

†[श्री मोहम्मद शफी कुरेशी : सवाल यह है कि एकजीवीशन्स पैसा कमाने के लिये नहीं होती और हम वहां इंडिया का जो तरक्की करता हुआ सनती पहलू है उसे नुमायां करने के लिये इसमें हिस्सा लेते हैं।]

*538. [The Questioner (Shri A. C. Gilbert) was absent. For answer, vide col. 3969 infra.]

FORMER AUDITOR GENERAL'S RESIGNATION FROM DIRECTORSHIP OF TURNER MORRISON LIMITED

*539- SHRI ARJUN ARORA : J SHRI KRISHAN KANT :

Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that Mr. A.K. Roy the former Auditor General has resigned from the Board of Directors of Messrs Turner Morrison Limited;

(b) whether he was also elected to Boards of other companies as nominee of the Turner Morrison holdings;

(c) if the answer to part (b) above be in affirmative, what are the names of such companies and dates of his election to these companies;

(d) whether he was elected as the Chairman of Messrs Alcock Ashdown Ltd., Bombay, after his resignation from Messrs. Turner Morrison; and

(e) if so, when he acquired qualifying shares of this Bombay company ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI K. V. RAGHUNATHA REDDY):

(a) Yes, Madam.

(b) and (c) Government have no information but Alcock Ashdown & Co., Ltd., of which Shri A. K. Roy is a Director since 15th March, 1967 is in the Turner Morrison group of Companies.

(d) No, Sir. Shri A. K. Roy became a Director and Chairman of Alcock Ashdown & Co., Ltd., with effect from 15th March,

f[] Hindi transliteration.

jThe question was actually asked on the floor of the House by Shri Arjun Arora.

1967, whereas he resigned from Turner Morrison & Co., Limited with effect from 15th July, 1967.

(e) According to the latest returns filed by the company for the year ended 31st December 1966, Shri Roy is not shown to hold any shares. Qualifying shares are necessary only if required by the Articles of Association of the company.

SHRI ARJUN ARORA : Madam, may I know if the attention of the Government has been drawn to this new form of corruption in the country ? The Government has debarred retired officers from immediately joining any private employment without permission. But here is a new and interesting form of corruption which is creeping in. Government officers when they are in office show favours to certain concerns and certain individuals. When they retire they join those concerns as directors on huge salaries. In this case of the Turner Morrison group of Companies, Mr. A. K. Roy seems to have been in league with Haridas Mundhra when Mr. Roy was in the Ministry of Finance and when that infamous Mundhra deal of 1957-58 occurred. It is those favours shown by Mr. A. K. Roy which have been rewarded by Mr. Roy being made a director of these concerns. May I know if the Government is aware of this new form of corruption, and if it is aware, is the Government thinking of taking or has already taken any step to check it?

SHRI FAKHRUDDIN ALI AHMED :

Madam, the position is very clear. So far as the appointment of the Comptroller and Auditor-General is concerned, it is regulated under article 148(4) and .

SHRI BHUPESH GUPTA : That we all know.

SHRI FAKHRUDDIN ALI AHMED :

Under that article they are ineligible to hold any appointment under the Central Government or the State Governments. This matter has been under our consideration and a new Bill which will in future govern the terms and conditions of the Comptroller and Auditor-General is already in the course of preparation by the Economic Affairs Ministry. We shall certainly keep the suggestion of the hon. Member in view and see what can be done in this behalf.

I may also point out that so far as the employees of the Central Government and of the Indian Administrative Service are concerned, they are debarred from holding 'without permission any post in private' sector soon after retirement for about two

years. The question whether we can extend this period of two years or whether we can indefinitely lay down this bar will have to be considered in the light of the provisions of the article in our constitution, namely, article 10(g) under which no unreasonable restriction can be placed because if we place any unreasonable restriction it is likely to be challenged. The period of two years has at present been laid down in the case of the employees of the Central Services. What further can be done in this behalf we will have to consider.

