

THE DEPUTY CHAIRMAN : After that statement. I had agreed and even said that it was left to the Minister. I had settled all that with you. (*Interruption.*) Why should anyone misunderstand the Chair ? They want more questions to be asked about CACO and I had said that if the Minister was so inclined, I would permit you all, but now I have called the Minister to make the other statement.

श्री राजनारायण (उत्तर प्रदेश) : मेरा एक प्वाइन्ट आफ आर्डर है और वह यह है कि जब एक सदस्य ने अपना भाषण शुरू किया तो उनके भाषण समाप्त होने के बाद ही मंत्री जी को बोलना चाहिये। भाषण के बीच में ही रुकवाकर मंत्री जी से बोलने के लिए कहना यह कहां की संसदीय प्रथा है, यह बतलाया जाना चाहिये।

(*Interruptions*)

THE DEPUTY CHAIRMAN : This has all been agreed to.

श्री राजनारायण : मैं आपका ज्यादा समय नहीं लेना चाहता हूं और यह कहना चाहता हूं कि जब कोई माननीय सदस्य बोलता है तो वह अपने प्वाइन्टों को ध्यान में रखकर बोलता है और इस तरह से बीच में रोककर आप उसके बोलने के प्रोसेस को खत्म कर देते हैं यह कहकर कि पहले मंत्री जी का बयान सुना जाय।

THE DEPUTY CHAIRMAN : It has happened because I had given Mr. Fakhruddin Ali Ahmed time at 3.30 and after I had rejected that Mr. Khobaragade had said in the morning, because he had not consulted me, he came to me and said that it was a serious matter. I permitted him to say it in five or six minutes and he has said it. Now, I am keeping 3.30 as the time for the Minister to make his statement. I am sure Mr. Niren Ghosh has no objection.

SHRI NIREN GHOSH (West Bengal) : No, but I only want to make the first supplementary clarification.

STATEMENT BY MINISTER CERTAIN  
ALLEGATIONS OF MALPRACTICES COMMITTED  
BY BIRLA GROUP OF COMPANIES

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : Madam, hon. Shri Chandra Shekhar, Member, Rajya Sabha submitted two memoranda to the Prime Minister containing certain allegations of malpractices committed by Birla Group of companies. The memoranda were referred to me by the Prime Minister. The said allegations have been carefully examined by the concerned Departments. Though I do not wish to take up the time of the House in dealing with every allegation, I shall briefly indicate some cases which would enable the Hon'ble Members to appreciate the action taken so far by various Departments in this regard.

2. I shall first take up the allegations where action to deal with them has been set in motion under the appropriate laws or regulations applicable.

(a) For instance,

(i) In respect of the allegations about salaries that are being paid to certain persons in India Linoleums Ltd., and Birla Jute Manufacturing Co., the Company Law Board has ordered an investigation under Section 235(c) of the Companies Act, consequent on the Inspection Report received.

(ii) Similarly, in the case of purchase of preference shares by Jiyajee Rao Cotton Mills in another Birla company at 1/4 per cent interest, the Company Law Board have, after examining the report of the Inspectors under section 209(4) of the Act, ordered an investigation under Section 237(b) of the Companies Act.

(b) In respect of some cases where there has been a violation of

the provisions of Income-tax Act, Central Excise Laws or Foreign Exchange Regulations, action has been taken as I shall indicate hereafter : —

- (i) In the case of India Linoleums, for instance, where there has been wrong valuation of finished goods at export prices and where a stock of 30,000 meters of printed linoleum was transferred from the finished goods account to the goods in process account with a view to reducing the value of stock, the Income-tax officers concerned are taking necessary action to revise assessments and take further action as warranted.
- (ii) In the case of the Mill of the Technological institute of Textiles, Bhivani, the allegation relating to the evasion of excise duty had been enquired into by the Dte. of Revenue Intelligence and the matter was referred for further investigation to the CBI who registered a case against this and seven other Textile Mills of Birla Group. Searches of the premises of all these 8 textile mills were carried out by the CBI and certain documents were seized. In regard to the allegation against TIT, Bhivani, one charge sheet under Section 120B read with 420 IPC and section 7 of the Essential Commodities Act has been filed. In respect of 6 mills, on the applications made by the Bir-las, records have been sealed under the orders of the various courts following a judgment by the Gujarat High Court in respect of the searches of the two Mills in Ahmeda-bad. As regards the 8th

Mill, i.e. the Mill at Delhi, the Delhi High Court have rejected the application of Birlas for an ad *interim* injunction for sealing the records and CBI have given an undertaking to complete the investigation in regard to this Mill by the 1st week of January, 1968. It might be added that an appeal against the judgment of the Gujarat High Court has been admitted in the Supreme Court.

- (iii) In the case of Messrs. TEXMACO, the office and factory premises were searched for alleged violation of the Foreign Exchange Regulations and adjudication proceedings have been completed and a penalty has been imposed by the Directorate of Enforcement on the firm for making payments in Indian rupees without obtaining the Reserve Bank permission to certain agents of foreign firms in connection with the import of certain machinery made.

3. Then there are cases under investigation which can be adequately dealt with by the existing agencies,

- (a) In the case of India Linoleum, *e.g.* in regard to the alleged illicit payment of heavy cash to Shri Hira Lai Sharma, the Central Board of Direct Taxes has stated that investigations are in progress.
- (b) Similarly, the payment of large amounts annually to Sukriti Trust and withdrawal of cash by one Qedia on false vouchers in the name of Shri Gopal Battacharya is a matter which is being investigated by the appropriate agency under the Ministry of Finance.

I Shri Fakhruddin Ali Ahmed] K') The case of malpractices, particularly of over-invoicing, tampering with the import licences, importing of goods not authorised or permitted, by Messrs. Hindustan Motors Limited, has been investigated into by the C.B.I. and a complaint for the prosecution of the company and some of its employees has been filed in the Court of the Chief Presidency Magistrate, Calcutta.

- (d) As regards the allegation about malpractices in floating investment companies and liquidating them, the Company Law Department is investigating into the matter and the records are being scrutinised to ascertain whether there is a contravention of Section 370 relating to loans and advances and Section 295 relating to loans made to companies. The investigations are still in progress.

4. Then there is a further category of cases where investigation conducted shows that there is some evidence, but much more material would be required to be secured before appropriate action could be instituted.

- (a) In the case of India Linoleum, for instance, it is true that the company has been borrowing from the United Commercial Bank and advancing amounts from time to time at the same rate of interest or at a slightly higher rate of interest to the Birla Jute Manufacturing Co. Ltd. As this matter would require to be enquired into, the Ministry of Finance have stated that the Central Board of Direct Taxes are enquiring into the reasons why the loans were routed through the subsidiary company.
- (b) That certain concerns of Birlas have been given large accommodation in regard to credit facilities is no doubt true but whether in doing so, others have been denied the

facilities and why such concerns have been getting such large credit facilities would be a matter which requires to be examined in greater detail. Similarly, whether they are requiring a monopoly position in items like synthetic fibres, aluminium, etc., would also require to be examined in depth before any definite conclusion can be arrived at.

5. Lastly, there remains a category of cases where investigations do not seem to have been so far done or adequately done.

- (a) To take an example, there is the case of the Satna Cement where it has been alleged that foreign exchange kept abroad was being used by members of the Birla House during their visits to Europe and America. The Ministry of Finance have stated that since the allegation relates to an old case of 1956, the enquiries are bound to take time to complete. Similarly under the same allegation, it is also alleged that Birla Companies are regularly engaged in over-invoicing and underinvoicing through their offices abroad. As these are somewhat general statements, they have to be looked into through the collection of more definite material which will require more time.
- (b) Regarding the allegation about the employment of highly placed retired Government Officials on very fat salaries, again a lot of details are required to be collected so that the allegation could be fully enquired into.
- (c) Likewise, the allegation that big farms in different States are being acquired by Birlas at very cheap prices is an allegation covering a number of States and would require to be gone into in considerable detail before any definite finding can be arrived at.

6. Having grouped the allegations under the categories stated above I would like to add that in respect of the allegations where *prima facie* case has been made out, necessary action is being taken or will be taken by the appropriate authorities. As regards the remaining cases, which will require to be examined further, necessary data will have to be collected. Government propose to set up an appropriate machinery for investigation into them; the nature of the machinery to be set up for the purpose is under the consideration of Government.

THE DEPUTY CHAIRMAN : Shri Niren Ghosh.

SHRI NIREN GHOSH (West Bengal) : First of all, Madam, the kind of inquiry is still indefinite. He does not give a clear-cut answer. The House has been demanding a Commission of Inquiry under the Commission of Inquiry Act. From his own statement it seems that a *prima facie* there is a case. So, why is that being avoided ? That is the pertinent and moot question.

Another thing is this. It is said that the Minister of Communications has given certain privileges to Birlas—Shri Satya Narayan Sinha,—I mean—which put them at par, the Birlas, with the Prime Minister and Chief Ministers, that seven of the Birlas have been awarded the privilege of the highest priority trunk calls in the same manner as the Prime Minister and Chief Ministers. Another Birla gem Mr. Mandelia has also been given the same status. This was raised by Shri Arjun Arora. The Prime Minister did not inquire into it, and Shri Arjun Arora did not press it perhaps because of a wrong sense of party loyalty. It has been there. That has been proved when the Minister of State of Communications, Shri I. K. Gujral, tried to reply to an Unstarred Question that the priorities granted to Birlas by Shri Sinha had been cancelled.

The second question is, Mr. Pant has admitted that he was an employee of Birlas.

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THE DEPUTY CHAIRMAN : Put a question.

SHRI NIREN GHOSH : The question is whether he has really severed his links with Birlas. There are reasons to suspect that he retains clandestine links with the Birlas. He played a part in the granting of a fertiliser licence to the Birlas. Birlas were paying him Rs. 14,000 per month . . .

THE DEPUTY CHAIRMAN : Put questions.

SHRI NIREN GHOSH : I am giving certain facts. I will ask questions. He was paid Rs. 60,000 from Alcho Chemicals Limited when that concern was losing. Form No. 23 was filed with the Registrar of Companies, Calcutta, on 12th September 1963 for special resolution passed in general meeting on 6th September 1963 confirming the approval obtained from the Company Law Board *vide* their letter No. 1 (233)-C. 1/63 dated 5th August 1963 approving the re-appointment of Mr. Pant as Managing Director for five years with effect from 1st October 1963 at 5 per cent commission on net profits as computed under section 349 subject to a ceiling of Rs. 60,000 per annum . . .

(.Interruption.)

