

an Annual Plan ? What is the guideline for the preparation of an Annual Plan ? We were all speaking of the Draft Fourth Plan. Whether it has been accepted or not, the fact is that it had affected preparation of Annual Plans, the State Governments' Plans, the Central Ministries' Plan and so on. These Plans are now being made from year to year. For the last two annual plans we have been making comparisons in terms of the Draft Fourth Plan and saying that it has been 28 percent or 29 per cent of the Fourth Plan total. These comparisons are also going on with the Draft Fourth Five Year Plan outlays. So always at the back of the minds of people this idea has been there and every year the annual production programmes have been planned accordingly. Thus the Draft Outline of the Fourth Plan which has not been finalised and which never received clearance from this House or the other House or of the people, continues to hold the field and guide the decisions in the States, in the Central Ministries all the time for the annual plans. I say this is bad and has got to be rectified.

I do not want to be critical. I have enough occasions to criticise things and to make suggestions for changes. Here I want to make a definite proposal which should help the country. This is a question of national importance, and we have got to do something about it. It is no use blaming each other. I do not want to do 5 p. m. that. There are enough occasions for indulging in that kind of activity. We have already lost two years. Let us not lose another year and also the year after that. I fear that whatever the Planning Commission may do it will not be able to finalise the Fourth Plan next year even. It is, after all, a long process. You have got to consult the States. You have got to consult so many organisations and so many Ministries, and then draw up the plan. Also you have to keep a perspective of the next fifteen or twenty years. All this work does take time. And the final Outline will have to get the approval of the people, of Parliament. So it is a long process and you cannot do it within a short time. It is no use having a Plan without proper sanction and carry on like this. Immediately what should we do now ? The Planning Commission should be given definite instructions that within the next three months, they should prepare a short Plan which would lay the foundation for the implementation of the next Fourth Five Year Plan. You may need one or two years—probably more, I cannot say—to set right

many of distortions that are there in our economy today. I want a short plan to set right these distortions and that will be the foundation for the Fourth Plan. The Planning Commission should be in a position to anticipate what time it will take to set the economy on even keel, what measures are to be taken, what are the programmes to be taken in hand. All that should be worked out and we should discuss them here. I think the Planning Commission should present a comprehensive proposal for this purpose before the people and it should be freely discussed. It is no use trying to discuss a Fourth Plan to be presented at an unknown period of time, may be one year or two years hence, according to circumstances and then say : This is the Fourth Plan. Ours is democratic planning and we have adopted mixed economy. Therefore, we have to realise the obvious difficulties. I do not entirely agree that it is all because of drought that the planning has got unsettled. There are many other factors. Having recognised all these factors we should start preparation of the next Plan. It is our duty to face the situation squarely.

SHRI M. P. BHARGAVA (Uttar Pradesh) : Mr. Vice-Chairman, I am sorry to interrupt Shri T. N. Singh, but may I submit that we have fixed the time for a Short Duration Discussion at 5 P.M. and now it is five past five.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Yes, you may continue next day.

SHRI T. N. SINGH : I would like to continue, Sir, because I have certain points which I want to develop.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : All right.

SHORT DURATION DISCUSSION UNDER RULE 176

RE AFFAIRS OF THE BRITISH INDIA CORPORATION, KANPUR

SHRI M. P. BHARGAVA (Uttar Pradesh) : Mr. Vice-Chairman, I would like to know at the very beginning before I start the discussion how much time would be allowed to the mover.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : One hour is the time for the Short Duration Discussion.

SHRI BHUPESH GUPTA (West Bengal) : I also want to speak.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): I think as mover you may take fifteen minutes.

SHRI M. P. BHARGAVA : Sir, I want to raise a discussion on the affairs of the British India Corporation, Kanpur.

Before I proceed with the subject matter, I have to say that I have got two Reports of the B.I.C. the 46th and the 47th Reports and there I find something which is unheard of in any accounting system. In the 16th Report I find that the sales including excise duty amounted to Rs. 8,85,21,252. The corresponding figure which we find in the 1966 Report is Rs. 9,13,65,471. Similarly the stock in hand as on 31st December, 1965, according to the 46th Report is Rs. 1,58,83,681. Surprisingly this figure has gone down in the Report of the succeeding year which in fact should have been the same. It is Rs. 1,37,00,683. I am unable to follow these figures and the remark of the Auditors given on page 28 where they say as item 14 that the figures for the previous year have been recast as far as practicable to make them comparable with the figures of the current year. According to any chartered accountancy, the figures cannot be played with after having been adopted by the General Body. That is the general practice all over the world and I would like the hon. Minister to throw some light on this aspect of the question. My own feeling is that it is nothing but sheer manipulation of the figures.

Now, I come to the second aspect and that is about the shareholding of the company. The hon. Minister in reply to my question was pleased to say that the friends and associates of Bajorias have 41 per cent shares. According to the replies of the hon. Minister to a question in the other House he gave the following figures.—

	Per cent
President of India	22.21
L.I.C.	16.67
Punjab National Bank Ltd. . .	11.50
M/S Davenport & Co. (P) Ltd.	4.95
United Bank of India	4.40
Oriental Bank of Commerce Ltd.	1.63

This makes a total of 61.36 per cent. I have got reliable information that another 9.56 lakhs of shares totalling to 14.7 per cent are held as follows :

Eastern Bank Trustee & Executive Co. Ltd., Bombay.	1,00,000
New Zealand Insurance Co., Calcutta.	55,000
Amexco Nominees (P) Ltd., Bombay.	38,000
Amexco Nominees (P) Ltd., Calcutta.	50,000
Marshall & Sons (P) Ltd., Calcutta.	25,000
Bank of Bihar Ltd., Calcutta . .	93,000
Bank of India, Bombay	1,00,000
Central Bank of India, Bombay and Calcutta.	2,75,000
Union Bank of India, Bombay and Calcutta.	2,15,000
State Bank of India, Bombay . .	5,000

This makes a total of 9,56,000, roughly 14.7 per cent. Now with this the total shareholding works out to 61.36 plus 14.7, that is, about 75 per cent to that if we add the figure of 41 per cent given by the hon. Minister, it comes to 117 per cent or so. If the total shareholding is 65 lakhs, how can this be 117 per cent instead of 100 per cent which is equivalent to 65 lakhs ? If it comes to 117 per cent then either there are some spurious shares in the market—that can be one conclusion—or the other conclusion is that figures of shares as have been given out to the Minister are far from correct. He is being kept in the dark regarding the true affairs of the company. So shareholding is the second point I would like the hon. Minister to deal with.

Then I come to the third question about sugar mill shares. I was told in reply to my question that shares worth Rs. 37½ lakhs have been sold for Rs. 36 lakhs incurring a loss of Rs. 1.5 lakhs but that it has been made up by some other payment and all that. Now, I have an offer today that if the Government is prepared to sell the shares for Rs. 10 lakhs more the party will be willing to have those shares here and now; straightway the deal can be had. I would like the Government to say what prevents them from negotiating the sale of these shares to other parties. This is not a mere matter of 36 lakhs of shares passing from one hand to another. It has a wider significance and the wider significance is they are the controlling

shares of five or six sugar mills. And what are those sugar mills ? Those are the sugar mills over which the B.I.C. has recently spent Rs. 1½ crores in renovation. May I ask the hon. Minister : is it anything short of looting the shareholders in the name of transferring Rs. 36.5 lakhs worth of shares ? They are just passing the control of six sugar mills at a very very important time when 40 per cent of the sugar has been made open for free sale and when sugar mills will be minting money. At that time the Government wants to consent and agree to the transfer of these shares to some private pocket who can make crores and crores of rupees. And the Government will be onlookers saying that they are helpless, they cannot do anything, they are in agreement, that the things will run according to the agreement between Bajorias and the Government. Is this the way Pandit Nehru's orders of transfer of the B.I.C. from the private sector to the public sector are being carried out ? Is this the way the Government wants us to believe that they are the custodians of the public sector, they are the custodians of the common man's money ?

Now I come to the question of Managing Director. The Minister was pleased to say here that Mr. B. P. Bajoria was appointed Managing Director on 1st November 1962. That means in the normal course the vacancy of Managing Director should have occurred on 31st October 1967. Now I find from another of the replies by the hon. Minister that he has got no application for the Managing Directorship and innocently he wants the whole House to believe that he has no idea and he does not know what is happening about the Managing Directorship. May I ask the hon. Minister most humbly : Did he get a letter from Mr. Sri Prakasa on 2nd June 1967 requesting that the Managing Directorship of B.I.C. be changed from the elder brother, Mr. B.P. Bajoria, to his younger brother, Mr. Banwarilal Bajoria ? And this again is not a simple deal; I may tell the House. I had my own fears about Government complicity with Birlas and here is a case which proves it. Mr. Birla was the arbitrator in the family disputes of Bajorias and Jalans and he gave an award by which they had to give certain sums of money to their debtors. And Mr. Banwarilal Bajoria said that he must have his pound of flesh since the partition is taking place. He wanted three crores cash down. That Mr. Bajoria with all his debts to the State Bank to the tune of six crores and other debts could not pay. So he entered into a deal : "Come on, Banwarilal, I cannot

give you three crores cash down. I am giving you a golden egg through which you can have golden eggs every day." And that is the managing directorship of the BIC and that is the deal which was to have taken place but for the questions in this House. When they found that this deal would not go through, they thought that they must do something else, and therein came one of the friends of Birlas to our Minister for vested interests. I charge the Minister of Commerce and the Minister of Industrial Development and Company Affairs with complicity with Birlas. I charge them with protecting the rights of Birlas and acting at their dictates. The Minister of Commerce entered into a deal, according to my report, that he will get some donation for a college of his and in return he will . . .

SHRI BHUPESH GUPTA : Who is that ?

SHRI M. P. BHARGAVA : That gentleman's name came out during the question Hour. I need not repeat it.

SHRI BHUPESH GUPTA : You repeat it.

SHRI M. P. BHARGAVA : It is known to everybody. Mr. Rameshwar Tantia, that gentleman, will become the Managing Director and when in the august House I pressed the hon. Minister to give a categorical assurance that Mr. Rameshwar Tantia will not be appointed the Managing Director, he sat mum. He thought that it was a childish question which Bhargava had put and that need not be replied to. I demand today action to see that these activities will not be allowed, that the Company Law Administration will not be able to have its way. There are people who are watching their activities. There are people who want to safeguard the interests of the common man and safeguard the interests of the country. They will not allow these activities to go on and I demand today that a commission of enquiry should be appointed to go into the whole question of the British India Corporation and what is happening to that company. It was a flourishing company which was giving a profit of Rs. 117 lakhs in 1961; Rs. 142 lakhs in 1962; Rs. 236 lakhs in 1963; Rs. 130 lakhs in 1964 and Rs. 50 lakhs in 1965. This year the company shows a loss. What a fall my countrymen ? From Rs. 236 lakhs profit it has come to minus Rs. 11 lakhs. What an achievement of our appointed Chairman and what an achievement of the Managing Director who is busy in loot and plunder.

[Shri M. P. Bhargava]

Now, what is happening. Let us compare the figures with other mills. The Raymond Mills, which is also dealing in wool, with an outturn of Rs. 8 crores, have made a profit of Rs. 1 crore and this beautifully managed company with an outturn of Rs. 11 crores shows a deficit of Rs. 20 lakhs or so. I leave it to the House to judge for themselves as to how efficiently the Company Law Administration is working, how efficiently our appointed Chairman and Vice-Chairman are working and how safe things are in their hands. Nothing short of a thorough shake up of the BIC will be able to save this Company. If quick action is not taken, the people will liquidate the assets of the company and clear their own debts and one day the hon. Minister will come to this House and say : "I was helpless. It was done under pressure of the State Bank. They were wanting their money to be returned and it was done under pressure. They wanted their money to be returned and we were silent spectators". Government can create the post of Senior Vice-Chairman or Junior Vice-Chairman to accommodate Mr. Bajoria, because something has to be found for Mr. Bajoria. The way Mr. A. K. Roy functioned in the company and the way immediately Mr. A. K. Roy went out Mr. Bajoria was elected the Vice-Chairman, in spite of contrary advice, these can only come out if a thorough probe is made. So, I would request the House to see that a probe is ordered in the various activities of the BIC.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Mr. Chordia.