SHRI ARJUN ARORA : Madam, the hon. Minister has not replied to the most important part of my question, namely, that relating to Mr. Roy showing favours to Mr. Haridas Mundhra when he was in the Ministry of Finance and when that infamous Mundhra deal occurred. May I know if the Government has any knowledge of this ? If not, will the hon. Minister enquire and report back to this House at least before the end of this session ?

SHRI FAKHRUDDIN ALI AHMED : Madam, so far as my information goes, Mr. Roy was very helpful in getting us the shares in the B.I.C. which enabled us to get out of the clutches of Mr. Mundhra and to manage that company without his interference. So far as the other information is concerned, I do not know.

SHRI BHUPESH GUPTA : Madam, the questions should be answered properly. I should like to know how many posts Mr. A. K. Roy has been holding after his retirement as Comptroller and Auditor-General. Madam, this is a very important thing. How many he has been holding and in respect of how many he even informally consulted the Government or the authorities here ? May I know why when Mr. Roy was making himself the director of various companies and working on the boards of various companies, the Government itself favoured him by appointing him the Vice-Chairman of the B.I.C. which subject will come up for discussion in the afternoon? Government also showed him this favour. The person retires as Comptroller and Auditor-General and immediately he gets a series of appointments as a member of the board of directors of all the these concerns and the Government comes and appoints him the Vice-Chairman representing the Government on the board of the B.I.C. supported by the Bajoria. I should like to know, if it is not a fact that Mr. Roy got these appointments immediately after retirement, in pursuance of this collusion with these big business people during his tenure of office as Secretary and also in

other capacities? I should like to know whether there has been any investigation in this matter.

May I also know from the hon. Minister, in view of these things, whether the Government is considering the advisability of amending the Constitution here and now so that such things are not possible and may I also know whether from any source the Government has information that Mr. A. K. Roy is earning tens of thousands of rupees after retirement?

SHRI FAKHRUDDIN ALI AHMED : Madam, I think the hon. Member wanted to know the names of the companies in which he is holding the post of Director. I can give the names of the companies in which Mr. A. K. Roy is the Director. They are :

Madan Industries Ltd.,
 Guest Keen Williams Ltd.
 Press Trust of India Ltd.
 West India Chemicals Ltd.
 Sankey Wheels Ltd.
 Indian Detonators Ltd.
 Gwalior Rayon and Silk Mfg. & Wvg. Co. Ltd.

Alcock Ashdown Ltd. Dhrangadhara
 Chemicals Ltd. Hindusthan Wires Ltd.
 Ferro Alloys Corporation Ltd. Tubular
 Containers Ltd. Indian Tube Co. Ltd.
 Thirteen in all.

SHRI KRISHAN KANT : Sir, the hon. Minister has been very fair. He has told very clearly, after working in the Finance Ministry for a number of years and safeguarding the country's finances, how he has been helping the various monopolies in the country. And immediately after retirement he became Director of these companies. I want to know when Mr. A. K. Roy became the Director of Messrs. Turner Morrison & Co. if he was a nominee of Mr. Haridas Mundhra or a nominee of Mr. Nirmal Hoon both of whom are declared undesirable persons. Secondly, after he resigned from Turner Morrison & Co. has he resigned from all the other companies on which he represented that company?

SHRI FAKHRUDDIN ALI AHMED : Madam, the hon. Member may please appreciate the position that so far as the

appointment of Directors in the companies is concerned, that does not require the approval of the Company Law Board.

SHRI ARJUN ARORA : Their remuneration has to be approved by you.

SHRI FAKHRUDDIN ALI AHMED : Let me finish. I was just saying that so far as the appointment of Directors in companies is concerned that does not require approval by the Company Law Board but the approval of the Company Law Board is necessary when a person is appointed a wholetime Director or Managing Director of a company or when some remuneration is payable.

