमने पढ़ा।

श्री शील भद्र थाजी : क्या रात को ?

श्री राजनारायण : यह पेज छः है।

श्री सी० डी० पांडे (उत्तर प्रदेश) : राज-नारायण जी, यह आपको पहले मालूम नहीं था ।

श्रीराजनारायण: हा, नही मालूम था। आप हमको बताये होते:

"We have not been able to locate any records which indicated how and when a decision was taken regarding the development of the aluminium industry in the private sector".

यह दत्ता साहब इसको लोकेट नहीं कर पाये। देखिये आगे क्या है:

"It appears from a noting of the Chief Industrial Adviser of the Ministry of Commerce and Industry that the question of premitting the private sector to develop the aluminium project was considered just before the Finance Minister went to the U.S.A. for the visit mentioned earlier. There was a discussion between the Prime Minister, the Finance Minister and the Commerce and Industry Minister so as to evolve an picture of the specific industries which could be thrown open for devolopment in the private sector even among those which had been included in Schedule 'A' and Schedule 'B' of the Industrial Policy Resolution (aluminium falls in Schedule 'B') The Adviser thought that it was on the basis of decisions taken this discussion that both Shri G.D. Birla and Shri Venkataswami Naidu were encouraged to contact possible American collaborators for the two proposed aluminum plants.

अब मै चाहता हूं जरा सदन इसको ढूढ़े प्रधान मंत्री साहब उस समय कौन थे ? श्री पं० • जवाहरलाल नेहरू । श्री पं० जवाहरलाल नेहरू के सामने सारी बातें बहस में आई। श्री पं० जवाहरलाल नेहरू के निदशन पर पिल्लिक सेक्टर से उठा कर उसको प्राइवेट सेक्टर में रख दिया गया था। एक बात इसमें और कही गई है। श्री जी० डी० बिड़ला ने लिखा है।

"Shri G.D. Birla wrote to the Secretary, Commerce and Industry, "You were good enough to ask me to take up the project of aluminium at Rihand. He put forward certain preliminary proposals about the projects which were mainly that an aluminium plant with a capacity of 10,000 tons per annum was to be set up at Rihand"...

श्री बिड़ला साहब खत लिखते हैं...

SHRI JOACHIM ALVA (Nominated): Who was the Secretary? Was it Mr. Venkataraman, who went to jail?

श्री राजनारायण : श्री जी० डी० बिड़ला लिखते हैं : हम आपको धन्यवाद देते हैं कि आपने हमसे कहा कि आप मिर्जापुर में जाकर अल्यूमिनियम फैक्टरी खोलिये। आगे पढ़ा जायेगा तो लिखा है अमेरीकन कोलेबोरेशन हो। यह सारी इजाजत किसने दी? उस बुद्धि, उस दिमाग और उस अक्ल ने दी जो कि श्री बिड़ला से नाजायज फायदा उठाना चाहता था।

श्री सी० डी० पांडे : वह देश का भल[ा] करना चाहताथा।

श्री राजनारायण: वह ग़लत है। आगे चल कर इसमे उत्तर प्रदेश की सरकार आ गई कि सस्ते रेट पर बिजली दी जाये या नहीं। रिहन्ड की स्कीम बनी थी तो पहले 14 करोड़ की योजना थी, फिर 33 करोड़ की हुई और फिर 55 करोड़ रु० की योजना हो गई और यह कहा गया कि तमाम उत्तर प्रदेश और पूर्वी इलाके और पहाड़ के पश्चिमी इलाके इनके गांव गांव में बिजली की बत्ती जुगनू की तरह जगमग जगमग करेगी। केवल में विरोधी था क्योंकि हैरिहन्ड के किसानों को उजाड़ा गया, हमने सत्याग्रह किया उनके

[श्री राजनारायण]

घर नहीं उजाड़े जायेंगे। तो हमसे कहा गया बिजली की बत्तियां जुगनू की तरह जगमग जगमग करेंगी और जब जगमग जगमग नही किया तो मालूम हुआ कि वह बिजली सस्ते रेट पर बिड़ला जी को फैक्टरी लिये दी जा रही है क्योंकि अल्यूमिनियम इस देश के लिये बहुत आवश्यक है। दिया? भारत की सरकार, उत्तर प्रदेश की सरकार, मुख्य मंत्री और प्रधान मंत्री ने। अब इसमें दोष किसका है। श्रीमन्, अगर इस सदन के सम्मानित सदस्य इस विचार के हों कि बिड़ला समाजवादी है तो वह मुग़ालते में है। बिड़ला समाजवादी नही है, वह तो निजी उद्योगपित है। वह अपना उद्योग चलाता है अपने निजी फायदे के लिये और उस फायदे से देश का भी भला हो जाय तो हो जाय लेकिन निजी उद्योग के सिद्धांत में, तह में यह पहले निहित है कि निजी उद्योगपति पहले अपना फायदा करेगा।

श्रीमन्, किसी जगह ऐसी बात आई कि "युद्ध आ गया था"। तो युद्ध आ गया और फैक्ट्रियों की कैपेसिटी ज्यादा है और हमें माल तैयार करना है--जैसा कि डाह्याभाई पटेल जी ने कहा और उनकी बात हमने समझी--तो हमको माल तैयार करना है तो यकायक हम कहेंगे कि माल तैयार करो, उसकी किसी टेकनिकलिटी में हम नही जायेंगे, बाद में जो रेगुलराइज कराना होगा कर लेंगे। जितना हमने इस रपट को पढ़ा है, इस रपट में सारे लाइसेसेज को रेग्लराइज किया गया है। तो रेगलार।इज किसने किया? क्या बिडला ने किया? किसने रेगुलराइज किया? आफि-सरो ने किया, मंत्रियों ने किया । और बात आप इसमें देखेंगे कि श्री पं० जवाहरलाल जा रहे हैं रिहन्ड देखने तो ^{बि}ड़ला साहब की एक चिठ्ठी मिली। हां प्रधान मंत्री को लिखा कि प्रशा-सनिक देर होने से हमारी अमरीका में बदनामी हो रही है क्योंकि कैंसर्स कोलेबोरेशन में आया था। तो जवाहरलाल नेहरू जी ने लिखी चिठ्ठी प्लानिंग कमीशन को कि क्यों तुम लोग देर कर रहे हो, क्यों नही तुम बिड़ला की सारी की सारी बातों को करते।' तो प्लानिंग कमीशन ने ...

"The Planning Commission replied that outstanding proposals concering the captive power plant were being speedily processed and were to be decided on merit."

बाद में उन्होंने बाकायदा उनकी सारी बात मान ली, सारी सहलियत देदी। मैं आज श्री शीलभद्र याजी से, कि पूछना चाहता हूं यह बिडला की सरकार है क्या? यह बिडला की सरकार नही है। (Time bell rings.) यह सरकार थी पं० जवाहरलाल नेहरू की, यह सरकार है श्रीमती इन्दिरा नेहरू गांधी की । तो सारा का सारा दोष जाना चाहिये श्री जवाहरलाल नेहरू पर, सारा का सारा दोष जाना चाहिये श्रीमती इंदिरा नेहरू गांधी पर, कि उन लोगों ने बिडला के सारे उद्योगों को क्यों रेगुलराइज कराया । अगर वह देश-हित में नहीं था तो उन्होंने अनेक प्रकार से अनेक उद्योगों को अपने ही साधन में, पैसा ले कर रिशवत ले ले कर चलाने की बात की और हमने केवल उदाहरण के लिये कहा।...

उपसभाध्यक्ष (श्री क्लोपन्त ठॅगड़ी) : अब समाप्त कीजिए।

श्री राजनारायण : एक जगह दत्ता कमेटी ने लिखा है, हमने हिन्दी में अनुवाद कर दिया है, कि बिडला के प्रतिनिधियों को भी सहू-लियत मिलनी चाहिये, दत्ता साहब को दुख है कि हमने जो रपट बनाई उसमें हमने बिड़ला की तरफ से व्यूज को नही लिया, जैसे...

"However, since the Committee did not travel beyond the material available in the records that it has examined, it has not been in a position to conduct a full and detailed inquiry. Moreover such an inquiry would necessarily involve the giving of opportunity to the representatives of the Birla companies, the official agancies concerned and any other interested and affected parties to state what they have to say in regard to the allegations."

तो इस तरह की कोई रिपोर्ट होती है। यह रिपोर्ट कहती है कि हमने बिड्ला के प्रत-नि यों को मौका नही दिया। उनको मौका देना चाहिये । तो जब तुमने ौका नही दिया तो यह रिपोर्ट क्यो लिखा दी। तुम खुद ऐसे जज बन बैठो कि जो जज बहस करते करते चले जाय और ऐसा फैसला दे दे जो आगे चल कर उलट हो जाय । हमारे मित्र चन्द्रशेखर जी चाहे प्रसिद्ध हो जाये लेकिन मैं आपके द्वारा सदन के सम्मनित सदस्यों को धन्यवाद देना चाहुगा, यह अपने को अब ऐसी स्थिति मे रख कर रहे है कि आसानी से उनकी आख मे कोई धूल झोक दे। यह जो फ़ख़रुद्दीन अली अहमद साहब का बयान आया कि यह कमीशन अपौडन्ट कर रहे है यह काहे को ? क्या लिखा है उसमें : Above cases; what are the above cases? इसमे तो आप देखेंगे कि सारा का सारा बिडला छट रहा है। हमको ऐसा लगता है इस कमीशन की तह में नुकते नजर और है। 1972 के चुनाव को लेकर ढाई ढाई तीन तीन साल तक खब कमीशन बैठेगा और बिडला साहब को पकडेंगे। फिर बिडला से कहा जायगा कि देखो रपट आ रही है, रपट आ रही है, 10 लाख दो. 20 लाख दो, 50 लाख दो और इस तरह से उसमे यह सरकार 1972 के चुनाव के लिए पसा झटक लगी और वेबिल्कुल छुट जायेगे। म आज ही इस बात की भविष्यवाणी करता हं कि वे इन आरोपों से बिल्कुल छूट जायेंगे। SHRI A. G. KULKARNI: On a point of clarification, what did you say?

Motion re report on

श्रीराजनारायणः मैने यह कहा कि जिस हंग से आज मत्री जी ने अपना बयान दिया अगर वही है तो मैं आज ही भविष्यवाणी करता ह माननीय सदस्यो से कहता हू कि वे मुगालते में न रहे और बिडला शुद्धतः छटेगा ।

SHRI A. G. KULKARNI: You tell all the industrial houses not to give money to anybody because their fate is doomed in this country. The country is going in for

श्री राजनारायण: तो श्रीमन्, मैं आप से यह निवेदन करना चाहता ह कि अगर सही वफा-दारी करनी है तो वह मुल्क के लिए होनी चाहिये हमे वफादारी किसी व्यक्ति के लिए ^नी करनी चाहिये और इसलिए इस सरकार को देंटर्म्स आफ रैफरेंस के बारे मे आज बतला देना चाहिये कि इसकी जाच की परिधि क्याहोगी और इस जाचमेक्या क्या आयेगी । इसलिये मै चाहता हूं कि इस स्थिति के बारे में सदन को जानकारी कराई जानी चाहियेकि प्रधान मत्री ने कैसे कहा कि बिडला को एत्यूमीनियम कारखाना खोलने की इजाजत होनी चाहिये ौर प्रधान मत्नी बीच मे कैसे आई। इसी के साथ जिन जिन कर्मचारियो ने इस सबध मे कोई गलती की थी, रेगुलराइज करने मे गलती की थी, उसके बारे मे भी पता चलाया जाय कि यह गलती किस तरह से हुई।

श्रीमन्, दो दिन पहले यहा पर जो चर्चा चली थी एशियन्स केबिल्स लिमिटेड के सबध मे, ोयनका के सबध मे, उसके बारे मे भी जाच क्यो न हो । यह जो ज्योति लिमिटेड बड़ौदा है, उसके बारे में भी जाच क्यो न हो । स्विच गियर लिमिटेड के बारे मे जाच क्यों न हो और साथ ही जननिधि ट्स्ट के मामले को भी साफ करना चाहिये । अगर आप ईमानदार रहना चाहते है, मुल्क के लिए वफादार रहना चाहते है तो आज इस सदन को होगा कि जननिधि ट्रस्ट के पास पैसा कहां से आया और किस ने उसको पैसादिया।

एक माननीय सदस्य : नेशनल हैरल्ड के बारेमे भी।

श्री राजनारायण : नेशनल हैरल्ड के पास कैसे पैसा आ रहा है। (Interruptions.) तो मैयह चाहता हू कि स्कूटर कान्ड, टाटा गोयनका, सिधानिया, इन सब के बारे मे जांच हो ।

मैं अपने मित्र श्री सुन्दर सिंह भडारी जी से सहमत नही हू। श्री सुन्दर सिह भडारी जी ने कहा कि इसको लिमिटेड किया जाय। ठीक है, मोनोपली देश के लिए मुजिर है और एकाधिपत्य का जितनी सख्ती के साथ विरोध हो उनना अच्छा है।

ੵ [श्री राजनारायण]

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श्रीमन, आप जानते हैं कि हमारा एक पत्न "'जन" कलकत्ता से मिकलता था और जिसके सम्पादक श्री बालकृष्ण गप्त थे। वह बिडला के बारे मे आलोचना करता था । इसका नतीजा यह हुआ कि कलकत्ता की पुलिस ने उस अखबार के दफ्तर पर रेड किया और उसके दफ्तर को तोड दिया और बिडला के संबंध मे जो रिकार्ड थे वह उठा ले गई। मिर्जापुर मे हमारे ऊपर डन्डे चले, हमारे सिरपर चले, तो मुझे ये सब बाते याद आ रही है। तो मै यह पूछना चाहता ह कि इन सब बातो के खिलाफ आज तक केंसे क्यो नहीं चलाया गया। इसका एक कारण है और वह यह है कि आज उत्तर प्रदेश मे काग्रस की सरकार बैठी हुई है ओर दिल्ली मे भी काग्रेस की सरकार है। आज केन्द्र में जो सरकार बैठी है वह भ्रष्ठाचार की सरकार बैठी है। अगर कोई जाच हो तो फखरुद्दीन अली अहमद की जाच क्यों न हो। अगर इस तरह की जाच नही होती है तो मै समझगा कि यह जाच अध्री होगी। आज यह न्थिति देखी जाय कि श्री फखरुद्दीन अली साहब किस तरह मे लाइसेस देते है। मै चाहता हू कि 1965 से करीब 300 और 400 υप्लीकेशन स्कृटर के कारखाने बनाने के बारे में आ गई है मगर आज तक उनके बारे में फैसला नही हुआ है। तो मै जानना चाहगा कि यह स्कूटर मामला हल आज तक क्यो नही हुआ। किन किन स्तर पर किन किन लोगो से पैसा लिया गया और किन किन स्तर पर वादा किया गया, इन सब बातो की जान-जाकर मामला बनेगा। मै पुन: कहना चाहता ह कि इस बिडला ने जो ज्यादती की है, जो गुनाह किये हैं, जो अपराध । कये है, उनके ऊपर सख्ती के साथ कार्यवाही की जानी चाहिये और इसमें तनिक भी मुरब्बत नही होनी चाहिये। जिन्होने इस साधनों का दुरुपयोग किया है उन्हें अवश्य दड मिलना चाहिये। मै फिर इस बात को कहना चाहता ह और डके की चोट पर

कहना चाहता हू कि मती जी को इसके टर्म्स आफ रेफरेस के बारे मे आज सदन मे बतलाना चाहिये वरना चापलूसी-बाजी से काम नहीं चलेगा। क्या टर्म्स आफ रेफरेस के बारे में बिडला के प्रतिनिधियों से बातचीत होगी। इसलिये मैं आप से कहना चाहता हू कि मत्नी जी को यह बात आज सदन में बतलाना चाहिये।

श्री सन्दर सिंह भंडारी: मेरा उल्लेख उन्होने किया और कहा कि मैने एक अलग से इन्क्वायरी की माग की है। यह माग मैने इसलिये की है कि हजारी रिपोर्ट मे भी बिडला के बारे मे एक अलग से सप्लीमेट आया है और इस रिपोर्ट मे भी बिडला के बारे मे अलग से सप्लीमेट आया है। श्री चन्द्रशखर की रिपोर्ट भी सब इन्डस्ट्रियल हाउसेज के खिलाफ न होकर सिर्फ बिडला पर है। मेरा इसलिए यह कहना है कि यह कमेटी सिर्फ बिडला के मामलो पर बैठनी चाहिये। दूसरे सवालों के ऊपर दूसरी कमेटी बैठनी चाहिये। वह मोनोपली के बारे मे विचार करे, तो मै इसका विरोधी नही हू। लेकिन क्योकि यह अलग से इश्य आया है, इसलिए इसकी जाच अलग से होनी चाहिये।

SHRI M. P. BHARGAVA: Mr. Vice-Chairman, Sir, I am happy today because it has been proved that Parliament is still the watchdog of public interest. I am happy that every step....

SHRI BHUPESH GUPTA: It is also a barking dog that bites.