श्री विमलकुमार मन्नालालजी चौरड़िया (मध्य प्रदेश) : उपसभापति महोदय, . . .

SHRI A. M. TARIQ (Jammu and Kashmir) : Mr. Vice-Chairman, my name is the second. Before Mr. Chordia, I may be allowed to speak. Moreover, I have to go back and observe 'Roza'. I do not take shelter under Ramzan.

श्री विमलकुमार मन्नालालजी चौरड़िया : रमजान के लिये उनको पहले अवसर दे दीजिये ।

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Generally when there are two names for discussion, we take one from the Opposition and one from the Congress side. Mr. Bhargava spoke first and so I called Mr. Chordia, from the Opposition. But if Mr. Chordia agrees, I have no objection.

श्री विमलकुमार मन्नालालजी चौरड़िया : अम्बार रोजा इफ्तारना है तो पहले उनको दे दीजिये ।

[THE DEPUTY CHAIRMAN in the Chair.]

शरी اے - ایم - طارق : میڈم

دپٹی چیئرمین - جہاں تک اس موشن کا تعلق ہے میں اس کی پوری حمایت کرتا ہوں لیکن میرا نقطہ نگاہ میرے دوست بھارگوا صاحب سے مختلف ہے اور وہ یہ ہے کہ میں بنیادی بات یہ ماننا ہوں کہ جو درست رائے بی - آئی - سی کے بارے میں اس ملک کے سامنے پنشنڈ جنرل لال نہرو اور شری کشنا مینن نے رکھی تھی وہ اگر موجودہ سرکار اور اس وقت کی سرکار مان جاتی تو آج بھارگوا صاحب کو یہ موشن لانے کی کوئی ضرورت نہیں تھی اور آج ہمیں بھجوریاز اور رائے کو کٹہر کرنے کی کوئی ضرورت نہیں تھی - مجھے انتہائی افسوس ہے اس بات کا میرے دوست بھارگوا صاحب نے چر کافی سیزنڈ پارلیمنٹیرین ہیں - ہم سب سے زیادہ دسترس رکھتے ہیں انہوں نے جوش میں جس طرح ہمارے منسٹر فور انڈسٹریز اور منسٹر آف کامرس کو انوالو کیا بولاز کو بچانے میں میں اپنی ذاتی واقفیت جو رکھتا ہوں اس کی بنا پر کہہ سکتا ہوں اور فخرالدین صاحب کے بارے میں بھارگوا صاحب کو یہ یقین دلا سکتا ہوں کہ فخرالدین صاحب ان لوگوں میں سے نہیں ہیں جو بولاز کو اسرا دینگے - اور نہ بھجوریاز کو دینگے - لیکن مشکل یہ ہے کہ اس ملک میں چند خاص لوگ ایسے ہیں جو ذرا سست رفتار ہیں - جو بیک لوگ ہیں اچھے لوگ ہیں وہ بڑے سست رفتار ہیں اور ان کی رفتار دیکھ کر اس طرح کی غلط فہمی ہو جاتی ہے - جو جنگ آزادی کے لوگ ہیں وہ ذرا سست رفتار ہیں لیکن ان کی نیتیں بہت صاف ہیں -

میں سمجھتا ہوں کہ سرکار کے سامنے اس سے بہتر کرنی رائے نہیں ہو سکتی ہے کہ سرکار کو اس آرگنائزیشن کو اپنے قبضہ میں لینا چاہئے کیوں کہ اس میں ٹیفنس کے لئے کافی چیزیں بنتی ہیں۔ مجھے امید ہے کہ اب بھی سرکار اس بات پر غور کرے گی اور اس بات کو درست مانے گی کہ پندرہ جولائی لال نہرو کی اس وقت کی رائے بہتر رائے تھی اور آج بھی اگر اس رائے کا صحیح استعمال کیا جائے تو اس سے ملک کا فائدہ ہو سکتا ہے۔

اس کے علاوہ میں کسی بجزوریا۔ کسی بڑا۔ کسی ڈالیا کسی جین کی شکل کو نہیں جانتا ہوں۔ ان لوگوں کے نام اور کارنامے ضرور سنے ہیں۔ نام کی کوئی بات نہیں ہے لیکن کارناموں سے تو ہم لوگوں کے لئے مشکل ہو گئی ہے۔ یہ لوگ اس ملک کی دولت کو جس ناجائز طریقے سے اپنے لئے استعمال کرتے ہیں اس کے لئے کوئی سدباب ہونا چاہئے۔ میری یہ بھی رائے نہیں ہے کہ اس میں جتنے لوگ ہیں وہ سب خراب ہیں۔ کچھ خراب بھی ہو سکتے ہیں اور کچھ صحیح بھی ہو سکتے ہیں۔ لیکن جس سرکار کا بنیادی مقصد۔ جس سرکار کا بنیادی اصول سوشلسٹ پیٹرن ہے یا سوشلزم ہے وہ خود ایک چیز کو چلا سکتی ہے۔ خود ایک چیز کا فائدہ اٹھا سکتی ہے۔ ملک کو فائدہ دے سکتی ہے اور دہر کسی فرد کے ہاتھ میں اس کو دینے سے کیا فائدہ ہے۔ میں ان لوگوں میں سے نہیں ہوں جو سبھی بجزوریا کے خلاف ہیں۔ مجھے کسی سے کسی خاص وجہ سے کوئی رنج نہیں ہے۔ ہم ان کو نہیں جانتے ہیں لیکن بنیادی اور اصولوں کی بات یہ ہے کہ سرکار کو اس کارخانے کو اور اس کے ساتھ جو مختلف

چیزیں ہیں ان کو اپنے ہاتھ میں لینا چاہئے۔ اگر سرکار واقعی دیانت داری سے کام کرنا چاہتی ہے۔

ہم یہ بھی جانتے ہیں کہ بڑے آرگنائزیشن کے بارے میں موندرا کے زمانہ میں کئی چیزیں سامنے آئیں۔ اس ایوان میں پچھلے تین چار مہینوں میں بھارگوا صاحب نے۔ میں نے۔ اور صاحب نے اے۔ کے۔ راؤ کے بارے میں بہت سے سوالات کئے۔ اور ہم اپنی جگہ مطمئن رائے کے ہیں کہ اس کا چہرہ صاف نہیں ہے اس کا دامن صاف نہیں ہے۔ اس کے بارے میں بھارگوا صاحب نے کافی الزامات لگائے ہیں۔ تو سرکار کو یہ چاہئے تھا کہ اس کے بارے میں کوئی انکوائری کمیشن مقرر کرتی۔ سرکار کو خود اپنی چیزوں کو دیکھنا چاہئے۔ میں اس بات میں اتفاق نہیں رکھتا ہوں بھارگوا صاحب سے کہ وہاں پر کس کو ڈائریکٹر ہونا چاہئے کس کو نہیں ہونا چاہئے۔ مجھے کو اس سے کیا فرق پڑتا ہے کہ اس ملک میں بڑا کے ہاتھ میں دولت ہونی چاہئے یا شانتی پرشاد کے ہاتھ میں ہونی چاہئے یا رام ناتھ گوئنکا کے ہاتھ میں ہونی چاہئے۔ میرے سامنے نہلا دھلا ٹلا ہے۔ نہلا کے پاس نہیں گئی دھلا کے پاس گئی۔ دھلا کے پاس نہیں گئی تو گلا کے پاس گئی۔ مجھے کوئی فرق نہیں پڑتا۔ فرق تب پڑتا ہے جب یہ دولت میرے پاس آتی۔ میں نہیں کہتا کہ رامیشور تانتیا کو ڈائریکٹر نہ بناؤ۔ وہ تمام گرجا ہا ہے جو ہم اور آپ نہیں جانتے۔ ہم اور آپ شانتی پرشاد جین کو بڑا جی کو تاتا کو سوت نہیں کرتے۔ آپ یہ کہیں کہ مہ خانہ ہو اور وہاں شری پاندے کو بار میں نہ بناؤ۔ یہ کیسے ہو سکتا ہے۔ جو آدمی جس جگہ کا ہو...

کہا جاتا ہے کہ اس میں بولا کا ہاتھ ہے۔ اس میں شائع پوشاک چین کا ہاتھ ہے اس میں گولڈ کا ہاتھ ہے - اس میں ٹاٹا جی گھوم رہے ہیں پھر ہم کیسے کہہ سکتے ہیں کہ ان کا سیاسی اثر نہیں ہے اب میں سرکار سے درخواست کروں گا کہ اگر واقعی اس سیاسی اثر کو کم کرنا ہے اگر ملک میں صحیح سوشلزم لانا ہے تو سرکار کو فوراً ایسے بڑے بڑے کارخانوں یا ایسے بڑے آرگنائزیشنس کو اپنے ہاتھ میں لینا چاہئے - جہاں سے یہ دولت خود سوشلزم کے خلاف استعمال ہوتی ہے -

میں بھارگو صاحب کی اس بات کی پوری تائید کرتا ہوں کہ انکوائری ہونی چاہئے صرف بی - آئی - سی ہی میں انکوائری نہیں ہونی چاہئے، بولاز میں انکوائری ہونی چاہئے، دالمیاز میں انکوائری ہونی چاہئے، رام دن گپتا کی انکوائری ہونی چاہئے - سینتارام جے پوریا کی انکوائری ہونی چاہئے، شری پانڈے کی انکوائری ہونی چاہئے، بھارگو کی انکوائری ہونی چاہئے - شری بھارگو صاحب بھی کچھ کھاندہ وانڈ بناتے ہیں - جے پوریا بھی بناتا ہے ان دونوں کا وزن بڑھا جا رہا ہے - اس لئے ان سب کی پوری انکوائری ہونی چاہئے -

†[श्री ए० एम० तारिक : मेडम डिप्टी चेयर-मेन, जहा तक इस मोशन का ताल्लुक है मैं इसकी पूरी हिमायत करता हूँ लेकिन मेरा नुक्ता निगाह मेरे दोस्त भार्गव साहब से मुस्तलिफ है और वह यह है कि मैं बुनियादी बात यह मानता हूँ कि जो दुरुस्त राय बी० आई० सी० के बारे में इस मुल्क के सामने पडित जवाहरलाल नेहरू और श्री कृष्णा मेनन ने रखी थी वह अगर मौजूदा सरकार और उस वक्त की सरकार मान जाती तो आज भार्गव साहब को यह मोशन लाने की कोई जरूरत नहीं थी और आज हमें बाजोरिया और राय को कण्डम करने की कोई जरूरत नहीं थी। मुझे इन्तहाई अफसोस है इस बात

का मेरे दोस्त भार्गव साहब ने जो काफी सीजन पार्लियामेन्टेरियन है, हम सब से ज्यादा दस्तरस रखते हैं उन्होंने जोश में जिस तरह से हमारे मिनिस्टर फार इण्डस्ट्रीज और मिनिस्टर आफ कामर्स को इनवाल्फ किया बिड़लाज को बचाने में। मैं अपनी जाती वाक्फीयत जो रखता हूँ उसकी बिना पर कह सकता हूँ और फखरुद्दीन साहब के बारे में भार्गव साहब को यह यकीन दिला सकता हूँ कि फखरुद्दीन साहब उन लोगों में से नहीं जो बिड़लाज को आसरा देगे और न बाजोरियाज को देगे। लेकिन मुश्किल यह है कि इस मुल्क में चन्द खास लोग ऐसे हैं जो जरा सुस्त रफ्तार हैं, जो नेक लोग हैं, अच्छे लोग हैं, वे बड़े सुस्त रफ्तार हैं और उनकी रफ्तार देखकर इस तरह की गलतफहमी हो जाती है। जो जगो-आजादी के लोग हैं वे जरा सुस्त रफ्तार हैं लेकिन उनकी नीयते बहुत साफ हैं।