To Shri Morarji Desai's son Shri Kantibhai, Birlas have given Rs. 1 lakh 80 thousand in one year. Mr. Muthyal Rao, a recently appointed Deputy Minister is under obligation to the Birlas. I make the allegation. The Birlas have a concern called the Hyderabad Asbestos Limited, producers of asbestos cement products. Mr. Muthyal Rao obtained an agency of the above Birla firm through a concern called Messrs. Leo and Leo. This agency was secured by Mr. Muthyal Rao while he was a Member of Parliament and a Deputy Chief Whip of the Congress Party in the Lok Sabha. There is nothing vague or indefinite about it. I want to know whether the Commission that will be set up will go into all these charges. It is political corruption, , Certain" Ministers are definitely in league with the Birlas and in the pay of the Birlas. I make this allegation.

THE DEPUTY CHAIRMAN : Before the Minister answers, I want to request once again the hon. Members. Please do not indulge in statements. I am willing to give half an hour on this issue if you keep yourself to purely asking questions and clarifications. This House. . . (*Interruptions.*) What is very important ?

AN HON. MEMBER : A statement is very important.

ANOTHER HON. MEMBER : We want one full day, please.

THE DEPUTY CHAIRMAN : A statement cannot be followed by multiple statements in this House. Therefore, I do request Members, if you want, put direct questions, however embarrassing they may be but do not indulge in statements.

SHRI FAKHRUDDIN ALI AHMED: Madam, I am grateful to you for clarifying before this House the scope of clarification so far as the statement made by me is concerned and I would be prepared to clarify any doubt which may be in the minds of the hon. Members so far as the contents of the statement are concerned.

Here I am placing before this House the substance of the Government's decisions taken in respect of the allegations contained in the two petitions filed by Shri Chandra Shekhar before the Prime Minister. It will therefore be desirable that we should confine our enquiry to the subject-matter of the statement which I have made before this House today.

Now, so far as the various grievances narrated by Shri Niren Ghosh are concerned, they do not relate to the allegations contained in the petitions of Shri Chandra Shekhar. And the only point which he has raised is about his insistence on the appointment of a Commission of Inquiry. Now, I have clearly stated before this House that Government proposes to set up an appropriate machinery .

A HON. MEMBER : What is that machinery?

SHRI FAKHRUDDIN ALI AHMED: What will be the nature of that machinery is still under the consideration of the Government.

SHRI M. P. BHARGAVA (Uttar Pradesh) : Madam Deputy Chairman, while I express my thanks to the hon. Minister for the steps already taken by him, I would like to know categorically from him what stands in the way of ordering a Commission of Inquiry under the Commissions of Inquiry Act to go into all the allegations made from time to time against this house of Birlas. My own purpose is to root out corruption wherever it is, at whatever level it is, whether it is at the official level or at a higher level: all has to be brought out and steps taken to root out corruption, and that cannot be done unless a Commission of Inquiry is ordered.

I would therefore plead with the hon. Minister to once again consider this question and order a Commission of Inquiry to go into all the allegations.

In this connection, I would like to tell the hon. Minister that any kind of wrong reporting in the newspapers will not be able to intimidate me and I shall fight to the last, till the Commission of Inquiry is appointed.

THE DEPUTY CHAIRMAN : That is a suggestion.

AN HON. MEMBER: What about the Commission of Inquiry?

SHRI FAKHRUDDIN ALI AHMED: So far as the objective of the hon. Member to find out the truth and take action against the culprit is concerned, there is no difference of opinion between the views held by him and by the Government. . . (*Interruptions*) What I would again like to emphasise before this House is that the Government is considering this matter and the Government is anxious that they must have such an inquiry which will be expeditious and which will be able to bring before us the real picture, so that action may be taken in this connection.

Now, one thing the hon. Member must realise that a Commission of In-

quiry is not a body which can adjudicate, it can only bring about certain facts before the Government and make certain recommendations, on the basis of which further action will have to be taken. Therefore, what Government have done is that wherever there is *prima facie* case and action there can be taken under the existing provisions of the statute, action has already been taken and is proposed to be taken. Therefore, it is not necessary to refer those matters to any Commission because reference to that Commission will only delay the matter and it will only delay the finding out of the truth and the action to be taken as a result of that truth. Now, therefore, Government is anxious. We have also seen how long a Commission of Inquiry takes and what are the results of their reports. Government is anxious that some expeditious action should be taken, and we are giving consideration, and this suggestion of the hon. Member will also not be ruled out when we are taking that matter into consideration.

THE DEPUTY CHAIRMAN: I will call one from this side and one from that side. Please have patience. Even so, we have agreed that we will give this only 40 minutes. Is that what Mr. Dharia wanted?

SHRI M. M. DHARIA (Maharashtra) : It will depend upon the desire of the House.

SHRI BHUPESH GUPTA (West Bengal) : I took down as the hon. Minister spoke, I missed some. Even so, it is a staggering list of 15 composite items of *prima facie* proved cases of malpractices and corruption or similar things, 15 cases which I will call composite cases. They are actually more. I will ask only clarifications allied to the subject; a lot of clarifications are there.

First of all, I should like to know whether the departments concerned were aware of the things disclosed in the two memoranda submitted by a private Member of this House and, if so, what steps the departments concerned were taking in the matter be-

fore the memoranda came in. If not, how is it that the departments were so ignorant about it when a private Member was so much informed about it? Does it imply that there was collusion and corruption between the Birlas on the one hand and the departments on the other? This is my first question.

Secondly, Madam Deputy Chairman, when you were in the House in the old days certain allegations were made with regard to Dalmia Jain, and some were actionable cases. But many were not. But the House felt that though much less of a smaller nature, in view of those allegations, it would be better to refer the entire matter to a Commission of Inquiry in order to find out the facts with regard to those allegations, related matters and other new allegations. I should like to know why in this particular case when so many allegations have accumulated against the Birlas in regard to which the Government is moving to take action, on such a strong case, a *prima facie* proved case, a comprehensive inquiry under the law, namely, the Commissions of Inquiry Act, is not being ordered. I should like to know whether the Government is aware that in the case of Dalmia Jain, the inquiry was ordered precisely because there was suspicion that some officials and others were involved in collusion. Do I have to take it that in this particular case there is no such suspicion, then the inquiry should go on. The Ministries concerned or the departments concerned are in shadow today. They cannot be relied upon for any departmental inquiry which does not serve any purpose here. Therefore, the hon. Minister should explain this; all the more so when the matter has been brought to the light of the House by a private Member, obviously the departments were not acting, did not do anything through their channel *suo motu* and Government is now moved in this by a private Member, the hon.

Member there, and others at 4 P.M. so. Then is it that only these

two memoranda were examined. Many other things had been disclosed in Parliament. I should like to know, since they are related matters, whether these things such as Mr.

[Shri Bhupesh Gupta.]

Ghosh and I mentioned earlier also were examined by the Government I should also like to know why the assurance given in this House that licences and other things would not be given to the Birlas after the disclosure of the Hazari Committee Report was not observed and licences were given in large numbers in the period between.

Finally, I should like to know why the Government is not taking a comprehensive enquiry under the Commission of Enquiry Act. If ever a Commission of Enquiry was justified, Madam, then it is this case which is much stronger to attract an enquiry under the Commission of Enquiry Act by a Commission of Enquiry than the Dalmia case or the Mundhra case, let it be clear. I should like to know why the Birlas are not being prosecuted. We find that Dalmia was arrested. Mundhra was arrested. But up till now we have no information that the great Birlas have been put under arrest. Why are they not being taken into custody? They should be rendered harmless so that they do not temper with evidence, influence witnesses and frustrate the enquiry. I should like to know why the Birlas are being treated with so much courtesy. Is it because some individual leaders of the Congress Party took some money from the Birlas during the last general election on the admission of Congress leaders themselves?

SHRI FAKHRUDDIN ALI AHMED: Madam, so far as the reply to the first question is concerned, I think the only thing I can say is that in some cases the department knew and action was taken before even this allegation was brought to their notice. In other cases the matter was investigated after allegations were brought to the notice of the Department and they have given a correct picture. There is no substance in inference being drawn by my hon. friend, that there is collusion between the officers of any department

SHRI BHUPESH GUPTA : You ought to prove it.

SHRI FAKHRUDDIN ALI AHMED. We have no such evidence, and if any

evidence comes before us we shall certainly take action against such collusion.

Now, so far as the question of a Commission of Enquiry is concerned. I have already given the reason that where it has been found by us that there is a *prius facie* case we would not allow that matter to be delayed. We have taken action under the existing provision and that will meet the end of justice and that will be better expediated than by referring that matter to a Commission of Enquiry.

Secondly, about the question why Birlas have not been arrested, the jurisdiction to arrest Birlas does not rest in the Government.

SHRI BHUPESH GUPTA: The Government direct. They directed the Dalmia case.

SHRI FAKHRUDDIN ALI AHMED. The Government does not direct.

SHRI BHUPESH GUPTA: Mr. Fakhruddin Ali Ahmed, in the Dalmia case the Prime Minister, Mr. Deshmukh and Maulana Azad, three people met and gave the direction to the Delhi Police to arrest Dalmia from his Man Singh Road house. He did not even inform the Cabinet as a whole I know it.

SHRI FAKHRUDDIN ALI AHMED: The hon. Member would not like me to commit a contempt of court by directing a court to take a certain action in any matter. But I can tell him that when this matter will come up before the court in the basis of allegations, on the basis of material before the courts, they will take such action as is called for under the circumstances.

SHRI BHUPESH GUPTA: Bright idea. Wonderful.

SHRI FAKHRUDDIN ALI AHMED : Therefore. I would urge the hon. Member to consider this question, that we have decided that some enquiry should be set up. But what should be the nature of that enquiry, that may be left to us because we will do it having regard to what is more expeditious and what is more necessary for the

purpose of finding out the truth of the whole matter.

SHRI CHANDRA SHEKHAR (Uttar Pradesh) : Madam Deputy Chairman, I congratulate the Minister . . .

SHRI BHUPESH GUPTA: I congratulate you.

SHRI CHANDRA SHEKHAR : . . . for taking some steps. But I shall like you to advise the Minister to come to my help because so far I have submitted near about 100 pages typed to the various departments of the Government.

SHRI BHUPESH GUPTA : Madam Deputy Chairman, may I make a request to you. In view of the importance of the matter, I think it is fair to kindly circulate these hundred pages for our consumption.

SHRI CHANDRA SHEKHAR: Madam Deputy Chairman, my difficulty is this. I submitted two memoranda and some letters also giving some information to the Ministry of Commerce and Industry and 115 collaboration agreements entered into by Birlas. This is a nerve-breaking job. I have submitted my third memorandum only two days back. I do not know Madam Deputy Chairman how far the hon. Minister expects from me to prove a *prima facie* case. Near about 100 allegations or more have been made by me, and not in the case the Government has been able to prove that it is baseless. There has been substance in every allegation whether it has been proved cent, per cent., 10 per cent., 15 per cent, or 20 per cent according to the departmental enquiry. These cases do not relate to one sector of economic offence, but all the economic offences are covered by all these allegations. They relate to import licences. They relate to over and under-invoicing. They relate to manipulations of records. They relate to income tax, excise duty. They relate to corrupting high officials. They relate to all these economic maladies and offences that human ingenuity can think of.

