

RAJYA SABHA

Thursday, the 17th August, 1967; the
26th Shrawana, 1889 (Saka).

The House met at eleven of the
clock.

MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

†MEMORANDUM ON BIRLA GROUP OF INDUSTRIES

*324. SHRI M. P. BHARGAVA: Will
the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state:

(a) whether the Prime Minister has received any Memorandum against the Birla Group of Industries regarding corruption and malpractices being practised in the industrial units under their control;

(b) if so, what steps have been taken in the matter; and

(c) whether it is proposed to appoint a Commission of Enquiry?

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

(b) Allegations made in the Memorandum are under examination in consultation with the concerned Ministries and State Governments.

(c) In view of the answer to part (b), the question does not arise at this stage.

SHRI M. P. BHARGAVA: May I know whether the Government is aware of gross irregularities practised by the Birla group of industries resulting in shutting licences to others? These irregularities are committed in getting industrial licences, extending their plants without proper

licences, getting loans, under-invoicing, over-invoicing, tax-evasion, wrong supplies, charging excessive prices, making profits out of all proportion and the like. May I know whether the Government is aware that they have their contact-men at all levels in Delhi, that they have received immense favours from the Government machinery and they have fully exploited their position and influence and, if so, what prevents, Sir, a Commission of Enquiry being appointed by the Government?

(Interruption.)

SHRI FAKHRUDDIN ALI AHMED: Sir, some of the allegations contained in the referred Memorandum to the Prime Minister were also discussed when the Hazari Report was laid before this House and, as the hon. Members are aware, already an Expert Committee has been appointed to go into some of those allegations. (Interruptions). As regards the other allegations contained in the Memorandum submitted to the Prime Minister which was received by her only in July, she forwarded that Memorandum to me and, as it relates to ten Ministries and two State Governments, we have asked those Ministries to give us the information necessary for the purpose of taking a decision. Most of the Ministries have sent their replies but those replies are mostly of an interim nature, that they are making enquiries and they will give us the necessary information. After that information is received by us, whatever action is called for will be taken. (Interruptions.)

SHRI M. P. BHARGAVA: Mr. Chairman, may I put my second question? May I submit that the hon. Minister is trying to mix up the issues? The Committee which has been appointed is for a particular purpose, to go into the industrial licences granted to Birlas and others; it has nothing to do with my demand for a Commission of Enquiry to go into the malpractices and irregularities committed by the Birla group of industries. If we do not act hastily,

†Transferred from the 8th August, 1967.

I am afraid all the records would be manipulated and it will be impossible to find out anything. Therefore, Sir, in the interest of the nation it is absolutely necessary that all the records are seized forthwith and an enquiry ordered into all those complaints which are mentioned in the Memorandum. If it is not done, I will presume that the Government wants to shield the Birlas and that it does not want to take any action. In the past also, with regard to the Birla concerns, my information is that they are given prior information and the things which should be seized in the normal course are removed and then a sort of eyewash enquiry is made.

(Interruptions.)

MR. CHAIRMAN: Mr. Bhargava, you are making a long statement.

SHRI M. P. BHARGAVA: Sir, this has arisen out of the reply. Therefore I would like to know categorically from the hon. Minister what prevents him from ordering an enquiry forthwith. (Interruptions.)

SHRI FAKHRUDDIN ALI AHMED: Sir, I would like the hon. House and also the hon. Member to know that I am not mixing up the issues. I have said in my reply that some of the allegations—at least two allegations—contained herein refer to the grant of licences and those allegations have been forwarded by me to the Committee which has been set up for that purpose. So far as the other allegations are concerned, they relate to various Ministries and two State Governments and from them I have received only an interim reply. After the final reply is available to me with regard to all these facts, if there is a *prima facie* case . . .

SHRI NIREN GHOSH: There is already a *prima facie* case, Sir.

SHRI FAKHRUDDIN ALI AHMED: If there is a *prima facie* case, such action as is called for will certainly be taken and I can assure the hon. Member that there is no question of

protecting anyone. Whenever any action is called for, it will be taken.

(Several hon. Members stood up)

MR. CHAIRMAN: I shall try to give an opportunity to as many as possible. Shri Kulkarni. (Interruptions). I can assure you that I will not do injustice to anyone. You can be sure about that.