मैं समझता हूँ कि सरकार के सामने इस से बेहतर कोई राय नहीं हो सकती है कि सरकार को इस आर्गोनाइजेशन को अपने कबजे में लेना चाहिए क्योंकि इस में डिफेंस के लिये काफी चीजे बनती हैं। मुझे उम्मीद है कि अब भी सरकार इस बात पर गौर करेगी और इस बात को दुरुस्त मानेगी कि पंडित जवाहरलाल नेहरू की उस वक्त की राय बेहतर राय थी और आज भी अगर इस राय का सही इस्तेमाल किया जाय तो इससे मुल्क का फायदा हो सकता है।

इसके अलावा मैं किसी बाजोरिया, किसी बिड़ला, किसी डालमिया, किसी जैन की शक्ल को नहीं जानता हूँ। उन लोगों के नाम और कारनामे जरूर सुने हैं। नाम की कोई बात नहीं है लेकिन कारनामों से जरा हम लोगों के लिये मुश्किल हो गई है। यह लोग इस मुल्क की दीलत को जिस नाजायज तरीके से अपने लिये इस्तेमाल करते हैं उसके लिये कोई सद्देबाब होना चाहिए। मेरी यह भी राय नहीं है कि

[श्री ए० एम० तारिक]

इसमें जितने लोग हैं वे सब खराब हैं। कुछ खराब भी हो सकते हैं और कुछ सही भी हो सकते हैं। लेकिन जिस सरकार का बुनियादी मकसद, जिस सरकार का बुनियादी असूल सोशलिस्टिक पेटर्न है या सोशलिज्म है वह खुद एक चीज को चला सकती है, खुद एक चीज का फायेदा उठा सकती है। मुल्क को फायेदा दे सकती है और फिर किसी फर्द के हाथ में उसको देने से क्या फायेदा है। मैं उन लोगों में से नहीं हूँ जो सभी बाजोरियाज के खिलाफ हैं। मुझे किसी से किसी खास वजह से कोई रंज नहीं है। हम उनको नहीं जानते हैं लेकिन बुनियादी और असूल की बात यह है कि सरकार को इस कारखाने को और उस के साथ जो मुख्तलिफ चीजे हैं उनको अपने हाथ में लेना चाहिए, अगर सरकार वाकई दयानतदारी से काम करना चाहती है।

हम यह भी जानते हैं कि बड़े आरगेनाइजेशन के बारे में मूढ़ता के जमाने में कई चीजे सामने आईं। इस एबान में पिछले तीन चार महीनों में भार्गव साहब ने, मैंने, अरोडा साहब ने, ए० के० राय के बारे में बहुत से सवालान किये। और हम अपनी जगह मुतमीन राय के हैं कि इसका चेहरा साफ नहीं है, इसका दासन साफ नहीं है। इसके बारे में भार्गव साहब ने काफी इलजामात लगाए हैं। तो सरकार को यह चाहिए था कि इसके बारे में कोई इन्क्वायरी कमीशन मुकर्रर करती। सरकार को खुद अपनी चीजों को देखना चाहिए। मैं इस बात में इत्तेफाक नहीं रखता हूँ भार्गव साहब से कि वहाँ पर किस को डायरेक्टर होना चाहिए किस को नहीं होना चाहिए। मुझे को इससे क्या फर्क पड़ता है कि इस मुल्क में बिडला के हाथ में दौलत होनी चाहिए या शाती प्रसाद के हाथ में होनी चाहिए या राम नाथ गोयनका के हाथ में होनी चाहिए। मेरे सामने नहला दहला गुल्ला है। नहला के पास नहीं गई दहले के पास गई, दहले के पास नहीं गई तो गुल्ला के पास गई, मुझे कोई फर्क नहीं पड़ता है। फर्क तब पड़ता है जब यह दौलत मेरे पास आती। मैं नहीं कहता कि रामेश्वर

तातिया को डायरेक्टर न बनाओ। वह तमाम गुर जानता है जो हम और आप नहीं जानते। हम और आप शाती प्रसाद जैन को, बिडला जी को, टाटा को सूट नहीं करते। आप यह कहे कि मय खाना हो और वहाँ श्री पाण्डे को बारमेन न बनाओ। यह कैसे हो सकता है। जो आदमी जिस जगह का हो. . .

श्री सी० डी० पांडे (उत्तर प्रदेश) . अभी तुम्हारा रोजा है।

श्री ए० एम० तारिक : . . तो सरकार को इस मामले के बारे में फौरी तौर पर कार्रवाई करने की जरूरत है। फखरुद्दीन साहब को मैं जाती तौर पर जानता हूँ, वह सोशलिज्म पर यकीन रखते हैं, उनको इस पर थोड़ी सख्ती से अपनी रफ्तार और अपनी मर्जी के खिलाफ फौरी तौर पर कार्रवाई करनी चाहिए। मुझे बड़ी खुशी होगी अगर हम फखरुद्दीन साहब को रफी अहमद किदवई की तरह समझे। अगर इन दो तीन बातों में और बिडला साहब के ऊपर इन्क्वायरी का सेहरा उनके सिर रहे तो हिन्दुस्तान में जो सही मायनों में कांग्रेस में हैं वह उन पर वैसे फखर करेंगे जैसे रफी अहमद किदवई पर करते हैं। उन पर बड़ी जिम्मेदारिया है, वह इन चीजों को भी देखे। बी० आई० सी० का मामला भी उन्हें देखना चाहिए। सरकार को फौरी तौर पर इस पर कब्जा करना चाहिए। इसमें इसकी कोई बात नहीं है कि मुनाफा है या घाटा है। मैं सरकार को इस लिये नहीं कह रहा हूँ कि वहाँ पर घाटा हो रहा है, मैं इस लिये कहता हूँ कि बुनियादी तौर पर यह हमारे असूल और सोशलिज्म के खिलाफ है। अगर मुनाफा पर जा रहा है तब भी सरकार को लेना चाहिए और घाटे में जा रहा है तब भी सरकार को लेना चाहिये। अगर हम ऐसा नहीं करेंगे तो लोगों को हमारी पालिसी पर शक होगा। यही वजह है कि आज हिन्दुस्तान में और हिन्दुस्तान से बाहर लोग हमारे सोशलिज्म को सही नहीं मानते। राम रत्न गुप्ता करोड़ों रुपया खा गया कोई पूछ नहीं है, कोई पूछ-ताछ नहीं है। रोज सवाल होता है, रोज जवाब होता है। अभी कल मुरारजी भाई ने—मैं उन की बड़ी इज्जत

करता हूँ। ऐसी बात नहीं है कि छिप कर करता हूँ—इस एबान में कहा कि यह बात बिल्कुल झूठ है कि इस मुल्क की सियासत पर बिड़ला का असर है। मुरारजी जो कहे मैं बिल्कुल मानने के लिये तैयार हूँ। लेकिन इस बात को हिन्दुस्तान में कोई आदमी—पढ़ा लिखा तो क्या राहगीर भी—हजम नहीं करेगा कि बिड़ला का, डालमिया का और शांती प्रसाद जैन का इस मुल्क की सियासत पर असर नहीं है, असर होना चाहिए और असर उनका रहेगा क्योंकि...

श्री शीलभद्र याजी (बिहार) : “होना चाहिए” आपको नहीं कहना चाहिए।

श्री ए० एम० तारिक : “होना चाहिए” इस लिये कहता हूँ...

श्री शीलभद्र याजी : आपको ऐसा नहीं कहना चाहिये।

श्री ए० एम० तारिक : आप जबान नहीं समझते, मैं उर्दू में बोल रहा हूँ।

श्री शीलभद्र याजी : समझता हूँ, इसीलिए कह रहा हूँ।

श्री ए० एम० तारिक : मैं कहता हूँ कि उनका असर जरूर होना चाहिए क्योंकि उन्होंने इतना खिलाया-पिया है यहाँ की सियासी जिन्दगी में (Interruptions.)। मुझे यह समझ में नहीं आया कि श्री मुरारजी और श्री के० सी० पंत ने कैसे कहा कि असर नहीं है, यह अमर रोज हो रहा है। जब लीडरशिप का झगड़ा हुआ तब यह शिकयत आई कि बिड़ला बहुत बड़ा रोल अदा कर रहे हैं। जब यहाँ की सियासी जिन्दगी में वजीरो के बनने का, एम्बेसडरो का, या मेन्टोरियो का तबादले का सवाल आता है तो यह कह जाता है कि इस में बिड़ला का हाथ है, इस में शांती प्रसाद जैन का हाथ है, इसमें गोयनका का हाथ है, इसमें टटा जी घूम रहे हैं। फिर हम कैसे कह सकते हैं कि उनका सियासी असर नहीं है? अब मैं सरकार से दरख्वास्त करूँगा कि अगर वहाँ इस सियासी असर को कम करना है, अगर मुल्क में सही सोशल-लिज्म लाना है तो सरकार को फौरन ऐसे बड़े

बड़े कारखानों या ऐसे बड़े बड़े अररोनाइजेशन को अपने हाथ में लेना चाहिए, जहाँ में यह दौलत खुद सोशललिज्म के खिलाफ इस्तेमाल होता है।

मैं भार्गव साहब की इस बात की पूरी तर्जुमा करता हूँ कि इन्क्वायरी होनी चाहिए सिर्फ बी० आई० सी० ही में इन्क्वायरी नहीं होनी चाहिए, बिड़ला में इन्क्वायरी होनी चाहिए, डालमिया में इन्क्वायरी होनी चाहिए, राम रत्न गुप्ता की इन्क्वायरी होनी चाहिए, सीना राम जयपुरिया की इन्क्वायरी होनी चाहिए, श्री पांडे की इन्क्वायरी होनी चाहिए, श्री भार्गव की इन्क्वायरी होनी चाहिए। भार्गव साहब भी कुछ खाड़ वाड़ बनाते हैं, जयपुरिया भी बनाता है उन दोनों का वजन बढ़ता जा रहा है। इसलिये उन सब की पूरी इन्क्वायरी होनी चाहिए।]

SHRI A. G. KULKARNI (Maharashtra) : Madam, I want to place before the Government only two or three important points in respect of the B.I.C. I could understand that there are some enquiries going on. The B.I.C. is a Corporation which was yielding very good profits. It is now showing great losses. Madam, the loss of Rs. 11 lakhs is actually not Rs. 11 lakhs. They have taken credit for development rebates. The loss is round about Rs. 20 lakhs. As pointed out by my hon. colleague, here in the 1966 balance sheet they say figures for the previous years have been recast as far as practicable to make them comparable. What is this recasting, Madam? Where it was Rs. 1 crore 58 lakhs, they have recast it as Rs. 1 crore 37 lakhs. What is this recasting of Rs. 21 lakhs, I do not understand. These balance sheets are submitted to the Company Law Administration, and I have got my observation, submission, most humbly to make.

I do think that there is something wrong with this Company Law Board which is not taking due care in getting such type of companies and such type of fraudulent businesses under enquiry. In this respect also I see that one esteemed paper, the Bht., has made in its issue last week a scandalous report about the working of the B.I.C. I again want humbly to request the hon. Minister of Industrial Development when such type of business, whether of Birlas, whether Bajorias or whether of

[Shri A. G. Kulkarni]

Shanti Prasad Jains, are being so much publicised in the country, what moral is there and how can people keep their faith if the Government fails to take action? I can understand the difficulty of the Minister of Industrial Development that legal impediments may be there. The legal rights of these fraudulent parties must be there. But, Madam, what I want to say is I support Mr. Bhargava only in this respect that if there are any legal barriers, you may please immediately appoint an Enquiry Commission and show to the people that the Government has got no axe to grind, there is nothing to be hidden and the Company Law Board and the Government of India in the Ministry of Industrial Development want to deal with this aspect of fraudulent business of the big business houses at the bar of justice. I do not want to say anything more except to make only one suggestion. It seems from the balance sheet that if these people sell away this Elgin Mills, all financial difficulties can be done away with and the Government can take over the entire B.I.C., as suggested by the late Prime Minister and work it as a public sector concern. It has got more prospects of earning profit.