THE DEPUTY CHAIRMAN: Ask questions.

SHRI CHANDRA SHEKHAR: Madam Deputy Chairman I shall like to know from the hon. Minister through you and through the House what more evidence he requires for a *prima facie* case to institute a Commission of Enquiry to go into the details of Birla concerns, because, Madam Deputy Chairman, as hon. Mr. Bhupesh Gupta said, every private individual has his limitation. He cannot cope with almighty empire of the Birlas; he cannot replace the regular machinery of the Government which is charged with the maintenance of laws and regulations passed by this Parliament. I say I am the happiest man today that the hon. Minister could not prove even after six months that I have made one allegation which has not some substance. In the name of the dignity of this House in the name of the dignity of Parliamentary democracy I request the hon. Minister and the Government of India that it is high time that they should concede a Commission of Enquiry.

I once again congratulate the Minister that he has prosecuted certain cases. Both things can go simultaneously. There is no bar. In certain cases where a case has been established and charge-sheet submitted in the court the proceedings can go on. Therefore, he should agree to a Commission of Enquiry.

SHRI FAKHRUDDIN ALI AHMED : Madam, I have dealt with all the categories of allegations made in the petition, and I have stated before this House that wherever Government found that *prima facie* evidence exists the machinery has been set in motion and action is being taken against these offences under the law. I think no useful purpose will be served by referring those very cases to a Commission of Enquiry or to another committee because that Commission of Enquiry will not be able to adjudicate in those matters.

SHRI BHUPESH GUPTA: How do you know? You cannot say that.



SHRI FAKHRUDDIN ALI AHMED :  
There is no power of adjudication . . .

SHRI BHUPESH GUPTA; It has power . . .

SHRI FAKHRUDDIN ALI AHMED: It  
has no power of adjudication.

SHRI BHUPESH GUPTA: You are under a misconception. The power is given under the Civil Procedure Code. It can summon witnesses; it can ask for documents and do many other things. If you go through the proceedings of the Chagla Enquiry, you will find Mr. Chagla initiated these processes and he even called Members of Parliament. Therefore, it has all the power. Mr. Hathi will tell you that it has got power. Therefore, I will move a motion on this. He should not mislead us . . .

SHRI CHANDRA SHEKHAR : Madam  
Deputy Chairman. . .

*(Interruption)*

SHRI BHUPESH GUPTA: I move:

"That this House directs the Government that a Commission of Inquiry be appointed under the Commission of Inquiry Act, 1952, to inquire into the allegations against the Birlas."

That is my motion.

SHRI CHANDRA SHEKHAR: I want to make only one small point. I did not mean that these cases should be sent to a Commission of Inquiry. I mean that once it has been established that a particular industrial house is capable of committing all kinds of economic offences and nothing is barred for this business house, as has been proved by the enquiries made by the Government departments, it is high time that a Commission of Inquiry is set up to inquire into the activities of the Birla house—and not these particular cases which have been referred to in my memoranda.

SHRI NIREN GHOSH: All allegations  
should be enquired into.

*(Interruption)*

SHRI FAKHRUDDIN ALI AHMED: I was  
replying to the query raised by

Mr. Bhupesh Gupta. Certainly under the Commission of Inquiry Act, whoever is the authority has the right to summon witnesses, call for documents and so on. But what I was trying to point out was that no punitive action, can be taken. . .

SHRI BHUPESH GUPTA: That is not the issue. Madam, I again seek your protection. We are not suggesting that. Please do not confuse the issue. We are not suggesting that it should be a High Court in the first instance. Not at all. When the Commission of Inquiry gives its findings, the Government can launch prosecution later on on the basis of those findings also, in addition to the other prosecutions. You will remember that in the Mundhra case, Mr. Chagla gave his findings and one finding after another was taken to launch a whole series of prosecutions against Mundhra in Bombay, in Kanpur, in Calcutta and so on. Mr. Fakhruddin, for Allah's sake, for God's sake, do accept this suggestion.

SHRI FAKHRUDDIN ALI AHMED : I am  
really surprised that he is also invoking Allah.  
I thought he was very far away from Allah . . .

SHRI BHUPESH GUPTA: You believe in  
Allah and so I am saying it.

SHRI FAKHRUDDIN ALI AHMED: May I  
just finish? Now I think, as Mr. Chandra  
Shekhar has also said, what the Government  
has done should also be appreciated; that is,  
without waiting for such an enquiry to be  
instituted and waiting for the result, we have  
already taken action in respect of such matters  
which called for action. And what I have said  
is that Government also propose to institute a  
proper machinery for the purpose of  
investigating other matters and what will be its  
nature may be left to the Government. We  
shall certainly keep in view the suggestions of  
the hon. Members particularly of Mr. Chandra  
Shekhar who is pressing that there should be a  
Commission of Inquiry. That will also be kept  
in view when we are taking a decision.

شری اے۔ ایم۔ طارقی (جموں اور کشمیر) :  
 وزیر صاحب سے یہ بات چاہتا ہوں  
 جیسا کہ مندر شیکھر صاحب نے کہا ہے اور جو پیش  
 گپتا صاحب نے کہا ہے سرکار کو کیا دقت ہے  
 بڑا صاحب کی گرفتاری کرنے میں۔ چونکہ انریبل منسٹر  
 فور بہت بڑے لائق ہیں وہ یہ سمجھتے ہیں قانون  
 میں جس کسی سے گواہوں کو درغلانے کا کیس خراب  
 کرنے کا خطرہ ہے وہ آدمی چاہے کتنا بڑا کیوں نہ  
 ہو اس کی ضمانت منسوخ کی جاتی ہے چونکہ اس  
 میں قوم کا ایک بڑا سرمایہ ایک خاص انڈسٹریل  
 ہاؤس نے خراب کیا۔ اس کے پیش نظر کیا وزیر صاحب  
 جواب دینگے کہ جس دن اس ہاؤس میں ان لائق  
 انکویسٹرز کا بل پاس ہو جائے گا پہلے دیکھ  
 بڑا ہوگا۔ دوسرے مندر شیکھر جی نے جو میمورنڈم  
 پیش کیا ہے اس کی تینوں کامیابیاں میرے پاس ہیں  
 ”آل دی ہنڈرڈ پیسجر“ میں دو کے بارے میں  
 منسٹر جی سے جاننا چاہتا ہوں۔

†[श्री ए० एम० तारक (जम्मू और  
 काश्मीर) : मैं वजीर साहब से यह बात  
 जानना चाहता हूँ, जैसा कि चन्द्र शेखर साहब  
 ने कहा है और भूपेश गुप्ता साहब ने कहा है  
 सरकार को क्या दिक्कत है बिड़ला साहब की  
 गिरफ्तारी करने में। चूँकि आनरेबल मिनिस्टर  
 खुद बहुत बड़े लायक हैं वे यह समझते हैं  
 कानून में जिस किसी से गवाहों को बरगलाने

का, किस खराब करने का खतरा है वह  
 आदमी चाहे कितना बड़ा क्यों न हो उसकी  
 जमानत मनसूख की जाती है। चूँकि इसमें  
 कौम का एक बड़ा सरमाया, एक खास  
 इन्डस्ट्रियल हाउस ने खराब किया। इस के  
 पेशनजर क्या वजीर साहब जवाब देंगे कि  
 जिस हाऊस में अनलाफुल एकटीविटीज  
 का बिल पास हो जाएगा पहला बिकटम  
 बिड़ला होगा। दूसरे चन्द्र शेखर जी ने जो  
 मेमोरेंडम पेश किया है उस की तीनों  
 कापियाँ मेरे पास हैं 'आल दी हनडरेड पेजेंज'  
 में दो के बारे में मंत्री जी से जानना चाहता  
 हूँ।]

It is understood that this firm has decided  
 to manufacture some truck engines in  
 collaboration with some foreign firms.  
 For that purpose, it has taken a big loan  
 from the International Development  
 Association. This loan I believe, is guaranteed  
 by the Government of India both for its  
 repayment and payment of interest. The  
 details of this transaction are not fully known  
 but it is understood that the Government  
 guarantee is given without adequate  
 security and safeguard. That is number  
 one. Secondly, I would like to know  
 about the L.I.C. deal with the Birlas. Is it also  
 a fact that the son of the top man I mean  
 Mr. K. R. K., who was Director of L.I.C.,  
 Development, is with the Birlas and he  
 is drawing more than Rs. 5000 and other  
 people are drawing between Rs. 4,000 and  
 Rs. 5,000 and most of them are non-  
 matriculates? Then I would like to know from  
 the Minister whether he has seen this letter  
 from Mr. M. R. Bhide, who is Chairman  
 of L.I.C. addressing Mr. Chandra  
 Shekhar. At the end he says "I may add that  
 the security for the mortgage is considered to  
 be adequate and desirable. Incidentally, it  
 will also help U.T in getting vacant possessor  
 of some property of ours which is a present  
 with the Hindustan Times of a comparatively  
 small rent." These are the charges. So I would  
 like to know what is the difficulty for the  
 Govern

[ ] Hindi transliteration.

ment or for the Ministry in taking immediate action and ordering a committee of enquiry against the Birlas or a Commission, of Enquiry against the Birlas. This we will like to know.