SHRI M. P. BHARGAVA: . . . this House has taken so far has been vindicated. First we discussed the Hazari Committee Report and there was a demand for a fuller enquiry to be made and a fuller enquiry had to be ordered. Then, my friend, Shri Chandra Shekhar, after a Herculean effort behind the scene collected data and presented three memoranda at various times to the Government of India containing numerous allegations against the house of Birlas. The Government resisted for full two years the demand for ordering a Commission of Inquiry, but the public demand and opinion in the House was

so great that it could not be resisted and it had to order an enquiry last night. I am happy, again, that my solitary voice during the last debate has been fully vindicated because mine was the only voice for the appointment of a Commission of Inquiry against the Birla group of industries.

SHRI BHUPESH GUPTA: You had our blessing.

SHRI M. P. BHARGAVA: I am not talking of the Opposition. I am talking of the ruling party. (Interruption.) Now, my friend, Mr. Dahyabhai Patel, posed a question whether we want industries to grow or not in India in the public sector as well as in the private sector. I will not touch the public sector, but I will say a word about the private sector. I must make it absolutely clear that I have never been against any industrialist who is for the industrialisation of the country or for helping the growth of the national income. My grouse against the industrial house has been the political corruption which they have spread by using foul means for obtaining licences and several other things. That is my grouse and that is what I would like the Commission to go into, whether there has been any complicity of the officials of the State Governments and the officials of the ment of India in helping the Birlas achieves the objectives which they were trying to achieve through foul means. Whether they have spread political corruption at all levels of the Government of India and the State Governments is the main question which has to be referred to the Commission of Inquiry.

SHRI BANKA BEHARY DAS: When he mentions political corruption, do you think that the donations to political parties should also be brought under it?

SHRI M. P. BHARGAVA: We have talked about that question many times here and everybody knows what is meant by political corruption. I am dealing with it in that sense. You understand it and I understand it. Let us not fight on such issues. Now I have my own doubts if this objective will be achieved. I am reminded of a story. A thief was concerned and he was to be produced before the judge. People got worried that now the thief would have to go before the judge. What the people who were trying to shield that particular thief did was they introduced a number of other thieves in that locality with similar faces, who had done the same kind of crime

and then tried to make out, "now you take the thief you want, we have no objection; you can produce the thief before the judge". That is exactly what is happening today. Whether it is the Hazari Report or it is the main report of the Dutt Committee or it is the subsidiary report about the house of Birlas, one thing is very clear that Birlas have got undue favours from the Government of India and the State Government. It is absolutely clear from the Dutt Report, from the main report, because just draw the attention of the House to the four terms of reference; I will not read the terms of reference because my time is limited; I will just quote the conclusions which they have arrived at. About the first term they say:

"But whether in the case of individual products or in regard to individual Larger Houses and Large Companies, disproportion is observed only in the case of a few.."

The most important line is to follow:
"the most prominent among them being Birla."

That is as regards the first term of reference. What is the conclusion about the second term of reference?

"From our aggregative analysis and case studies, we have found that among the Houses which were reponsible for various forms of pre-emption, the most prominent is the House of Birlas. They held the largest number of unimplemented licences, made repeated attempts to obtain a large number of licences for many products created excess capacities and tried to have them regularised afterwards and also produced more than authorised capacities."

That is about term number two.

About term number three, whether Birlas have used their position to keep out of public sector certain industries the verdict of the Dutt Committee in the main report is very clear that public sector industries have suffered because of Birlas as far as aluminium is concerned, as far as DDT is concerned, as far as earth-moving equipment is concerned, as far as newsprint is concerned and as far as power is concerned.

About the fourth term of reference also the finding is very clear:

"The public sector banking institutions are also found to extend favoured treatment in the credit facilities offered

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by them to the Large Industrial Sector. Not only does large scale assistance go to the Large Industrial Sector but the share of the 20 Larger Houses is every large and a few Houses benefit most. The House which seems to benefit most is that of Birlas, the others being Mafatlal, Tata and ACC. In the investment portfolio of the LIC also, the position in 1966 as compared to that in 1956 shows a clear shift in favour of the House of Birlas."

These are the findings of the Dutt Committee on the fourth term of reference, which I have read out.

I entirely agree with my friend, Shr; Bhandari, that the enquiry should in the first stage be limited to the house of Birlas only because according to me they are the main thief, as I referred to in the story I They are the main theif and they said. They are the main theif and they must be caught first, and then when the two Houses have discussed the main report of the Industrial Licensing Inquiry Committee, the terms of reference can be widened and other cases of other industrial houses may be referred to them according to the discussions in the two Houses. Just to mix up the issues of the allagetions against Birlas and allegations against other industrial houses will not be fair at this stage. It does not mean that I am trying to shield any industrial house or I have a brief for any industrial house. I would like an enquiry to be made into corrupt practices practised by any of the industrial houses. Everybody who has misused his position must suffer, whether it is the industrial house or it is the official or even the Minister. Thank you.

SHRI BHUPESH GUPTA: Mr. Vicee Chairman, may I start by saying that the paths of the Birlas lead but to public scandal and public enquiry? In this House we have been demanding insistently that a Commission under the Commissions of Inquiry Act should be appointed to look into the allegations against Birlas. Even during the last Budget session the doughty Finance Minister at that time also wearing the toga of Deputy Prime Minister brushingly rejected our demand as something unreasonable, a propaganda and even worse. In fact for making this demand he frowned upon his own partymen, notably Mr. Chandra Shekhar. Today we stand vindicated in this House, Mr. Chandra Shekhar and all of us share the glory of an achievement that we have forced the Government to order an enquiry, and the gentleman, the all-powerful aspirant to the office of Prime Ministership, is passing into shade day by day, having already been ousted from positions of authority in Parliament and the Government. I have in mind, naturally, Mr. Morarji Desai.

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Now, Mr. Vice-Chairman, first of all I would like to deal with one or two aspects in the report and then make a few observations. I may invite the attention of the House to a little report we published in the paper called "New Age" with which many of you are familiar and of which I have the privilege of being the Editor. The "New Age" of 23rd March, 1969, in its column called "Whispering Gallery" carried something about the illustrious lady, Shrimati Sharda Mukherjee, and there it said:

"She spends more time on getting and getting rid of (for what?) industrial licences than on her principal calling."

She was very angry. She approached me and I said, "You are an esteemed colleague in Parliament. If you contradict the thing, write a letter to the editor. I am for publishing it." She wrote a letter to the editor on the 26th March, which was published in the "New Age" on 6th April, in which she said referring to the quotation I have given from earlier "New Age":

"The innuendo is plain and the object is undoubtedly to convey that I engage myself in procuring industrial licences from Government for persons for monetery gratification. I resent the suggestion as being false, mean and cowardly."

She is calling us cowardly.

"It has no basis in fact. I say categorically that I do no such thing. Sharda Mukherjee, M. P."

Well, MPs should be careful about the report. Now, here, Mr. Vice-Chairman, in the Report, it says on page 66:

"Other examples of similar speedy consideration and approval include chipboard industry (Parikh Brothers), iron castings (Janata Machine Tools) and phosphoric acid(Shrimati Sharada Mukherji); all these are cases of applicants not belonging to Large Houses."

This is the Report. Now, well, what will she say? She is engaged in such things at least according to this Report, namely

procuring licences. Then what she is doing well, the Report does not say. But I say, according to further investigations, Shrimati Sharada Mukherji got the licence for phosphoric acid. According to the Report, it was granted. Then she gave or transferred this licence to her brother, Mr. Pandit. Then what happened? Mr. Pandit sold this licence to a company called Morarji-Albright-Pandit of Amarnath for Rs. 10 lakhs. This is what we know. Surely, such things should be enquired into. And in this case, I think, we are right. Shrimati Sharada Mukherji was getting the licence and also was getting rid of it. For what, I do not know. Only she can say. But her brother has got Rs. 10 lakhs, according to my information. Well, this is the Syndicate lady, one of the great Syndicate ladies.

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Mr. Vice-Chairman, now, before....

SHRI A. G. KULKARNI: She is an MP. How do you say 'of the Syndicate'?

SHRI BHUPESH GUPTA: She belongs to a body MPs who constitute the Storm Troopers of the Syndicate.

AN HON. MEMBER: Is it established?

SHRI BHUPESH GUPTA: It is esta-Let her deny it. I am always amenable to correction. I do not refuse being corrected. But Shrimati Mukherji, why did she write that letter to me, of all people? I was also very fair. Even when she called me 'cowardly', I published it. Let the people know whether I am cowardly or not. Today, I stand vindicated and she stands exposed. The Syndicate has gone. She is also gone.

My friends of the Swatantra Party were very very vociferous about the private sector. Here again, I am very concrete. I invite your attention—they are fond of the private sector—to a cheque for a sum of money which was sent by—the company's name is-Messrs. Escorts Limited, Head Office: New Delhi, whose chief is Mr. H. P. Nanda. They sent a cheque for Rs. 10,000 in draft to the Tamil Nadu Swatantra Party. Here is the receipt of the Tamil Nadu Swatantra Party.

"Tamil Nadu Swantantra Party, 76, G. N. Chetty Road, T. Nagar, Madras 17 No. 676 J Dated: 14-12-68

"Received with thanks from Escorts Limited, 19, Commander-in-Chief Road, Madras-8, the sum of Rupees Ten Thousand only by draft towards donation."

LOKANATH MISRA: What SHRI is wrong about it? Our stand has been that whatever donation is shown in the balance sheet of the company is known to the country. We do not resort to surreptitious practices, like Mr. Bhupesh Gupta and his party, by blackmailing the owners of these industries and surreptitiously stabbing at the back of the worker and coming to terms with the owners of the industries and making some personal money out of it. We do not believe in it. You indulge in it. And from wherever we have taken some money on behalf of our party, it has been on a receipt on an official receipt.

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SHRI BHUPESH GUPTA: The receipt is there, Mr. Vice-Chairman. Is it shown in the books of the companies? That is what I say. I am very glad that he interrupted. Therefore, I allowed him to interrupt. This much I know-here it was not Another bomb-shell for you.

Then, Mr. Vice-Chairman, here you will find that the same company sent a cheque for Rs. 10,000 for the Kalki Publications in the name of Shri Rajagopalachari. I have got Here I come back: everthing.

"As per instructions received by me, I am enclosing a draft for Rs. 10,000 for your further necessary action.'

"Escorts Limited."

Then here again—

"Dear Shri Prasad,

I am enclosing herewith a receipt for th cheque you so kindly gave for our party on the instructions of Shri H. P. Nanda."

These are the moneys. Ten thousand....

SHRI LOKANATH MISRA: On a Nanda.... personal explanation. Mr.

SHRI BHUPESH GUPTA: Shri Raja gopalachari.

SHRI LOKANATH MISRA: I belong to the Swatantra Party. I do not disown my Party as Mr. Buhpesh Gupta does. When it comes to a clash between Russia and China, he disowns himself, he separates himself from Mr. Niren Ghosh and opposes him. We do not go in that way. I stand for my party and Mr. Nanda is one of our For your information, Mr. Treasurers. Bhupesh Gupta, Mr. Nanda is one of the Treasurers of the Swantantra Party and he has sent the cheque. Maybe he has written the letter on the letter-head of Messrs. Escorts Limited. Then, there is nothing wrong absolutely because he is the

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Treasurer for our Party. Naturally we expect him to send cheques, whenever it is necessary, to any State branch.

SHRI BHUPESH GUPTA: Why is he interrupting? He is taking much more time.

Then, Bharatan Publications....

SHRI LOKANATH MISRA: You are misleading the House.

SHRI BHUPESH GUPTA: That is there. I have got the photostat with me. He can read it.

SHRI LOKANATH MISRA: When I made a demand that Mrs. Aruna Asaf Ali has invested about Rs. 18 lakhs in one of your papers, did they do anything about it? She got it from Russia. I again demand that there should be an enquiry about the money brought from Russia and other foreign sources.

SHRI BHUPESH GUPTA: Rs. 20,000 from one company went to Shri Rajagopalachari and to Swantantra Party in Tamil Nadu.

SHRI BABUBHAI M. CHINAI: Why don't you reply to his charge, Mr. Gupta about Mrs. Aruna Asaf Ali?

SHRI BHUPESH GUPTA: He speaks on a personal explanation.

SHRI BABUBHAI M. CHINAI: His charge is that Mr. Aruna Asaf Ali has invested some lakhs in Patriot. Why don't you reply to that?

SHRI BHUPESH GUPTA: It would be shown in the company's book. Go and find out. (Interruptions) All right. You have to speak like this.

Sir, in regard to the enquiry, statement has been given. I say that Mr. Fakhruddin Ali Ahmed's statement is not very clear because according to the statement which he made on the floor of the House today, it seems that it will be restricted to the allegations which have been dealt with by the Dutt Committee. But there are so many other allegations. What happens to them? For example, what about Pilani Investment Company Limited's funds? What happened to that? That has not gone to the Industrial Lincensing Committee. That should be investigated into. What about the J. C. Mills where the shareholders' money has been swindled by the Birlas. This thing should be gone into. The J. C. Mills gave oans to the Gwalior Rayons and others when Jeoji Rao Cotton Mills themselves where paying 5 per cent interest on their own borrowings. Some other things also should be covered.

I think Mr. Chandra Shekhar and others should be consulted before the terms of reference are made out. Here it is only restricted to matters which had been dealt with by the Dutt Committee. Chandra Shekhar's charges related to many matters outside. The Dutt Committee's purview, they had not been covered by that Committee. The comprehensive enquiry should include everything. That is what I say. Otherwise, there is no point in the enquiry. The concentration of the enquiry must be on the Birlas. I agree with you there. It must be the specific purpose. Therefore, I say that this statement is not satisfactory. One does not know what the Governments want to do. Does the Government want only to go into a few allegations that were referred to the Dutt Committee? does the Government want that all the allegations, about 100 of them, made by Mr. Chandra Shekhar would be gone into by the Commission of Inquiry? We should like to have the position clearly stated.

Then, Mr. Vice-Chairman, what about the Finance Ministry? I should like to know whether the activities of the Finance Ministry in regard to these and other matters would be gone into because, according to our information, the Finance Ministry is the source of corruption in the country. I can name Secretaries, Joint Secretaries and other officials, bureaucrats, who are directly responsible for helping and pampering the Birlas.

Mr. Vice-Chairman, here is the Dutt Committee report which says that Hyderabad Asbestos Cement was allowed to expand without authority. The report says that the Government officials instead of questioning the unauthorised expansion approved and rectified the industrial licences of this company for 2,20,000 tonnes capacity. I would like to ask whether all the officials concerned would be covered by this enquiry. I cannot think of the Birla Empire without these corrupt officials at the top. I say that some very high-ups in the Finance Ministry are indirectly in league with the Birlas. I should like to know whether they are going to be removed from that position....

THE VICE-CHAIRMAN (SHRI D. THENGARI): Please wind up.

SHRI BHUPESH GUPTA:....because the enquiry would be withheld and documents would be withheld and would not be availble for enquiry if the same officials in the Finance Ministry, who are suspected of having collusion with Mr. Mandalia and others of the Birlas and directly with the Birlas, remain in their positions. I would ask Mr. Fakhruddin Ahmed how many officers from Industries Ministry are going to be removed on suspicion. It is no use evading. How many from the Finance Ministry, I should like to know, are going to be removed? Mr. Morarji's removal by itself does not clean the Augean's stables so long as these officials remain there. They say it is bad that Mr. Morarji has fallen. What about others who remain there? I know it for a fact, Mr. Vice-Chairman, that 90 per cent. of the top officers are the same. It is good for the country that Mr. Giri has been elected as the President and that Mr. Sanjiva Reddy has been defeated ... (The time bell rings.)

THE VICE-CHAIRMAN (SHRI D. THENGARI): Please wind up. Your time is over.

SHRI BHUPESH GUPTA :....but there still remain the Syndicate men. I should like to know what happens to these Syndicate men. When the enquiry starts, these men will sit on the papers. When the Government has to file documents these people will appear along with witnesses and papers...

THE VICE-CHAIRMAN (SHRI D. THENGARI): Mr. Bhupesh Gupa, your time is over.

SHRI BHUPESH GUPTA :....I am finishing. We cannot place reliance on hostile witnesses. Mr. Vice-Chariman, I would like Mr. I. G. Patel to be removed from the Finance Ministry. If Mr. Morarji Desai has gone, why not these officers should also be removed from their positions? I can tell you how much these high officials are connected with the Birla affairs. That is known to us. How is it that Mr. Morarji Desai has gone but they remain? Mr. Vice-Chairman, therefore, the enquiry should be thorough and comprehensive. (Time bell rings.)

I would like to make a suggestion before I sit down. I need not go into the charges, numbering 100 or so. Fifty relate to the Ministry of Finance, directly or indirectly. If Birlas have attracted public enquiry, if stands to reason the Finance Ministry is under cloud and it should be treated with great suspicion. And, therefore, we demand that those officials, who had been in the relevant period in control

guiding the affairs of our finances or issuing industrial licences or other financial matters, should be removed from their positions. That is very important. (*Time bell rings*.)

THE VICE-CHAIRMAN (SHRI 1. THENGARI): Please sit down, Mr. Bhupesh Gupta. Your time is over.