Madam, I have done.

श्री विमलकुमार भग्नलालजी चोरडिया :

उपमहापति महोदया, यह जो चर्चा शुरू की गई तो आजकल कुछ ऐसा लगता है कि अपने यहां पर थोड़े थोड़े दिनों में एक एक उद्योगपति के खिलाफ प्रकरण उठता रहता है। अगर कोई यह मान कर चले कि यहां के उद्योगपति सब ईमानदार हैं तो वह भी भ्रम में है, किसी भी उद्योगपति की जाच की जायगी तो मात्रा में फर्क हो सकता कि किसी के यहां ज्यादा गड़बड़िया हो और किसी के यहां कम हो मगर गड़बड़िया सब के यहां मिलेगी। कोई भी उद्योगपति भारतवर्ष में ठूठ कर नहीं निकाला जा सकता जिसके यहां की कार्यवाही में कोई गड़बड़ी नहीं दिखाई जा सके, लेकिन यह जो क्रम चलता है वह ठीक नहीं। अब यहां बी० आई० सी० का क्रम है, कभी मूडड़ा आते हैं, कभी साहू-जैन आते हैं, कभी बिडला साहब आते हैं और कभी बाजोरिया आते हैं, आगे किस पर यह होगा यह भगवान जानें। तो यह क्रम चलता जा रहा है रोज इस हाउस में। मैं यह मानता हूं कि हमारे यहां जो बिजनेस वाले गलती कर रहे हैं उस पर रोक लगानी

होगी, उस पर नियंत्रण करना होगा, उसपर नियंत्रण करने के लिये कानून बनाना होगा और उनको कानून की परिधि में बाधना होगा, मगर यह जो क्रम है एक दूसरे, एक दूसरे छिलके का उखाड़ते जाना तो यह तो प्याज के छिलके की तरह है कि जिसका अन्त कहीं नहीं है, छिलके उखड़ते जायेंगे क्रम से। जैसे कि अभी बिडला की चर्चा हुई, तो ऐसा लगा कि पोलिटिकल करप्शन होता है और उस तरह का चलता जा रहा है। यह बी० आई० सी० जब तक ब्रिटिश सरकार थी तो ब्रिटिश सरकार की सेवा करने को थी और जब ब्रिटिश सरकार के बाद का समय आया तो मूडड़ा की सेवा करने को थी और अब मैं बी० आई० सी० के माने यह लगाता हू कि “बी” से बेस्ट, “आई” से इकम और “सी” से कांग्रेस का अर्थ लगाता हू, यानी बेस्ट इकम फार दि कांग्रेस पीपुल। जब तक मूडड़ा साहब इसे देने रहे तो वह चलती रही लेकिन फिर गड़बड़ हुई और बाजोरिया साहब चलने लगे लेकिन फिर बाजोरिया साहब ने कुछ ऐसा किया कि यहां के लोग इसको सहन नहीं कर सकते क्योंकि इस तरह से कुछ कांग्रेसमैन को आब्लाइज किया जाती है, उनमें लिये हजारों रुपया खर्च किया जाता है, यह छिपी हुई बात नहीं है।

तो गड़बड़ी सब जगह है इसमें कोई दो मत नहीं है लेकिन अब प्रश्न यह है कि इस व्यवसाय का किया क्या जाय? सबसे पहली बात तो यह है कि अगर सरकार अपने आप को योग्य समझती है कि इस काम को ठीक तरह से चला सकेगी अन्य पब्लिक सेक्टर अडरटेकिंग्स को देखते हुए, जैसे कि भोपाल हैवी इलेक्ट्रिकल्स का इस्टीमेट 14 करोड़ का लगाया और वह अब 24 करोड़ रुपये का हो गया, तो इस सब को देखते हुए अगर सरकार इस योग्य अपने को समझती है कि इस संस्थान को ठीक तरह से चला सकते हैं तो बिना हिचकिच हट के, एक दिन की भी देर किये बिना, सारे संस्थान को खरीद कर के अपने नियंत्रण में ले लेना चाहिये और यदि आप यह नहीं कर सकते हैं तो फिर अपनी रिमपा-मिबिलिटी छोड़ कर के, अपने शेयर्स को बेच कर के छुट्टी पा लेनी चाहिये। मगर जहां तक

शेयरहोल्डर्स के संरक्षण का सवाल है, जो जिम्मेदारी हमारे ऊपर शासन के नाते आती है, तो आप अपने कम्पनी लॉ डिपार्टमेंट के अन्तर्गत उसकी पूरी जांच करवा कर उनके खिलाफ कार्यवाही करें अगर गलत कार्यवाही उन्होंने की है। और अगर दोनों नहीं करते हैं और यह भी चाहते हैं कि अपना नियंत्रण भी रहे, अपने शेयर्स भी रहें, और जो पोलिटिकल इंटरेस्ट हो वह इंटरेस्ट रहे, यह इंटरेस्ट हो कि राजा भदरी वहां के डाइरेक्टर बनें या कौन श्री विलग्राम है वह डाइरेक्टर हों, या किसी का किसी में इंटरेस्ट हो, तो फिर इंटरेस्ट क्लेश करेंगे और जो इसे राजनैतिक क्षेत्र का अखाड़ा बना कर अपनी राजनैतिक भावनाओं को सेटिस्फाई करने का केन्द्र इसे बनाना चाहते हैं तो वह होगा। वास्तव में मैं चाहूंगा कि सरकार शीघ्र निर्णय ले, अगर लेना है तो खुले तौर पर शेयर खरीद कर, 51 प्रतिशत शेयर ले कर के अपने मैनेजमेंट में इसको करे और अगर नहीं लेना है तो यह सिरदर्दी छोड़ दे और उनके खिलाफ जो भी करना है वह कम्पनी लॉ डिपार्टमेंट के जरिये कानूनी कार्यवाही करे और अगर कोई कमी हो तो कम्पनी लॉ में अमेंडमेंट कर के उस पर नियंत्रण करने की व्यवस्था करे। यही मेरी प्रार्थना है और आशा है कि मंत्री महोदय इसमें कुछ न कुछ निर्णय लेंगे। यह जो छिलके उड़ाड़ने की प्रवृत्ति बढ़ती जा रही है इसको बन्द किया जाना चाहिये ताकि हमारे देश में निर्माण हो सके। मंत्री जी इस दिशा में आगे बढ़ें।

SHRI ARJUN ARORA (Uttar Pradesh) : Madam Deputy Chairman, I welcome this discussion particularly because there are, at the moment, ugly rumours in Kanpur about the future of the BIC, and BIC is important in the economy of U.P., particularly vitally important in the economy of Kanpur. At Kanpur itself, more than 20 thousand workmen are employed in the various units of the BIC and its associates. It appears that what is going on at Delhi has caused ugly rumours at Kanpur and many of the workmen and many of the officers feel uncertainty about their employment, uncertainty about their future and uncertainty about the future of the BIC. Here what we find is that the Government is not taking

a serious interest in the matter. Instead of taking the interest of the 20,000 employees at Kanpur into consideration, the Government seems to be guided, in the matter of BIC, by astrologers and pundits. And it appears that the best advisers that the Minister can get are not the five Members of Parliament hailing from Kanpur and 105 hailing from U.P. but the dismissed employees of the BIC. I personally feel that this is a very light-hearted and undesirable manner of handling such an undertaking by the Government. As a matter of fact, the Government has never been clear in its mind about this vital unit of Kanpur right from 1957. In 1957, there was the Mundhra deal. The Government soon realised its mistakes and the exposure was made before the Chagla Court of Inquiry. Then in 1958 the State Bank intervened and the result of the intervention of the State Bank was that Mundhra's management was more or less unseated, and the High Court appointed a Committee of Managers. The Government, even then, had the option, had the opportunity, to buy Mundhra's shares. Even if Mundhra was unwilling, the Government could have utilised the legislative processes to acquire his holdings and acquire an absolute majority in the BIC. Government did not do so. Government brought in the Bajorias. And it is well known that Mr. P. C. Bhattacharya, then Chairman of the State Bank, who ultimately became the Chairman of the Reserve Bank . . .

SOME HON. MEMBERS : No, no.

SHRI ARJUN ARORA : . . the Governor of the Reserve Bank, was instrumental in persuading Mundhra to sell his shares to the Bajorias. And he was acting as an emissary of the Government. He was reported to have visited Mundhra in Jail. Well, Government, tired of Mundhra, brought in the Bajorias. And then in 1962, the High Court rules that there should be an elected Board of Directors like any other private sector company. Madam, it is well known that during that period, before the restoration of the shareholders' Board of Directors, there were many hush hush meetings between the Bajorias and the Government and ultimately, Mr. Lal Bahadur Shastri . . .

SHRI NIREN GHOSH (West Bengal) : Who was at the helm of affairs?

SHRI ARJUN ARORA : Many people . . . stepped in and some sort of understandings were arrived at. I want the Minister to tell this House and the country at large

[Shri Arjun Arora]

what were the assurances given by Mr. Lal Bahadur Shastri, and what were the assurances that Mr. Lal Bahadur Shastri, clever negotiator and statesman as he was, got from the Bajorias. That should be made known to this House and the country. But there appears to be a policy of hush-hush. Even then, Madam, Mr. Krishna Menon studied the affairs of the B.I.C. at the instance of Prime Minister Jawaharlal Nehru. He came to the conclusion that in the year of grace 1962, even before the Chinese invasion, B.I.C. were one of the biggest producers the requirements of our Defence Forces. They were producing blankets and woollen cloth for the uniforms of our Army men. They were producing boots for our Army men. They were producing other requirements of our Defence Forces. So Mr. Krishna Menon recommended and Pandit Jawaharlal Nehru agreed that the B.I.C. should be taken over in the public sector and handed over to the Defence Ministry so that clothing and other requirements of our Armed Forces would be safely met. Somehow this was not done. It remains a mystery, and the mystery becomes deeper when one finds on record that Pandit Jawaharlal Nehru's suggestion was not accepted by the then Minister of Industries, Mr. K. C. Reddy.

SHRI KRISHAN KANT (Haryana) : Mr. A. K. Roy must have interfered.

SHRI ARJUN ARORA : For me it is a mystery. Why in spite of Pandit Jawaharlal Nehru's clear view that the undertaking should be taken over by the Government was it not done? Since then many things have happened and at the moment, as Mr. Chordia had pointed out, instead of taking a far-sighted view of the problems of the B.I.C., Ministers are more anxious to put in their favourites, politicians, retired officials etc. in the Board of Directors. That will not solve the problem. Only people who have experience of industry, only people who have experience of labour, only people who have the interest of the country at heart should be there. And, of course, as I have said, in this House earlier, the best thing will be for the Government to do away with this mixed management of the B.I.C. Mixed management is an un-mixed evil. Either take over the undertaking or sell the Government holdings. As has been said by one or two other speakers, sell the shares and treat it as a private sector company. The Government has failed to make this mixed management a success and the chances are that if mixed management goes on, the things will go

from bad to worse. So a clear decision should be taken in the matter. It should have been taken in 1962. Even now it is not too late.

Mr. Bhargava mentioned the sale of sugar mills by the management of the B.I.C. When that question was raised last week the Minister said that they were sold on the advice of the State Bank. Now it appears that the selling of the sugar mills did not enable the B.I.C. to discharge all its liabilities towards the State Bank and, as a matter of fact considerable advances by the State Bank are still there. There should be a categorical statement on the floor of the House by the Minister either today or tomorrow as to who was responsible for the sale of the sugar mills. Merely the advice of the State Bank will not do. I would like to know whether the Company Law Board came into the picture or not. The Government are a substantial shareholder in the B.I.C. When the State Bank gave the advice, did the Government apply its mind as a shareholder? Did the Company Law Board apply its mind as an administration, and how were they sold?