श्री फखरुद्दीन अली अहमद : मैडम, इसमें दो या तीन बातों की तरफ आनरेबल मेम्बर ने ध्यान दिलाया है। पहली बात यह कही गई कि गवर्नमेन्ट बिड़ला को क्यों नहीं अरेस्ट करती। मैं फिर दोहराना चाहता हूँ कि गवर्नमेन्ट की मातहत यह काम नहीं है कि वह किस को अरेस्ट करे, किस को अरेस्ट न करे। कानून के खिलाफ जैसा जो काम करेगा उसके मुताबिक उसकी अरेस्ट होगी।

दूसरी बात मैं यह कहना चाहता हूँ कि जो अभी अन्लाफुल ऐक्ट आ रहा है वह बिड़ला को अरेस्ट करने के लिये नहीं आ रहा है। उसका मकसद यह नहीं है, अब्जेक्ट नहीं है कि उसके जरिये से वह पास होते ही बिड़ला अरेस्ट किये जायें।

तीसरी बात जो उन्होंने तीन, चार बातों की तरफ ध्यान दिलाया है, एलीगेशन्स जो चन्द्रशेखर जी ने किये हैं, मैं कहना चाहता हूँ कि ये तीनों एलीगेशन्स उस मेमोरेण्डम में इन्क्लूड किये गये हैं जो मुझे दो रोज पहले दिया गया है। जो उससे पहले दो दफा उन्होंने प्राइम मिनिस्टर को एलीगेशन्स दिये उस पर मामले एग्जामिन किये गये हैं और उसके बाद गवर्नमेन्ट का फैसला यहां हाउस के सामने रखा गया है। यह मेमोरेण्डम अभी दो तीन रोज पहले मुझे मिला है और इसको एग्जामिन करके जो फैसला होगा वह भी हम हाउस के सामने रख देंगे।

श्री राजनारायण (उत्तर प्रदेश) : माननीया, मैं सरकार से आपके द्वारा सदन के सदस्यों से फिर दो बातें कहना चाहता हूँ। इस सारे वाक्य के दो पहलू हैं। क्या सरकार की नजर इन दोनों पहलुओं पर है : एक है जुडिशियल और दूसरा है पोलिटिकल। तो उसका जो ज्यूडिसरी पहलू है उसके बारे में सरकार

यह कह सकती है कि "लॉ विल टेक इ्यू कोर्स" कानून खुद अपना स्वाभाविक रास्ता अख्तियार करेगा। लेकिन इसका जो पोलिटिक पहलू है, उसके बारे में मैं यह कहना चाहता हूँ। (Interruption.) अगर पोलिटिकल को मोराल से निकाल दें, तो मैं पार्टी छोड़कर घर बैठ जाऊंगा। (Interruption.) मैं सही कहता हूँ और मैं बहुत परेशान हूँ। तो मैं यह कह रहा था कि श्री चन्द्र शेखर जी, श्री धारिया जी और श्री भार्गव जी ने जो कुछ कहा है, उसकी रोशनी में अगर आप ईमानदार हैं, अगर हमारा मोराल है, तो क्या यह चीज साफ नहीं है कि गवर्नमेन्ट खुद ब खुद दोषी है और उसने इस बिजनेस कंसर्न के साथ इतनी रियायत की है जिस पर हमारे श्री चन्द्र शेखर जी और सभी माननीय सदस्य परेशान हैं। तो मैं यह कहना चाहता हूँ कि यह जो इश्यू है, यह जो स्केण्डल है, वह काफी नहीं है सरकार पर नो कांफिडेंस मोशन पास करने के लिए या इस सरकार को सेन्सर करने के लिए। मैं सरकार से कहूंगा कि वह इस बारे में सोचे क्योंकि यह पार्लियामेंट है और उसमें यह बात उठी है। इस मामले में कौन कौन हैं, हम नहीं जानते हैं और वे लोग अपना रोजगार कर रहे हैं। जो लोग इस तरह की बात करते हैं उन्हीं के लिए हम नेशनलाइज की बात करते हैं। हम कहते हैं कि व्यक्तिगत प्रापर्टी खत्म हो। हम कहते हैं कि मीन्स आफ प्रोडक्शन, मीन्स आफ एक्सचेन्ज, मीन्स आफ डिस्ट्रीब्यूशन जो हैं, वह सोसायटी के हाथ में आये। अगर यह चीज किसी व्यक्तिगत के हाथ में जायेगी तो उसके लिए करप्शन का एक साधन हो जायेगा। उसका सारा मोटिव यही होगा कि इसके द्वारा ज्यादा से ज्यादा पैसा बनाया जाये, चाहे तिकड़म करके, लालच करके, बेईमानी करके, साधुता करके और या अच्छाई करके। मगर हमारा प्वाइन्ट यह है कि जैसा कि श्री चन्द्र शेखर जी ने कहा कि कुछ जगहों पर प्राइमाफेसी केस बनता है, तो वह किसी सरकार, आफिसर ने या डिपार्टमेंट वालों ने क्या होगा। तो मैं यह जानना चाहता हूँ कि

सरकार को उस आफिसर के खिलाफ कार्यवाही करने में क्या बाधा है और उन आफिसरों के खिलाफ फौरन कार्यवाही सरकार क्यों नहीं करती है ?

दूसरी बात मैं उनसे यह कहना चाहता हूँ कि अगर वे ईमानदार हैं और मोरालिटी का नाम लेते हैं तो जो मिनिस्टर हैं, जिन मिनिस्ट्रों के नजदीकी रिश्तेदार हैं और नजदीकी रिश्तेदारी में मैं बेटा और पोते को भी लेता हूँ। (Interruptions.) बेटी भी आ जायेगी।

श्री अर्जुन अरोड़ा (उत्तर प्रदेश) : बाप भी आ जायेगा।

श्री राजनारायण : दो ऊपर और दो नीचे और इन दोनों में जितने हैं, उनके संबंध में सरकार क्यों कार्यवाही नहीं कर रही है। (Interruptions.) मैं मंत्रियों का नाम नहीं लेना चाहता हूँ, लेकिन मुझे इसकी जानकारी है कि कौन कौन मंत्री हैं क्योंकि उन्होंने मुझ से कहा है कि अभी इस मामले को मत उठाना और इसीलिए मैं नहीं उठा रहा हूँ। तो मेरा कहना यह है कि सरकार कृपा करके इस मामले पर सदन का ज्यादा वक्त न ले और मोरालिटी के नाम पर जल्द से जल्द इन लोगों के खिलाफ ऐक्शन ले और जहाँ जहाँ पर कानून की अवहेलना हुई, रियायत दी गई है, उन आफिसरों के खिलाफ जल्द से कार्यवाही हो।

SHRI NIREN GHOSH : Four Ministers.

श्री आबिद अली (महाराष्ट्र) : आप ईमानदारी से उन आफिसरों का नाम बतला दीजिये।

श्री राजनारायण : हम अभी नहीं बतलाना चाहते हैं। (Interruptions.)

श्री आबिद अली : आप शराफत से उनका नाम बतला दीजिये।

श्री राजनारायण : श्री नीरेन घोष ने नाम दे दिये हैं। दूसरी बात मैं यह कहना चाहता हूँ।

شری اے۔ ایم۔ طارق :۔ یا تو نام بتلائیے  
ہیں تو آپ بلیک میل کر رہے ہیں۔

†[श्री ए० एम० तारिक : या तो नाम बताइये, नहीं तो आप ब्लैक मिल कर रहे हैं।]

श्री राजनारायण : इस समय भाषा का बिल आया हुआ था इसलिए हमको समय नहीं मिला। और भी कुछ गड़बड़ी हुई थी। और जब वक्त आयेगा तो हम नाम बतला देंगे। तो मैं सरकार से यह पूछना चाहता हूँ कि वह हमें एक लिस्ट दे कि कितने मामलों में सरकार कोर्ट में हारी है और कितने मामलों में बिड़ला हारा है क्योंकि इतनी बड़ी लिस्ट पढ़ी गई है और वह हमारे समझ में नहीं आती है।

उपसभापति : राजनारायण जी, अब समाप्त कीजिये।

श्री राजनारायण : तो मैं सरकार से जानना चाहता हूँ कि जितने मुकदमे कोर्ट में हुए हैं, उनकी पूरी सूची और जानकारी कि कितने केसों में बिड़ला हारा है और कितने केसों में सरकार हारी है मिलनी चाहिये।

तीसरी बात मैं यह कहना चाहता हूँ कि इस मंत्रिमंडल में और इस मंत्रिमंडल के नजदीकी रिश्तेदारों के बारे में, जिन अफसरों के संबंध में पार्लियामेंट में सवाल उठाये गये हैं उनके संबंध में भी सरकार यह आश्वासन देगी कि उनकी भी जांच की जायेगी ताकि वे भविष्य में इस तरह का घपला नहीं करेंगे। तो मैं यह जानना चाहता हूँ कि श्री चन्द्र शेखर जी ने जों सवाल उठाये हैं, उन सभी सवालों को देखते हुए और जितनी गड़बड़ी सरकारी मशीनरी ने जो की है, जितनी गड़बड़ी सरकार ने की है, उन सब की रोशनी में क्या सरकार कोई कार्यवाही करेगी।

†[ ] Hindi translation.

श्री शिरखान (मैसूर): - میں یہ جانتا چاہتا ہوں کہ جب اس چیز کے لئے ایک ٹائم لاسٹ کیا گیا تھا تو اس کو زیادہ کیوں دیا جا رہا ہے۔ کیونکہ سبھی لوگوں کو اس میں دلچسپی نہیں ہے۔

उपसभापति : ज्यादा नहीं है।

श्री शिरखान: - میں اس لئے پوچھ رہا ہوں کہ جب کچھ لوگوں کو اس میں دلچسپی ہے تو میں ایک ہاؤس کے ممبر کی حیثیت سے یہ پوچھ سکتا ہوں کہ جو وقت اس کے لئے دیا گیا تھا اس سے زیادہ کیوں دیا جا رہا ہے؟

†[श्री शेर खां (मैसूर): मैं यह जानना चाहता हूँ कि जब इस चीज़ के लिए एक टाइम अलाट किया गया था तो इसको ज्यादा क्यों दिया जा रहा है। क्योंकि सभी लोगों को इस में दिलचस्पी नहीं है।]

उपसभापति : ज्यादा नहीं है।

†[श्री शेर खां: मैं इस लिए पूछ रहा हूँ कि जब कुछ लोगों को इस में दिलचस्पी है तो मैं एक हाउस के मेम्बर की हैसियत से यह पूछ सकता हूँ कि जो वक्त इस के लिए दिया गया था उस से ज्यादा क्यों दिया जा रहा है।]

उपसभापति : उन्होंने सजेशन दिया था।

श्री फ़ख़रुद्दीन अली अहमद : चन्द आब्जर्वेशन जो आन्तरेबल मेम्बर ने किये, उसका लबोलुबाब यह है कि हमने किसी के साथ शायद कोई रियायत की हो। मैं यह कह देना चाहता हूँ कि अगर रियायत का सवाल होता तो जिस काम के लिए इन्क्वायरी की गई है, जिस काम के लिए स्टेटमेंट दिया गया है, वह स्टेटमेंट हाउस में नहीं रखा जाता।

†[ ] Hindi transliteration.

श्री राजनारायण : क्या इस तरह के सरकारी आफिसर नहीं हैं ?

श्री फ़ख़रुद्दीन अली अहमद : पहले मुझे पूरा करने दीजिये और फिर बाद में सवाल उठाइये। अगर किसी आफिसर ने बिड़ला ग्रुप के साथ रियायत की है तो हमारे सामने इस वक्त कोई एवीडेन्स नहीं है कि किसी मामले पर किसी आफिसर ने...

SHRI BHUPESH GUPTA: How do you say that?

SHRI FAKHRUDDIN ALI AHMED: I will say it in English for the benefit of Mr. Bhupesh Gupta.

SHRI BHUPESH GUPTA: I have got the Vivian Bose Commission's Report in my hands. You read this report.