SHRI BHUPESH GUPTA:... I should like the Government not to choose the personnel and the terms of reference without consultation with Members of Parliament.

In this connection I may refer to you what happened at the time of the C.S.I.R. enquiry...

THE VICE-CHAIRMAN (SHRI D. THENGARI: Your time is over,

SHRI BHUPESH GUPTA:.... The Prime Minister counsulted the Opposition and the Government Party people to choose the personnel if they had anything to say. In that situtation also, I think, Mr. Chandra Shekhar is the man to be consulted first. I need not be consulted. I forego my right in favour of Mr. Chandra Shekhar because ...

SOME HON. MEMBERS: Very generous.

SHRI BHUPESH GUPTA :... Mr. Vice-Chairman, let us give our colleague his due. We have all fought against the Birlas. We have all demanded an enquiry against them. We pursued till Mr. Desai was out of power. There sits the man opposite us with his head high but with a small beared, and most of us today, because of the tenacity and courage brought to bear upon the whole issue, are proud of this man, Mr. Chandra Shekhar. hope the Prime Minister will finalise the terms of reference without at least consulting Mr. Chandra Shekhar. He is our trustee in this matter. I have no hesitation in saying that he is our trustee, the trustee of our conscience, trustee of the public spirit, trustee of the norms in public life—I would be happy if others are also consulted—he should be consulted. Therefore, Mr. Vice-Chairman, the Birlas must be put under curbs and all facilities, advantages and other things given to them should be stopped...

THE VICE-CHAIRMAN (SHRI D. THENGARI): Please wind up.

SHRI BHUPESH GUPTA: ... in the national interest. The Cabinet as a whole should take the decision. Birla men, whether they are on the private boards or the boards of Corporations, should be all removed. Members of the Birla families, their agents, their representatives should not be allowed to sit on any committee....

THE VICE-CHAIRMAN (SHRI D. THENGARI) : You have to wind up now.

SHRI BHUPESH GUPTA: That is very, very important. Therefore, Mr. Vice-Chairman, I hope we shall set about the task of enquiry in a forth right, honest, courageous manner. In so far as they are taking some step, I congratulate the Members of this House on both sides who have brought the public opinion to bear upon this subject. Mr. Vice-Chairman, I therefore demand that this step should be taken.

SHRI LOKANATH MISRA: Would you agree to an investigation regarding the Birla project in Kerala and the Bamboo deal?

SHRI BHUPESH GUPTA: Everything. Birlas are the greatest corruptors of public life...

THE VICE-CHAIRMAN (SHRI D. THENGARI) : Now please take your seat.

SHRI BHUPESH GUPTA: ... Let the Government come out with a list of officials whom they are going to remove from key positions in the Ministry of Finance; otherwise I warn you they know how to sabotage the enquiry, they know how to withhold evidence or give false evidence...

THE VICE-CHAIRMAN (SHRI D. THENGARI): Please wind up.

SHRI BHUPESH GUPTA: ... Once again I thank my friend, Mr. Chandra Shekhar, and others in this House for the great thing they have done in regard to bank nationalisation and Birla enquiry. Let us continue this journey forward.

THE VICE-CHAIRMAN (SHRI D. THENGARI): You have to take your seat now. No more. Mr. Arjun Arora.

SHRI ARJUN ARORA: Mr. Vice-Chairman, Sir, I congratulate Mr. Fakhruddin Ali Ahmed for the statement that he made this morning though I feel that the scope of enquiry, as conceived by Mr. Fakhruddin Ali Ahmed and delivered this morning, is very limited. It is so limited that once for a change I am inclined to graee with Mr. Rajnarain that this enquiry, unless its terms are enlarged, may not harm the Birlas and may not injure any monopoly group. Its terms must be enlarged. All the same I welcome the fact that after two years of constant hammering in this House, the Government has responded, and conceded the enquiry, howsoever limited.

The institution of this enquiry into Birla and other monopoly groups this morning has a political significance which must not be lost sight of. The common man will interpret it as the second result of the ouster of Shri Morarji Desai from the Ministry of Finance. It is barely six weeks since Mr. Morarji Desai was ousted from the Ministry of Finance and subsequently from the Cabinet.

These six weeks have seen the nationalisation of 14 major banks and the institution of this inquiry. Many in this House and elsewhere in the country felt that Shri Morarji Desai stood between the Birlas and the inquiry. That has been established by the fact that soon after his ouster, if not dismissal, the inquiry hasbeen instituted.

SHRI K. S. CHAVDA (Gujarat): Mr. Arora, this is not a fact.

SHRI ARJUN ARORA: It is in this context strange that the gay old man of the Ind'an National Congress, Shri S. Nijalingappa, still.... (Interruption by Kumari Shanta Vasisht.) You stand up and make a speech.

KUMARI SHANTA VASISHT (Delhi): I think you should not attack Congress leaders while you are talking on Birlas. You concentrate on Birlas.

SHRI ARJUN ARORA: All right young lady, sit down. I know better what I should do. I do not want to learn lessons in politics from this young lady. (Interruptions.)

श्री राजनारायण : कमजोर को प्रकृति भी मार डालती है, निजलिंगप्पा साहब कमजोर हैं उसको तुम भी मारो और अब फिर मोरारजी भाई को न आने दो। अगर मोरारजी भाई को थोड़ा भी सम्मान हो तो इदिरा की कैंबिनेट में उनको कभी आना ही नही चाहिये।

SHRI ARJUN ARORA: मैं आपसे सह-मत हूं। It is strange that the gay old man of the Indian National Congress should...

SHRI K. S. CHAVDA: On a point of order. Mr. Arora should not be allowed to attack the Congress leaders. He should speak on the subject of this debate.

SHRI K. CHANDRASEKHARAN: Let him speak without interruptions.

SHRI ARJUN ARORA: I am talking of the link between politics and monopoly. That is very important.

SHRI B. K. P. SINHA (BIHAR): Why do you say gay old man? Are you an angry old man?

SHRI ARJUN ARORA: I am ar angry young man.

श्री राजनारायण: एक काम करो तुम, ऐसा करों कि विङ्ला के कंसर्न में जिसका भी सम्बन्ध हो सबकों कह दो और उसमें बढ़ते-बढ़ते कहीं राष्ट्रपति तक नहीं पहुंच जाना, पता लगा लो उनका सम्बन्ध ।

THE VICE-CHAIRMAN (SHRI D. THENGARI): Please do not interrupt Mr. Arora, you come straight to the subject.

SHRI ARJUN ARORA: It is strange that some people still think that the ouster of Shri Morarji Desai is a live affair. That affair is as dead as dodo, and the fact that the Birla inquiry has been instituted to-day blocks the door for Mr. Morarji Desai as far as the present Cabinet is concerned.

SHRI RAJNARAIN: You get some money from him for the Congress organisation.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Please do not interrupt him. His time is limited.

SHRI ARJUN ARORA: Well, I do not want to enter into the question of who

accepts money from whom. Mr. Ra^j narain's party does not function without money and I know some of the sources from which they get money. I do not mind.

श्री राजनारायगः एक राजनारायण की पार्टी है कि जहां वह एक खर्च करती है वहां आपकी पार्टी सौ खर्च करती है।

SHRI BHUPESH GUPTA: Do you mind this thing that the cheque to Rajagopalachari, referred to earlier by me, was on the National and Grindlays Bank dated 12th December 1968, cheque No. 004861? Would you not mind such National and Grindlays Bank cheques going to Rajagopalachari?

SHRI ARJUN ARORA: I think the National and Grindlays Bank should also have been nationalised. Then we should get more information than we have now.

The whole industrial licensing policy was aimed at removing regional imbalances and curbing the growth of monopoly. It is now as clear as broad day light that in this twin objective, the industrial licensing has failed. Now for that we cannot merely blame the industrialists. We cannot merely blame the Birlas, Dalmias, Jains and the 75 monopoly groups. They are to be blamed. They have become too powerful. Their power has to be curbed if democracy has to be made secure in this country and if even an egalitarian society has to be established much less a socialist society. Their monopoly and their power, the power of money and concentration of wealth, has to be broken. But it cannot be broken unless the administration is overhauled. Merely the ouster of Mr. Morarji Desai will not solve our problem. The whole administrative machinery will have to be overhauled. Take the Dutt Committee Report, for example. Every irregular thing done by the big business has been regularised by the Government. Every irregular thing done by them has ultimately been regularised by the Government. Who is responsible for that? It is the bureaucracy. It is the whole administrative apparatus which we inherited from the British and which we foolishly want to perpetuate. The administrative apparatus must be thoroughly reorganised and only those people who are committed to the policies accepted by the country should be but in charge of execution of economic policies. I was the one Congress Member who in 1967, as soon as the present Ministry was announced, criticised the importation of Rajas and Maharajas into the

[Shri Arjun Arora]

Cabinet. But much worse is the case with the Secretariat. Much worse is the case with the bureaucracy. I happen to be one opportunity who occasionally gets an opportunity to mix with the bureaucrats late in the evening also. And after a peg or two...

Motion re report on

SHRI A. G. KULKARNI: Pag of what. SHRI ARJUN ARORA: Coca-Cola.

SHRI BHUPESH GUPTA: Some of the bureaucrats sitting in the North Block and South Block and in Udyog Bhavan are talking that this Prime Minister will ruin the country—the Secretaries, Joint Secretaries, Deputy Secretaries and others.

(Interruption)

SHRI ARJUN ARORA: Please do make a second speech.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Mr. Gupta, please do not interrupt.

SHRI ARJUN ARORA: After a peg or two, they come into their own. they ridicule...

SHRI B. D. KOBARAGADE (Maharashtra): So quickly?

SHRI ARJUN ARORA: There are some die-hards like Mr. Interrupter who come into their own after half a bottle. So, when they come into their own, they ridicule the policies of the Government, everything that the Government does, everything that the Government aims at; and even personalities are not spared.

SHRI B. K. P. SINHA: I do not understand one thing. When the officers lose their head or become intoxicated, how does my hon. friend resist intoxication? Is he harder than the officers that way?

SHRI ARJUN ARORA: I can stand interruptions from the hon. Member who is a weak-kneed person, I know.

SHRI N. K. SHEJWALKAR (Madhya Pradesh): How many bottles you can stand?

SHRI ARJUN ARORA: That you can find out if you are prepared to spend some money and foot the bill.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Now, you have to wind up.

SHRI ARJUN ARORA : I have so many interruptions from both sides...

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THE VICE CHAIRMAN (SHRI D. THENGARI): I have taken that into consideration.

SHRI ARJUN ARORA..both pleasant Sir, with this sort of and unpleasant. bureaucracy, how can you fight the monopolists? How can you fight the Birlas, the Dalmias, the Jains and their type? When Nanda was the Home Minister, we heard a great deal about the contact men of big business in Delhi. What is their business? Their main occupation begins after the sunset.

SHRI B. K. P. SINHA: There are not only men, but women also.

SHRI ARJUN ARORA: Yes, there are both men and women....(Interruption) organised and paid for by the big business. The activities of these contact men of the big business, as I submitted, begin after the sunset. And the officers, particularly of the Economic Ministries, are the main beneficiaries of the generosity and the generous expense account at the disposal of the contact men. Mr. Nanda tried to curb this evil and he was himself curbed by a gang lend by Mr. Atulya Ghosh.

SHRI BHUPESH GUPTA: Led by whom?

ARORA: By Mr. ARJUN SHRI Atulya Ghosh, the Bangeshwar. Mr. Bhupesh Gupta should know him better. With the exit of Mr. Nanda the contact men became emboldened and their activities increased and now we, Members of Parliament, also do not talk about them. Unless these rackets are broken, no amount of charge-sheeting by Members of Parliament, no amount of inquiry committees and commissions, will be of any avail. I, therefore, urge upon the Government two things. Firstly, it should enlarge the terms of reference of the inquiry commission which it has promised to appoint. Unless you enlarge its terms of reference, you will only be deceiving us and our congratulations to the Government and Mr. Raghunatha Reddy will be meaningless and undeserving. Secondly, the Government must take steps to cleanse the Economic Ministries of the undesirable elements and break the rackets...

SHRI DWIJENDRALAL SEN GUP-TA: True.

SHRI BHUPESH GUPTA That is right

SHRI ARJUN ARORA · organised by the big business who influence the corridors of the Secretariat.

SHRI NIREN GHOSH Mr Vice-Chairman, I must first say about the role of our House, and that of Mr Chandra Shekhar also, in pursuing this matter during the last two years. I want to put on record the manner in which we put this item on the agenda today and also the fact that the Government came to know of it that an amendment would be passed in this House despite an official whip to the contrary, if there be any such whip, demanding a commission inquiry and that the Government was going to be confronted with a decision of the House, not just a debate So, the issue could no longer be delayed is the role that the Rajya Sabha has played in forcing the Government to appoint this Commission of Inquiry It is also a fact that the defeat of the die-hard extreme reactionaries inside the Congress over the Presidential election set in motion a sort of chain reaction and made it easier for the Government to decide on appointing this Commission of Inquiry should also note that fact in this connection

Having said so, I would like to say that everything now depends on the terms of reference and the personnel who are going to constitute the Commission of Inquiry. Why do I say so? Take the case of the Birlas. Even the CBI has been baffled all along in all the courts of law throughout India almost. The Birlas have their tentacles everywhere. You go to Punjab. The sons of the judges or the standing counsel or the prosecutors are in the employment of the Birlas. So the case cannot be pursued. You go to Madhya Pradesh...

SHRI JOACHIM ALVA The Birlas are tampering with the judges They are tampering with the standing counsel They are tampering with the prosecutors

SHRI NIREN GHOSH: You go to Madhya Pradesh The standing counsel and even the Advocate-General, fight for the Birlas So we cannot do anything with the Birlas So it is of the utmost importance as to who constitute the Commission of Inquiry, otherwise, they will connive or conspire with that minor censor

and the Birlas would be let off. I would like to warn the Government If you scratch a tiger, it will leap upon you and eat you. It is a man-eater. So we have got to see that the tiger is shackled and if it is not amenable to be shackled, we have got to do away with the tiger lest it should eat us all. That is the position with the Birlas. They are man-eaters

Then I would like to know what has happened to these companies The Rubia General Insurance Company, the Asiatic Insurance Company— would they under the terms of reference? Everybody knows that this Government and the Finance Ministry hushed up the entire thing and did not allow the Parliament to know anything about them (Interruptions) The preliminary report revealed many scandals. But that report was never placed before the House Would it come unaer the purview of this Commission of Inquiry?

The Birlas have a way of manufacturing graduates in their Pilani University. I heir boys and girls do not sit for the examinations Their professors sit for their examination and they become graduates And then, will this Commission of Inquiry go into how many women of the House of the Birlas adorn the boards of directors? How many? They know nothing of They know nothing of industry They never visit any enterprise. They are given a hand ome salary of Rs 5,000 or Rs 6,000 each in the form of perquisites to evade income-tax and all Those beautiful damsels are doing nothing, absolutely nothing That how the money is siphoned off from those Will the Commission of undertakings Inquiry go into all that?

And then comes the benami business. I will give you one instance. There was one Mr. Hada. He was a supervisor of a Birla concern. He was promoted and made a sort of superintendent. Then suddenly he blossomed forth into an Ambassador from Ethiopia in the Capital of India, in Delhi itself. Then they set up a textile factory named the Hada Textile Factory. That is a benami factory

SHRI JOACHIM ALVA: Yes, I have been there

SHRI NIREN GHOSH That is a Birlas' concern in the name of Hada in West Bengal Wherefrom can he have lakhs and lakhs of rupees to set up a factory? Will this come under the purview of the terms of reference of the Commission of Inquiry?

[Shri Niren Ghosh]

malpractices Then come all those These are the things that should be inquired into, otherwise, we will be deceiving ourselves. This is as regards the terms of reference.