THE DEPUTY CHAIRMAN : Please wind up.

SHRI ARJUN ARORA : And to whom were they sold? Were they sold before the decontrol of sugar production was ordered or were they sold before that? Even if they were sold before that, were the Government not anticipating a change in their policy? Or is the Food Ministry a different empire and the Industrial Development and Company Law Board another different empire? The Minister should make all this clear. Thank you, Madam.

SHRI BHUPESH GUPTA : Madam, I charge Mr. Fakhruddin Ali Ahmed, the Minister and his Department, with deliberate attempt to mislead Parliament and cover up the swindle and plunder of the Bajorias. I think, Madam Deputy Chairman, the matter calls for serious attention and probe in order that we can get at the entire truth.

Reference has been made to Pandit Jawaharlal Nehru's letter earlier. Just to refresh our memory, I will read out the letter to you :—

"It would therefore not be difficult to gain control of the organisation and make it a public sector one."

The letter was dated the 2nd September, 1962. I have also before me a copy of the letter which two days later the then Minister, Mr. K. C. Reddy, wrote to the Prime Minister in which he said :—

“So far there has been no such proposal. In fact, as I have mentioned earlier, when some of us discussed this matter on the 25th January last, it was our intention to use this shareholding to secure that the B.I.C. was managed by a Board which would be composed of people acceptable to Government, and who will have a sense of public responsibility.”

The letter is dated 4-9-1962. Let us now examine whether the Government has kept its word. I have quoted two letters from the Minister concerned and the Prime Minister of the country. The hon. Minister should explain here why in the course of the last five years he and his Government have gone exactly in the opposite direction, not in the direction of securing public control over this company when Bajorias were playing ducks and drakes with the finances and the other interests of the company. Madam, that point he should make clear.

And how has the Government responded? Instead of securing control, as I said, they have moved in the opposite direction. It was a kind of back-seat driving. If I may use that expression, of the Bajorias by this Ministry. Take the case of the appointment of Mr. A. K. Roy. It was admitted in this House that Mr. A. K. Roy was appointed as the Vice-Chairman of the Board of Directors in consultations with the Bajorias. Now, Mr. A. K. Roy happens to be on the Board of Directors of 13 private sector companies. Do I understand that it was done to secure public control? I should like to know why Mr. A. K. Roy was appointed in this manner and why Bajoria was consulted. You want a Bajoria man to control a Bajoria, I should like to have the explanation.

Then, we have that great man, Mr. Sri Prakash. What financial interest Mr. Sri Prakash has there? Is it not a fact that his son, Jasvardhan, has been with the Bajorias in order that the father could be amenable and obliging to the Bajorias? The record of Shri Sri Prakash as the Chairman shows that he was a party in order to serve the Bajoria interest, and not the public interest. Is it not a fact that his son is in the appointment of Bajorias, that Mr. Ramnath Goenka, a close friend of Bajoria, and a shareholder, had been help-

ing Bajorias when T.T.K. was the Finance Minister? And, Shri Sri Prakash, I am told, in perquisites and salary, etc. gets something like Rs. 20,000. But I am not going into that.

Then I should like to know another thing in this connection. On the 26th August, 1967, in the Annual General Meeting of the Shareholders, the Regional Director of the Department of Company Affairs (representing the President of India). Kanpur, wanted to oppose the appointment of Shri B. L. Bajoria (younger brother of Managing Director, Shri B. P. Bajoria) as full-time Director but why was he instructed verbally by Secretary, S. K. Datta, I.C.S., not to oppose Mr. B. L. Bajoria's appointment as whole-time Director-in-charge of Woolfen Branches. Explain these things. Besides, even now two posts are vacant. They have not filled them. And the Bajorias are going ahead with plunder and loot in this manner. Madam Deputy Chairman, this scandal ranks in the category of the Mundhra scandal. In his letter to the Prime Minister, Mr. K. C. Reddy had said that the Bajoria group's shareholding was over 30 per cent. Now we are told by the hon. Minister that it is 42 per cent. Who was telling a lie? Somebody is telling a lie or something has happened. I should like to know that. Now actually the Bajorias' shareholding is much less. It is not even 20 per cent. If the Government wants to take control of the company they can do so on the strength of their own shareholding and secure proxies and so on. Anyhow, their shareholding with L.I.C. and other things gives them enough strength to take over. But they are not taking over Bajorias because the Bajorias have established considerable influence over this Government including this Ministry. That is what I should like to say.

Then I can point out here what the Company Law Department is doing. Take these 46th Directors' Report and the 47th Directors' Report. If you refer to page 19 of the 47th Report, you will clearly find that not only in regard to sale but also in regard to works in progress, etc., the accounts of the earlier year which were shown in the 46th Report had been tampered with. It is admitted in the Report itself, on page 28—“figures have been recast as far as practicable.” I should like to know whether it was taken due note of. On whose authority, under which law, the figures that had been passed for the earlier year at a proper meeting of the shareholders, were manipulated? Who authorised the swindler Bajoria to tamper with the accounts in this

[Shri Bhupesh Gupta]

manner? I should like to know how much bribe money passed between various interested parties so that this patent illegality could pass off as accounting and so on. Madam Deputy Chairman, these are the various things I want to know and I think nothing short of an enquiry will do. I find here that the aim and objective of the Bajorias had been somehow or other, according to the papers in our possession—and the Government here has failed to safeguard public interests—to exploit the B.I.C. to their heart's content, make as much money as possible and reduce the entire industrial complex to a skeleton. And in doing so, they have committed a whole number of frauds and other offences which the Government should take note of. He does not even listen. Kindly listen, Mr. Fakhruddin.

THE DEPUTY CHAIRMAN : The Minister must listen to him.

SHRI BHUPESH GUPTA : Have the Bajorias upset you so much? Now, first, despite the fact that the Government of India had given import licences to the B.I.C. for purchase of wool, as they do to all concerns like Raymond and Digvijay Woollen Mills, Bajorias have indulged in purchase of National Defence Remittance Certificates for importing raw wool at a fantastic premium of 225 per cent when the market at no stage had registered existence of such a high premium. Secondly, manufactured goods sold to dealers of Lalimli and Dhariwal Woollen Mills are delivered to them on consignment basis, i.e. pay as you sell basis, and railway and transport receipts are given directly to dealers and not through banks as required because of the mortgage of consignments to the banks.

Thirdly, Bajorias have utilised the services of only one transport company to deliver their woollen goods without waiting for clearance of consignment notes through banks.

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Fourthly, the management shares the agency commission with agents by adjusting credit notes and simultaneously reducing ex-mill rates of stock sent to agents by as much as 30 to 70 per cent. This means that woollen cloth sold in the market at Rs. 50 a metre is given to the agent at Rs. 30 a metre and the difference is pocketed jointly between the agents and the Bajorias. Deny it if you can. Therefore, these are some of the points on which I should like to have clarification.

Then as far as the sale of six sugar mills for Rs. 37.5 lakhs is concerned, it is another Mundhra deal. Am I to believe that six sugar mills cost only Rs. 37.5 lakhs or so? No. The Bajorias, according to our information, have pocketed black money of the order of Rs. 3 crores as a result of these transactions. Now there is no use trying to give me the face value of the shares. What about the working expenses, renovation and other expenses? All these things have to be taken into consideration. Therefore, with the connivance of the Government, with the assistance of the Government and with the knowledge of the Government, the Bajorias are doing so.

Madam Deputy Chairman, is it not a fact that the Governor of the State Bank is in possession of certain relevant information and yet nothing is being done with regard to this matter? I understand that several crores of rupees have been loaned by the State Bank to the Bajorias and it originated in the old days when the State Bank had to move in in order to secure some control and so on. Therefore, I say here is a *prima facie* case for the take-over of the B.I.C. by the Government. There is ample power under the Industries Development and Regulation Act for the Government to take over. Pending this, the Government should immediately re-organise the Board of Directors in line with the assurance given by Nehru so that only public sector men run that management. Shri Sri Prakasa should be removed here and now without delay because his son is materially benefited as a result of his shady deals and his support to the Bajorias. Shri Sri Prakasa is a coward. Madam Deputy Chairman, Governors are either Dharma Viras or Sri Prakasas—either topple a Ministry or cover the Bajorias. Between the Bajorias and this kind of activity, there is a link. I am not going into that now. So I should like to know what the Ministry is doing. Why is the Secretary not showing adequate interest in filling the two posts that are now vacant, I should like to know? Therefore, Madam Deputy Chairman, Mr. Fakhruddin Ali Ahmed tried to mislead the House. I put it to you, Mr. Fakhruddin, that you are telling either knowingly or without knowledge, something which is wrong and hence you mislead the House wittingly or unwittingly when you say that the Bajorias have 42 per cent shareholding. Are you prepared to place it before any acceptable chartered accountant? We are prepared for it. Are you ready to have these balance-sheets and other papers examined in order to establish how much shareholding the Bajorias have? The Bajorias do not

have that much shareholding. Besides, it is clear that you have a majority. The President of India and other organisations under the aegis of the Government together have a majority. And you can mobilise proxies and small share-holdings and other business interests in order to occupy a dominant position and even to take over control of the company here and now. You are not doing so because certain colourable transactions had taken place.

Finally, Madam, some time ago in this House, we read out the balance-sheets of the Bajoria concerns to show that several lakhs of rupees had been contributed by the Bajorias to the Congress Election Fund. Somebody says Rs. 35 lakhs. Anyhow we gave the figure. Bajorias had been paying the money and Mundhras paid the money and looted the treasury and public funds. Bajorias had paid the money to the Congress Party and that is the obligation which the Congress has undergone. You are flouting Nehru's assurance; you are flouting such assurances. Bajorias are certified swindlers of the country and we do not expect our own Ministers sitting there to shield and protect them. Remember the fate of Mundhra and Mr. Krishnamachari. I warn you, Mr. Fakhruddin Ali Ahmed, that you are doing something knowingly or unknowingly which may bring you the fate of Mr. Krishnamachari. I would not like that to happen. Therefore I say you act now and accept our demand for a public enquiry and see that it comes under the the State sector. Remove these corrupt men from the Board of Directors and bring it in the public sector so that everything goes on well. (*Time bell rings*) Madam, I have got many more things to say because I have got plenty of papers about Bajorias. Bajorias are one of the greatest swindlers in the industrial world and black money is their profession. Therefore, Madam, I hope you will ask him to reply to these questions.

SHRI NIREN GHOSH : Madam, one scandal after another about the big business houses are coming to the surface and we see how the Government is protecting them, shielding them or screening them. What does it prove? It proves that the Government collectively is a thoroughbred lackey of the big capital and they take pride in being a lackey.

Now the point that I would like to make is that this B.I.C. was previously looted and exploited by Sir Arthur Inchcape and Sir Robert Menzies, etc. Then it came to he Mundhras. After the Mundhra deal,

as Shri Arora has pointed out, something took place between Bajoria and the Government secretly and some terms of agreement were reached between them in accordance with which the management was handed over to them. Now what are these terms of the agreement? The Minister should clarify them. I say this because from Mr. T. T. Krishnamachari's observations I find he says that a meeting of the general body was called at which a Board of Directors was elected with the concurrence of the Government but the Central Government or the LIC having 39 per cent shares were not represented on the Board of Directors. That is really strange. And who were those Directors agreed to by the Government? They are :

Shri Satish Chandra,

Shri B. P. Bajoria,

Shri D. P. Goenka, a well-known Calcutta magnate,

Shri K. N. Mookerjee,

Shri Sri Prakasa,

Shri S. B. Bose,

Maharajkumar Anand of Vizianagram.