SHRI A. G. KULKARNI: Sir, the Deputy Prime Minister had recently announced that he is pursuing a policy on prices, wages, profits, etc. May I know whether the Government is aware of the fact that Century Rayon, owned by the Birlas, has made a profit of 350 per cent. on the equity capital and 225 per cent. on the total capital? If so, whether any price and profit policy has relevance to it? Secondly, is the Government aware that these are the figures published in the balance-sheet but it has been amply proved during the recent raids that the Birlas are in the habit of duping the Government by underweighing the packages and by paying less excise while selling rayon yarn? May I therefore know from the Government whether any special action is contemplated by the Government from these two angles?

SHRI FAKHRUDDIN ALI AHMED: These matters are under the consideration of the Finance Ministry.

SHRI NIREN GHOSH: Sir, he is evading answers. (Interruptions.)

SHRI BHUPESH GUPTA: On a point of order, Sir. You have to judge whether the supplementary relates to the Ministry or the Minister concerned. Now the supplementary put by the hon. Member there relates to his Ministry and the person who is answerable is the Minister who is actually answering the question. He cannot, therefore, say that these

matters are under the consideration of the Finance Ministry.

SHRI M. P. BHARGAVA: Mr. Chairman, this raises a fundamental question and that is this: I had purposely addressed the question to the Prime Minister, so that she can reply to all the questions raised about the various Ministries. I would like to know from the hon. Minister why he took upon himself to answer this question, if he thought that he could not deal with all the Ministries. (Interruptions.)

SHRI FAKHRUDDIN ALI AHMED: Perhaps it has not been possible for me to clearly point out that I am not afraid of replying on behalf of my Ministry or on behalf of the Government because it is a question of joint responsibility. What I have pointed out is that all these matters are being examined by the Ministries concerned and what I replied to the Member was that that particular matter was under the consideration of the Finance Ministry. I have already got an interim reply. When the final reply is before me . . .

SHRI NIREN GHOSH: What is the interim reply?

SHRI FAKHRUDDIN ALI AHMED: When the final reply is received, then it will be for us to consider whether there is a *prima facie* case or not and if there is a *prima facie* case, then final action will be taken.

SHRI BHUPESH GUPTA: We are not asking for his legal opinion. We are asking whether it is a fact.

SHRI CHANDRA SHEKHAR: Let me make one request to the Minister. I do not want to ask any question about the memorandum but I want to request him through you, Mr. Kul-karni was saying that it has been mentioned in the balance-sheet of the particular company. Where is the question of a *prima facie* case arising? It is an established case which the company itself has accepted. On

such a question if again an enquiry is made, it will mean delay because that balance-sheet has been submitted to the Company Law Board and you have gone into that balance-sheet the company accepts it and the Government accepts it. What further enquiry is necessary in order to establish a *prima facie* case whether they have got 300 per cent. profit or not because these are obvious questions? Here I should like to have your protection that the Government should be frank and forthright. Everything cannot be delayed by saying that the Government is examining whether there is a *prima facie* case. I think nothing has been mentioned in the Memorandum which has not a *prima facie* case, but the Government can take its attitude on other matters but where the balance-sheet is in question, which has been communicated to the Company Law Board, there how the question arises to examine it again because the balance-sheet is an authorised document which has been accepted by the Company Law Board?

SHRI ABID ALI: On a point of order. Is it not a fact . . .

SHRI RAJNARAIN: On a point of order . . .

MR. CHAIRMAN: So many points of order. It will be a disorder. There is a point of order by Mr. Abid Ali. He has begun first.

SHRI ABID ALI: I wanted to know from the Minister whether it is a crime to make more profit and pay more taxes to the Government.

SHRI NIREN GHOSH: What is the point of order?

MR. CHAIRMAN: You can put it in the form of a question. It is not a point of order. Now if all of you speak, how is it possible for me to conduct this House? I shall give opportunity for as many people as possible taking section section of the House into consideration. Shri Rajnarain, you state your point of order or put a question.