SHRI FAKHRUDDIN ALI AHMED: That is not the question raised. The question raised is that allegation has been made against certain officers who have shown favouritism to Birlas, What I have said is that I have not got any evidence about any officer showing any favouritism to Birlas and if any evidence comes before us, we shall take action against such officers.

श्री फ़ख़रुद्दीन अली अहमद : एक और सवाल उठाया गया है जिसे इस हाउस में और सारे मुल्क में मुग़लता हो सकता है कि कुछ मिनिस्ट्रों ने कहा है कि हमारा नाम न बतलाया जाये। तो मैं यह कह देना चाहता हूँ कि मैंने कोई ऐसी रिपोर्ट नहीं की।

श्री राजनारायण : आपने नहीं की।

SHRI BABUBHAI M. CHINAI (Maharashtra) : Do you want every Minister to get up and say it?

'हमारा नहीं है, हमारा नहीं है।'

SHRI FAKHRUDDIN ALI AHMED : I am saying that it is not proper to do that. That means that all the Ministers are included. If he has any allegation against any Minister, he must be courageous enough to mention it.

SHRI LOKANATH MISRA (Orissa): On a point of order, Madam, The Minister says "wild allegations". Last time also he said that wild allegations were being made. Also today he says that names are not being given. May I ask you, Madam, whether it is for him to sweepingly say that names have not been given or to say that every allegation is a wild allegation? Last time, after he said that it was a wild allegation, Mr. Chavan himself had to come and confess that one, a nephew of his, and the other, a brother-in-law of his, were drawing commission from the agencies of Birlas. Now, Madam, it is a very important thing, and I request you for a ruling on this whether it is possible for the Minister to categorically deny allegations like this. There were specific allegations brought last time and further, to add to his information, I would say that a brother-in-law of Mr. Chavan, Mr. Baba-saheb More, is connected in a transaction involving eighty lakhs of rupees. Where did he get this much money from? Have you enquired about these things, about these allegations, and tried to find out if Mr. Baba-saheb More, by himself, is worth eighty lakhs of rupees? These are specific allegations made against certain persons who are connected with Ministers, Ministers of importance, Ministers who count in the Congress Ministry.

SHRI BABUBHAI M. CHINAI: It cannot go on record like this. The Chair may consider.

*(Interruption)* SHRI

FAKHRUDDIN ALI AHMED: May I say that I take very serious objection to naming all the Ministers? And if there is any substance . . .

SHRI BHUPESH GUPTA: On a point of order, Madam Deputy Chairman. The hon. Minister is certainly entitled to rebut what we say giving his counter facts, but the hon. Minister himself invited this thing by saying that no names had been given. Where *he* are giving names, at once he says, "I take serious exception" Madam Deputy Chairman, protect us. Here, if you read this thing, this Vivian Bose Commission report . . .

THE DEPUTY CHAIRMAN: I see there is no point of order.

SHRI BHUPESH GUPTA : I may say here that I started it. I gave a photostat letter written by Mr. Birla to Mr. Satya Narayan Sinha, and these things now become relevant documents. Mr. K. C. Pant has been named. Mr. Chavan has been named. Other Ministers have been named.

THE DEPUTY CHAIRMAN : Let him answer.

SHRI BHUPESH GUPTA: Therefore I say, Madam, do not accept what we say, but let it be judged by a commission of inquiry if you please.

SHRI FAKHRUDDIN ALI AHMED : I think the hon. Members have had their say and let me also reply to what they have stated. The allegation was that many of the Ministers are involved . . .

SHRI BHUPESH GUPTA: Quite good many.

SHRI FAKHRUDDIN ALI AHMED: . . . and because they have approached him that their names should not be exposed, therefore he is not telling us the names. Now it is not fair to the Ministers because, if all of them are included, we do not know who is the Minister meant and who is the Minister not meant. Therefore it is not possible for every Minister to come here and say, "I am not at all concerned. I have nothing to do with it." Therefore I am asking him that, where those people are concerned, their names should be stated *(Interruptions.)* Now there is also a certain procedure that before the names are disclosed before this House, they are given notice beforehand.

SHRI BHUPESH GUPTA : No, no. On a point of order, Madam Deputy Chairman, never notice is needed. We can certainly exercise our freedom of speech and subject to rules we can give names. Mr. Phiroz Gandhi related the name of Mr. Krishnamachari in connection with the Mundhra affair and it was not by giving notice to Mr. Krishnamachari it was said on the floor of the House. We shall do so if you want it.

SHRI CHANDRA SHEKHAR: Madam Deputy Chairman, I have submission to make. I shall agree with my friend, Mr. Bhupesh Gupta, but in order to involve Minister the Hon. Member should have to say that a particular Minister has favoured a particular business concern, or has done something in favour of that business house in order to give employment to his son or his relative. If you just bring in the names of distant relatives or distant brothers or sisters or all that, it is nothing but a wild charge and a sinister design to discredit the whole body of Ministers when the real problem is one of meeting the monopoly challenge in the country.

SHRI FAKHRUDDIN ALI AHMED : I am grateful to the hon. Member for saying what I wanted to say, namely, that the charge should be specific so that it may be possible either for the Minister who has to reply—or for the Minister against whom the allegation is made to come before this House and say what he has to say with regard to that Matter. Now, so far as the name of Mr. Chavan is concerned, that name was dragged even before, and I know that Mr. Chavan came here and made a statement to this House and the House accepted that statement. And I do not understand why, after that statement has been made, the very same thing is again repeated.

SHRI LOKANATH MISRA : I do not want to be wrongly quoted. You said that it was a wild allegation, and Mr. Chavan confessed that his brother-in-law or nephew has dealings. That is the difference.

SHRI CHANDRA SHEKHAR: Not only wild allegations but sinister designs by those who are backed by monopoly interests against progressive Ministers.

SHRI LOKANATH MISRA : You get money from the monopolists. You draw money from the monopolists. I know specifically that Mr. Chandra Shekhar is in the favours of monopolists. I know it.

THE DEPUTY CHAIRMAN: Order, order. I do not want charges and counter charges in the House.

SHRI CHANDRA SHEKHAR : Madam Deputy Chairman, I do not take any word of Mr. Lokanath Misra or any member of the Swatantra Party seriously. They are nothing but agents of monopolists.

SHRI FAKHRUDDIN ALI AHMED: Madam, now so far as the other matter is concerned, I have already said that it would have been more desirable if we had confined ourselves to the statement I had made with regard to the allegations made by Shri Chandra Shekhar, which have been enquired into and about which some decision of the Government has been placed before this House. Now my friend wanted the number of cases which have been decided against the Government or in favour of Birlas. Now the only case which I cited was that in one case some books had been seized by the police but the High Court of Guj-rat ordered that those books should not be seized. And against that an appeal is proposed to be taken to the Supreme Court. The other cases are still pending. We do not know when they will be decided and in whose favour.

SHRI ARJUN ARORA: The Minister has read out a long statement of the action taken, and it is a matter of some satisfaction that Mr. Chandra Shekhar congratulated the Minister for what he has done. But the House, cannot judge the adequacy of the action taken from this statement alone, because the memoranda submitted by Mr. Chandra Shekhar are still hidden from the House. May I know if the Minister will in the next week, when the House meets on the 26th and 27th, make a copy of each of the three memoranda available on the Table of the House so that the House can judge whether the Minister has taken adequate action in the matter or not.

SHRI FAKHRUDDIN ALI AHMED: I have no objection to lay before the House a copy of the two memoranda submitted by Shri Chandra Shekhar. But the third memorandum has been submitted only recently and I think it would be desirable that we should make an enquiry about it before we place a copy of that memorandum.

SHRI B. K. P. SINHA (Bihar) : Madam, in view of the two demands that have been made, namely, the one to arrest the Birlas and the other to institute a commission of enquiry against the Birla-concerns or Birla Brothers, may I know whether there is one Birla or whether there are several Birlas, 10, 20 or 30 Birlas? If there are more than one Birlas, which Birla is to be arrested? Are they all to be arrested?

AN HON. MEMBER : The company is to be arrested.

SHRI BHUPESH GUPTA: Start with G. D. Birla, and then there are K. K. Birla, R. K. Birla and so on.

THE DEPUTY CHAIRMAN: You please sit down.

SHRI B. K. P. SINHA : The second question is about the enquiry. May I know whether it is the industrial house of Birlas or Birla Brothers or company. Is it one legal juristic entity or are there several entities which are loosely and in common parlance known as the Birla Brothers or the Birla Industries or the Birla Companies? If there are several entities which are loosely known as the Birla Brothers, against which is this commission of enquiry to be constituted and against whom are the largest number of *prima facie* charges established.

SHRI BHUPESH GUPTA: Mr. Sinha, the Vivian Bose Commission has stated that there are a number of Jains,—Shanti Prasad Jain, Shrians Prasad Jain, Seetal Prasad Jain and so on.

SHRI C. D. PANDE (Uttar Pradesh) : What is the result of that commission of enquiry?

THE DEPUTY CHAIRMAN: No interruptions. Please sit down.

SHRI BHUPESH GUPTA: It had pointed out the offences committed and apart from that the Commission took the names of several of these people and asked you to enquire about the activities of these people.

THE DEPUTY CHAIRMAN : Have you finished, Mr. Sinha?

SHRI B. K. P. SINHA : No, Madam, there are these interruptions. So my questions are these. Is there only one legal entity or are there several known as the Birla concerns? If so, against which of these entities are the largest number of *prima facie* charges established? And against whom is this commission of enquiry, if it comes up, is to operate?

SHRI FAKHRUDDIN ALI AHMED: Let me reply to these two questions. The Birlas are not one entity, but there are several entities.

AN HON. MEMBER: Birla Mandir also?

SHRI FAKHRUDDIN ALI AHMED: But so far as action is concerned, that can only be taken against a person who commits an offence.

THE DEPUTY CHAIRMAN: Now, Mr. Chinai and after that Mr. Dharia. Everybody must have a chance.

SHRI BABUBHAI M. CHINAI: The hon. Minister has been good enough to inform the House that certain actions and prosecutions have been launched against the Birla concerns, and that for the rest of the allegations made in the memorandum of Shri Chandra Shekhar, the Government is examining them and at a suitable time they will take suitable action. In the meanwhile the hon. Minister says that he is thinking of a machinery which would expedite the examination of this matter. In view of this assurance, Madam, am I to understand or have I understood him correctly that in appointing a commission of enquiry as is persistently said in this House, the background of the Bose Commission is behind the mind of the hon. Minister? The Bose Commission in spite of working for 4, 5 or 6 years did nothing afterwards and afterwards the Company Law Department which had instituted the tribunal abolished it and cases had to be filed individually in each case. In view of this experience, has the Minister, decided that in order to save some time and to expedite the action against the concerns that might



[Shri Babubhai M. Chinai.]

have done anything wrong, they should have a sort of enquiry which, according to them, would suitably expedite this matter?