Now who is Shri Satish Chandra? He is a discredited Congress Deputy Minister. So the Government as a whole has vested interest in it. They found a place for Shri Satish Chandra. Then there is Shri Sri Prakasa, ex-Governor. The Union Government as a whole is committed thereby. Then there is Shri Bilgrami, ex-ICS. He is Mr. Fakhruddin Ali Ahmed's candidate. He wanted to put him on the Board of Directors. So Shri Fakhruddin Ali Ahmed has a personal vested interest there. Then there is Raja of Bhadri, Shri Dinesh Singh's man. So the Commerce Minister is also personally involved in this deal. And finally also there were the all-powerful Birlas under whose umbrella this Government functions. Now I would like to draw your attention to very good concerns, e.g. Cooper Allen, Lalimli and Dhariwal. Cooper Allen produces 50 per cent. of army boots. If you cannot take over the BIC as a whole then take these concerns one by one. They are very good concerns. A gold mine is being exploited for their personal nominees through collusion. What gratification they receive or expect to receive, we do not know. Apart from that the Birlas also have been brought in. So it is a political as well as economic scandal. In fact, all sorts of scandals are mixed up in the BIC affair. Then you see another person, Himmat-singh Mansa, Asoka Hotel Manager. All these fellows have been accused of corrupt practices. That is the point I want to make.

[Shri Niren Ghosh]

Raja of Bhadri was accused of several corrupt practices. He is Shri Dinesh Singh's nominee. This Himmatsingh Mansa has indulged in corrupt practices in regard to cement marketing. Now they want to bring him there. Then you find that ex-I.C.S. man. You know they are very fine bureaucrats thriving at the hands of capitalists and money-makers. So, I would not hesitate in asking why a probe is not being ordered in it. They refuse it. In all cases where they themselves are directly involved, the Government as a whole and the Ministers are involved, they fight shy and do not order a probe. So I would urge that the concern should be immediately taken over by the Government which even now holds 40 per cent. of the shares. Even unit by unit they can take the entire concern. It is a veritable gold mine. They have political interests, economic interests, corruption, nepotism, bribery, swindling and all those things and even the Ministers are involved. It is a veritable cesspool of corruption and the very fact that the Government fights shy of enquiry only proves our charges. So I would like to be enlightened on these points.

SHRI KRISHAN KANT : Before the hon. Minister replies, I want that he should reply to this simple question. For the sugar mill deal I want to know when the shares were sold, to whom they were sold and at what price they were sold and whether they were sold by negotiation or by auction, or they were taken by Bajorias or others.

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : Madam, I have listened with great attention to the various speeches made by the hon. Members. In the course of an attempt to elicit information and express their opinion, some Members have given me advice, others have been accused me, particularly a member of my party, of complicity not only with Bajoria but also with Birlas. I would deal with this aspect later. But at the outset let me say that I do not require any advice from any so-called friend of mine. I know what is my duty as a Minister and what is to be done in the discharge of that duty and in the interest of the public at large. I would also like to refer to the unfortunate confusion as regards the function of the Company Law Department and of the function of a company under the management of the Directors. Madam, I am grateful to the hon. Member, Shri Arora, for giving

the history of B.I.C., which more or less is correct. All I am to deal with is the arrangement entered into under the guidance of Shri Lal Bahadur Shastri as regards the management of this concern. Not only under Shri Lal Bahadur Shastri's guidance but also under the guidance of the hon. Ministers who had the opportunity of dealing with this matter, it was agreed that the management of this company will be done in co-operation with the Bajorias, who were the co-petitioners before the Allahabad High Court, for permission to convene a meeting of the shareholders to elect a new Board of management. It was agreed that the Board of management will be such as will command the confidence of the Government and the Bajorias. Whatever names are suggested for the directorships, will be subject to the approval of the Government. That is the arrangement under which this company has been functioning.

Another question was raised that why Bajoria, who was the managing director till November 1967 was given permission by the Government to continue beyond the period of November 1967. May I point out that under the provisions of company law there is no rule under which, for the continuance of the managing director, permission is sought? He can continue as managing director, but only if the terms, or the salary which he is getting, are varied, then only the matter has to come for the approval of the Company Law Board. So far as I am aware no such application has been made and therefore the question of giving permission does not arise. One of the members said that Raja of Bhadri was appointed a director because he had some sort of understanding or connection with my colleague, the Minister of Commerce. May I point out that Raja of Bhadri was not appointed a director recently? He has been a director from before.

SHRI ARJUN ARORA : How long?

SHRI FAKHRUDDIN ALI AHMED : Not for the last few months. I find among the present names of directors the name of Bajrang Bahadur Rai Saheb. And he has been a director from before I took over charge. I have not been concerned with the appointment of Raja of Bhadri. He was appointed long before I took over charge, and I have nothing on the file to show that the Commerce Minister had anything to do with the appointment of Raja of Bhadri.

Now recently the only question that arose was about the filling up of the vacancy after Shri Roy resigned from the directorship of the company, and of another vacancy remaining unfilled. As has been pointed out, the understanding was that the directors will be appointed with the approval of the Government. And as these were the two vacancies to which directors had to be nominated by the Government, some suggestions were given. It is not a fact that the suggestion given by the Government contains the name of Shri Tantia.

SHRI BHUPESH GUPTA : Who gave the suggestion?

SHRI FAKHRUDDIN ALI AHMED : It is not a fact that the suggestion given by the Government included the name of Mr. Tantia. That is not a fact, and I do not know why it is attributed to Government that Government is anxious to appoint...

SHRI BHUPESH GUPTA : You said that some names were suggested. I should like to know which are the names and which were suggested by which authority.

SHRI FAKHRUDDIN ALI AHMED : Yes, of the names suggested, having regard to their experience and the knowledge and the Government having considered that they would be suitable, one of the names suggested was of Mr. Bilgrami. Now one of the Members said that it was suggested because of my interest in him. I can assure the hon. Member that I do not know the officer except through his record. He is not a relation of mine. He is not a friend of mine. He has been functioning in that capacity in the Public Sector and his record has shown that he is one of the very good officers with experience of the management of companies. Therefore his name was suggested.

SHRI A. M. TARIQ : A man of integrity too.

SHRI FAKHRUDDIN ALI AHMED : And I doubt if any one suggested by Government was not a capable person.

SHRI M. P. BHARGAVA : I am sorry to interrupt, but they could not get through his name.

SHRI BHUPESH GUPTA : Two posts are vacant and I see that Mr. Himmatsingh's name was suggested, it seems, and also Mr. Bilgrami's name. But how is it that somehow or other you are not appointing the right type of people? I have no fascination for any name, but

Government nominees should be there immediately. Why there is much a time lag and delay in this matter? Explain it.

SHRI FAKHRUDDIN ALI AHMED : The hon. Member would not allow me to finish and he is so impatient. I was dealing first of all with the objection that has been raised regarding Mr. Bilgrami, and I repeat that he is a person about whom no exception, no charges can be made. From the record I find that he is one of our most efficient officers, an officer with integrity and a very clean record. If on that basis his name was suggested, I do not find anything wrong, and I do not see any reason why all kinds of wild charges, allegations and insinuations have been made by the hon. Member. I categorically deny that his selection was based on a subjective consideration. It was based on the objective consideration of providing the best person available for the management of this company. Similarly the name of another gentleman who has the experience of managing such companies, Mr. Himmatsingh's was also suggested. But the hon. Member must realise that after these suggestions by us, they have to be passed in the board's meeting.

SHRI BHUPESH GUPTA : What is 'passed'? You say Government nominates, but then how is it 'passed'?

SHRI FAKHRUDDIN ALI AHMED : Government gives a suggestion. Then the resolution for the inclusion as directors is taken in the meeting of the directors, and then the proposal comes to us again for approval. We are still pressing that these names should be included.

SHRI BHUPESH GUPTA : Then what happened? I put it to you that when these people are opposing, even some of them, then what remedy?

SHRI NIREN GHOSH : Why not technically qualified persons? Why Bilgrami? Why Himmatsingh? Why Raja of Bhadri? For what reason?

(Interruptions)

SHRI BHUPESH GUPTA : Mr. Fakhruddin Ali Ahmed, you make one point clear. Suppose you in good intention, with all best intention, nominate two people and send the names up to the board, and suppose the board is controlled by them, as indeed it is, what is the

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guarantee that they would accept these names ? They are angry because Mr. A. K. Roy has been removed.

SHRI FAKHRUDDIN ALI AHMED : The hon. Member must realise that the matter has not yet been placed before the Board, and we are still awaiting the reaction of the Board, and once the reaction of the Board is known, then I shall know what action to take, and how to deal with this matter. Our suggestion has been forwarded to the Board. When the meeting is held by the Board, they will consider it. After these names are adopted by the Board the question of approval will arise.

SHRI A. M. TARIQ : What will happen if they reject your suggestion ? The question is whether you have any vetoing power in case of their rejection.

SHRI FAKHRUDDIN ALI AHMED : If any name is not to our liking, we can disapprove it. That is the understanding.

SHRI BHUPESH GUPTA : But am I to believe that you will do it ?

THE DEPUTY CHAIRMAN : Please let him finish.

SHRI FAKHRUDDIN ALI AHMED : Now on one side objection has been raised why these names have been suggested, on the other side...

SHRI BHUPESH GUPTA : Nobody objects to good names being suggested by the Government either.

SHRI FAKHRUDDIN ALI AHMED : I am glad you say it.

SHRI BHUPESH GUPTA : But we would like to know whether Government nominees would be there immediately, and if you know very well their *modus operandi* and the manner of their behaving, normally they would like to delay it if they cannot stall it altogether. What steps are you going to take to put proper nominees of the Government, who can be the subject matter of discussion in this House, on the Board ?

THE DEPUTY CHAIRMAN : That will do.

SHRI NIREN GHOSH : How are you sure that these names suggested are good ? They have got their own personal reasons.

SHRI BHUPESH GUPTA : That is there, but we can get control and so they should keep in view what we say.

SHRI NIREN GHOSH : Deliberately they have suggested such people and not technical persons but those who are their favourites.

SHRI A. M. TARIQ : What the hon. Minister says is that the ...

SHRI ARJUN ARORA : The hon. Minister himself can explain. He does not need any advocate. Advocates are not allowed.

SHRI A. M. TARIQ : What I mean to say is that. There seems to be some confusion.

SHRI FAKHRUDDIN ALI AHMED : I can take care of myself.

SHRI A. M. TARIQ : If they do not agree with the suggestions of the Government and if they want their own nominees, then there will be civil war between those directors and the Government. Then what can be done ?

SHRI FAKHRUDDIN ALI AHMED : Madam, I take serious objection to the wild charges...

DR. M. M. S. SIDDHU (Uttar Pradesh) : Did Mr. Bajoria object to the names ? Is there any correspondence between him and the Ministry ?

THE DEPUTY CHAIRMAN : Let him finish.

SHRI FAKHRUDDIN ALI AHMED : I take serious objection to the insinuations and the charges levelled by my hon. friend Mr. Niren Ghosh against my officers and against another gentleman who are not present here to defend themselves. I categorically say that they are persons about whom there is no substance in any of the allegations that they are corrupt or that they have no experience in dealing with these matters.

So far as the other questions are concerned I would like to make the position very clear. Under the law the appointment of a director need not come to us for the purpose of approval. Only the appointment of the Managing Director or a whole-time director comes to the Company Law Board for the purpose of approval. For other directors it does not come. But

here it is on the basis of an understanding that the directors of this company will be appointed with the approval of Government this question of approval arises. Therefore no directors can be appointed without their names being sent to us and without their names being approved by us. So far as these two names are concerned, we have suggested these two names and we have not been told that they are not acceptable to the Board of Directors, and when we know their final decision we know what action has to be taken in these matters and that will be taken.