श्री राजनारायण अब आप ने सवाल पूछने के लिये कह दिया है, इसलिए मैं अब सवाल पूछ रहा हूँ। मेरा विनम्रता के साथ निवेदन यह है कि क्या सरकार कृपा कर के यह बतलायेगी कि प्राइमा फेमी केस क्या होना है और ज्यूडिशियल प्रोसीडिंग्स क्या हाती है? इस वक्त सदन के कराँव कगेव सभी सदस्य इस बात को अच्छी तरह से जानते हैं, तो मैं यह कहना चाहता हूँ कि प्राइमा फेमो के व्हाते किसी चीज को छिपाने का कोशिश अगर यहाँ पर होगी, तो इस सदन में अनावश्यक डग से बाइस रोज होगी। इस लिए आयन्दा सरकार इस चीज से बचे, इसलिये मैं आप के जग्ये यह सुझाव देना चाहता हूँ क्योंकि जहाँ हम आप की बड़ी इज्जत करते हैं, वहाँ हम देखते हैं कि आप बड़ी मुसीबत में कभी कभी पड़ जाते हैं। आप कितनी मुसीबत में पड़ जाते हैं, उम्मी मुसीबत को देख कर हम भी मुसीबत में पड़ जाते हैं। तो हमारा शुद्ध सवाल यह है कि विडला कर्मन के ऊपर जो आरोप लगाया गया है कि उन्हें गलत तरीके से लाइसेंस दिये गये, उन्होंने गलत तरीके से सरकारी कर्मचारियों को प्रोलोभन दे कर लाइसेंस लिये, उन्होंने अनेक मन्त्रियों तथा मन्त्रियों के परिवार के लोगों को खिजाया पिलाया और इस तरह से अनुचित फायदा उठाया।

श्री प्राविद अनी अयाजीशन वाला को चोर दरवाजे से दिया।

श्री राजनारायण तुम्हारा जवाब हम दे मकने हैं। उन्होंने फारेन एक्वेज में गडबडी की, उन्होंने इनकमटैक्स को ठीक तरीके से अधिकावियों को नहीं दिखाया, उन्होंने मजदूरी का अनेक प्रकार में शोषण किया, तो इन तमाम चीजों को मद्देनजर रखते हुए, कोई भी बात न छूटे इन सब चीजों की जाच करने के लिये सरकार कोई सयुक्त कमेटी ब्रिटिश होगी, जो इन सभी चीजों पर

विचार करे? मैं पूछना चाहता हूँ कि इस बात पर सरकार को क्या आपत्ति है?

दूसरी बात जो मैं कहना चाहता हूँ वह प्वाइंट ऑफ ऑर्डर से सम्बन्धित है। सरकार की ओर से कहा गया है कि अनरिम उत्तर मिला है और आखिरी उत्तर मिलने वाला है। अनरिम और आखिरी मैं क्या फर्क है? कोई भी नहीं बतला सकता है कि अनरिम क्या है और आखिरी क्या है? दुनिया में आखिरी किसी चीज का नहीं होता है। इसलिये जो उत्तर सरकार के पास आया है, जो विभिन्न विभागों ने भेजा है, उसी को यह सरकार मानकर पूरी जानकारी सदन को दे। सदन इन सब चीजों को समझना है, हम भी इन चीजों को अच्छी तरह से समझते हैं, इसलिये बेमनलब की बातें कह कर सदन का समय नष्ट करने की जरूरत नहीं है।

श्री फरहदोन अनी अहमद यहाँ पर सारी बातें आन्तेबल मेम्बर ने उठाई। सब से पहले यह कहा कि उन को जो लाइसेंस दिया गया तो उस के मुनल्लिक मने कह दिया कि उन को जो लाइसेंस दिये गये हैं उन की बाबत एकमपर्ट कमेटी जाच करेगी। जो मेमोरेन्डम के बारे में कहा गया है और उसमें जो दो तीन बातों का जिक्र किया गया है, उनके बारे में इससे पहले भी हाउस में डिस्कम हो चुकी है। दूसरा जो उन्होंने यह एनीगेशन किया है कि आफिपरा को खिजाया पिलाया गया है और इस तरह से लाइसेंस लिये गये हैं, तो मैं आप से यह कहना चाहता हूँ कि अभी तक मेरे पास किसी आफिपरा का नाम नहीं आया जिस के मुनल्लिक कोई एन्क्वायरी की जाय। इस तरह के जनरल आवर्जेशन करना, मैं समझता हूँ निहायत गलत है। अगर किसी के खिलाफ कोई खान एनीगेशन है, तो उस का नाम मुझे दिया जाना चाहिए ताकि उस का एन्क्वायरी की जा सके। तो इस तरह में कोई