SHRI BHUPESH GUPTA : Why does not he answer the question? A pointed question has been put and the answer should be given.

SHRI FAKHRUDDIN ALI AHMED : Therefore . . .

SHRI BHUPESH GUPTA : Therefore nothing; answer the question.

SHRI FAKHRUDDIN ALI AHMED : ... the circumstance in which he was appointed Director in any company i? not before us. Only when one is appointed as Managing Director or the wholetime Director sanction is taken from us. So far as we are concerned, no illegality or irregularity has been brought to our notice on which we can take action.

SHRI KRISHAN KANT : I had asked a specific question as to whether he was the nominee of Mr. Haridas Mundhra or of Mr. Nirmal Hoon in the Board of Turner Morrison & Co. I wanted a reply for that.

SHRI FAKHRUDDIN ALI AHMED : I have no information.

THE DEPUTY CHAIRMAN : He has no information. Mr. Sinha.

श्री ब्रजकिशोर प्रसाद सिंह : महोदया माननीय मंत्री ने एक बड़ी लम्बी सूची पढ़ी, जिससे मालूम होना है, पता नहीं दो दर्जन या तीन दर्जन कम्पनियों के निदेशक श्री राय महोदय हैं . . .

उपसभापति : 13 के हैं।

श्री ब्रजकिशोर प्रसाद सिंह : अच्छा 13 के हैं। इसलिये हो सकता है कि जो श्री राय हमारे बड़े अवकाशप्राप्त अफसर हैं उनका और दूसरे अवकाश प्राप्त अफसरों का भी

जीवन-चरित्र ऐसा है तो सरकार क्यों नहीं एक कानून बना देती है कि जो बड़े बड़े शक्तिशाली और धनवान संस्था में हैं उनके या जितनी बड़ी बड़ी फर्मस् है उन सब में निदेशक केवल अवकाश-प्राप्त आई० सी० एस० अफसर ही बनेंगे, क्योंकि सरकार को उनकी अकल में भरोसा है और उनकी एबिलिटी में भरोसा है तो अच्छा हो कि एक कानून बना दिया जाय कि जितने निदेशक बहाल होंगे वे सब अवकाश-प्राप्त सरकारी अफसरों में से ही बहाल किये जायेंगे क्योंकि अकल हिन्दुस्तान में और किसी जमात में रही नहीं, इन्क्लूडिंग मेम्बर्स आफ पार्लियामेंट ?

(No reply.)

SHRI A. D. MANI : Madam, in view of the fact that acceptance of company Directorships by the retired Auditor-General arouses controversy of an unseemly character, has the Government considered the question of revising the terms of appointment of the Auditor-General ? We do not mind his being given a big salary and a very handsome pension but an Auditor-General should not go about hankering about company Directorships as Mr. A. K. Roy has done. Has the Government considered the question of revising his terms of appointment?

SHRI FAKHRUDDIN ALI AHMED : A have already pointed out that a Bill governing the terms and conditions of appointment of the Auditor Generals is under the consideration of the Government and it is being prepared by the Ministry of Economic Affairs. We are considering what terms and conditions should be laid down to govern his service as Auditor-General.

श्री विमलकुमार मन्नालालजी चौरड़िया : उपसभापति, महोदया, मैं मंत्री जी से यह जानना चाहूंगा, यह जो उदाहरण है मिस्टर ए० के० राय का है यह केवल एक नहीं है, ऐसे कई रिटायर्ड व्यक्ति हैं जो यहां अप्रत्यक्ष रूप से संस्थाओं को, व्यापारियों को लाभ दे कर के रिटायर होने के पश्चात उनके यहां अच्छे वेतन पर नौकरी प्राप्त करते हैं, तो जब यह स्पष्ट हो चुका है कि थानेदार से लेकर बड़े से बड़े अधिकारी भारत सरकार की

सेवा में जो हैं वे रिटायर होने के बाद जिनको वह अक्लाइज कर देते हैं उनके यहां बड़ी तनखाहों में नौकरी पाते हैं...