Motion re report on

Then I would like to say about this report I am not trying to go into But it seems that particularly the Development Wing, the Cipital Goods Committee, the Licensing Committee, the DGTD, all these august bodies are in the pay of the Are they offi ers of the Government of India of are they employees of the Birlas? Let that also be probed into and let the facts come out. There have been almost all kinds of allegations made against them about their irregularities and about their unlawfully violating all canons of propriety Now what about this Petroleum Minister? Is he Mr Ashok Mehta? I do not Suddenly, without any decision, it seems he writes that DDT can be manufactured by a private concern, actually it should be manufactured by a public concern Such things go on before any decision is taken, then they are committed and then it becomes fait accompli The same thing happens in the case of aluminium. So if all these Ministers do not come under the purview of this probe, we will be deceiving Parliament and we will b deceiving the whole There is no record how it was decided that Hindustan Aluminium should be set up in the private sector, no official record is there There is simply a noting by some official This mystery has go to be unravelled The point that Mr Arora and others mentioned, I would also like to re-emphasise that this bureaucracy, the ove whelming part of it, will try to sabotage each and every democratic method, including the bank nationalisation measure That is a proved fact and this Report proves it to the hilt. So this probe should purge all the State apparatus, all those anti-democratic elements from top to bottom The are supposed to be loyal to the democratic traditions and they are supposed to serve the best interests of the country If the State apparatus is not probed, nothing will happen Of course, it is a big step in itself that the Birlas have been publicly humiliated before the country and before the world. It is more than a punishment, their entire goodwill has come to an end but their concerns have not So I would like that within the purview of term, of reference other monopoly houses should also come I would like to know whether the Government can take over

their management Ιt they cannot nationalise them-it may require moneyat least they can take over their management and deprive them of all the power that they have

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Now the Ministry of Commerce and Industry is also involved in the course of this enquiry I agree that there should be two Commissions, one specifically for the Birlas and another for other monopoly houses Let the impression not go round that the other monopoly houses can go scot-free So there should be another Commission to create that fear in them that they will not be spared if they do anything wrong Of course sufficient data or materials have not yet been gathered But we can try to get these materials (Time bell rings) So let this be the beginning of the Parliament's vigilance over the monopoly houses who have proved to be the enemies of the country It seems the entire Government of the country, various Departments were and are in the service of the monopolies That is a startling fact which has come out (Time bell rings) So let it be the beginning of the end of such monopolies Whether it will be or not, I do not know but let us march forward in that direction and let Parliament be vigilant and let the anti-democratic elements in the bureaucracy know what is in the best interests of the country Let the Commission be charged with this task so that a cleaner atmosphere and a healthier atmosphere begins to creep into the corridors of the Government offices

There is one more point that I would like to make These monopolies are bound to come together and they will try to strike down those forces which are now out to hurt them The Prime Minister, Mrs Indira Gandhi, should know it. The moment they get an opportunity, they will oust her out and remove her The state apparatus is in their hands, they will utilise this apparatus at an opportune moment and oust her out of power Mr Morarji Desai has been ousted by her but she will be ousted by these forces. anti-democratic and reactionary forces inside the country, inside the State machinery (Time bell rings) Let me utter that word of caution here Thank you

SHRIC D PANDE Sir, this morning some friends raised a point of order that this should not have been disclosed before the Parliament discussed it I am not worried about that But I am really worried about a certain pressure group which has been working in this Parliament House took a decision about 4 months back to take a certain course of action, that a high official of the Government Mr Rajagopaul, would make this enquiry. Within four months it seems further pressures have been at work in the country and a new step of instituting this enquiry has been taken. If Parliament's decisions are tossed about in that way by certain pressure groups, I think it will be a sad day for our democracy and for the Parliament itself.

As far as the charges are concerned, Mr. Bhupesh Gupta seems to be so much allergic to Mr. Desai. What happened all these 10 years? Mr. Morarji Desai was not the only Finance Minister for all these years. Was not Shri T. T. Krishnamachari the Finance Minister? Was not Mr. Chowdhury the Finance Minister? When did Mr. Morarji Desai become the Finance Minister? This thing has been going on for the last so many years. Then how do you put all the blame on him? It seems Mr Bhupesh Gupta 18 motivated by his political...

SHRI BHUPESH GUPTA: On a personal explanation, Sir You are quite right when you are referring to other Finance Ministers. Nobody should escape.

(Interruptions)

SHRIC. D. PANDE During the course of the last seven or eight years there have been many changes. Finance Secretaries and Joint Secretaries have changed. Whom are you going to remove from the Finance Ministry of today? The present Secretary may have come only last year. Then how is he responsible for all these things?

SHRI BHUPESH GUPTA: The Finance Secretary and other officers were certainly looking into the files and all the papers were with them; they should have advised Mr. Morarji Desai properly.

श्री राजनारायण: पाडे जी, आप की बहस से एक बात निकलती है कि आफिसर तो बदलते गये, मगर काग्रस सरकार वहीं है .

(Interruption)

SHRI C. D. PANDE: There is a constant clamour for bringing things in the public sector. Who is going to manage them? According to Rajnarain all these are corrupt. The Congress is corrupt. According to Mr. Gupta, all the officers are corrupt. Mr. Arora says that nobody can be trusted with these among the bureaucracy. Who is to run these industries?

DR. BHAI MAHAVIR (Delhi): The Communist party cadre.

SHRI C D. PANDE: Is is not good for the country if Members malign all sections of the Indian people. This mentality is not good for the country. You must realise wherefrom you are to get the people for running the industries, banks and the steel plants Unless you have a cadre of an extra ordinary type, from all corruption, that I cannot visualise—nobody can or do you want Mr. Malaviya? He is as corrupt is anybody else. The sum and substance of two years of pressure is these five items that have come against the Birlas. I think the whole thing is futile. I know some of these items personally Rajnarain said much about the Aluminium plant at Mirzapur It was Dr. Sampurnanand, because the people of UP felt that there was no industry who prevailed upon the Birlas to come there. He could have gone to Bihar or Madhya Pradesh but Dr. Sampurnanand used his personal influence. When a Deputy Minister told Pandit Nehru. Panditji, this will be concentration' he said: 'Hell with it, you are not doing and you do not want others to do also?' Not only he gave permission for this plant in the private sector but also he gave an extraordinary permission to them to erect a generator of 125,000 KW there He was a pragmatic person. UP has got the only industry there.

श्री राजनारायण : केरल मे भी हुआ।

SHRI C D. PANDE . For U.P.'s development, Dr.'Sampurnanand pleaded with Pandit Pant.

श्री राजनारायण: वहा भृषेण गुप्त जी की सरकार ने बिडला से समझोता किया था। उस समय बिडला देश-भक्त पूजीपति थे।

SHRI C D PANDE As long as it gives employment and produces wealth there is nothing wrong. I think many people mentioned this Aluminium plant. You have been talking about an aluminium plant for the last 14 years in the public sector. No scheme has been there. A target of 240,000 tonnes is there. Not only the Birlas were given but Mr Naidu was also given for 30.000 tonnes and both are expanding. When the Birlas and Mr. Naidu were not there in the country, only small American firms were there in the country. Even to-day it is depending

[Shri C. B Pande]

on foreign aluminium and we are having a target of 240,000 tonnes and we hardly Who is going to make 120,000 tonnes I do not believe in this make it? theory that you will not allow anybody to do it nor will you do it, or if you do it, it will be at a fantastic cost

The second is Asbestos and Cement. It is a big name but the plant is a simple one The Birlas are manufacturing it themselves There was a circular that there can be expansion in every direction provided they do not order capital goods from outside, and that licence would be given This plant can be manufactured in Hyderabad. Not only that We are exporting to various countries have established a plant in Scotland The British Government invited the Birlas to establish a plant of Asbestos in Scotland because from here we send the plant This is their special manufacture When there was war with China, it was circularised to all the manufacturers to maximise their production. Their entire product was requisitioned by the Government, 95 per cent for Defence Do you think the Birlas should not have done it? They were asked to do as much as possible After all what is a licence? Is licence so sacrosanct? Is it such a thing that if you go this way or that way you are committing a heinous crime? It is a regulatory method to get something more If wealth is produced even a small departure we should condone What is the wrong if they have done by increasing their production? Of course they have made money but they have given employment, given Income tax and employed engineers The Birlas may have made money, nobody They do not do for charity denies it 'Do not do, let it not be done but to say by the Birlas or Tatas' I am not of that opinion because the country will lose a great deal otherwise that way

About the Orient Mills they had two The correspondence went on for 6 years There were so many restrictions from 1956 to 1961 Then the Government allowed them and gave two licences one for Amlai and another for Bilaspur To day there is a demand and the House discussed only 5 days back that people are not coming forward for producing more paper Is this the way whereby people can come forward If they make, you say they are nono-polists Others are not coming forward You are not doing. A socialism that will not create any wealth, that will not

employ people, is that what you want? You want chaos, Mr Bhupesh Gupta and your theory is a preposterous thing I stand for this that as long as wealth is produced—of course there should be some regulations—no matter by whom it is produced, it should be allowed. You have the Icome-tax and you have other methods to curb their influence but do not stop the production of wealth in any shape or form, whether the Birlas do it or anybody else does it

allegations against Birla group of industries

र्श्वत राजनारायण : पाडे जी. हम समता और समद्धि दोनो चाहते है। समद्धि चाहते है, उसके बाद समता भी चाहते है।

SHRI BANKA BEHARY DAS am very much worried to-day because I feel that I do not agree with my friends either on this side or that side because I feel that we have beer duped to-day, the entire nation has been put in a position of confussior beacuse when I was hearing the Minister making a statment to-day I thought there will be some categorical declaration and the way the entire news was leaked out by the Cabinet Secretariat vesterday and the entire country was given the impression through the papers of Delhi and other places that an enquiry is going to be conducted into the Birla affairs but to-day from the statement it is evident that it is not an enquiry into the Birla affairs. I went line by line into the entire statement and I want to caution the House and the countrymen and I am not going to be satisfied very much when the report comes, though I am one of those who carried on a campaigi for the setting up of a Commission of Enquiry about the misdeeds of the Birlas and I am second to none as regards my congratulations to Mr. Chandra Shekhar. Mr. Dharia and Mr. Bhargava

AN HON MEMBER Mr. Kulkarnı also

SHRI BANKA BEHARY DAS I am not very happy because the way things have been conducted, it is not going to satisfy all those who have been carrying on this campaign Mr Vice-Chairman, Sir, I don't understand how do newspapers come to know what happened in the Cabinet meeting Was it any peon present in that Cabinet meeting who was serving tea to these Press correspondents and he leaked out this news to the outside world? cannot be Absolutely, some official either under instructions of the Prime Minister, or somebody else must have informed the Press what they are going to do.

And what was the information that was given to them? It was the information that they are going to set up a commission of inquiry against the Birlas for its misdeeds, particularly in the context of the allegations that were made by Mr. Chandra Shekhar. Mr. Vice-Chairman, Sir, I am not going to say much about it. Now I am only wanting to give suggestions about the terms of reference that should be given to this commission of inquiry. I entirely agree with my friend, Mr. Bhandari, who said here that there must be two commissions, not one, because I know that the entire issue will be clouded when all the big business houses will be brought before one commission, and the net result will be, after six months or one year when they produce the report, that it will be a report which will confuse the situation rather than clarify the situation. With these observations I want to go into the entire affair now.

Motion re report on

Mr. Vice-Chairman, if you go into these two reports, which have been well prepared by this Dutt Committee, you will find that they have pinpointed the issues in this report. One is about the wrong policy that was pursued by the Government up till now which helped the big business in this country to grow. In the first part of the report they have categorically stated this. And the second part of the report is that, whatever policy Government adumbrated here and outside, it was not properly implemented by the Minister of the concerned Department and by the officials who These are the crowned this Department. aspects, and I want to separate these issues so that these two issues are not clouded and the guilty persons do not go scot-free.

Mr. Vice-Chairman, Sir, what about the policy? They have indicated there that the industrial licensing policy that was followed by the Government up till now worked in favour of the monopolists of the country. Then came the Monopolies Inquiry Commission Report, which again reminded the Government that "your licensing policy is well disposed to and is only helping the big monopolists of the country, not the small men or the middle calss men in this country. Even after that report Government did not pay any heed to it, and the net result was, as this report again says, there was absolute lack of clarity in the mind of the Government. They had no definite policy of their own in the direction they wanted the country to march ahead. They have said that there was not only lack of clarity-after the

Monopolies Inquiry Commission Report—but also they did not fix up any priorities as far as planning was concerned. Not only there was no priority fixed; there was no definite industrial policy also of the Government, as a result of which all these big businessmen prospered, in spite of the licensing policy, in spite of all those past declarations that were made in this House by the Government.

Mr. Vice-Chairman, again they went into other aspects, went into the financial institutions. Now I am not going to refer to those here, but there was no policy governing the financial institutions also. There was no definite credit policy. There was no definite loan policy. There was no definite loan policy. was no policy whatsoever to see that the declared policy of socialism or socialistic pattern of society or welfare State was furthered by that policy. So all this confusion was created. And let us not forget that, because of this confusion, because of the lack of any positive policy in the desired direction, the entire monopolists took advantage of the situation and they, in collusion with the Ministers and in collusion with the administrators, have created this condition in which we have landed ourselves. Mr. Vice-Chairman, is it not the duty of those who created so many, as many as seven or eight, financial institutions to see that the Indian economy prospered, see the policy of the financial institutions, see who the directors were in the financial institutions, see whether few directors were themselves functioning as the administrators and doing things as they liked? Sir, most of the directors of the big banks beginning from the State Bank of India, and of the financial institutions are those persons who wanted to get the largest chunk from the financial aid that the Government of India was giving through these financial institutions. Can they conveniently foregt this fact also that the representatives of the big industrialists and monopolists were included in the board of directors of these financial institutions? Such being case, do you think that they will try to see that the economy of this country prospered or that the middle class businessmen of this country prospered? So, absolutely because of the bungling in the policy as far as the industrial policy and the financial policy were concerned, the entire affairs took a turn, in which the big monopolists took advantage of the situation. So this is one of the aspects, and I do not want to mix up this aspect

[Shri Banka Behray Das]

with the other This should be separately dealt with by the Government and the change of policy should be evident in the declarations they make

Mr. Vice-Chairman, Sir, again I am worried I saw in the newspapers today the reported speech of our Prime Minister to the bankers of the country She has categorically stated there, "Don't bother about this nationalisation of banks" It was a speech which was read out, one which was not flowing from her own mind And there it was stated, "I do not want to disturb the system"-this is the word that she has said So can I think after all this talk, that a new situation is going to emerge even if you set up a commission of inquiry? I want to ask my friends who are so much enamoured of this commission of inquiry Do you think that there will be a new direction in the Government policy after pondering over this fact that, according to the Prime Minister, we are not going to disturb the system? And if you do not disturb the system, will the commission of inquiry dis turb the system and change the fate of this country and the fate of the common man or of the agriculturist, about whom we are so vociferous? Mr Vice-Chairman, I want to caution this House that if all these things are not done, there will be no change in the policy

Now I am coming to the second aspect and I am asking why, whatever policy was there, it was not implemented properly Is it proper on our part after this report at least, to say that only the bureaucrats are responsible for it? I agree that a section of the bureaucrats are behind the big business of this country They are always in collusion with the Ministers concerned and also the big business. But is it not a fact that this report has clearly shown in so many cases—I can cite three or four cases—that the Ministry and the Minister were also completely involved? The aluminium factory case has been mentioned here by some of my friend, Is it not a fact that, because there was no definite policy of the Government, the then Secretary in the Ministry form rly known as the Ministry of Commerce and Industry wrote to Birla Brothers, giving a hint that "you now go ahead with your project and give us a project report"? I do not think that only the Secretary of that department was reponsible and not the I do not know who headed that Minister Minis ry at that time Is he not reponsible also? So again I want to say that in another

instance, in that second report, which concern our friend, Shri Chandra Shekhar's allegations, on page 11 of that report, it has been clearly mentioned also that in the case of the Ballabhgarh paper mill there was no noting whatsoever in the file that the Capital Goods Committee gave the approval to the Birlas to go ahead and negotiate with foreign firms But in the next metting of the Licensing Committee they were told that such approval had been given But the report has clearly indicated that nowhere in the proceedings there has been any mention that the approval to go ahead and to carry on negotiations had been given Who is reponsible? Shall we shut our eyes to these facts? So I want to warn the Minister concerned here that we shall not be satisfied unless the entire system is changed, unless the terms of reference clearly indicate that reponsiblity for these lapses in implementing the policy will be fixed on all those persons, including the Ministers and administrators, who violated the declared policy-whatever pelicy it was at that timeand this new commission of inquiry is not going to be of any benefit to this country

Mr Vice-Chairman, although I have some more points to make, I shall not do so since you have rung the bell many times, but I want to plead here in this House and particularly urge upon the Government that they set up one commission of inquiry for the Birla affairs, and another for all the the big business houses. The terms of reference should clearly indicate and the commissions of inquiry should be given the power to fix the responsibility on the persons concerned, whether he is a Minister or whether he is an administrator.

In the end I want to take just one minute and I want to say this You know, Sir, that the entire affairs came out in Dr Haari's Report Do you know, Sir, that the Hazari Report has said that within those five years twenty-eight big business houses were unduly favoured? I do not know why this report concentrated on twenty-six business houses have given the reasons I have read them Dr Hazarı had pinpointed in his report that twenty-eight big business houses had unduly benefited and inquiry should be made about it But the Dutt Committee went into only twenty-six and excluded Do you know who are the two? two They have mentioned it here also is Mr Aminchand Pyarelal, whose candour is known throughout India, came in for discussion in this House

and in the other House, and the second person is Mr. Biju Patnaik. You can well 5 P.M. imagsine what it is. You can refer to Dr. Hazari's Report. It is said there

houses had benefited 28 big business mostly by the licensing policy and those 28 houses included Aminchand Pyarelai and Mr. Biju Patnaik. I do not know; perhaps because some of the Ministers are involved in the Aminchand Pyarelal affair and the Biju Patnaik affair-it is known in both Houses-they have been excluded. I do not understand why from 28 it has been reduced to 26; why it was not reduced to 10 or why it was not reduced to 5. So I want to mention that all these big business houses including Aminchand Pyarelal and Biju Patnaik, which figure in Dr. Hazari's Report should be brought within the scope of this Inquriy Commission and in the terms of reference it should be clearly stated that anybody who is responsible, whether Minister or officer, should be brought to book and responsibility fixed clearly.