इन्वॉयरी का सवाल नहीं आता है और आनरेबुल मੈम्बर हमेशा वज्जिरोँ का नाम बगैरह ले लेते हैं। मैं कहना चाहता हूँ कि मेरे पास इस तरह का कोई सबूत नहीं है, जिससे मैं कह सकूँ कि किसी वज्जिरी के जरिये उन्हें लाइसेंस दिये गये हैं।

चौथी बात उन्होंने यह कही कि अंतरिम और फाइनल रिप्लाय में क्या फर्क होता है, हमने यह तमाम चीजें हर एक मिनिस्ट्री को भेज दी थी। जैसा मैंने कहा कि दस मिनिस्ट्रियों से इस का ताल्लुक है और उन्होंने कहा कि यह सात, आठ वर्षों की पोजीशन की बाबत मामला है और अभी हम यही रिप्लाय दे रहे हैं। जब सब मिनिस्ट्रीज पूरे डिटेल्स भेज देंगी, पूरे कागजात बगैरह भेज देंगी, उस वक्त हम खयाल कर सकते हैं कि कोई प्राइमा फेसी केस है या नहीं। फिर आनरेबुल मੈम्बर ने कहा कि प्राइमा फेसी केस क्या होते हैं और दूसरे केस क्या होते हैं, यह जो क्वेश्चन है, यह लीगल ओपीनियन की बाबत है और इस में मैं कोई ओपीनियन नहीं दे सकता हूँ। अगर मेरी कोई एक ओपीनियन होगी तो दूसरे की दूसरी तरह की हो सकती है। मुझसे आप ने इन्फार्मेशन मांगी और मैं इन्फार्मेशन देने के लिए तैयार हूँ।

SHRI BHUPESH GUPTA: Is the Minister aware of the following: (1) The Birla Mills have been buying cotton for consumption for 10 to 12 months whereas they are entitled to buy only for 2½ months. And they are doing all this illegally. So I want to know whether it is not a fact that they are doing these things through fictitious names and . . .

MR. CHAIRMAN: What are you reading from Mr. Gupta?

SHRI BHUPESH GUPTA: My notes, Sir.

SHRI ABID ALI: Sir, please ask him to put a definite question.

SHRI BHUPESH GUPTA: I, therefore want to know whether it is also a fact that . . .

MR. CHAIRMAN: Mr. Gupta, you are capable of putting a question, I know. Therefore, you put a question. Do not refer to anything.

SHRI BHUPESH GUPTA: I am not referring to any document. These are my notes. May I know whether it is not a fact that Mr. M. D. Dalmia, Executive President, Birla Cotton Mills, Delhi, gets a total emolument of Rs. 20,000 per month whereas on the pay roll only Rs. 4,000 is shown? Is it a fact that Shri D. P. Mandelia, the highest Executive Officer, ranked Is No. 1 in the Birla organisation is getting about Rs. 30,000 per month though a much lower figure is mentioned in the books? Is it not a fact that Shri T. C. Saboo who looks after the Hindustan Aluminium Factory at Renookut gets emoluments totalling up to Rs. 20,000 a month and yet a much lesser amount is shown on the records?

MR. CHAIRMAN: You put your question.

SHRI BHUPESH GUPTA: These are questions, Sir. You see this main question here relates to corruptions and malpractices being practised in industrial units under the control of the Birla Group of Industries. So I am asking whether the Government is aware of these things. I ask them whether it is a fact that Shri S. N. Handu of Messrs. Keshoram Industries and Cotton Mills, Calcutta gets a total emolument of Rs. 20,000 though the figure shown in the books is much less? And then again, is it not a fact that Shri Radha Kishen Birla who is now a Member of Parliament, gets about Rs. 15,000 a month and a much lower figure is shown in the books? So I should like to find out from the hon. Minister whether he has found out by a proper enquiry this particular type of malpractices which the Birla group is indulging in, paying their high executives fabulous

salaries and also perquisites and other facilities, at the same time showing very small figures, which means corruption and malpractice, which means black money and which means unaccounted money passing into their hands? Also I would like to know whether it is a fact that as a result of the searches and seizure made at the Birla concerns on the 14th June, 1967 very little could be found because they had earlier information and so they had removed much of the materials to other places, to their residences and also to their own underground cells? And finally . . .

SHRIMATI C. AMMANNA RAJA:
On a point of order, Sir.

(Interruptions.)

SHRI ABID ALI: Sir, the lady is on a point of order.

SHRI BHUPESH GUPTA: What point of order?