Another question raised by Shri M. P. Bhargava was about some figures given in the balance-sheets for 1965 and 1966. Now I would like to place before the House the facts as they appear from the balance-sheets for these two years. If any further enquiry is necessary that will, of course, be made by us and we shall find out if there is any flaw or any irregularity has been committed in placing these matters in the form in which they have been shown.

According to the balance-sheet as on 31st December, 1965, the closing stock of work in progress, the finished products and raw materials stood as : Work in Progress—Rs. 1,58,83,681, Finished Products—Rs. 3,04,61,669, Raw Materials—Rs. 1,81,59,350. These are the figures both according to the profit and loss account of that year as well as Schedule 'F' appended to the said balance-sheet. When we come to the 1966 balance-sheet, we find that in the profit and loss account, the opening stock, the work in progress and raw materials have been shown as Rs. 1,37,00,683 and Rs. 2,03,42,348. In this way whereas the figure of stock in progress has been reduced in 1966 profit and loss account by Rs. 21,82,998, the figure of material has been correspondingly increased by the same figure. It is understood that it is due to the fact that in the past wool top used to be treated as work in progress. But in 1965, Shri R. C. Khanna, a partner of Ferguson & Co. took the view that mere conversion of wool into wool top would not amount to wool top being treated as work in progress. It was still to be treated as raw material. Accordingly, on the advice of the auditor the figures of 1965 in respect of raw material and work in progress were recast for the purposes of preparing the profit and loss account for the year 1966. Thus there is no material effect of this change so far as the working results disclosed by the profit and loss account for 1966 are concerned.

It is also found from the profit and loss account for 1966 that the figures of certain income and expenditure accounts for the preceding year have been shown different figures than the figures therefor given in the profit and loss account for 1966. On the income side the sales for 1965 as given in the 1966 accounts have been shown at Rs. 9,13,65,871 whereas the figure of sale according to 1965 accounts was Rs. 8,85,21,252. Or in other words the sales for 1965 in the year 1966 accounts have been shown Rs. 28,44,219 in excess. But the work in progress figure has been shown at a reduced figure of Rs. 21,82,998 in the accounts of 1966. Since the figure of work in progress as per 1965 profit and loss account was Rs. 1,58,83,681 this has been shown in 1966 accounts as Rs. 1,37,00,683. Thus the income side has been shown in excess by a net sum of Rs. 6,61,221. On the expenditure side the consumption of raw material has been shown at a lower figure by Rs. 21,82,998 that is to say, Rs. 3,73,87,032 minus Rs. 3,52,04,034 and the excise duty in excess by Rs. 28,42,219. Thus the net excess on the expenditure side is also Rs. 6,61,221. In this connection reference is drawn to schedule "G" appended to the BIC balance sheet for 1966. Item 14 of that Schedule states that figures in the previous year have been recast as far as practicable to make them comparable with the figures of the current year.

This is the explanation of the various figures cited by the hon. Member and the explanations seem to be reasonable. I shall further look into this matter and...

SHRI M. P. BHARGAVA : May I, Madam Deputy Chairman, make a request at this stage ? Let the hon. Minister just make a reference to any chartered accountant and see whether this is permissible under the rules.

SHRI FAKHRUDDIN ALI AHMED : That is what I have said. So far as the question of the figures is concerned, that has been explained. Whether the manner in which it has been done is regular or irregular, I have said I shall look into this matter and see what action is called for.

SHRI BHUPESH GUPTA : I am taking these two things to Calcutta tomorrow and I shall bring the opinion and that is something which you should have done yourself.

SHRI ARJUN ARORA : No, you don't go to Calcutta. You may be arrested there. You be here.

SHRI FAKHRUDDIN ALI AHMED :
So far as . . .

SHRI BHUPESH GUPTA : I say it is irregularity. Do you understand it, Mr. Fakhruddin ?

SHRI FAKHRUDDIN ALI AHMED :
I do not need any understanding from the hon. Member.

SHRI BHUPESH GUPTA : Madam, Deputy Chairman, it is stated here in the document itself that something has to be done, that it is an extraordinary measure. The document itself admits that.

THE DEPUTY CHAIRMAN : That is all right; he knows it.

SHRI BHUPESH GUPTA : He should tell us whether his attention was drawn to this by the Department concerned and whether he asked the Department to get legal opinion on the subject.

SHRI FAKHRUDDIN ALI AHMED :
I do not know what more the hon. Member wants. I say these are as collected from the Balance-sheet and I have submitted, any irregularity has been committed by them or whether there is any error in the figures mentioned by them, is entirely a matter which will be looked into by me.

Now, so far as the question of shareholding is concerned, Madam, I gave figures the other day to the House so far as the shares held by the Government, by the L.I.C. and by the Unit Trust of India are concerned. These are the figures recorded in our books and accordingly we have given those figures. So far as the shares held by Bajoria and his associates are concerned, we gave those figures on the basis of facts supplied by them.

SHRI BHUPESH GUPTA : Oh, I see; that is your source ?

SHRI FAKHRUDDIN ALI AHMED :
On the basis of facts supplied by them.

SHRI BHUPESH GUPTA : By whom ?

SHRI FAKHRUDDIN ALI AHMED :
By Bajoria and his associates.

SHRI BHUPESH GUPTA : Let us have it clear. Did you get the information from Bajoria and his associates ? Then I should like to know which are the

associates who supplied information in order to substantiate that the Bajoria group holds 43 per cent of the shares. I put it to the hon. Minister that the Bajorias made a false statement to the hon. Minister thinking he would not be able to find out from others especially when the Board of Directors is in his favour. You can find out nothing; according to our information it is not so at all.

SHRI FAKHRUDDIN ALI AHMED :
If the hon. Member has better information, has more information, than I, I would like him to pass on that information to me.

SHRI BHUPESH GUPTA : Why should I pass that on to you ? It is your job.

SHRI M. P. BHARGAVA : I have given enough information in my speech and you can take all those figures.

SHRI FAKHRUDDIN ALI AHMED :
These are the figures based on what the Bajorias told us about the number of shares held by them, by their associates and friends ?

AN HON. MEMBER : Friends also ?

SHRI BHUPESH GUPTA : A large number of shares were mortgaged with the Punjab National Bank. You can get the proxies from them.

SHRI CHANDRA SHEKHAR (Uttar Pradesh) : At this stage may I say to the hon. Member that it is not only that the Government is dealing with a private company. The Government is involved in this. The Government is a major shareholder, an important shareholder of this company and a large amount of public money is involved. How can the Minister take this position that he will look into it to see if any irregularity has been committed by this company ? It is our own money, the money of this Government, the money of the people, that is involved. What is the machinery in the Ministry of Industrial Development and Company Affairs which looks after the interests of the Government in this particular concern as a shareholder, not as the Administration ?

SHRI FAKHRUDDIN ALI AHMED :
The question that the hon. Member is raising is something which is beyond the capacity, beyond the authority, of the

Company Law Department to look into. These are companies in which the Government also hold shares and other people also hold shares and it is the shareholders who decide who should be the Directors of the company and it is the shareholders who take the decisions. When any irregularity or illegality is brought to our notice, it is only then that the Company Law Department come in.

SHRI BHUPESH GUPTA : Madam, I seek your protection. Mr. Chandra Shekhar was very relevant. He said that the Government itself admits that it holds 42 per cent of the shares in the company. Then there are other institutions connected with the Government. Besides, the State Bank has given huge loans. So much of public money is at stake and therefore the Government cannot take up this stand as if it is an ordinary business. In fact the Government should have come into the picture earlier when the State Bank thought that the concern was not handling things properly. Today the situation has worsened. The company is running into loss and things are being sold out in order to turn it into a skeleton. Is it not the duty of the Government to come into the picture and take the initiative themselves in this matter in order to find out the true state of affairs instead of saying that the Bajorias would supply the facts and on the basis of that they would proceed? In that case bring Mr. Bajoria in the Treasury Benches.

SHRI FAKHRUDDIN ALI AHMED : What I would like to point out is this. It is not only the Government that has got the interests in the company. The State Bank has got interests; the L.I.C. has got interests. All these interests are taken care of, when the matters are considered in the Board of Management and shareholders by the L.I.C., by the State Bank of India, etc. which are autonomous bodies. If they bring any case of irregularity or illegality to our notice, then certainly it will be looked into, but if the hon. Member thinks that for everything, for even minutest detail the Law Department should scrutinise and look into what is going on, that is not the function of the Company Law Board ...

(Interruptions)

SHRI NIREN GHOSH : Parties holding shares are not represented on the Board of Directors?

SHRI FAKHRUDDIN ALI AHMED : The parties are represented on the Board.

SHRI BHUPESH GUPTA : Why did you put Mr. Sri Prakasa there — Bajoria man? Why did you put ...

SHRI FAKHRUDDIN ALI AHMED : Because we thought he is a very able person with qualifications, experience and so on.

SHRI BHUPESH GUPTA : Madam Deputy Chairman, you just see. He is man superannuated even as a Governor and he says he is a very able man to control this company.

SHRI CHANDRA SHEKHAR : Even now I would request the hon. Minister to realise the implications because for a Balance-sheet which is approved by the Board of Directors every Director is responsible. The Government Directors were also present at the meeting when this particular Balance-sheet was approved.

SHRI BHUPESH GUPTA : Mr. A. K. Roy was the Director.

SHRI CHANDRA SHEKHAR : If there is any irregularity in this Balance-sheet automatically these Directors should be sacked if they had not raised any objection thereon at the meeting because this is a peculiar position. The President of India has 42 per cent shares and we appoint three Directors and the hon. Minister says that only the Company Law Department is there to see whether irregularities have been committed or not. Who is to look after the interests of the President of India who is having 42 per cent shares? That is my basic question. And what Department in the Government represents the President of India in such companies where we have minority shares?

THE DEPUTY CHAIRMAN : What have you to say?

SHRI BHUPESH GUPTA : Madam, may I ...

THE DEPUTY CHAIRMAN : Let him go ahead. Allow him to continue.

SHRI BHUPESH GUPTA : Everybody is going ahead.

SHRI ARJUN ARORA : May I know if the hon. Minister realises that his biggest handicap is that he is not revealing the real fact that though the Government owns about 42 per cent of the shares it has given an undertaking that it will not

[Shri Arjun Arora]

appoint a Director? Whenever the Government has appointed Mr. Sri Prakasa, Mr. Satish Chandra, Mr. A. K. Roy or the Raja of Bhadri the Government has done it through the back door. Though the Government is a 40 per cent shareholder it has given an undertaking that it will be a sleeping partner and will not appoint or insist on the appointment of its own Director and it gets people appointed through the back door. Why does he not reveal that the Government made a mistake in 1962 in deciding that the Government will be a sleeping partner? If he realises that it was a mistake, then he should have the courage to undo it

(Interruptions)

SHRI FAKHRUDDIN ALI AHMED : I think it is not correct to say that the Government has given any undertaking. The Government have been taking active interest in seeing that their nominees are appointed as Directors. Their Directors have been in the Board Mr. A. K. Roy was there. Then there was...

THE DEPUTY CHAIRMAN : They are asking of something else not who were the Directors.

SHRI BHUPESH GUPTA : Mr. A. K. Roy. We will hear some day that Hitler has been appointed to look after democracy.

THE DEPUTY CHAIRMAN : Please sit down

SHRI BHUPESH GUPTA : Then why is he saying this?

SHRI FAKHRUDDIN ALI AHMED : What I am pointing out is this. If any irregularity is found in the accounts submitted by the Management, if we find that there is any illegality, then action will be taken as provided in the law against those Directors.

THE DEPUTY CHAIRMAN : Your Directors have not found any irregularity?

SHRI FAKHRUDDIN ALI AHMED : No.

SHRI BHUPESH GUPTA : Who are your Directors? Madam, you have asked a relevant question. Can you expect Mr. Sri Prakasa, Mr. A. K. Roy and others about whom we have heard so much here to find this out?