THE DEPUTY CHAIRMAN : This question has been put.

श्री विमलकुमार मन्नालालजी चौरडिया : श्री बी० के० पी० सिंह ने दूसरे ढंग से पूछा था और मैं दूसरे ढंग से पूछ रहा हूँ। तो इसके बारे में सरकार यह नियम क्यों नहीं करना चाहती है कि रिटायर होने के बाद ये लोग नौकरी नहीं कर सकें और अगर कर सकें तो ऐसी परिस्थिति में नहीं कर सकेंगे ? इस पर प्रतिबन्ध लगाने के बारे में सरकार कुछ सोच रही है या नहीं, जिससे कि इस तरह की हरकत नहीं हो ?

श्री फ़ख़रुद्दीन अली अहमद : इसका जवाब मैंने अभी दिया है कि जहां तक इंडियन एडमिनिस्ट्रेटिव सर्विसेज और सेन्ट्रल सर्विसेज का ताल्लुक है अभी तक हमारा जो रूल है वह यह है कि जो गवर्नमेंट आफिसर हैं वे दो वर्ष तक सरकार की इजाजत के बग़ैर किसी प्राइवेट कम्पनी वगैरह में काम नहीं कर सकते।

THE DEPUTY CHAIRMAN : That reply you have given.

श्री फ़ख़रुद्दीन अली अहमद : लेकिन वहीं सवाल है तो दुबारा वही जवाब होता है।

SHRI BHUPESH GUPTA : You have given that reply and we know it.

SHRI FAKHRUDDIN ALI AHMED : But the same question is being asked.

THE DEPUTY CHAIRMAN : I wish different questions would be put.

Mr. Tariq.

شہری اے - ایم - طارق : میں وزیر صاحب سے یہ بات جاننا چاہتا ہوں کہ جو انہوں نے ۱۲ یا ۱۳ فرموں کے نام لئے ہیں ان فرموں میں برلا مہاراج کی کتنی ہیں اور شہری دائے صاحب

کا برلا مہاراج سے کیا تعلق ہے - یہ بتایا جائے ؟

†[श्री ए० एम० तारिक : मैं बजीर साहब से यह बात जानना चाहता हूँ कि जो उन्होंने 12 या 14 फर्मों के नाम लिये हैं उन फर्मों में बिड़ला महाराज की कितनी हैं और श्री राय साहब का बिड़ला महाराज से क्या ताल्लुक है, वह बताया जाये।]

SHRI FAKHRUDDIN ALI AHMED : Madam, I have given all the names of the companies and I cannot say how many of them are Birlas.

THE DEPUTY CHAIRMAN : He does not know it.

SHRI NIREN GHOSH : May I know how many highly-placed gazetted officers, after retiring from service, have found employment in the private sector as Directors of companies ? I would also like to know how many of them, ex-officers, function as liaison officers here in Delhi in order to get undue privileges from the Government. I should also like to know whether, in view of these revelations, the Government prepared to conduct a probe into the conduct of Mr. A. K. Roy during his tenure of office. It would be really interesting to see the Government to India sailing under the banner of big business interests.

SHRI FAKHRUDDIN ALI AHMED: So far as the first two questions are concerned, I require notice. So far as the third question is concerned...

SHRI NIREN GHOSH : Because they are inconvenient questions.

THE DEPUTY CHAIRMAN : It does not arise out of this.

SHRI FAKHRUDDIN ALI AHMED : How can I give the names of all the employees? So far as the third question is concerned, unless a specific instance is brought to our notice, I cannot do anything.

THE DEPUTY CHAIRMAN : I pass on to the next question.

SHRI BHUPESH GUPTA : On a point of order. It is for you to disallow my question if you think it has to be disallowed. I asked a question whether it is not a fact that Mr. A. K. Roy was appointed as the

t] Hindi transliteration.