SHRIMATI YASHODA REDDY (Andhra Pradesh): Mr. Vice-Chairman, Sir, as the outset let me add my congratulations to Mr. Chandra Shekhar for his tenacity and his consistent efforts to bring this issue to a successful conclusion. He has been very consistent and that is something which I cannot say of the Government. I say this with great restraint but with absolutely facts on my side. As many Members have said here we did discuss Birla affairs once, twice, thrice but recently it was in the last budget session. At that time there was a demand made by my hon. friend, Mr. Chandra Shekhar and some others also and the Government came with a statement saying that just a departmental enquiry was enough. They said they were not going to have an Inquiry under the Commissions of Inquiry Act and they gave many rea-First they said that there was no bona fide case in respect of a few of the charges and some they said had been taken up for departmental enquiry which they said was quicker and faster whereas an Inquiry under the Commissions of Inquiry Act having evidentiary value would take a longer time. Whatever the reasons that was the stand of the Government. Now I want to say a few words—— and I want particularly to bring it to your notice-about something which has been personally said about me, because I want to put the records straight. This matter was discussed in my party-Mr. Dharia unhappily is not here now-and when it was discussed in my party I was one of the

few who told Madam Prime Minister, Mr. Fakhruddin Ali Ahmed apart from the then Deputy Prime Minister, Mr. Morarji Desai, that some of the Members are not happy about this. I said: we are having this discussion in the Rajya Sabha; please tell us what are the directions; should we oppose it or should we move amendements or should we support the Government stand? Categorically we were directed to support the Government stand move any amendments or to oppose. In that background as a disciplined member of the Congress-discipline as I knew them: now discipline has got a new meaning and I live to learn every day-I supported the Government stand.

DR. BHAI MAHAVIR: New concepts of discipline are evolved nowadays.

SHRIMATI YASHODA REDDY I said there are many things about which Members are not satisfied but for the reasons given by the Government I am supporting the Government stand. When there are so many things about the licensing system and the controls I said why pinpoint Birlas alone; why not all the others business houses; why this Birla And I was misunderstood. phobia? do not care as long as I feel that I am right. When I was supporting the Government stand an hon. Member-I am glad he is here; I pesonally have nothing against him-Mr. Alva interrupted me once or twice and he was pleased to use the oftquoted saying 'The lady protests too much'. And later also he interrupted and said that the lady wants to sell the Parliament House to the Birlas. And I replied . . .

SHRI JOACHIM ALVA: I said: Is Parliament House going to be turned into Birla House?

SHRIMATI YASHODA REDDY: Whatever it is...(Interruptions)

SHRI BHUPESH GUPTA: What Mr. Alva said-it is certainly a matter of concentration—is more general.

SHRIMATI YASHODA REDDY: And I gave an answer to him...

SHRI JOACHIM ALVA: I said nothing about you.

SHRIMATI YASHODA REDDY:... that if the hon. Member is frightened that power or money is going to influence me

I can assure him that no such things will happen. But, Sir, later my hon. friend, Mr. Alva, was good enough to bring his paper 'Forum' and he showed me-I am very grateful to him-what he had written. He had said 'Waxing eloquently in Rajya Shabha in support of Birlas....; I would like the whole House to judge whether I was supporting Birlas or I was supporting the Government. If supporting the Government is automatically supporting Birlas then I have nothing to say (Interruptions). He wrote, when the young Mrs. Reddy was waxing eloquent in favour of Birlas'-I am subject to correction; I cannot quote it from memory—I asked whether she was selling the Parliament House to the Birlas' or whatever that sentence was and he had said that there was no answer from the lady. But, Sir, I must say that I gave the answer and I can produce the records. This is what is said in that paper half truly, half suppressing. Now some Members say that they are either pro-Birla or anti-Birla but I can say one thing that I have nothing to do with the Birlas but I am told-I am here subject to corroboration or contradict-

SHRI JOACHIM ALVA: The Birlas have advertised in my paper as they advertise in other papers. About elections I had been financed by the Congress Party and if the Congress Party had not financed me I would not have gone to anyone. I have not received a farthing from Birlas.

ion-that the hon. Members who gave such

misleading information about me in the

Forum had very much to do with the Birlas

during his two elections and for the running

of his paper 'Forum'. Let him contradict

it or corroborate it.

SHRI C. D. PANDE: Indirectly you got.

SHRI RAJNARAINAN: The Congress Party gives you after taking it from the Birlas.

SHRIMATI YASHODA REDDY : Anyway I have had nothing to do with the Birlas in the past nor in the present but I hope that...

SHRI JOACHIM ALVA : But Birla has many visible and invisible agents in his House.

SHRIMATI YASHODA REDDY: Sir, unfortunately...

SHRI G.H. VALIMOHMED MOMIN: Sir, what are we disscussing now?

SHRI BHUPESH GUPTA: We are discussins the likely or unlikely connection between Shrimati Yashoda Reddy and the Birlas.

SHRIMATI YASHODA REDDY: Now, what is happening in the country? When Mr. Chandra Shekhar honestly brings forward and raises some allegations, some Members honestly either support him or do not support him. Unfortunately the trend has become that you are either pro-Birla or anti-Birla. This is not correct for Members of Parliament and one cannot honestly work here, when automatically one is dubbed this way or that way. I am glad I have given him an opportunity either to corroborate or contradict it. It is for you to do what you like, but you cannot say things which do not have any basis.

As far as this is concerned, I have got very little time. I do congratulate the Government. It is the whole aspect which we have been asking. It is not just only dealings of the Birlas. How the whole licensing system, how the whole bureaucracy, how the whole Governments, whoever started it from 1956 or 1947, has worked. It should include everybody, not only punishing the Birlas. Looking into all the aspects I must say the Government has shown some strength and judicial propriety in not ordering or giving direction to look into exclusively only the Birlas, but also into every other business house. I must also compliment the Government for not having deviated from the rule of law and not punishing any house without going through a coplete probe. I agree with it and I welcome it. Whatever be the decision the Government may come to, I hope they will be able to do something definite and prove once for all that whatever be the charges Mr. Chandra Shekhar has brought forward, they are either true or not. But let us not go into it and let us not dub the hon. Members who take part in this either as pro-Birlas or anit-Birlas or promonopolists or anti-monopolists.

SHRI CHANDRA SHEKHAR : Mr. Vice-Chairman, Sir, before I make some suggestions, I should like to read two paras from my first letter which I wrote to the Prime Minister while forwarding I wrote :my first memorandum.

"Industrial empires founded on sys- # tematic tax evasion and public cheating have no right, much less justification, to exist.

I am conscious of my limitations that I have been able only to give some indications of malpractices indulged in by this business house, but you can well realise my difficulties and handicaps through which I have to collect these facts. The purpose of this memorandum is to establish a prima facie case for a comprehensive enquiry affairs by a senecially into their some-what Commission on the lines of the Vivian Bose Commission."

In the very first letter I said that it is not possible for any private Member to give a detailed list of allegations and it is the duty of the Government to enquire whether there is a prima facie case or not. I am happy to the extent that various committees and various agencies of the Government, not only the Dutt Committee, but also the C.B.I., the Company Law Board and others, have come to the conclusion that what I alleged against this business house is substantially correct. So, my first contention is when there is a prima facie case the Government should have come outright with a categorial assurance that a comprehensive enquiry will be ordered, as suggested by my friend, Mr. Banka Behary Das. I am unhappy to the extent that the Government has shifted its position. As indicated by Mrs. Yashoda Reddy, few months back Government were of the opinion that there was no need for any Commission of Inquiry. Now they have come to the conclusior that a Commission of Inquiry is required, but I am not satisfied with the statement of the hon. Minister. worderfully vague and it can be interpreted in any way. My friend, Mr. C. D. Pande, asked, what is wrong if the Birlas acquired certain properties or they established certain industrial units? There is nothing wrong. I also do not say that the Birlas should not be given licenceses. My whole complaint is that everything should be done according to the law of When these industrial licences the land. were taken or procured, wele the rules adhered to? If they were not adhered to by the Birlas or by the officials or by the contention is that the coliticians, my whole thing should be enquired I never said that the Birlas are the only guilty persons or in the whole drama they are the only villains. There are Government officials and there are politicians. They are to be blamed more. I have never been worried about the Birlas, because one industrial house cannot destroy the whole country, but one industrial house, if it influences the officials and politicians, then it becomes a more dangerous thing. You may be remembering that in my speech last time I said when we were entering into a collaboration agreement about the Bokero steel plant, a confession was made in the other House by the then Steel Minister that the monopoly interests in the U.S.A. and in India sabotaged the whole plan of collaboration. Not only that. Specifically I read out from a booklet produced at that time that these business houses were deliberately sabotaging the industrial plan of the whole country. In the case of one of these collaboration agreements, one of the case studies as indicated in the Dutt Committee Report is this. Howsoever powerful Mr. Ghanshyamdas Birla may be, when some Secretary asks for certain clarifications, he writes back a letter saying that the Minister concerned knows and he has confidence that the interests of the country is safe 'in my hands'. Howsoever honest Mr. Ghanshyadmas Birla may be, howsoever great he may be, is it proper for a private business house to write to a Secretary to the Government of India that the Minister has full faith that the interest of the country is safe in his hands? Is it not an alarming situation, a dangerous situation for the very existence of parliamentary democracy. My friend, Mr. C. D. Pande, said this. I do not want to go into those allegations. I have spoken enough. He said since others did not come forward for the production of aluminium the two business houses, the Birlas and the Naidus, were given the licences. But what about the IKs? Surely they were always in the field of aluminium production, but they were not given any licence. He said that the hon. Minister conceded that new industrial units were not coming up because entrepreneurs were not there, but what about my charge that the whole raw materials have been cornered by Mr. Birla and his group of compaines? I have charged that the State Governments, be it Kerala, Madhya Pradesh or UP, have given all contracts to this big business house known as the Birla house. These are serious charges. My contention is that the Government should not enter into a jugglery of words. I can also produce a statement which can be interpreted in many ways. For two years you have interpreted all these allegations and tried to save the Birlas. Now, it is beyond you. It is beyond the authority and power of the Government to shield them. Whatever be the terms of reference given to this Commission, the Birlas will be exposed and if there is any effort from any quarter to conceal, cheat and protect

[Shri Chandra Shekhar]

them, those persons or those authorities will also be exposed. After two years of agonising experience, it should have been the duty of the Government to have to come forward with a categorical state-I agree with my friends, Mr. Bhandari, Mr. Banka Behary Das and also Mr. Bhargava, that this enquiry should be categorical with reference to the allegations against the Birlas and not against the allegations that have been made in my memorandum, but the public should be asked to give more facts. If you say the Dutt Committee, they have also said that such an enquiry will be comprehensive and complete only if others are invited by a public notification saying that if they have got any information about the malpractices of the Birlas they will be given an opportunity to submit their memorandum or give evidence before such Commission. It is not only the industrial licensing policy. What about the other charges to which my hon. friend, Mr. Krishan Kant, has referred, viz., defrauding the public exchequer, forging of export and import licences? Not only that. They employ fictitious persons in their companies to hoodwink the shareholders. These are greater criminal acts in the economic life and they cannot be lost sight of. I agree with my friend, Mr. Rajnarain, that it is not enough to say that Mr. G. D. Birla and his relatives had done all the mistakes. Mistakes could not have occurred if the people in authority, whether politicians or bureaucrats, had never connived at them. Vice-Chairman, sometimes underredicalism becomes something which sabotages the very cause for which we stand. Unfortunately Mr. Rajnarain peculiar knack of distorting or demolishing the very argument for which he stands. So I request him at this juncture let us emphasize that the Government should come with a clear, categorical assurance to this House that all these allegations will be enquired into, whether income-tax evasion, forgery of import/export licences. employment of fictitious persons, cheating the shareholders, defrauding the audit any other economic crime; whether that has been done individually by them or with the connivance and help of politicians or bureaucrats, whoever is exposed, the country will not be ruined; but if these surreptitious methods are allowed to continue, I am sorry to say that not only the future of this country will be doomed but the very foundations of our parliamentary democracy will be shaken, So, in this spirit, Mr. Vice-Chairman,

I request the Government that they should bifurcate two things. If they want to go into the other business houses and the cornering of industrial licences, that should be looked into. This very Commission can do it. But it should be the second job of the Commission. The first job of the Commission should be to go into the allegations specially no purpose will be served by the statement which the hom. Minister has given before this House. What about the financial institutions about which a categorical statement has been made by the Dutt Committee? The way in which the financial institutions have gone out of their way to help this particular business house is something which is a matter of shame to any parliamentary democracy and all the more a matter of shame for a public financial institution.

Mr. Vice-Chairman, I congratulate the Minister for taking this bold, courageous and right step, but this right step should not be half-hearted. It should be a full-fledged step I request because again if they like to conceal and protect Birlas, times have changed. new era a new atmosphere has been generated in this country. The Government which was resisting an enquiry has now come forward with a proposal of enquiry, and now if they make any more vacillation and hesitation in giving categorical terms of reference, neither will it be good for them nor for the democracy nor for the parliamentary institutions. With these words I congratulate the hon. Minister of Industrial Development. I request him that before we rise today he should make a categorical statement in this House that this enquiry will not be a half-hearted enquiry and that no quibbling will be made with the jargons in the statement which has made by some very clever bureauciat, which no wise politician will made.

SHRI JOACHIM ALVA: Mr. Vice-Chairman, I would just like to say a few words first in reply to what the honoured lady Member had said that I had some objectionable connection with Birlas. I had spent all my life keeping my hands clean. I had run my paper with very clean hands. My paper the 'Forum' has the reputation of being the cleanest journal of this land. I am proud of this record. Birlas have advertised in my paper as they advertise in other papers. In the three genreal elections in which I have succeeded, I could not have had the terrific success but for the overwhelming support of the Hindu masses

and a part of the election being financed by the Indian National Congress. If the Congress Party got its funds from Birlas, it was not then my business. But now I attack the whole system. I want to make it very clear that whatever has been given to me by the successive Treasurers of the Indian National Congress, Mr. Morarji Desai, Mr. Shriman Narayan and Mr. S. K. Patil, officially by cheques that money has come only to stand as part of my expenses. This happens in every party all over the world and with many other candidates of my own Congress Party through those elections I have gone with insurmountable troubles, begging. borrowing or stealing, as the phrase goes. I have made an honest confession before the House. I am very proud of my personal record. I never stained my hands anywhere in my life. I want the people, especially the women, who come before this House as representatives of the Nation, to have very clean hands, to be of personally very high moral character. As long as women are not of very high moral character they have no business to make allegations against anybody. I mean what I say. I hope the hon. lady will bear it in mind.

Motion re report on

SHRI M. K. MOHTA (Rajasthan): Mr. Vice-Chairman, on a point of order. I have got a point of order. Can any hon. Member of this House say about another hon. Member of this House, particularly about a woman, casting aspersions on moral character?

SHRI JOACHIM ALVA: This is no point of order. Now let me come to my speech.

In the first place I want to congratulate the Prime Minister on her very bold step. She has galvanised public life within practically three weeks or three years of her record as Prime Minister. She has done more than her great father. I may be pardoned for saying that. Pandit Jawaharlal Nehru was a man of the highest idealism, a man of great statesmanship, but somehow or other he was not able to push things and think of kicking out scoundrels either from public life or even from Parliament. But she has done it. She has got guts. May she achieve greater triump's. Now, Sir, she has, t'arough the Minister, Mr. Fakhruddin Ali Almed, and his Minister of State, Mr. Reddy, also given us an enquiry into the Birla affairs.

SHRI LOKANATH MISRA: Who are the scoundrels referred to by him?

SHRI JOACHIM ALVA: You know them as well as I do, and you and I are not scoundrels anyway. This act of an enquiry is another step. But that is not enough. She has yet to do many things. She must proceed with the complete nationalisation of the import/export trade The export trade is handled by the sharks of Calcutta in Clive Street and Burra Bazar. There are certain people from one particular State of India who have ruined the economy of India. But it is well known to you. I shall not name them. They have ruined the economy of India. They have done blackmarketing. They have sucked the blood of India. During these twenty years they have given such a bad name for the country. By their black-marketing methods they have fattened themselves with the result that the per capita income of our country is one of the lowest in the world. Then, the Prime Minister must proceed with the nationalisation of general insurance. She must proceed with a firm ceiling on urban property. Above all, she must proceed with the nationalisation of daily newspapers which have got a revenue of Rs. 1 crore and above. Until these things are done we cannot increase our economic standards.