SHRIMATI C. AMMANNA RAJA:
Sir, on a point of order, I submit that a question should not contain more than 150 words and it should be specific and should arise from the main question . . .

SHRI BHUPESH GUPTA: That is when the notice is given of the question and . . .

MR. CHAIRMAN: You please sit down. Let me hear the lady Member.

SHRIMATI C. AMMANNA RAJA:
Sir, though the question may be very important it should not occupy almost the whole of the Question Hour. The question should be brief and should not contain more than 150 words and it should be specific. We have already taken 25 minutes on this one question, Sir.

SEVERAL HON. MEMBERS: No, no.

MR. CHAIRMAN: I quite agree with the hon. Member.

SHRI BHUPESH GUPTA: Sir, it is clear that the stipulation of 150 words relates to the written question. When we give notice of a question it should not contain more than 150 words. But that does not apply in the case of supplementary questions.

SHRIMATI C. AMMANNA RAJA:
For written questions it is 150 words and for supplementary question it is much less.

SHRI NIREN GHOSH: What is she saying?

MR. CHAIRMAN: She is an ex-Deputy-Speaker and I should pay attention to what she says.

SHRI BHUPESH GUPTA: As for being Deputy-Speaker, Sir, even I am qualified to be a Deputy-Speaker. Being a Deputy-Speaker is hardly any qualification. My question here is whether any enquiry has been made to find out the truth about these malpractices and . . .

SHRI ABID ALI: May I request you, Sir, to kindly give your ruling on the point of order raised by the hon. lady Member? Mr. Gupta is putting supplementary questions which are not connected with the main question. Please give your ruling on that.

SHRI BHUPESH GUPTA: I think I have been particularly relevant. You see the main question and then see my supplementary questions also.

SHRI M. M. DHARIA: Sir, on a point of order. Sir, the main question that is printed here relates to malpractices and corruptions indulged in by the Birla Group of Industries and the hon. Minister while replying said that one committee has been appointed and he will see the report of that committee and then think of having any enquiry commission. Now the material point is that all this will take time. And there are so many allegations men-

tioned in the memorandum submitted by Shri Chandra Shekhar and they are categorical and clear. Under these circumstances if the hon. Minister gives further time during which there may be manipulations of their affairs by these concerns, it will not be possible to have justice done. Therefore under these circumstances if the hon. Minister is likely to take some more time to appoint this commission of enquiry, I would like to know from the hon. Minister what he would do with the account books of these concerns, what he is going to do with the black money with the Birlas and so on. There are very many factors concerned here and therefore these questions that are now raised are quite relevant. Even the question of Shri Bhupesh Gupta is also relevant. So we should be allowed to put these relevant questions and the hon. Minister should be asked to make a statement that until this commission of enquiry is appointed the Birlas shall not be given any opportunities to manipulate matters and the Government should stand firm in this and the Government should not give way. The memorandum is very clear and this matter should be decided now. Otherwise it will not have any end.

SHRI BHUPESH GUPTA: Sir on a point of order. You kindly read the main question: "whether the Prime Minister has received any memorandum against the Birla Group of Industries regarding corruption and malpractices being practised in the industrial units under their control"; and then judge whether our questions relate to the main question or not. (Interruptions). Let me finish this one point. I have got a hundred more questions but I will not ask them now. But I would like to know now whether the Birlas have established their offices in London as M/s. East India Produce Company, Limited London, and as M/s. American Produce Company, Limited, New York for quite a long time and have passed

special resolutions in the extraordinary general meetings of their different companies in order to set apart large portions of the money and thus deny foreign exchange to the Government to the extent of 10 per cent on all their transactions which will be set apart as commission. These are some of the allegations which I have brought to the notice of the Government and I should like to know whether the Government is aware of these things, and also that the searches that were conducted brought out nothing because the records and other materials were removed from those places to their residences which could not be searched and also some of the things were sent to the underground cellars.

SHRI FAKHRUDDIN ALI AHMED: Sir, it has been very difficult for me to follow the points raised by the hon. Member because while he was putting these questions there were also points of order raised and some other questions or points of order were raised by some other hon. Members also. But I would like to point out here that what the hon. Member is reading from, if he would hand over that paper to me I will certainly look into it and . . .

SHRI P. K. KUMARAN: You already know all those things.

SHRI FAKHRUDDIN ALI AHMED: I will certainly look into it. My memory is not as good as that of the hon. Member. But certainly, as I said, if an enquiry is called for that will be undertaken. But I must be satisfied that there is a *prima facie* case.