May I also further say Madam, whether one likes it or not, the Birlas have developed this country industrially to a certain extent. In conducting this enquiry, will the hon. Minister take care of the fact that the Birlas have contributed crores of rupees by way of income-tax, sales tax and excise duties and given employment to lakhs and lakhs of people?

[THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) in the Chair.]

And will the hon. Minister give an assurance that no vindictiveness will be shown towards the Birlas and that proper legal enquiries will be conducted?

SHRI FAKHRUDDIN ALI AHMED: Madam, so far as the first question is concerned, no decision has been taken by the Government and as I have pointed out all aspects of the matter pointed out by the hon. Member, are under the consideration of the Government. And so far as the question of vindictiveness is concerned, the Government is not vindictive and the attitude of the Government will never be vindictive.

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

SHRI BHUPESH - GUPTA : The young Turk.

SHRI M. M. DHARIA : . . . the hon. Minister deserves our congratulations for whatever he has done—though he has not taken all the actions that should have been taken—and for applying his mind to this matter and for working hard and for making this statement on the floor of the House at least on the last day of the session.

Mr. Vice-Chairman, may I remind the hon. Minister of the assurance that was given on the floor of the House? When we made the demand for this commission of enquiry the hon. Minister had stated that the Government

would not hesitate provided *prima facie* charges as are revealed by—Shri Chandra Shekhar are proved. Now when we refer to this statement we find that the hon. Minister has also agreed that several charges have been found to be true. Out of the hundred charges there is not a single one which is a baseless charge. In spite of this situation, may I know why the Government is hesitating to appoint this commission of enquiry? Is it a fact that there are tremendous pressures which are working against the Government and therefore the Government is hesitant? Is it because some Minister is threatening to resign and that is why the Government is not prepared to have this commission of enquiry? What was the assurance of the hon. Minister?

(Interruptions)

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Order, order.

SHRI BHUPESH GUPTA: Is it a fact that Mr. Birla was the first to congratulate the Finance Minister?

SHRI M. M. DHARIA : Will the hon. Minister assure this House that come what may, he will not surrender to any sort of pressure, to pressure of any type and that he will not surrender but will go even to the length of resigning from his Ministership and will see that this commission of enquiry is appointed?

SHRI BABUBHAI M. CHINAI: Will the hon. Minister also assure the House that he will not succumb to this type of pressure also?

SHRI BHUPESH GUPTA: On a point of order.

SHRI CHANDRA SHEKHAR: Minister has to succumb, because he is at the mercy of the House.

SHRI BHUPESH GUPTA: In all good faith Mr. Dharia is asking a question and in the course of it Mr. Chinai, who knows pressures more than anybody else, gets up and says that Mr. Dharia is exercising pressure. This is reflection on the hon. Member.

SHRI M. M. DHARIA : I have not finished. Unfortunately there are so many interruptions.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Seek clarification.

SHRI M. M. DHARIA : The assurance given by the hon. Minister was that when there is *prima facie* evidence, then he will take action. Now, so far as the cases which are already filed and where prosecutions are taking place, let them go ahead. But so far as the other charges are concerned, will the hon. Minister immediately see that a commission of enquiry is appointed? I do not want to take up the time of the House, but I have the whole Act in my hand here and I say that the Government is entitled to appoint this commission of enquiry. Not all the powers of the Civil Procedure Code can be vested in this commission, but apart from section 5, some additional powers also can be vested in the commission of enquiry. If there is any technical difficulty—I do not think there will be any—if there is any political difficulty I would like to know from the hon. Minister whether there is any political difficulty of that type and at the same time I would like to make it very clear that, whether he is a Government servant or whether he is a Minister, whatever he may be . . .

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : May I remind you that you can seek clarification, not give your own opinion?

SHRI M. M. DHARIA:                      Mr. Vice-  
Chairman, the opportunity                      that was  
given to other Members                      should be  
given to me also.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Well, I do not know. Please seek clarification.

SHRI M. M. DHARIA: I feel you "were present here.

Anyway, may I know from the hon. Minister—whoever he may be, I am not concerned with any individual— whether he will assure us that all those who are having complicity with Birlas in all possible offences that may come under the Indian Penal Code regarding financial matters, will be taken

to task? There are wild allegations against the Government, there are wild allegations against my party in power that its leaders are in complicity with the Birlas and in order to rebut such reports is it not necessary that a Commission of Inquiry should be immediately appointed? From that point of view may I have an assurance from the hon. Minister that without any further delay—the matter has already been delayed for long—a Commission of Inquiry will be appointed as early as possible?

SHRI NIREN GHOSH : Yes; as early as possible?

SHRI FAKHRUDDIN ALI AHMED: I stand by what I stated before this House and what I stated was that whenever any *prima facie* case is established I shall not hesitate to take action and accordingly . . .

SHRI BHUPESH GUPTA : Sir, this is not fair.

SHRI FAKHRUDDIN ALI AHMED: . . . action has been taken. So far as the question of appointment of a Commission of Inquiry is concerned, I have already stated that the matter is under the consideration of Government. We have decided that there should be an enquiry but what should be the nature of the enquiry is still under consideration.

SHRI P. C. MITRA (Bihar) : Mr. Dharia asked whether some Ministers threatened to resign.

SHRI FAKHRUDDIN ALI AHMED : No one threatened to resign.

SHRI KRISHAN KANT (Haryana): First of all, I am thankful to the Minister for the statement he has made because the decision about enquiry has taken the matter a few steps forward. But I would like to know, about this enquiry, whether he has got in mind other methods 1, 2, 3 or 4, which are quicker and better and more efficient than the Commission of Inquiry. That is No. 1.

Secondly I had asked a question about two weeks back here about the case with which the wives of Birlas, R. K. Birla, P. M. Birla, D. M. Birla

[Shri Krishan Kant.]

I do not know how many Birias there are . . .

SHRI BHUPESH GUPTA: Fifty of them.

SHRI KRISHAN KANT : . . . get P Forms from the Reserve Bank. An allegation was brought here that the Ministry of Communication had given special priorities to the Birias **for** telephones and they have immediately cancelled that. May I know from the Government whether any instructions have been issued to the Reserve Bank not to give P Forms to Birias' wives and Birias to go abroad as and when they like because we understand that they have got some money in foreign Banks which they are utilising?

THE VICE-CHAIRMAN SHRI M. P. BHARGAVA) : What is the clarification you need? Come to the clarification.

SHRI KRISHAN KANT: About P Forms I have asked. Secondly may I know whether the Minister stands by any date, today or tomorrow, or any time by which the Government will come to a decision about this enquiry or any other form of enquiry? Is there any time limit for that?

SHRI FAKHRUDDIN ALI AHMED: So far as the first question is concerned, we are considering what should be the nature of the enquiry and if we really come to a decision that A or B is better we would certainly have placed the decision before Government. So it is not possible for me to say now which will be better and which will be more expeditious.

So far as the other question is concerned, I have already dealt with it in my statement before the House. As for the allegation that foreign exchange kept abroad is utilised by members of the Birla House during their visits abroad, to Europe and America, the Ministry of Finance have stated that since the allegation relates to an old case of 1956 enquiries are bound to take some time to be completed and that the matter is under investigation.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : The House has discussed for about an hour this question. May I have the permission now to go to the next item?

SHRI BHUPESH GUPTA: I have a submission to make.

SHRI A. G. KULKARNI (Maharashtra) : You said you will give me time.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : I have got at least the names of ten Members. I want to know whether the House now wants to go to the next item of business. After all, we cannot go on iimitlessly on this question.

SHRI KRISHAN KANT: Sir, I have put two questions. He has not answered.

*(Several hon. Members stood up)*

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : May I request all the hon. Members to take their seats? Let us conduct the business of the House gracefully. Let not sentiments come in the way of conducting our business. Therefore I will appeal to all the Members that we have discussed this matter for pretty long and I would like that we now pass on to the next item.

DR. M. M. S. SIDDHU (Uttar Pradesh) : Some of us have been getting up all this time and the Chair most probably has a Nelson's eye towards certain persons that they are not being called. Could you guide me how on earth can I catch the Chair's eye? Shall I shout?

*(Interruptions)* THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Let hon. Members resume their seats. I shall read out the names which are before me still. They are Messrs. A. G. Kulkarni, Rajendra Pratap Sinha, Anup Singh, Dr. Siddhu, V. M. Chordia, A. D. Mani. No doubt hon. Members have caught my eye but we have to apply a brake somewhere in the proceedings. We cannot go on iimitlessly. Therefore I am pleading with the House that we might pass on to the next subject. I am in the hands of the House.

DR. M. M. S. SIDDHU: May I know when I caught your eye?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : You have caught my eye **but** . . .

SHRI KRISHAN KANT: Sir, I want your protection.

(Several hon. Members stood up)

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : My appeal to you is this. If three or four Members stand up at the same time it is not possible to conduct the proceedings. I would request hon. Members to have a little patience. Everybody will have his chance. Let them not show their impatience. I ask Dr. Siddhu to put his question.

SHRI BHUPESH GUPTA: With regard to this matter I have a submission to make to you. I am not asking any question to the Minister. Since we are having another meeting of the session next week I think on a motion which I shall suggest we can . . .

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : No, no. No question of a motion arises. You can send your motion and the Chair will consider it. There is no question of any motion on the floor of the House. You can send your motion, the Chair will consider it and take necessary action.

SHRI BHUPESH GUPTA: It is permissible; it is in your power.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Let us be clear about it.

SHRI BHUPESH GUPTA: You have the . . .

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : You take your seat. When I am standing you must sit down.

There is a certain procedure of doing everything. You cannot just get up, propose a motion and say that this should be discussed. That is not the practice. For a motion to be moved a notice has to be given the Chair has to consider and give its considered **ruling** on any request made by an hon. 6—6 R. S./68

Member. Whether it is a motion or a short duration discussion or anything it cannot be done; in this way no proceedings of the House can be conducted: if any Member gets up and makes a speech on whatever he wants to speak.

SHRI BHUPESH GUPTA: What you have said I am not questioning. But since you have raised a question of procedure is it not open to the House—forget my motion—with the permission of the Chair in the course of a discussion to move a relevant motion? You do it in regard to Bills, you do it in regard to amendments.

5 P.M.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : The House is always its own master, but in this particular case no motion is before me. I am not considering anything. You cannot rise and make a motion.

SHRI BHUPESH GUPTA: With your permission.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Now, let me be clear. How long does the House want to discuss this question. Let me know your views. I shall patiently sit and hear. Is it one hour or two hours or how much? Let any Member stand up and it will be put to vote.