I want to congratulate my friend Mr. Chandra Shekhar and also Mr. Bhupesh Gupta here who have carried on a great battle along with others. Mr. Chandra Shekhar is a hero in our parliamentary history. But for his persistence he would not have reached the summit of the mountain, and Mr. Bhupesh Gupta has in his own inimitable manner along with others of the opposition done a heroic job in this Birla business. But for their combined act we should not have had today this enquiry. Let that enquiry not end in the manner of a man who has committed several murders and destroyed all evidence about every murder except one, who is finally charged with only simple hurt and is awarded fifteen days 'imprisonment' This is the legal position. I would like you to understand. It is no use after a man has committed so many murders you charge him for only one murder and he destroys all the evidence. So I am afraid what the results are going to be, We want to have a very important Judge for this Commission, a Supreme Court Judge, a man of noble character and progressive views. I am one of those who have attacked highly placed Judges by name in

[Shri Joachim Alva]

Parliament. Our Judges today are accessible and Birlas are pastmasters in getting Judges, Advocates General, the Government Council, lawyers, Ministers and others inside their pocket. And we must stop this ruthlessly.

Again I repeat that the former Chief Justice of India, Mr. B. P. Sinha, when he was holding that high office, accepted a tea party given in honour of his 60th birthday by Mr. Shanti Prasad Jain, an accused involved in the Vivian Bose Inquiry Commission Report. If this is the calibre of our Chief Justices, what can we do? We want outstanding Judges, all sitting Judges, not retired Judges, men of character and ability, men of progressive views, to handle cases of this type. Otherwise, we shall not get any justice at all.

Now, I want the heads of the Government financial institutions to be taken to task, whoever might be the chairmen or heads of those institutions, especially those ICS men. How did they happen to give tons of money to the Birlas and others? The Birlas got Rs. 661.04 lakhs from the LIC, Rs. 245.00 lakhs from the Unit Trust, Rs. 417.92 lakhs from the Industrial Finance Corporation and Rs. 53.00 lakhs from the Industrial Development Bank, all told Rs. 1,376.96 lakhs. And Mafatlals beat them all. This is a very sad state of affairs. I know the good old gentleman, Mr. Navinchandra Mafatalal, who is now no more. He was a fine gentleman. What they are doing now, I do not know. About Larsen and Toubro, I took up the matter in the Economic Times when they wanted, their directors Rs. 20,000 as salary per month, with amenities. These are the people living on the fat of the land. When I pleaded on behalf of a poor and deserving Anglo-Indian boy for an increase in salary with Larsen, he said, nothing doing. But these people want Rs. 20,000 as salary per month plus all the amenities. The Tatas are there. But they are cleaner, very much cleaner any day than the Birlas. About Bird & Company, I had met Sir Paul Bentha. You also know about their foreign exchange fraud and the raid on their offices. About the Kamanis, I took up the matter here in Parliament in connection with their high transmission line tower in their factory near the Bombay Airport. It was dangerously coming in the way of the planes. Mr. J.R.D. Tata, Chairman of Air India, came and told us in the Estimates Committee about

the terrible danger of this transmission tower to the safety of the planes and warned us against impending crashes. I went up in an IAC plane and the pilot took me to his seat and showed me the tower and revealed the dangers unto themselves and others. But the Kamanis would not budge. But finally they took it away after claiming a compensation of several lakhs of rupees. These are the public spirited men or businessmen who take crores of money from the financial institutions. About J & K, as you know, one of their principal directors was hauled up in the Bombay High Court for black marketing. Mr. Chagla, who was then the Chief Justice of Bombay, acquitted him. About Sahu Jains, you know better than I do and the less said about them the better.

These are the guardian angels of our democracy, these are the guardian angels of our economy, these are the paragons of our industrial sector. We should pluck them out and destroy them, and the better it would be for the poor people and the nation.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Kindly wind up. The time is limited.

SHRI JOACHIM ALVA: I want the officials connected with the Birla deals and licences to be punished. Every official is getting help from the industrialists Mr. S. A. Venkataraman, ICS, when he was the Secretary of the Commerce Ministry, was partial to the Birlas. But his conduct on other matters was inquired into by the European Chief Justice of the Calcutta High Court, Sir Trevor Harris, a man of high calibre and character. He conducted the inquiry and the Government on the basis of his report ordered Mr. Venkataraman's prosecution and he was sent to jail. There are a few ICS men who have gone into the Birlas' pay. They must be found out and punished. Otherwise, we cannot set out economy right.

I forgot to pay a tribute to Mr. Subimal Dutt, one of the finest men in the ICS. He was Pandit Nehru's Principal Adviser at the time of the Nehru-Liaquat Ali Pact in 1950. I remember the day in April, 1950 when Mr. Liaquat Ali Khan, the then Prime Minister of Pakistan, the then Prime Minister of Pakistan, the time of the Indo-China conflict as Mr. Nehru's adviser. Mr. Dutt has done an admirable job in this Report, and I am glad that he conducted this inquiry.

There is one mistake which is obvious in the Report, and in spite of the presence of my friend, Mr. Mohan Kumaramangalam, a man known for his progressive views, there is this phrase that the core ventures should be shared by private capital. I do not know how they reached this dangerous conclusion, I do not know how this contradictory conclusion has been embodied in this Report. Do you want business ventures, very huge business, industrial ventures, meant for the nation to go to the door-steps of people like Mr. Birla or anybody? That must be stopped.

Lastly, one more point. I hope my own Congress friends will hear me. I have been a devoted Congressman from June 11, 1925, the day when that great man, Deshbandhu Chittaranjan Das died. And on that day I made my maiden speech in my native town of Udipi. Now, I must put my head in shame as a Congressman that no Congress President in the history of the Congress, sitting in the President's gadi, has had his character and integrity assailed in the manner in which it is done, as in the case of Shri Nijalingappa. Now, he is a great friend of the Birlas. He welcomed them with open arms in Mysore State and gave them all kinds of concessions.

AN HON. MEMBER: What was the hon. Member doing then?

SHRI JOACHIM ALVA: There is the Congress Government running the Centre. We are all part of the Indian National Congress. The conduct of the Congress President should be censured. His official alliance with Mr. Birla must be scrapped. If the Indian National Congress is to rise to its commanding heights as a great public institution, it must get rid of such a President. As the Prime Minister, the guardian angel....

AN HON. MEMBER: Why should we discuss the Congress President here?

SHRI JOACHIM ALVA: Lastly, one point. It was a great tragedy that Mahatma Gandhi lived and died in Birla House. That was a tragedy. What has happened to the revelations in that book published in Calcutta, "Mysteries of the Birla House", which detailed the huge tax evasions of the Birlas for which they had not been punished? And yet my hon. friend, Mr. C. D. Pande, says that they are paying the taxes. I say, Mahatma Gandhi did a great mistake by living and dying in Birla House. And

his poor, noble spouse, Kasturba was turned out of the Birla House on August 10, 1942, the very next day after Mahatma Gandhi was carried off to the Yerwada jail.

THE VICE-CHAIRMAN (SHRI D. THENGARI); Mr. Babhubhai M. Chinai

SHRI BABHUBHAI M. CHINAI : Mr. Vice-Chairman, I will not take much time of the House. I have moved an amendment to the effect that normal legal action be taken against offenders if any. However, it has become redundant in view of the hon. Minister's announcement decision of the Governabout the ment this morning. Hon. Members will recall that on a similar motion on which discussion took place on the 5th March this year, I intervened to say that many debates had taken place on this business house at the cost of the tax payer and at the expense of the time of this august body. I expressed the hope, alas to optimistically, that Parliament might have a holiday from the Birlas.

This is not to be. There is apparently a love-hate relationship between the so-called critics and the Birla Group. If it were not so, I cannot understand the pertinacity and enthusiasm to bring out the name of the Birla House from time to time, even after fairly knowing that there is not much of a case for extraordinary inquiries. Is this frequent reference to the Birlas intended to castigate them, or is it intended to publicise their phenomenal successes? This is no more than saying that a bright student should not win all the gold medals of the year in a highly competitive examination.

It is thus obvious that the findings do not justify the conclusions. Nor does the subsequent recommendations regarding the ban on expansion of the larger houses follow logically from these conclusions. In a way, the Committee have "pre-empted" their own conclusions.

Let me take up the Report of the Dutt Committee on the Birla Group of Industries. This Report, as indeed the main Report, suffers from incoherence, contradictions and lack of logic. The findings are, in the main, negative. Where there is a semblance of positivism, it is forced and unnatural.

All that the Report says is that the Birla Companies have extended the capacities though mention is not made of the fact that such expansion has been beneficial

[Shri Babhubhai M. Chinai]

to the economy; there has been greater production; more employment; a stimulus to secondary and feeder production; improvement in skills all round; and additional revenues to the exchequer. Yet, another point has not been brought out, namely, where expansion has taken place, it has been in comparatively new industries like aluminium, rayon pulp, DDT, asbestos and the like.

What about the aluminium plant? It is said in the Report that even before a formal licence was issued, the Birlas had gone ahead to secure the necessary financial and technical assistance from the USA, presumbly on having been given a green signal at the highest level in Government. It is well to recall as to who were in charge of our national affairs at that time. No less than Shri Jawaharlal Nehru was the Prime Minister of India. I cannot but feel that whoever the Minister of Industries or Minister of Finance at that time would not have taken Shri Jawaharlal Nehru into confidence for the establishment of the aluminium plant in the private sector which meant some departure from the Industrial Policy Resolution. I do recall that informed opinion in India and abroad hailed the Industrial Policy Resolution as being flexible and as being directed towards rapid industrialisation.

Whom or what are you blaming now?

The illustrious Prime Minister who is no more with us, the wise Industrial Policy Resolution or the efficiency of the Birla group of Industries which implemented the project in record time?

The rayon-pulp industry operated by the Birlas is almost unique. They have:

"attempted to develop this product on the large scale especially attempting to develop the use of bamboos as raw materials instead of the more traditional raw materials used abroad".

What I have quoted is not from any handout of the Birla group but from the Dutt Committee Report. Is it a crime, I ask, if a new method of manufacture has been undertaken? Is it against the national interest if foreign exchange is saved?

With regard to asbestos cement, the report points out that production increased from 2,967 tonnes in 1955 to 19,360 in

1957. The report adds that asbestos cement was brought under the purview of the Industries Act only in March 1957. It is most unfortunate that an impartial committee should have not brought out the fact that an industry which is not covered by the Industries Act can legally and rightfully expand without Government's permission. And after the declaration of emergency in 1962, Government themselves found it necessary that the production of A.C. sheets should be maximised and the producers were advised by Government to do so. What then is the gravamen of the charge?

allegations against Bir'a

group of industries

As for D.D.T., much is made of the fact that Century Chemicals was given a licence when Hindustan Insecticides, a public sector enterprise, wanted to expand. Government themselves felt that it is desirable to have a degree of competition between private and public sectors. What is wrong with the Government's decision? How do the bona fides of the Birla group of industries come into question?

The Committee's main obsession is with Not only the conclusions, but also the recommendations prove that the Committee's main pre-occupation is with prevention of larger size. The size of productive units is related to the needs of national production. The fulfilment of conditions that will give a permanent basis for selfsustaining growth presupposes large investments, enterprise, organisation and considerable managerial experience and talents. Prime Minister Nehru in a statement to Parliament in 1963 stated categorically that "naturally applications from the larger industrial groups in the country have to be considered if the Plan targets have to be expeditiously achieved".

God knows how many times inquiries have been made, formal and informal, one-man inquiry, departmental inquiry and the inquiry like the Dutt Committee. Cases have gone before the judiciary of the different States. Up to now no case has been made out and Government, who have approached at the behest of Parliament, have not escaped the strictures of the judiciary. What is happening is like peeling the skin of the onions; layer after layer can be removed and finally you find nothing. This, it is said, is the mystery of life and it might well be the mystery of the Birla group of industries which is so much alive, alert and dynamic.

THE VICE-CHAIRMAN (SHRI D. THENGARI) : Mr. Sen Gupta. Please be brief.

SHRI DWIJENDRALAL SEN GUPTA: Mr. Vice-Chairman, Sir, my amendment was:

"and having considered the same, this House recommends that responsibility be fixed on the Ministers and officials having complicity with the house of Birlas".

I am trying to impress upon this House how these Ministers and officers were responsible much more than the Birlas because the Birlas were guilty enough. They are industrialists. They do not know any means fair or foul. So their position is understandable. But what is not understandable is that publicmen adorning the Treasury Benches and permanent officials involved themselves in this nasty deal. I wish to submit that it was not for nothing. Pages 52 to 74 of the report of the Industrial Licensing Policy Enquiry Committee will speak volumes and I am trying to pinpoint just two portions of it. Paragraph 4.22 on page 53 says:

"However, the magnitude of investments proposed and the approvals in the first consideration of applications by the C.G.C. establishment, the share of 73 Large Houses was higher than the share of other categories in the Private Corporate Sector".

Then it follows:

"....In fact significant disproportion is observed only in the case of a few Houses, the most prominent of these being the house of Birla".

About another case in paragraph 4.28 on page 56 it is said:

"Thus, when the license given to one M/s. Bhiwandiwala had to be revoked, it was suggested that additional capacity should be sanctioned to the experienced organisers, viz., Tata and Birla so as to ensure expansion with speed. It is too early to say in this case whether this was justified".

Now, Mr. Vice-Chairman, it was given to the company and then it was revoked. And this is how these Birlas were allowed to thriveat the cost of others.

Mr. Vice-Chairman, Sir, one thing is very important. There is a lot of confusion created on the fateful day of discussion here in this House by saying that the Cabinet

has taken a decision about appointing a Commission. During the period of this Presidential Election there was a rumour current that the houses of monopoly are divided; the Birlas were helping the camp of the Prime Minister and the Tatas were helping the camp of the Syndicate. Today also we hear that this whole thing is a camouflage. Their terms of reference terms of reference will be such that the Birlas will be given a good chit, they will not be guilty of anything. It will be said that everything was done by them as industrialists with the sanction of the Government. Therefore, I want to ask: Who gave the sanction? Who helped these Birlas to do this type of nasty business which helped them to amass hundreds of crores of rupees as their capital out of only Rs. 35 crores which they had only a few years before? Who are the Ministers who have helped them in getting licences? Who are the officials who helped these Birlas? That should be found out. The terms of reference should be to this effect so that we may all know and the countrymen may know that the Government was really serious to find out who are the people who help these monopolics.

श्री मोहन लाल गौतमः वाइसचेयरमेन, सर जो नोटिफिकेशन गवर्नमेंट का मैंने देखा उसके होते हुये भी मेरा संशोधन है वह कायम रहता है। गवर्नमेंट नोटिफिकेशन में दत्त कमेटी के सामने जो चीजे आई थीं उनके बारे में यह कहा है:

"It has, therefore, been decided to set up a Commission of Enquiry under the Commissions of Enquiry Act, 1952 to go into all these matters".

कौन मैटर्स हैं जो दत्त कमेटी के सामने रखें गये। दत्त कमेटी के सामने जो मैटर्स रखें गये वे वही हैं जो बिड़ला साहब के कुसूर हैं कि उन्होंने बेईमानी की और हमको बेईमान बना कर के अपना उल्लू सीधा कर लिया। उन्होंने हमको बेचकूफ बना कर के अपना काम निकाल लिया। जितने बिड़लाज के ऊपर चार्जेज हैं वे यही हैं कि उन्होंने आफिससंं को करप्ट किया। चूंकि आफिससं यहां बोल नहीं सकते और हम यहां पर बैठे हुये हैं, इसलिये आफि-सर्स के नाम ले ले कर के हम अपने गुनाह भी छिपा रहे हैं। Motion re report on

[श्री मोहन लाल गौतम] जब अफसरो के ऊपर मिनिस्टर है, कैबिनेट है तो अफसर कैसे करते चले जाते है गुनाह पर गुनाह । या तो मिनिस्टर मे अक्ल नही है कन्ट्रोल करने की या मिनिस्टर खुद उसमे हिस्सेदार है। कैसे हम कह सकते है सिर्फ ब्यूरोक्रसी, ब्यूरोक्रसी। यहां हम लोग है, हमारे पास आवाज है वे बेचारे बोल नहीं सकते । हमें दूसरों के ऊपर लाछन लगाने का अधिकार है, लेकिन कोई पार्टी है जो इस गुनाह से बरी हो, जिन्होने इनसे फायदा न उठाया हो, जिन्होने इनसे चन्दा न लिया हो। हमारा एक फन्डामेटल सवाल है। जो डेमोक्रेसी हमने कायम की है, जो इलेक्शन हमने कायम किए है उस पर आपको विचार करना होगा, उसमे रुपया लगता है, इलेक्शन मे खर्च होता है। मेरे अन्दाज से असेम्बली की सीट के लिये यु० पी० में 25 से 50 हजार तक रुपया खर्च होता है। कोई आदमी अपना हिसाब ठीक नहीं देता। मुझे आज तक एक इनसान मिला जिसने अपना इलेक्शन रिटर्न ठीक दिया, वह थे श्री पुरुषोत्तमदास टडन । दूसरा कोई भी बडे से बडे आदमी आज तक नही मिला जिसने इलेक्शन एक्पेसेज का रिटर्न ठीक दिया हो ।

श्री राजनारायण : गौतम जी, आप बहुत कम जानते हैं और लोगो को । (Interruptions)

श्री मोहन लाल गौतम: मै राजनारायण जी की बात समझता हू। हो सकता है कि दूसरी पार्टियो में हो।

श्री राजनारायण: आप 5 हजार रुपया एक सोशलिस्ट को दे दीजिए और 25 हजार खुद खर्च करके देख लीजिए ।

श्री मोहन लाल गौतम : मै आपनी पार्टी के बारे में जानता हू, दूसरी पार्टियों के बारे मैं बहुत कम जानता हू, मैं जितनी बात कहूगा सोच-समझ कर कहूंगा।

THE VICE-CHAIRMAN (SHRI D. THENGARI) : Kindly be brief.