شری اے۔ ایم - طارق : کیا وزیر صاحب
مہربانی کر کے یہ بتائیں گے کہ انہوں نے
جو بمبئی کے ایک اخبار میں جس کا
نام بلتیز ہے پچھلے ہفتہ بڑا صاحب کے
خلاف چارجز کی بڑی لمبی فہرست

شائع ہوئی ہے اس کو دیکھا ہے - اس کے علاوہ میں یہ بھی جاننا چاہتا ہوں کہ کیا سرکار کو یہ عام ہے کہ بٹلاز کے خلاف کافی کیسز ہوئے ہیں - بہت سے کیسز کی باقاعدہ تحقیقات ہوئی - تحقیقات مکمل ہو چکی ہے پھر بھی بٹلاز کے خلاف سرکار کوئی ایجنشن نہیں لیتی ہے - اور کیا وزیر صاحب کو یہ بھی علم ہے کہ ابھی حال ہی میں مسٹری آف اسٹیل کو بٹلاز نے چھہ کروڑ روپے کے لئے ایک درخواست دی تھی اور ایک ممبر آف پارلیمنٹ جن کا نام آر - کے بٹلا ہے انہوں نے مسٹری آف اسٹیل کے ساتھ بات چیت کی اور ان کو ایک پرائیویٹ خط لکھا اور مسٹر صاحب نے ان کو یقین دلایا کہ وہ چار کروڑ سے چھہ کروڑ کم دیں گے اور ان سے یہ بھی کہا گیا کہ بٹلا نے لوگ آل ریلوی فہرست میں بیٹھے ہوئے ہیں اور ان کا یہ چار کروڑ سے چھہ کروڑ کو دیا جائے - اگر یہ حالت ہے تو ان حالات میں سرکار کس طرح سے کوئی انکوائری مکمل کر سکتی ہے - ہم وزیر صاحب سے اس کا جواب ماننا چاہتے ہیں -

[श्री ए० एम० तारिफ़ : क्या वजीर साहब मेहरबानी करके यह बतायेंगे कि जो बम्बई के एक अखबार में जिसका नाम ब्लिटज है, पिछले हफ्ते बिडला साहब के खिलाफ चाजेंज की बड़ी लम्बी फइग्न शायी हुई है, उमका देखा है। उस के अलावा मैं यह भी जानना चाहता हूँ कि क्या सरकार को यह

इल्म है कि ब्रिडलाज के खिलाफ काफी केसेज हुए हैं। बहुत से केसेज की बाकायदा तहकीकात हुई। तहकीकात मुकम्मिल हो चुकी है फिर भी ब्रिडलाज के खिलाफ सरकार कोई एक्शन नहीं लेती है; और क्या वजीर साहब को यह भी इल्म है कि अभी हाल ही में मिनिस्ट्री आफ स्टील को ब्रिडलाज ने 6 करोड़ रुपये के लिए एक दरख्वास्त दी थी और एक मेम्बर आफ पार्लियामेंट (जनका नाम आर० के० बिड़ला है, उन्होंने मिनिस्टर आफ स्टील के साथ बातचीत की और उनको एक प्राइवेट खन लिखा और मिनिस्टर साहब ने उनको यकीन दिलाया कि वह चार करोड़ से 6 करोड़ कर देगे और उनसे यह भी कहा गया कि बिड़ला के लोग आलरेडी फेहरिस्त में बैठ हुए हैं और उनका यह चार करोड़ से 6 करोड़ कर दिया जाए। अगर यह हालत है तो न हालात में सरकार किस तरह से कोई इन्क्वायरी मुकम्मिल कर सकती है। हम वजीर साहब से उसका जवाब जानना चाहते हैं।]

श्री फखरुद्दीन अली अहमद : जहां तक कि आपके सवाल का जवाब है रिप्रेजेंटेशन जरूर दिया लेकिन मिनिस्टर आफ स्टील ने यह नहीं कहा कि 4 करोड़ से 6 करोड़ कर देगे । इसी तरह से बहुत सी सुनी सुनाई बातों पर डिपेंड करना और यह कहना कि मिनिस्टर ने यह कर दिया वह कर दिया, यह मैं समझता हूं कि कितना मुनासिब है, यह उनको सोचना चाहिये और मिनिस्टरान से पूछना चाहिये कि आया उन्होंने ऐसा किया या नहीं ।

SHRI B. K. P. SINHA: Mr. Chairman, I want to bring to your notice that the question relates to the Minister of Steel, who is here. Let him explain, so that people know which version is correct.