SHRI AKBAR ALI KHAN (Andhra Pradesh) : Regarding the eight persons, you must give two minutes each and in that way in sixteen minutes you finish it.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Is that agreed that I call all these persons and nobody else.

SHRIMATI TARA RAMCHANDRA SATHE (Maharashtra) : I want to ask . . .

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : I have not got your name here. Now, I call Mr. Kulkarni. (*Interruptions*). There has to be an end somewhere. I will not take any new names.

SHRI ABID ALI: Is it a minute of sixty seconds or more?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Do not pass unnecessary remarks, Mr. Abid Ali. I know What is a minute.

SHRI A. G. KULKARNI : Mr. Vice-Chairman, while lending support to the appointment of a commission of enquiry, may I know this from the hon. Minister as a matter of clarification. He has now made two different suggestions. One is that certain sets of enquiries are going on in the court. While we see that whatever is going on in the court will be decided there, why we are putting importance on appointing a commission on different grounds? I would request the hon. Minister to consider this. Suppose in those ten cases eight are convicted and two are released. The process of courts will take a very long time. What I want to say is that corruption goes on and corruption in the Government goes on. What we want and what we are apprehensive is to stop this type of corruption. That is why I am putting more . . .

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Mr. Kulkarni, may I remind you to come to your clarification? It is not a debate.

SHRI A. G. KULKARNI : I am coming to my clarification. A commission of enquiry must be appointed because in the case of the Vivian-Bose enquiry such a commission was appointed and in similar circumstances a commission must be appointed to put an immediate stop to all the corruption going on in the Birla empire.

SHRI RAJENDRA PRATAP SINHA (Bihar) : Mr. Vice-Chairman, I would like to make only two small points. One is that I am intrigued that so many offences have been committed and practically in all of them it has been accepted that there is *prima facie* case. How has all this happened? What departmental measures is the Government intending to take so that such repetitions either by the Birlas or by others are not done? I am satisfied that the Minister is taking immediate action in the cases that have

come to light, but I would like to know what the Government is doing to see that such offences are not committed either by the Birlas or by others. How is it that these offences have been committed? Government must find out and give us satisfaction.

Regarding the commission of enquiry the only thing that I want to And out from the Minister is this. We are interested in finding out the entire operations of the Birlas, because it has come to light that they are operating in a very big way to defraud the Government and the laws of the land. The commission of enquiry should bring to light the entire operations as the Vivian-Bose Commission did . . .

THE VICE-CHAIRMAN : (SHRI M. P. BHARGAVA) : Again, it is a speech, I am sorry to remark. It is a limited thing.

SHRI RAJENDRA PRATAP SINHA: It is a limited clarification. If anything wrong has been done, it should not be repeated. I would like to seek clarifications . . .

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : You can seek clarification on the statement made by the Minister. That is the limited purpose.

SHRI RAJENDRA PRATAP SINHA: I am saying that it should be one of the objects to find out how this big business house of the Birlas is operating on such a vast scale. That can only be brought to light by commission of enquiry. I would like to know whether the Minister has some interest to find this out or not.

SHRI FAKHRUDDIN ALI AHMED: I have already replied to that question.

DR. ANUP SINGH (Punjab) : Mr. Vice-Chairman, may I ask the hon. Minister if it is not obvious to him by now that in spite of his reasonableness and utter sincerity, he has not been able to remove the misgiving of the Members of this House that something is being hidden. I am not saying that the suspicions are well warranted, but is he not aware that instead of removing the doubts, they have been continuously mounting. No. 2, he has himself been good enough to say that

if there is a *prima facie* case, he will certainly not hesitate to institute an enquiry. May I know, with all due respect, what is his conception of a *prima facie* case? It is a Latin word which means on the face of it. Now, Mr. Chandra Shekhar has not indulged in broad generalities. He has brought out specific charges and has catalogued them into different categories. I need not go into that. Now, commissions of enquiry have been set up with far less material to warrant them. Now, in view of the enormity of the issues involved and the specific charges that have been levelled by a responsible Member, the Minister will have to concede that this is more than a *prima facie* case. Finally I would say if he has not seen say *prima facie* case I would be most obliged if he would enlighten me as to what really constitutes a *prima facie* case. So far as I am concerned, if this is not a *prima facie* case, the words must have lost their original meaning. One more observation. In view of the fact that, not names, but Ministers have been mentioned, it should be looked into. Mr. Rajnarain had even said that the Government should be censured. I do not agree with him, because I think by so doing he has weakened his case. It seems that he is less concerned with the Birla affair than with the removal of the Government. That is neither here nor there, but in view of the fact that the charges have been made, I think it is only fair to the Government that a commission of enquiry should be set up at the earliest.

SHRI FAKHRUDDIN ALI AHMED: I have certainly taken note of the temper of the House and that also will be communicated by me to my other colleagues. I would only like to reiterate what I have said that certain matters call for investigation and as to what will be the nature of that enquiry, will be decided by us. Whatever suggestions have been given here will be taken note of.

DR. M. M. S. SIDDHU: One wonders how it did not occur to the Government to investigate the malpractices and irregularities on many matters after Shri Chandra Shekhar's memorandum.

dum? May I know how far the Government was vigilant? As the hon. Minister has said, some of them were in the process of investigation by the Government and others were being investigated after Shri Chandra Shekhar's memorandum. May I know the reasons why those cases, which are being investigated now arising out of the points raised in the memorandum by Shri Chandra Shekhar, could escape the notice of the Government? Will the hon. Minister be able to lay on the Table of the House the reasons, cogent reasons, which the Government had by which they were not able to detect them earlier? Secondly, will the hon. Minister lay a copy of the allegations which the Government is investigating by itself and those which are being done after the memorandum has been received?

SHRI FAKHRUDDIN ALI AHMED: I do not know why this question is being pressed. When a person commits an offence and someone gives information, about it then only action can be taken.

SHRI BHUPESH GUPTA: What an answer.

SHRI FAKHRUDDIN ALI AHMED: No *mala fide* has been shown that action was not taken . . .

SHRI RAJNARAIN : On a point of order.

SHRI BHUPESH GUPTA: On a point of order.

SHRI D. P. KARMARKAR (Mysore) : On a point of order on his point of order.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Three hon. Members are on their legs.

SHRI D. P. KARMARKAR: No one can raise a point of order in the middle of a sentence unless he finishes his sentence.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Mr. Rajnarain, will you take your seat? You can raise it after he finishes.

SHRI RAJNARAIN: Point of order can be raised at any time.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Not in the midst of a sentence.

**श्री राजनारायण :** मरा कहना यह है कि जहाँ भी मंत्री जी के उत्तर में अव्यवस्था होगी, वहाँ पर हम प्वाइन्ट आफ आर्डर उठा सकते हैं। इस तरह से जहाँ भी हमें अव्यवस्था प्रतीत होगी वहाँ पर हम अव्यवस्था का प्रश्न उठा सकते हैं और यह हमारा हक है।

SHRI FAKHRUDDIN ALI AHMED : I was just saying—take, for instance, if there is an allegation of evasion of taxes, how can an officer, in charge of the Income-tax Department, take action unless and until there is some material before him that there has been evasion of income-tax? If it is found that there was possibility for him to find out such evasion and if he had not taken action, certainly action will be taken against the officer. If *bona fide* he has accepted a return on the basis of material before him and later some evidence comes to his notice that something has been concealed and thereafter he modifies his earlier order, how can it be said that there was collusion by the officer? Therefore, I have said that in certain matters when the officer has found that there has been an evasion of tax, action has been taken. As soon as some information was placed by Mr. Chandra Shekhar or someone else, then also the process of inquiry commences.

**श्री राजनारायण :** मैं अपने को आपके हाथ में सिपुर्द कर रहा हूँ। माननीय मंत्री जी ने जो उत्तर दिया है क्या वह सही उत्तर है। सवाल दीगर और जवाब दीगर की बात हो गई है। मंत्री जी का कर्तव्य है कि वह पूरी तैयारी करके आये और संसद में और जनतंत्र में किसी भी बात को इवेड नहीं किया जा सकता है। तो मैं आपके जरिये सरकार से पूछना चाहता हूँ कि सदन में जिन सदस्यों ने सवाल पूछे हैं, अगर वे सही हैं तो क्या उनको अपने कर्तव्य का भान हुआ है कि वे

इस संबंध में साफ जवाब देंगे और नोटंकी की तरह इस मामले को खत्म नहीं करेंगे। इसलिए मैं माननीय मंत्री जी से कहना चाहता हूँ कि सदन के सदस्यों ने जो सवाल पूछे हैं उनका साफ उत्तर यहाँ पर आना चाहिये।

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : There is no point of order.

**श्री राजनारायण :** मरा प्वाइन्ट आफ आर्डर यह है कि...

**उपसभाध्यक्ष (श्री महावीर प्रसाद भार्गव) :** कृपया बैठ जाइये।

SHRI BHUPESH GUPTA : I want a direction from you. I would have got up by saying point of order but in that case I think I should be dishonest to myself. You are now closing this thing. We will agree to your ruling. Where are we left? Where do we go from here? It is not clear. Here is the Chair. You have certain obligations, if I may say so.

SHRI A. D. MANI (Madhya Pradesh) : Sir, we have not gone through the list. There are three more items.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Let him finish.

SHRI BHUPESH GUPTA : If you ask me, I will sit. I will not quarrel with you. I have no intention of entering into a controversy with you. But I solemnly appeal to you as the Chair presiding over a historic moment in this session, is it not abundantly clear that this House is in favour of a Commission of Inquiry under the Commission of Inquiry Act? Both sides have spoken. You sum up our sentiments. You are our voice today. Suppose you are to give your voice, what voice will you give?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : I shall do that.

मुद्रा के संबंध में, कभी बजोरिया के संबंध में और कभी दूसरे के संबंध में सवाल किये जाते हैं। इसलिए मैं चाहता हूँ कि इस तरह से फुटकर व्यापार करने के बजाय अगर हम थोक में करेंगे तो वह ज्यादा अच्छा होगा। यहाँ तो एक को निचोड़ कर फेंक दिया तो दूसरे को लिया जाता है। जब उसको निचोड़ कर फेंक दिया तो तीसरे को लिया जाता है। इस तरह की जो परम्परा बन गई है वह ठीक नहीं है और राष्ट्र के हित में भी नहीं है। मेरा प्रश्न यह है कि माननीय सदस्य श्री चन्द्र शेखर जी ने जो कुछ भी कहा उसके संबंध में वर्तमान विधान के अनुसार उन लोगों के खिलाफ क्या क्या कार्यवाही की जा सकती है और उनको नया दंड दिया जा सकता है और क्या सरकार इस पर कार्यवाही करेगी या नहीं ?