भी मोहन लाल गौतम: जितना वक्त आप दे 10 मिनट, 20 मिनट वह बता दें, श्रीफ न कहिए। You give me certain time and I will confine myself to that time, instead of being brief.

THE VICE-CHAIRMAN (SHRI D. THENGARI): Five minutes more.

SHRI MOHAN LAL GAUTAM: Ten minutes. I have not even taken five minutes.

SHRI C. D. PANDE: This is his maiden speech.

श्री मोहन लाल गौतम: इसलिए इस डेमीकेसी मे सबसे फडामेटल सवाल यह है कि
हम इस डेमोकेटिक सेट-अप मे क्या चाहते
है। इलेक्शन के लिए रुपया चाहते हैं, अखबार चाहते हैं; अब या तो खुद हम अखबार चलाएं या दूसरे का अखबार हमारा
साथ दे। व सब पूजीपितयो के हाथ में
है। इसलिए पूजीपित हमको खरीद लेते
है, हम बिक जाते है जानबूझ कर या वेवक्फी से बिकते है। कोई पोलिटिकल पार्टी
नहीं है जिसने इनसे चन्दा न लिया हो।

श्री सी० डी० पांडे: कोई सीध नहीं लेता, लेते सब हैं (Interruption)

श्री मोहनलाल गौतमः पाडे साहब ने कहा कि सीधे नही लेते। मैं कहता हू कि हमने मीधे किसी से नही लिया, हमारी पोलिटिकल गुँपार्टी ने हमे रुपया दिया था, उसमे बिडला का भी रुपया था और लोगो का भी था। वह मिनिस्टरो ने लिया, मिनिस्टर लेते हैं और दबाकर लेते हैं। इसलिए असली बीमारी तो यह है। उनसे फायदा उठाते हैं और फिर बिडला हाउसेस पननते हैं। 1956 मे हमने इडस्ट्रियल पालिसी रिजोल्यूशन पास किया था कि मोनोपोलीज नही बनने दें। आज 13 साल के बाद मोनोपोलीज बन गई। कौन करता है, गवर्नमेट करती है, केबिनेट करती है, मिनिस्टर करते है, बाकी सब पीछे है।

इस बीमारी को जरा गहराई से देखिए हम थोथी बाते कहते हैं। बिडला के खिलाफ आवाज उठा कर हमने तालियां लेली, लारेल्स 6263

ले लिए । कौन है बिड़ला के पीछे। क्या हम नही है, क्या मिनिस्टर्स नही है। क्या जवाहरलाल जी ने यह नही कहा था कि अल-मुनियम फैक्टरी क्यो नहीं बनाते । जवाहर-लालजी कहते थे क्या बाटोगे, पहले पैदा तो होने दो, क्या गरीबी बाटोगे। आप पैदा तो नही होने देते । आप प्रोडक्शन की क्लाइ-मेट खराब कर रहे हैं इन स्लोगन्स को देकर पब्लिक सेक्टर फैल हो गया है प्रोडक्शन करने मे, 3300 करोड रुपया लगाने के बाद 35 करोड रुपये का घाटा दिखाता है। फिर आप कहते हैं कि वह गुड्स डिलिवर करेगा, बिलकूल नही कर सकता। क्या पालिसी है ? उस पर डिपेड करके जो 13 मिलियन आदमी पैदा होते है हर साल हिन्दु-स्तान मे उनका आप पेट नही भर सकते है। क्या तब पब्लिक सेक्टर का गला दबा कर करेगे ? उनके लिए यह करना ठीक है जो इस मुल्क में सोशल ओर पोलिटिकल इनम्टेबिलिटी चाहते है, जो दूसरे से मिल कर इस मुल्क को गुलाम बनाना चाहते है, जो हमारे मुल्क को पोलिटिकल और इकानामिक स्टक्चर को तबाह करके दूसरे मुल्को की हुकूमत यहा लाना चाहते है, उनके लिए सही है जिनकी टेरीटोरियल लायलटीज है । जो देशभक्त है क्या वे अन्धे हो रहे है। इसलिए हमारा एमेडमेट है कि परमानेट कमिशन बैठाईये क्या बिडला के लिए एक कमीशन बैठाएगे और एक दूसरे लोगों के लिए बैठाएंगे ? डालमिया जैन के लिए एक कमीशन बैठाया था, 20-25 लाख रुपया खर्च हो दो-तीन साल बीत गए, क्या हुआ ? मै पूछना चाहता ह कि डालिमया जैन के केस मे गए, 5-6 साल हो गए, क्या आप सजा देपाए ? कुछ कर पाए ? जब इन्क्वायरी कमीशन की रिपोर्ट आ जायेगी तो क्या होगा। आपको सजा देने का अधिकार नही है, यह हाउम तो नहीं दे सकता, फिर कोर्ट में जाना पडगा । 3-4 माल कमीशन बैठेगा फिर कोर्ट मे जाना पडेगा । मै पूछना चाहता

हू कि डालिमया जैन के खिलाफ जो कमीशन बैठा था उस पर कितना रुपया खर्च हुआ ? कोई 20 लाख रुपया खर्च हुआ।

भी शीलभद्र याजी : 27 लाख रुपयं खर्च हुये तथा छः वर्ष इन्क्वायरी मे लगे ।

श्री मोहनलाल गौतमः उसके बाद कितने साल चला, उसके बाद कितने समय से कोर्ट मे चल रहा है। क्या आप कुछ कर पाए ? आज तक कुछ नहीं कर पाए। जब हम सुनते है कि उस ट्रस्ट को 20 साल लाख रुपया दे दिया गया तब हमारा सिर शर्म से झुक जाता है।

एक माननीय सदस्य : कौन सा ट्रस्ट ?

श्री राजनारायण: जननिधि ट्रट !

श्री मोहन लाल गौतम : आप 20 लाख रुपया देने की बात पूछते है। मुझे मालूम नहीं था. दो व्यक्तियों ने सवाल किया कि ...

SHRI RAJNARAIN: He knows more about Indira Gandhi.

श्री मोहन लाल गौतमः क्या यह बात सही है कि एक ट्रस्ट को, जिसमे सबसे बडे लोग शामिल है, 20 लाख रुपये दिए गए है, मैं उसका जबाब नहीं दे सका । अगर यह सब है तो मेरा सिर शर्म से झुकता है, मैं जवाब नहीं देपाता हु।

सवाल यह नही है कि बिडला के लिए कमीशन बनेगा। यह गवर्नमेट के लिए है कि किस तक कनफाइन करे। दत्त कमेटी तक किया गया, उसके बाद चन्द्र शेखर कहते हैं कि और लोगो को इनवाइट करो । तमाम लोगो को इनवाइट करेगे तो लम्बा चलेगा । जेसप का क्या हुआ था ? एक साहब कह रहे थे कि 25 रुपया ज्यादा से ज्यादा भेयर था, अव हमने 50 रुपए में लिया, 25-30 लाख म्पया जेसप कमीशन पर खर्च हुआ और अब 25 रुपये के शैयर के हमने 50 रुपये दे दिए। यह नतीजा निकला । इमलिए इस तरह के कमीशन से बिडला के कुछ साल और कटेंगे।

मोहन लाल गौतमी

जैसा राजनारायण ने कहा , 1972 का इले-क्शन आया, फिर रुपया मागा तो हम कहा रहेगे ? इसलिए मैं यह कहना चाहता ह कि जो असली चीज है, उसकी तह मे जाइए । असली बात यह है कि डमोक्रेटिक सेट-अप मे बहुत एक्पेसिव इलेक्शन हमने रख दिया है। जो लोग इलेक्शन नही लडते, इस हाउस में जोर-जोर में बोलते हैं क्यों कि वे बेचारे उस दर्द को नही जानते जो बच्चा पैदा होने मे होता है, लेकिन जिन्होने इलेक्शन लडे है और जो हारे हैं . . .

श्री अर्जुन अरोड़ा: जो हारे है वे बेहतर जानते

श्री मोहनलाल गौतम : वे उनसे ज्यादा जानते है जो इलेक्शन नहीं लडते । उनसे भी ज्यादा वे जानते हैं जो हारे भी है और जीते भी है।

श्री अर्जुन अरोड़ा : जो बार-बार हारे है वे ज्यादा जानते है।

श्री मोहनलाल गौतम : इसलिए मै यह कहना चाहता ह कि फडामेटल चीजो पर जाइए । सबसे बडा सवाल है प्रोडक्शन का एटमासफियर । प्रोडक्शन का एटमासफियर तब हो सकता है जब आपकी क्लियर कट पालिसी हो। अगर आपकी इडस्ट्रियल पालिसी खराब है तो उसको बदलिए, दोहराइए । 1948 मे जो थी उसको 1956 में हमने देहराया जो आज है उसको अब दोहरा लीजिए । उसके बाद आप साफ तौर मे पब्लिक सेक्टर से कहिए कि यह करो, प्राइवट मेक्टर से कहिए यह करो। आज जिस तरह की पालिसी है, विच-हटिग **है** कि उसका गला दबा दिया यह कर लिया, उससे रूपया ले लिया यह इलेक्शन कर लिया, यह प्रोडक्शन की क्लाइमेट नहीं बना सकती

[THE DEPUTY CHAIRMAN in the Chair]

अगर क्लाइमेट नही बनेगी, प्राइवेट सेक्टर प्रोडक्शन नही करेगा, पब्लिक सेक्टर प्रोड-क्शन कर नही रहा है तो आप कहा जाएगे ?

अपने यहा 33 मिलियन लोग है, सवा करोड इजो हर साल हमारे मुल्क मे पैदा होते है उन का पेंट आप कैसे भरेगे ? गरीबी बाट बाट-कर ? इसका कोई नतीजा नही होगा। नतीजा एक ही होगा कि हमारा पोलिटिकल स्टक्चरः और हमारा इकोनोमिक स्ट्रक्चर तबाह हो जायगा और जिन लोगो की एक्स्ट्रा टेरीटोरि-लायलिटीज है उनको फायदा होगा और बाहर के मुल्क को फायदा होगा और हम तबाह हो जायगे। इसलिए इस स्लोगन से काम नही चलेगा। इडस्ट्री मिनिस्टर से मै पूछना चाहता हू कि क्या जो क्लाइमेट आप ने बनायी है उस से प्रोडक्शन मे मदद मिलती है [?] क्या कोई नये इवेस्टमेट्स हो रहे है [?] क्या आप आगे चल रहे हैं ? अगर ऐसा नही है तो क्या आप गरीबी ही बाटने वाले है, अनइम्प्लाय-मेट बाटने वाले है ? यह रेवोल्युशन की तैयारी है या कुछ और हो रहा है ? इसलिए मै कहना चाहता हू कि स्लोगन को छोड कर दीजिए और ठड़े दिल से विचार कीजिए और सोचिय कि मल्क की प्राबलम्स क्या है आर वे कैसे हल हो सकती है।

allegations against Birla

group of industries

SHRI CHITTA BASU · Madam Deputy Chairman, the report which has been submitted by the Dutt Committee on the charges made by our friend, Mr Chandra Shekhar, brings out in regard to certain specific allegations certain very important points which have to be taken into consideration before we determine our attitude towards the Government's decision of setting up an inquiry commission After a perusal of the report these following points are obvious

In certain cases the Birlas have expended substantially their production without prior licences having been obtained from the Government Secondly, it appears that the Birlas negotiated with international financial organisations on the basis of a capacity for which they were not licensed. Thirdly, the Birla House made multiple applications with the object of pre-empting all potential locations of certain in-Fourthly, the Birlas managed to take the productio n of the DDT from the banned list and hurriedly got a licence for the Century Chemicals and that licence was given to them in contravention

of the basic industrial policy of the Government and that also to the prejudice of a public sector undertaking working in that particular field. Fifthly, this report says that the Birlas have been enjoying preferential treatment in the matter of financial allocations from the public financial institutions.

Now, all these things bring out one very important fact, namely, that these things would not have been possible had there been no leniency shown by the Govern-ment. As a matter of fact, you know, Madam, that the Birlas have planted their men, their trusted and faithful men, not only in the Secretariat, but also in the Cabinet. And this report will make it quite clear that the Ministry of Commerce. the Ministry of Petroleum and Chemicals, the Ministry of Finance, were all involved in this. Not only these Ministries were involved, but some highly placed officials were working in connivance with this Birla House. And that is a very important point. It would not have been at all possible for the Birlas to secure such and such lenient attitude, such and such concessions even under the control of the law of the land, had there been no such men planted in the Ministries, planted in the Secretariat and in the Cabinet itself. That point has to be emphasised. And that is the danger.

SHRI DWIJENDRA LAL SEN GUPTA: That is the danger.

SHRI CHITTA BASU: I am quiteone with Mr. Sen Gupta that if the Government of India is serious about fixing the responsibility, all the persons who colluded with the house of Birlas must be dealt with severelly.

There is another interesting point of importance that has been raised by our friend, Mr. Chandra Shekhar. I believe in his integrity. I believe in his sincerity that he feels that this kind of a commission is necessary in order that the big business houses cannot have control over the politics of our country. If they continue to enjoy control over the political life, the public life of this country, then this fabric of democracy will perish. I think that is the concern shared by everybody here. It is not a question of speaking something against a particular industrial house or speaking against a particular Minister, but what is important and at stake is parliamentary democracy itself because that is being destroyed since the industrial houses have achieved control over the political parties and through the political parties over the Government itself. Therefore, when the Government is going to constitute a commission of inquiry, that commission of inquiry should have within its purview and ambit all those politicians, all those big officials, who were responsible for this kind of omissions and commissions. Unless that is done, I am afraid no purpose will be served, I am afraid democracy in this country will not be safe nor will the industrial policy which the Government wants to follow succeed in the long run.

Lastly, in conclusion I want to say that keeping all these things in view, the terms of reference of the commission of inquiry should be broad-based, should be sufficiently broadened so that all the questions mentioned above can be discussed, can be taken into consideration, so that the political life of our country is free from the tentacles and the corroding poison of the big industrial houses including the Birlas.

SHRI M. M. DHARIA: Madam, I just want a clarification. I am not going to make a speech. This statement made by the Minister says—

"The Government are of the view that the aforementioned lapses, improprieties and acts of commission and omission referred to in the Dutt Committee's reports are definite matters of public importance and a full and comprehensive inquiry is necessary in respect of the above cases. It has, therefore, been decided to set up a Commission of Inquiry under the Commissions of Inquiry Act, 1952, to go into all these matters".

Madam, several speakers have made it very clear here that these are not the only matters. The allegations are before the Government and they relate to several omissions and commissions including the various taxation acts and also regarding the import and export concerns and the company advances and all that. So, we demand an inquiry not only into such matters which are covered by the Industrial Licensing Policy Inquiry Committee's report which are also of vital importance, but also into all the other matters that have been mentioned here now; otherwise, the Commission that is to be set up is absolutely

[Shri M. M. Dharia]

a deceptive Commission. I was really surprised that several honourable Members were complementing the Government on the appointment of a Commission of Inquiry without reading what the Minister has stated. If that is going to be the stand of the Government, it is better the Government does not appoint any commission at all It is not a Commission of Inquiry that we have been demanding. I make a categorical demand and I want a categorical assurance from the Minister that these allegations which are made by Mr. Chandra Shekhar and those narrated by Mr. Krishan Kant also will be covered by the Commission of Inquiry appointed by the Government and the terms of reference of the Commission will be made specific accordingly.

SHRI FAKHRUDDIN ALI AHMED: Madam Deputy Chairman, after I had placed the Government of India's veiwpoint before this House I thought that there would be very little necessity for us to go into this question. But I am glad that a large number of honourable Members have taken part in this discussion and in the course of that discussion they have made many observations. You will excuse me if I say that some of the observations made by some of the Members were relavant neither to the purpose of the inquiry which we have in view nor to the matter under discussion. I would not like to deal with those matters at this stage. But I shall be failing in my duty if I allow certain impressions which have been created in this House with regard to certain matters about which we feel very strongly. few minutes ago, one of our Members asked us a question whether as Minister in charge of Industries it is my function to see that the production increases or the production decreases and also in the course of his speech he went to the extent of condemning the public sector.

SHRI MOHAN LAL GAUTAM: I did not condemn the public sector. I simply said that the public sector has suffered a loss of Rs. 33 crores. It is not condemnation of the public sector.

SHRI FAKHRUDDIN ALI AHMED: Such a kind of general observation that the public sector has suffered a loss of Rs. 32 crores or Rs. 33 crores is not condemnation, considering all the purposes which the public sector is serving and the

purposes which it is likely to serve in the future. But this is not proper that in a debate of this nature such kind of observations should be made which are likely to be misunderstood not only by this House but also by the people outside.