डा० एम० चन्ना रेड्डी : सदर साहब,
यह कि स्टील मिनिस्टर के साथ किसी किस्म
की किसी मिलसिले में हुई गुप्तगू का जो
आनरेबिल मेम्बर ने अभी जिक्र किया, तो

श्री आर० के० बिड़ला साहब जो लोक सभा के मेम्बर हैं उन्होंने जरूर आ कर एक केस मैं रिप्रजेंट किया है . . .

SHRI BHUPESH GUPTA: He will get, who gives Rs. 50,000.

DR. M. CHANNA REDDY: You do not seem to understand Urdu.

SHRI ABID ALI: He does not claim to understand anything.

डा० एन० चन्ना रेड्डी : जो उन्होंने बिहार एलाय प्लांट के ताल्लुक से, जिस को लेटर आफ इंटेंट दो साल पहले दिया गया उस के ताल्लुक से, हमारे नजदीक रिप्रजेंट किया कि उसका पीरियड एक्सटेंड किया जाय । इस की स्टील मिनिस्ट्री में जांच की जा रही है और उस वक्त तक हम कोई खत का जवाब दे नहीं सकते । एलाय स्टील की कितनी जरूरत है, एलाय स्टील प्लांट कितने होने चाहियें और इस वक्त हमारे को फारेन एक्सचेंज की, खास तौर पर फ्रेंच क्रेडिट की, कितनी गुंजाइश है, इन सब बातों को देखने के बाद ही हम किसी नतीजे पर आ सकते हैं । और यह कि आर० के० बिड़ला साहब को कोई एश्योरेंस दिया गया, यह बिल्कुल गलत है और बेबुनियाद है और कोई खत भी नहीं लिखा गया ।

SHRI A. M. TARIQ: Sir, on a point of order . . .

(Interruptions)

MR. CHAIRMAN: You allow me to conduct the proceedings in a proper manner. All these things I am sorry to say, I am extremely sorry to say. Mr. Khandekar.

SHRI A. M. TARIQ: Sir, on a point of order. Just a seccnd. What I have said is based on the information I got, but the hon. Minister has said that it is baseless. May I request, through you, the hon. Minister to place it on the Table of the House . . .

SHRIMATI C. AMMANNA RAJA: There is no point of order.

SHRI A. M. TARIQ: You are not in the Chair. Will you please keep quiet?

MR. CHAIRMAN: The Minister has made a statement. You can go into the matter later. Mr. Khandekar.

(Interruptions)

SHRI A. M. TARIQ: Either he should be asked to place it on the Table, or I should be allowed to place it on the Table of the House.

श्री राजनारायण श्रीमन्, आप ने उन का प्वाइंट आफ आर्डर सुना और आप कुछ बोले नहीं । हम तो बिल्कुल बेवकूफ हो कर बैठे हैं ।

MR. CHAIRMAN: The Minister has replied. The Minister's reply is there.

SHRI R. S. KHANDEKAR: I come from Gwalior, where Birlas have a very good industry and a vast concentration of capital. I know that there is tax evasion in the mill. I have raised this matter many times in this House, but nothing has been done. They have their registered office in Calcutta and they are evading taxes all the time. Secondly, they employ sons and relations of very high people, including Judges, Ministers and people in higher society. They have nothing to do except getting their salaries. Recently there was a case about stocking excess cotton. Searches were made. I personally know that the Birla management came here rushing and tried to hush up the matter. Various sorts of allegations have been made now and then. I do not know about the other Birla concerns, but I know about the Gwalior Mills of Birlas. I know personally so many things. In view of these, may I know whether the Gov-

ernment is going to appoint a Commission of Enquiry and investigate all such charges? I do not want that they should be maligned in any way. There should be a fair trial. It should be fair on both sides. Therefore, is the Government prepared to appoint a Commission of Enquiry with wide terms of reference, so that everything would be clear and this confusion will not be there? At least Birlas or the Government or those who make these allegations will be cleared of these charges. The Government should categorically answer this question, because unnecessarily confusion is created that Birlas employ so many M.Ps., Birlas have connection with so many Ministers, Birlas engage so many sons of high people. So, let this matter be cleared and let the country know how the matter stands.