दूसरी बात यह है कि जो जांच की जाने वाली है दंड के अलावा तो उस जांच में राजनैतिक पद के प्रभाव से तथा प्रशासन में काम करने वालों के प्रभाव से जो पुराने केस निकाले जा रहे हैं क्या उनकी भी जांच की जायेगी। क्योंकि जिन के प्रभाव से यह सारा मामला दबा हुआ था वे सामने नहीं आये। तो मैं यह जानना चाहता हूँ कि उन लोगों के बारे में भी जांच होगी या नहीं। क्या माननीय मंत्री जी इसका भी स्पष्टीकरण देंगे ?

SHRI A. D. MANI: I want to raise two questions. May I ask the hon. Minister whether in accordance with the House of Commons practice he would ask these hon. Members of Parliament, who have presented him documentary evidence, to appear before the Law Minister to provide further facts in support of their allegations? In the Profumo case when allegations were made by Members in the House of Commons, the Attorney General, who is a member of the Cabinet and a member of the House of

Commons, called those members and asked them to substantiate their allegations. May I ask the hon. Minister whether Mr. Chandra Shekhar, who has presented a lengthy memorandum, has been asked even once to appear before the Law Minister formally? The second point I want to raise is—it may be an unpopular question—when the Vivian Bose Commission's report was published, the matter was referred to Mr. Viswanatha Shastri and Mr. Daph-thary. Those two gentlemen came forward with the astonishing opinion that the Commission's report had no evidentiary value, that they had to go through the entire process in accordance with the law. In view of their findings, does the Government propose to ask the Company Law Administration to examine whether under the Companies Act as it stands action can be taken?

SHRI BHUPESH GUPTA: It has been amended already.

SHRI A. D. MANI: I want these two important points to be answered by the Minister.

SHRI FAKHRUDDIN ALI AHMED: So far as the first question is concerned, Mr. Chandra Shekhar was not asked by anyone to appear before him. On the basis of the allegations made by him certain inquiries were made by our Department and when we found that there was a *prima facie* case, action under the law has been taken. There are other matters which require further investigation, and in these matters I have already said repeatedly that we want to investigate, but what will be the nature of the machinery to investigate we have yet to decide. So far as the other question is concerned, I have already made it clear that the report submitted by any Commission of Inquiry cannot have any evidentiary value. It can only give certain guidelines, certain indications. And the Government is considering what will be the effective method of finding out the truth and taking action in those cases.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Shrimati Tara Ram-chandra Sathe. Last question.



SHRIMATI TARA RAMCHANDRA SATHE: According to the statement ; made by the hon. Minister, there are many allegations which are to be inquired into. The turnover that the Birla industries make in terms of rupees may be hundreds and thousands of crores per year. And we should like to know from him whether he has found what was the loss of revenue to the Government in terms of sales tax, excise duty, etc. And specifically I would like to know, because he has mentioned one allegation about some linoleum cloth, 30,000 yards—I think I have got it correctly—transferred from one account to another account. I would like to know what was the loss of revenue to the Government in regard to that and whether he has gone into that. I would like to know the amount in rupees.

SHRI FAKHRUDDIN ALI AHMED: All these facts can only be ascertained after the matter has been investigated.

*(Several hon. Members stood up-)*

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : No, please. No. no. We now go to the next question.

DR. M. M. S. SIDDHU : On CACO, the Chairman allowed certain questions to be asked.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Mr. Bhupesh Gupta said something. The hon. Minister has already told the House that he will convey the feelings of this House to his colleagues, and that should do.

SHRI BHUPESH GUPTA: What is the feeling? You did not say it. Will it be a Commission of Inquiry?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : That need not be told. Nothing further, Mr. Bhupesh Gupta.

SHRI BHUPESH GUPTA : What is that feeling?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Mr. Arora.

SHRI BHUPESH GUPTA: He has clearly expressed in favour of a Commission of Inquiry. . . (Interruptions) That should be done.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Mr. Arora.

SHRI ARJUN ARORA : On this cement question, I want to put two questions. One is that when cement was decontrolled, the price of cement for the consumer was allowed to go up in the hope that the extra money paid by the consumer would be utilised for the expansion of the industry. Though the consumer has paid the extra price, it has not been spent on the expansion of the industry. May I know, now that the control on cement has been reimposed, whether the Government will revert to the previous control prices or in any other manner bring down the price of cement?

Secondly, I want to know whether in view of the fact that some people who were in charge of the affairs of the CACO did not utilise the funds for which the CACO was meant, will the Government take steps to recover that amount disbursed to political parties and others from the actual persons responsible for that disbursement. From the names which have come of people in charge of the affairs of the CACO, it is obvious that at least some of them are people of a substantial status and of considerable wealth. The money should be and can be realised from them.

SHRI FAKHRUDDIN ALI AHMED: As regards the first question, it is perfectly correct that when about two years ago, the price of cement was increased, the understanding was that a substantial portion of that increase would be utilised for the purpose of expansion. Now, we have seen that some of the cement units have actually utilised that amount for the purpose of expansion. There are certain factories which have not so far utilised that amount for expansion and the Government have taken action to see that they also utilise that fund for the purpose of expansion.

So far as the second question is concerned, though there have been a large number of representations to me for further increase of the cement price, on account of the increase in the price of coal, on account of the award given by the Wage Board, I have resisted such approach of increase in price, and I have not allowed any increase in the price till now.

So far as the third question is concerned, I replied this morning that apart from the action which I have taken, of which the announcement has been made today, I would like the hon. Members not to press me to indicate what further action is being taken.

SHRI A. G. KULKARNI: Sir, from the statement made to-day by him, I fail to find out the agency for distribution. May I honestly request him whether the Government will assure us that wherever possible and wherever the co-operative sector takes upon itself the distribution of cement, the agency for distribution of cement will be given to it?

SHRI FAKHRUDDIN ALI AHMED : Sir, there are certain areas where there is a shortage of cement and from the surplus areas we want cement to move to these areas where there is shortage of cement so that those areas also get a regular supply of cement. So, we will only place orders on the cement factories to send the cement to those particular areas. And when the cement reaches that area and thereafter the distribution is taken by the co-operative sector, we shall have no objection.

DR. M. M. S. SIDDHU : May I know from the hon. Minister what are the balances with the CACO out of the profits that they have earned and what steps the Government are to take so that the balances, whatever they are, are not being misused but are utilised properly? Secondly, I would like to know: after the promulgation of the order, or even before that certain *be-nami transactions* might have been made in cement with the result that large stocks of cement are likely to be passed on to someone causing further

shortage and leading to blackmarket-ing. What steps have the Government taken to safeguard against such a possibility?

SHRI FAKHRUDDIN ALI AHMED: Sir, I think there is a certain misconception. That is why these two questions have been raised.

So far as the first question is concerned, I indicated that from the accounts shown of the CACO, it appeared there was a receipt to the extent of Rs. 39.5 lakhs out of which some amounts were distributed as donation to various political parties, individuals and for various other things, which I indicated this mornings. And this surplus came because according to the existing arrangement 50 per cent of the amount was not taken by the Government for their own use; they took less, with the result that the discount money was collected and kept in deposit with the CACOs. Therefore, there can be no question of this amount being misused or being not shown in the account if it had actually been realised as per accounts submitted before us, and there can also be no question of *benami* transactions because every unit is required to despatch a certain quantity for the Central Government's use and whatever is less than 50 per cent, that receipt of amount of discount will have to be shown in the account. It is only for the purpose of controlling this so that the amount so collected during the next year may be utilised for the purpose of paying debts due to S.T.C. and for expansion programme that this arrangement has been taken over by the Government.

SHRIMATI C. AMMANNA RAJA (Andhra Pradesh) : The hon. Minister has just said that there are certain factories which have not implemented the understanding, that is, have not utilised the profits for expansion purposes. I would like to know the names of the factories.

SHRI FAKHRUDDIN ALI AHMED: I have not got the names just now.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Last question Mr. Bhupesh Gupta.

SHRI BHUPESH GUPTA : Mr. Vice-Chairman, from what has been stated in the course of the original statement and the replies to the questions asking for clarification we are left in great doubt. I should like to know whether the Government does not think that the entire CACO deals in regard to the announcement of various parties and so on are colourable and shady and there is likelihood of income-tax being evaded and black money being brought in and utilised for political corruption and bribery and for influencing policies and other things of the Government. I should like to know why the Government is not referring the entire matter to the Central Bureau of Investigation for thorough enquiry. I am not asking for a Commission of Enquiry here. Things have to be found out. Papers have to be obtained. In a comparable situations in Orissa the C.B.I. was asked to enquire. Here, according to the Government statement, so much funds have been handled in a manner which is absolutely outside the scope of the work of CACO. CACO does not run political parties.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : Come to your question.

SHRI BHUPESH GUPTA: Therefore, money came. I should like to know why the Government is not placing the entire matter in the hands of the Central Bureau of Investigation in order to find out what offence has been committed and how the money has been utilised for corruption and malpractices.

SHRI FAKHRUDDIN ALI AHMED : How does the hon. Member know that we have not taken such an action?

SHRI DAHYABHAI V. PATEL (Gujrat) : Mr. Vice-Chairman, may I know how long we propose to sit? We had been sitting till 11 last night. Since the Government have agreed that we will sit next week, is it necessary to sit late hours? We were sitting here.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : I think the decision was that we will take the Bengal situation after this.

SHRI DAHYABHAI V. PATEL: Is it necessary to sit even up to 8 o'clock when we are going to sit next week? Why do you want to tire us like this? We agreed to sit late then because we wanted to finish off. But is it now necessary to sit late if we are sitting next week? Why do you want to tire us like this and why be hard on the Secretariat staff also?

SHRI BHUPESH GUPTA: I fully understand this. We also do not like to be tired. As you know this is our motion and many of us will be speaking on it. We will also be tired. The original agreement was 10 o'clock and not 8 o'clock. Now we have cut out two hours because of other things. CACO came. The Birla thing came and the Cement business came.

THE VICE-CHAIRMAN: (SHRI M. P. BHARGAVA) : Let us proceed with the business.

SHRI BHUPESH GUPTA: We shall cut out speaking on the Essential Commodities Bill.

THE ESSENTIAL COMMODITIES  
(SECOND AMENDMENT) BILL, 1967  
—continued

SHRI NIREN GHOSH (West Bengal) : Sir, in Delhi sugar is selling at Rs. 6 per Kg. in what you call the white market of the blackmarket or whatever you call it. In essential commodities why should steel not be included, particularly the question of decontrol of steel. Steel is an essential commodity. In that why steel and coal should come under that definition. There is blackmarketing going on in these things.

Another question that I would like to ask is this. Why are the prices going up and blackmarketing flourishing? Would the Government take measures to stop the banks from making advances to wholesale speculators and dealers in regard to these essential commodities? They should completely stop that so that they cannot hoard it and corner things.