Madam, I would like to point out that if it is necessary, I am prepared to discuss the role of the public sector, the purposes it has served and the benefit it has given to the country. These things cannot be considered in terms of some loss in a years which particular year or two the public sector is incurring. Therefore. I would like to tell him that during the period I have been in charge of this Department I can legitimately take pride and credit that during the past year as a result of our imports and exports our trade balance was reduced from about Rs. 700 crores to only about Rs. 400 crores. I may also inform the House that during the month of June our trade balance was positively in our favour to the extent of Rs. 21 crores, which has never been the case during the past so many years. That is because of the increase in exports and because of import substitution. Therefore the Government is very anxious that our industries should develop and we should derive the necessary benefit from our development and production. I am sure that no Member in this House wants me that there should be any halting so far as the production in industry is concerned, so far as the increase in export is concerned, so far as the decrease in import is concerned. Everybody would share the concern and the anxiety of the Government that this should go on and our country should benefit by increased production, by reduction of imports and by increase of exports.

Then, Madam, I would only like to deal with 3 or 4 points which are relevant and germane to this issue and which have been raised by the hon. Members. Some of the Members criticised the Government that while in the month of February the Government opposed the appointment of a a Commission of Enquiry, now they are agreeing to the appointment of a Commission of Enquiry and this is inconsistant with the Government's attitude. point out that there is no inconsistency in the Government's attitude at all? At that time what the Government had pointed out was that certain matters were under investigation and we also had referred certain matters to the Dutt Commi-

ee for the purpose of making enquiry. now as a result of the Report submitted by the Dutt Committee a large number of improprieties and acts of omission and commission have been indicated by the Committee. Today the question is whether we should stop there or do something in order to ascertain what are the two factors which weighed with us. One of the factors which weighed with us was that the Dutt Committee while reaching those conclusions with regard to certain specific cases only had before them certain files which were placed before them. They did not give an opportunity to the person against whom those observations or allegations were made. It would be very unfair for anybody to reach a conclusion without giving a suitable opportunity to the person against whom certain allegations are made. Therefore we thought that after certain tendencies and facts are available, the whole thing should be placed for the purpose of ascertaining the truth by giving opportunities to the parties concerned and by giving opportunities to all the people concerned who have any material in order to give evidence, Therefore the Government have thought that this time when certain tendencies have been indicated, a fact-finding commission should be appointed to ascertain what is the actual position.

SHRI M. N. KAUL (Nominated): Is there any overlapping between the former investigations and the current investigations?

SHRI FAKHRUDDIN ALI AHMED: No overlapping.

Then some of my friends have said, particularly the last speaker, Mr. Dharia, that they are not satisfied with what I have said in my statement. May I point out that the Dutt Committee enquired into cases extending over a period of 10 Now the purposes of that Dutt Committee enquiry were two. One was to reach conclusions and make recommendations in order to bring about, if necessary, modifications in our policy with regard to licensing and with regard to the other measures which are connected with industrial production. So far as that part of the recommendations is concerned we are not considering it at this stage, I think we will give an opportunity to the House to consider that part after the Government have obtained the views of other parties after going through this oluminous Report and after the Plannng Commission has sent its recommendations after going through this Report. But the other part of the Dutt Committee was that they went into specific cases of improprieties and of acts of omission and commission, etc. Those cases have also been dealt with. Now many of those cases which have been dealt with by Dutt Committee are cases regarding which reference was made by Mr. Chandra Shekhar. Now they are overlapping the allegations made by Shri Chandra Shekhar and the cases which have been gone into and regarding which there are some observations by the Dutt Committee.

Now about the Commission of Enquiry some Members have suggested that it should be a roving body or a permanent body. But today our hands are tied because of the provisions of the Act which says ". . . for the purpose of making an enquiry into any definite matter of public importance". Therefore the matter which has to be referred to this Commission is not a general matter but a definite matter of public importance. For that purpose we are referring a definite matter about which there is an observation in this Dutt Committee Report, about which the Dutt Committee have said that there are some improprieties, some malpractices, some acts of omission and commission. Those definite matters will be referred to this Commission of Enquiry.

Therefore, this will cover not only cases relating to the licensing system but this will also cover cases relating to financial institutions which have been covered by the Dutt Committee. In such a short time it is impossible for anyone after reading this voluminous report, to say that these will be the terms of reference. therefore we will go through all these very carefully and see what are the cases which have to be referred. May I point out that here also Mr. Chandra Shekhar had given a large number of allegations About that I had also made some statement on the previous occasion also. There were certain matters which were under investigation. Such case where investigation has not been conducted, they will also be referred to this Committee becasuse that will be a matter of specific public importance but such cases where the courts are trying those cases, whether it is under the statutory authority or under any other provision, if there is any prosecution, if there is any other proceeding, I think it will not be fair to refer those matters to this Committee because already facts exist on those cases. We can take

[Shri Fakhruddin Ali Ahmed]

certain action under the normal provision of the statute and there, the action has been taken because whatever will be the finding of this Commission, that will only give us the matter to take such action under the statute as are in our land. Actually whatever finding we get from the Commission, that by itself will not convict a person and will not punish a person but we will have to take further action as a result of the finding which they may arrive at. Therefore I do not know why there is apprehension in the mind of any Member that we want to shield anyone. We do not want to shield ourselves or the officers. We do not want to shield any person. While the Dutt Committee has made a thorough enquiry with regard to all these matters, why should not these specific cases or matters, whether they refer to the Birlas or any other House, be referred because these are matters of specific public importance and they have to be referred and we cannot generally say "You enquire into all those things". That will defeat they very object for which such a Commission can be instituted. Therefore I think after this clarification I think such doubts as exist in the minds of Members that we are here to shield anyone will be removed. We do not want to shield anyone. At the same time we want to be very fair to everyone, that they should have the fairest opportunity of defending their action and after that, a proper finding would be available to us so that we may know who is right and who is wrong and what is to be done as a result of the enquiry.

SHRI M. M. DHARIA: Unfortunately this Dutt Committee report does not deal with the cases under the Companies Act. At the same time under the Income-tax Act those cases are not included before the Dutt Committee which are in the allegations of Mr. Chandra Shekhar. We want to know from the Government, where they are not being prosecuted, what you are going to do so far as those allegations are concerned.

SHRI FAKHRUDDIN ALI AHMED: I thought I had made myself absolutely clear as to what attitude we took. There are some cases where prima facie we found there was no case at all. It is no use submitting those cases.

SHRI CHANDRA SHEKHAR: That is the point. The whole question is that you enquired through the departmental

agency and in many cases the office who were involved in those cases have enquired and come to certain cond clusions, that there is on prima facie case; How do you come to the conclusion is When the officers themselves are involved in those irregularities how can they come to the judgment that there is no prima facie case? Why do you not agret to submit those cases to the Commission That is the duobt we want to express and put before the Minister. No side was given any opportunity. I do not sav only we should be given but even the the Birlas were not given an opportunity and it was an ex-parte dicision of the departmental officers. Why should the Minister hesitate to refer those cases to the Commission?

SHRI FAKHRUDDIN ALI MED: What I was pointing out was so far as the grant of licence is concerned, because if the Member would into it there were several terms of. reference and many of those cases have been dealt with in the Dutt Committee report and those cases where they have found that there is some irregularity or there are some doubts, etc., those cases will certainly be referred. Take one example. I will quote the case under the Company Law where they have given certain remuneration to certain persons. That has been found to be correct but under the Companies Act you cannot take any action against them though it was found to be correct that they have given this money, you cannot take action against them under the the Companies Act. What is of referring those cases to this Commission? Therefore I would tell the members that we are here not to protect anyone but at the same time we should be fair and will give this Commission cases where facts require to be found out and ascertained which will involve either some kind of illegality or irregularity so that we can take action thereafter and also cases where it may be possible for us to decide what future policy we have to adopt in order to fill up that kind of thing.

About the terms of reference, it cannot be done in a day and we shall sit and do it

SHRI CHANDRA SHEKHAR: No take the cases of Ruby and New Asiat. They are specific cases where the Department and the Government have com to certain conclusions. I say that t's summary which was presented to the Parli

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ant and to the country does not reflect true intention of the auditor's report A it is a very big case where they have aid that this group of industries has ndulged in fraud, cheating, misappropriaion, etc. Those words have been used by the auditor. Now the Minister says hat the Government has come to some conclusions. I want to know whether such cases—they are definite cases of allecations and are of sufficient public importnce-will be referred or not because it is ot a question one case or the other. It a question of investigating the modus perandi of these business houses. Even in the case of Dalmia, the Vivion Bose Commission were given certain discretion and in the terms of reference they said that the Commission will have the right to go into the affairs of other companies or other relevant matters where they have indulged in such practices. So it is very specific case. The Minister should be ready at least to give this power to the Commission that they should go into any practice which has defrauded the public exchequer, which they indulged in misappropriation and other things. If the Commission thinks and if people refer certain matters to the Commission, the Commission should be allowed to go into those cases. Why do you vant to restrict the hands of the Commission?

SHRI FAKHRUDDIN ALI AH-MED: I have already said that where prima facie evidence exists that these are cases which have to be referred, those will be referred and if necessary I shall look again into the list.

SHRI CHANDRA SHEKHAR: If I go before the Commission and depose before them that this is the allegation to the best of my knowledge, why do you not leave it to the Commission to say whether it is a prima facie case to be looked into or not?

You should give this right. If the Fovernment decides what is a prima facie ase, what is the fun in having this Jommission of inquiry?

3HRI FAKHRUDDIN ALI AH-ED: I have said that it had to be at acific case and a public matter and so I mean, I do not know why these atters are not left to us on the basis of v Dutt Committee's report which has intervery exhaustively into all the cases, I it is not possible for me to find out whether this particular case had also been gone into by the Dutt Committee. We shall look into it and find out.

(Interruptions)

THE DEPUTY CHAIRMAN: We cannot go on like this.

SHRI CHANDRA SHEKHAR: Madam Deputy Chairman, we have to go on like this seeking clarifications. Otherwise we will have to press for the amendments. It is not such a simple affair, Madam Deputy Chairman. We must know the intentions of the Government. we shall have to press the Otherwise amendments, and then the House be within its rights to refer to the terms of reference also, because it is not such a simple matter. Government chose to refer only five cases out of 83 cases to an independent body, and when those five cases have come to light, they say that now they will refer these matters to the Commission, and only such other matters which they will think fit. I do not want to enter into any controversy and I do not want to charge any body, but the hon. Minister, I think, knows how the case studies have indicated that officials at the top and also politicians are deeply involved in this whole thing. And why he not agree that, where the Commission feels that there is a prima facie case, they will go into it? If they do not think that a prima facie case is there, they will reject it. Because it is a Supreme Court Judge who is going to be appointed, why this free hand should not be given to this Commission of Inquiry? And this has been given, Madam Deputy Chairman, in the case of the inquiry against Bakshi Gulam Mohamad. In the inquiry going on in Patna has been given. And why special treatment in the case of the Birlas? This is what I am constrained to ask.

श्री राजनारायण : अगर सरकार चन्द्र शेखर के इंटेशन को समझ जायेगी तो फिर यह सरकार ही क्या है। जैसा मैंने कल कहा था कि यह सरकार तो चार पायों पर खड़ी है, फ़ाड, फोर्स, फाल्शहुड और फ्लैंटरी। इन चार पायों पर यह सरकार आज खड़ी है।

SHRI CHANDRA SHEKHAR: Even today the Ayyar Commission is sitting in the State of Bihar, and they have got

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all the powers. The Ayyar Commission, which is going into the affairs of the Congress leaders, that Ayyar Commission can get any evidence, can get any facts, and I do not understand, Madam Deputy Chairman, why in this case the hon. Minister hesitates to say that any financial crime committed by the Birlas will be looked into by this Commission.

SHRI JOACHIM ALVA: I do not know how much the present Minister can be blamed for that Ruby.

THE DEPUTY CHAIRMAN: That is not the point. The point is the commission of inquiry.

SHRI JOACHIM ALVA: Madam, I am just coming to his rescue and clarifying the issue. The last Finance Minister said, "I am closing this chapter", when he was not right in saying so in connection with the affairs of the Ruby Insurance Co.

THE DEPUTY CHAIRMAN: Now the Minister. Can you give a specific reply to the points raised earlier?

SHRI FAKHRUDDIN ALI AH-MED: Madam, I have said that we are not confining ourselves only to the matters of licensing and we are also including financial questions, and this report has also dealt with those cases covered by the allegations of Mr. Chandra Shekhar. We shall look into it, and whatever cases are necessary to be referred, we shall certainly refer. But I cannot understand this; if people go en doubting our motives or bona fides and so on, nothing can be done in good faith. (Interruptions) I have said all this. Beyond this I am not going to say. The hon. Member can do whatever he likes.

THE DEPUTY CHAIRMAN: Now, your reply, Mr. Krishan Kant.

SHRI M. M. DHARIA: Madam Deputy Chairman, the request is very limited now. The hon. Minister had rightly assured us that he would look into other aspects also. Now the only point is, as we have done in cases of other Commissions, whether the Government is ready to give that authority and power to the commission. If some cases or allegations are received by them and if they feel that there is a prima facie case,

are you prepared to empower Commission to look into the matter That is the only point now.

SHRI FAKHRUDDIN ALI AH MED: How will I tie the hands of th Commission in this matter, I do no understand.

(Interruptions)

THE DEPUTY CHAIRMAN: A Krishan Kant. I hope you will be brie.

SHRI KRISHAN KANT: Yes, Madam, I will be brief.

I am thankful to the hon. Members who participated in the debate and made various points. I would not like to give a reply to all of them but certainly to the question the hon. Minister dealt with in the end. We also do not want that the hands of the Commission should be tied. But what we fear is that the hands of the Commission may be tied by your action, not by our action. The only thing we wanted was that the Commission should be as free as the Vivia Bose Commission was, or as the Ayya^c Commission is, and it is the Ayyar Com mission which dealt with the Bakshi's case, Such being the case, the question here is that anybody, who wants to come forward with any information and narate the various malpractices that the Birla group of industries have indulged in, that person shall not be debarred from doing so. There should not be special consideration for the Birla group of industries. I hope your intention is not to show any special consideration for the but your reply does not satisfy Birlas, the Members that way. Now I would request that, before the terms of reference are drawn up, the various concerned persons be consulted because, Madam last time, the Finance Minister did no convincingly deal with Mr. Chandr Before comin Shekhar's allegations. to conclusions, even the complai was not asked for, and the replies give by the Finance Minister were with Chandra Shekhar 🔨 consulting Mr. others. So, now at least, before fram the terms of reference, I hope the h Minister will try to, privately or otherwise, consult Mr. Chandra Shekha consult wise, and others so that the House and th public are satisfied that nothing is dobelow the belt.

MATHE DEPUTY CHAIRMAN: That 'he ll do now. Now I put the amendments 'ne oved to vote.

The question is:

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2. "That at the end of the Motion, the following be added, namely :---"

'and having considered the same, House recommends that a Commission under the Commissions of Inquiry Act 1952, set up with comprehensive terms of reference to probe into all aspects of malpractices by the Birla group of industries and to recommend suitable measures against them".

The motion was negatived.

THE DEPUTY CHAIRMAN: The question is:

3. "That at the end of the Motion the following be added, namely:-

"and having considered the same, this House recommends that the Government should set up a Commission under the Commissions of Inquiry Act, 1952 to go into the affairs of the Birla group of industries."

The motion was negatived.

THE DEPUTY CHAIRMAN: The squestion is:

4. "That the end of the Motion, the following be added, namely:-

"and having considered the same this House recommends that normal legal action be taken against offenders if any."

The motion was negatived.

THE DEPUTY CHAIRMAN: The nuestion is:

6. "That at the end of the Motion, the following be added, namely:-

"and having considered the same, this House notes with deep concern and perturbations the deplorable attitude of the Government towards the persistent demands for the institution | *For text of amendment vide col. 6148.

of public inquiry into the allegations against the Birla Group of Industries, and calls upon the Government not to stall this demand any more but to institute such an inquiry under the Commissions of Inquiry Act, 1952, immediately."

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The motion was negatived.

SHRI MOHANLAL GAUTAM: Madam, I beg leave to withdraw my amendment No. 7.

*Amendment No. 7 was, by leave, with-

THE DEPUTY CHAIRMAN: The question is: -

8. "That at the end of the Motion the following be added, namely:-

"and having considered the same, this House recommends that responsi bility be fixed on the Ministers and officials having complicity with the House of Birlas".

The motion was negatived.

MESSAGES FROM THE LOK SABHA

- 1. THE SCHEDULED CASTES AND SCHEDU-LED TRIBES ORDERS (AMENDMENT) BILL, 1967.
 - 2. THE PATENTS BILL, 1967

SECRETARY: Madam, I have to report to the House the following message received from the Lok Sabha signed by the Secretary of the Lok Sabha :-

(1)

"I am directed to inform Rajya Sabha that Lok Sabha, at its sitting held on the 29th August, 1969, has adopted the following motion further extending the time for presentation of the Report of the Joint Committee of the Houses on the Scheduled Castes and Scheduled Tribes Orders (Amendment) Bill, 1967 :--

MOTION

"That this House, do further extend the time appointed for the