Vice-Chairman of the BIC to represent the Government on the Board in consultation with and with the support of Mr. Bajoria. Now, let him say what has got to say on this matter. Government comes in here. He had not answered my question.

SHRI FAKHRUDDIN ALI AHMED : It is a fact that he was appointed as a Director and Vice-Chairman of the BIC ...

SHRI BHUPESH GUPTA : In consultation with Mr Bajoria.

SHRI FAKHRUDDIN ALI AHMED :
Because that was the arrangement.

(Interruptions.)

THE DEPUTY CHAIRMAN : Why not listen now ? (Interruptions) Please, I think you must now listen and that will be the last.

SHRI FAKHRUDDIN ALI AHMED : This was under the control of the High Court and when the BIC was released the arrangement was that, in co-operation with the Bajorias, we shall have a number of Directors who will conduct the affairs of this company ...

SHRI BHUPESH GUPTA : Bajorias' man.

SHRI FAKHRUDDIN ALI AHMED : ... and, therefore, in consultation with the Bajorias, who were also the big shareholders, these Directors were appointed.

THE DEPUTY CHAIRMAN : Next question.

EXPENDITURE ON FURNISHING OF ROOMS OF
RAILWAY BOARD OFFICIALS

*₅₄₀. SHRI KRISHAN KANT : Will the Minister of RAILWAYS be pleased to state :

la.) the expenditure incurred on furnishing the rooms of Chairman, Members, Additional Members, Directors and officials of similar status in the Railway Board since 1961 up-to-date category-wise and year-wise; and

(b) the expenditure incurred on re-furnishing, additions and alterations of the rooms category-wise since 1961 up-to-date year-wise?

THE MINISTER OF STATE IN THE
MINISTRY OF RAILWAYS (SHRI
PARIMAL GHOSH) : (a) and (b) The information is being collected and will be laid on the Table of the Sabha.

SHRI KRISHAN KANT : May I, know from the hon. Minister whether he will take care and get these figures by a

proper assessment, not by the Chairman of the Railway Board or any of the officers of the Railway Board, so that they cannot manipulate the figures of expenditure on furnishing their rooms and all that ? I am asking this question in order to warn the Minister because the answers which he gave earlier were wrong. I asked him about the expenditure on his bath room especially, as he was a new Chairman, and he gave me certain figures. I told him how the figures were manipulated. A glass pane was removed from the lift and put in the bath room and thereafter the glass pane was replaced and repaired in the lift. This is how the accounts are being manipulated and this is the scandalous way in which work is being done in the Railway Board. May I ask the Railway Minister whether he will see that the assessment of the expenditure will be done by impartial people, who are not connected in any way with the Railway Board?

SHRI PARIMAL GHOSH : There is no question of manipulating the accounts. Whatever expenditure has been incurred on furnishing and refurnishing their rooms is in the records and from the records of accounts the figures will be taken.

THE DEPUTY CHAIRMAN : He has given an example.

SHRI PARIMAL GHOSH : There is no question of manipulation even on the subject which the hon. Member has mentioned.

SHRI P. K. KUMARAN : I should like to know why it is said that the figures are being collected. All the officers mentioned are sitting here in Delhi and the records are maintained here. I can understand it if they are to collect figures from different offices throughout India. Then, they will have to calculate it. Here what is the delay in collecting the figures? Another thing is the Rri \ £.y Department is retrenching staff like recns, clerks, etc. At the same time, they rdd to their own personal expenditure. Very recently they have added a staff car to their fleet of staff cars and this is Lew they are spending. An officer will go to Calcutta and then telephone from there saying : "I will be coming there and the staff car should be ready." What is the cost of a trunk call from Calcutta to Delhi ? What will be the taxi fare from the station to the office ? This is how they are squandering money At the same time there is retrenchment going on.