THE DEPUTY CHAIRMAN : The Minister has followed all the questions you have raised. Let him answer

SHRI BHUPESH GUPTA : The more he answers the more his bungling.

SHRI FAKHRUDDIN ALI AHMED : There is no question of bungling. Only some people do not like to see facts as they are and they keep on putting forward their own views. Now, so far as the question of shares in the sugar companies is concerned, I should like to make it clear that there is no question of disposing of the sugar mills. The BIC owned certain shares in sugar companies but Members stated that some sugar mills have been disposed of. I explained the position the other day. Shares of the value of Rs. 38 lakhs have been sold because of demand by the State Bank of India for payment of the debts due to them and because shares of one of the companies were not profit yielding. I think they were not giving dividends and these were sold.

SHRI BHUPESH GUPTA : Have you been told from responsible quarters that this has been a colourable transaction? Actually there has been a black transaction and as a result of that they have made a lot of money. Have you been told that by very responsible people whom you trust. Tell me that.

THE DEPUTY CHAIRMAN : Please sit down

SHRI FAKHRUDDIN ALI AHMED : I pointed out that decision was taken by the resolution of the Board and my information is that after these matters were discussed unanimous decision was taken by all the Directors.

SHRI BHUPESH GUPTA : All the Directors are thieves.

SHRI FAKHRUDDIN ALI AHMED : A decision was taken that this should be done.

SHRI BHUPESH GUPTA : The Chambal dacoities have been approved by Man Singh and his gang.

THE DEPUTY CHAIRMAN : Please let him finish

SHRI FAKHRUDDIN ALI AHMED : It is not enough for my friend to make sweeping allegation that there has been some illegality and there has been some

underhand arrangement. Let him, if he has anything, place it before you, before us.

SHRI BHUPESH GUPTA : Are you ready for a C.B.I. investigation. We shall go before the CBI. Are you ready to refer the matter to the Central Bureau of Investigation?

SHRI FAKHRUDDIN ALI AHMED : On what material?

SHRI BHUPESH GUPTA : On the basis of what we have stated here, on the basis of these documents, what your Party men have said and what we from the Opposition have said.

THE DEPUTY CHAIRMAN : Please sit down.

(Interruptions)

SHRI ARJUN ARORA : Mr. Krishan Kant is a very good Congressman.

SHRI NIREN GHOSH : The more he speaks, the more pitiable a figure he becomes.

SHRI FAKHRUDDIN ALI AHMED : Now, I would like to deal with some of the wild allegations...

SHRI KRISHAN KANT : On what date were the shares sold, to whom were they sold and at what price were they sold? Was it all negotiation?

SHRI FAKHRUDDIN ALI AHMED : The other day I gave the price to the hon. Member. The date is not with me. I shall later give the date.

SHRI KRISHAN KANT : And to whom?

SHRI FAKHRUDDIN ALI AHMED : That also I shall give. Now, so far as the question of the wild allegation made by Shri Bhargava about my complicity with Birlas is concerned...

SHRI BHUPESH GUPTA : On a point of order. Without refuting the allegation, he has no business to say 'wild allegation'. It is casting aspersion on a responsible Member of the House. Mr. Bhargava is not temperamentally of that type.

THE DEPUTY CHAIRMAN : That is all right. You take your seat. There is no point of order. Please continue.

SHRI FAKHRUDDIN ALI AHMED : I do not know why my hon. friend is so much perturbed.

SHRI BHUPESH GUPTA : I want to catch hold of Mr. Bajoria by the neck.

SHRI FAKHRUDDIN ALI AHMED : I am pointing out that there is no substance in the wild allegation made by the hon. Member and I can tell the hon. Member that it is not the first time that I have the privilege of functioning as a Minister. I have held the post of a minister for so many years in the State of Assam.

SHRI BHUPESH GUPTA : It is a qualification or a disqualification.

SHRI FAKHRUDDIN ALI AHMED : I can say that no one, not even my enemy, has questioned my integrity or will be able to point out that I have shown any favour or that I have passed order in any matter out of threat or fear of anyone. It is really a very wild allegation for him to allege of my complicity with Birla. I challenge him to place before this House the material on the question of complicity...

SHRI M. P. BHARGAVA : Madam, I would like to ask a few questions and let him reply.

THE DEPUTY CHAIRMAN : You have finished and it cannot go on like this.

SHRI M. P. BHARGAVA : No. 1 is, is he aware or not aware that the Birlas gave an award in the family affair of the Bajorias? Let him deny it. Then, No. 2, is it a fact or is it not a fact that he admitted the other day that Mr. Dinesh Singh came with Mr. B. P. Bajoria and Mr. Rameshwar Tania to him? For what purpose did they come? Can he throw some light on that?

SHRI FAKHRUDDIN ALI AHMED : If these are the only two allegations of complicity against me, where is the question of my complicity with the Birlas? I would like the hon. Member, to consider and offer an apology for making these wild allegations. Are these the matters which can even show my complicity with the Birlas? How am I to know what award Mr. Birla gave so far as Mr. Bajoria is concerned? I said only Mr. Dinesh Singh came and had a talk with me. Does that show my complicity with the Birlas? I take serious objection to such sweeping allegation.

THE DEPUTY CHAIRMAN : I think hon. Members should not make such charges.

SHRI M. P. BHARGAVA : If I am wrong, I am prepared to apologise.

SHRI BHUPESH GUPTA : First of all, he should apologise for allowing the Bajorias to run amuck. You will allow the Bajorias to plunder the Republic and we should apologise to you?

SHRI FAKHRUDDIN ALI AHMED : I do not know why Mr. Bhupesh Gupta is perturbed. If he has any charge to make against me, I would ask him to say it on the floor of the House as to what are the allegations. It is only fair that this should be done. Do not act like a coward. When you have nothing to specify you keep on merely repeating that there is complicity with the Birlas and so on. I take the most serious objection to the way in which wild charges are made and I am sure that Mr. Dinesh Singh—he is not here—also will have something to say about this. So far as I am aware there is nothing to indicate his complicity also with the Birlas. If there are any materials we would like to know, to see them placed before the House and to be enquired into by any committee and in this way...

(Interruptions)

SHRI BHUPESH GUPTA : Nobody has said it.

THE DEPUTY CHAIRMAN : No interruptions. Let him finish.

SHRI FAKHRUDDIN ALI AHMED : Therefore, I would like to say...

SHRI NIREN GHOSH : Circumstantial evidence is there.

SHRI BHUPESH GUPTA : Your Ministry is in complicity with the Bajorias. I do not care about you. Your Ministry is in collusion with the Bajorias. I put it to you. Let us go to the CBI and after that come and tell us as to who should apologise or not. It is not an individual. Why are you taking it on you? This matter relates to a period of time when you were not there even. Why are you taking everything upon yourself? I say your Ministry.

THE DEPUTY CHAIRMAN : Please, let him continue.

SHRI FAKHRUDDIN ALI AHMED : I was, first of all, referring to the wild charge made by Shri Bhargava and I do not

know why Shri Bhupesh Gupta is offering explanation on his behalf. Shri Bhupesh Gupta referred to the Ministry and not to me, I am sure. I know that.

SHRI BHUPESH GUPTA : I give you the benefit of doubt.

SHRI CHANDRA SHEKHAR : Madam, may I say that there seems to be some misunderstanding? From what I understand, Mr. Bhargava did not mean individually the hon. Minister of Industrial Development. I do not know...

SHRI N. PATRA (Orissa) : Twice he repeated it, not once.

SHRI CHANDRA SHEKHAR : I am sorry, I was not present at that time.

THE DEPUTY CHAIRMAN : I was also not here.

SHRI CHANDRA SHEKHAR : Madam, I hope Mr. Bhargava will clarify the position because it has created a very wrong impression.

SHRI M. P. BHARGAVA : If the hon. Minister is prepared to order an impartial enquiry and it is found that my allegations were wild, I shall apologise not only to the House but also publicly.

(Interruptions)

SHRI NIREN GHOSH : The circumstantial evidence points an accusing finger at the Government of India.

THE DEPUTY CHAIRMAN : I do not think this sort of interruptions carry us anywhere. You may allow Mr. Fakhruddin to carry on and finish his reply.

SHRI FAKHRUDDIN ALI AHMED : So far as the question of my complicity with the Birlas is concerned, he has made that charge and I would like that an enquiry be made by a committee of this House, whether there is any substance in the allegations of my complicity with the Birlas or not. I would like that committee to go into it and I would like the House to judge after enquiry. I am not a man who will run away from a probe. I would like the House to go into the question. It involves a question of breach of privilege also. If it is found that there is no substance I shall claim breach of privilege and also action against the Member who is making these wild charges.

SHRI BHUPESH GUPTA : So you have agreed.

THE DEPUTY CHAIRMAN : Let him finish, please. We cannot go on indefinitely. It is only one hour's discussion. We just cannot go on like this. It does not lead us anywhere. Please let him finish his reply. I cannot allow Members just to get up every now and again, every minute. Let the Minister finish his reply.

SHRI BHUPESH GUPTA : Who is responsible for it?

THE DEPUTY CHAIRMAN : Please sit down. You have had enough. How many more questions would you ask? You were allowed because you were to go to Calcutta.

SHRI FAKHRUDDIN ALI AHMED : My friend says that there is the complicity of my Ministry also. As long as I am in charge of this Ministry I must defend those persons who cannot come here and defend themselves. I can also say that if there is any substance in what Mr. Bhupesh Gupta says, let him give me those facts. If anyone is found to have complicity either with Bajorias or Birlas, certainly action will be taken against him. But I protest against sweeping charges against my officers and I think it is not fair for him to make this wild allegation.

SHRI BHUPESH GUPTA : I did not make wild allegation. I brought to your notice certain facts which I believe to be true, and I recited them. In fact I wrote them to be precise. Now you are not answering that and you are saying that I am making a wild allegation. I itemised them one after another. Say about Mr. Jasvardhan what he gets and where he gets it from.

SHRI FAKHRUDDIN ALI AHMED : I am talking about my Ministry.

SHRI BHUPESH GUPTA : Your Ministry, your Ministry. A hot line is operating between your Ministry and Bajorias.

THE DEPUTY CHAIRMAN : The Minister must be allowed to finish his reply. It is not fair. You are going on like this for the last half an hour.

SHRI FAKHRUDDIN ALI AHMED : They have not the courage to place the actual facts but keep on making wild

allegations against the Ministry. I refute all those charges. That is very unfair. There is no substance in them. As regards the allegation that Shri Sri Prakasa's one son is an employee of Bajorias, when this matter was earlier brought to my notice, I wrote a letter to him to find from him if it is a fact. But he said that he had nothing to do with the appointment of his son with the Bajorias and his son has been an employee from before he became the chairman.

SHRI BHUPESH GUPTA : How much he gets?

SHRI FAKHRUDDIN ALI AHMED : I am told at present about Rs. 1500.

SHRI BHUPESH GUPTA : With no qualification at all.

SHRI FAKHRUDDIN ALI AHMED : I do not know about it, but I am placing the fact as it is.

SHRI NIREN GHOSH : His remuneration was doubled when he was in the employment of Birlas all of a sudden. What qualification has he got?

SHRI FAKHRUDDIN ALI AHMED : If I give facts to the hon. Members, they comment upon that. Therefore, my submission is that in these matters whatever information was required has been given by me both when this matter was raised through questions and also today. There has been a loss, but what are the reasons for this loss have got to be gone into. The year 1963 was a very good one because all orders were from the Defence Ministry, but in 1964 and 1965 there were no orders from the Defence Ministry with the result that there has been a loss. This matter is being looked into. There has been recession not only in this but in other industries also, and so far no material has come before me from which I can gather that there has been any underhand measure or any illegality committed by the Company. But these matters will be further looked into, and if any action is called for, it will certainly be taken.

THE DEPUTY CHAIRMAN : The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at seven of the clock till eleven of the clock on Friday, the 15th December, 1967.