SHRI FAKHRUDDIN ALI AHMED: As the hon. Member is aware, certain allegations have been received by the Government and if there are further allegations they can be forwarded to me. I shall look into them and, if necessary, the matter will be looked into further.

श्रीमती विद्यावती चतुर्वेदी : श्रीमन् प्वाइंट आफ आर्डर । मेरा प्वाइंट आफ आर्डर यह है कि एक प्रश्न में ही चालीस-चालीस मिनट लगा दिये जाते हैं । अगर कोई इतना इम्पोर्टेंट क्वेश्चन है तो उसके लिये आप एक घंटा, आधा घंटा अलग से चर्चा के लिये दे सकते हैं । बहुत से महत्वपूर्ण प्रश्न हैं और सारा समय केवल एक प्रश्न में चला जाता है । इसमें आपकी व्यवस्था होनी चाहिये कि कम से कम कितने प्रश्न एक घंटे में हो जाय । एक प्रश्न में ही पूरा समय चला जाता है इसको बहुत ध्यान में रखने की जरूरत है । श्रीमन्, इस बारे में आपकी व्यवस्था हो ।

SHRI KOTA PUNNAIAH: It is a very simple question. May I know

whether any cases have come to light where import duty drawback claims have been made and realised far in excess of the actuals? Will the Government reopen and check these, particularly for 1964-65; 1965-66; and 1966-67 to find out actual facts?

SHRI FAKHRUDDIN ALI AHMED: Yes, Sir. I shall look into it.

SHRI NIREN GHOSH: May I know whether it is a fact that the capacity of the Hyderabad Asbestos Cement Products Limited, which was for 20,000 tonnes in 1955, has gone up to 2,20,000 tonnes of production and without any industrial licence having been granted or any permission having been obtained the company got foreign exchange? Is it a fact that company got foreign exchange without any query about the missing permission or licence? This is the first question. Secondly, may I know whether the Government is aware of the fact that during the last twenty years, times without number, several allegations of corruption, swindling, defrauding the public exchequer, foreign exchange violations, etc. have been made? Is the Government aware that before the Income-tax Investigation Commission Birlas were hauled up and their *benamdars* were forced to come to terms by giving several crores of rupees and they ultimately gave it up? May I know whether the Government is aware that cloth has been made to sub-standard specifications and there is also black-marketing in cloth, etc.? Foreign exchange violations are also going on. Now, the question arises. It is the overwhelming sense of the House that a Commission under the Commissions of Inquiry Act should be appointed here and now. May I know whether the hon. Minister is going to respect the wishes of the House? If the Government is going to shield Birlas the entire Government of India will be under a cloud of suspicion that they have got a sort of interests in Birlas. May I know whether he is

going to give us an assurance here and now that such a Commission will be appointed? This is the point.

SHRI FAKHRUDDIN ALI AHMED: I have nothing more to say.

SHRI NIREN GHOSH: What did he say? I want to know his answer.

MR. CHAIRMAN: You don't hear him.

SHRI K. CHANDRASEKHARAN: Would the hon. Minister be pleased to state before this House that a Commission of Inquiry as demanded by the ruling party members themselves would be set up before this session of the Rajya Sabha ends or at least before the next session of the Rajya Sabha?

SHRI NIREN GHOSH: No, no; here and now.

SHRI FAKHRUDDIN ALI AHMED: I am sorry I cannot oblige the hon. Members and appoint a Committee of Enquiry here and now unless and until the matter has been examined by me and I am satisfied that there is a *prima facie* case. If there is a *prima facie* case . . .

(Interruptions)

SHRI BHUPESH GUPTA: Sir, on a point of order. As you see, there is an overwhelming demand that there should be an enquiry but the Minister says that unless he is satisfied he would not do it. Do I understand . . .

(Interruptions)

SHRI CHANDRA SHEKHAR: Mr. Chairman, you give me just one minute. I want only a minute to satisfy the hon. Minister that there is a genuine case for a Commission of Inquiry to be appointed. I want the indulgence of the House for one minute.

SHRI NIREN GHOSH: If the House is satisfied he cannot say he will not appoint a Committee.

SHRI CHANDRA SHEKHAR: While replying to a supplementary the hon. Minister for Industrial Development accepted in this House that forged scrips of the Hindusthan Motors were on sale in the Stock Exchange of Calcutta and the Minister said that that matter was under investigation. And this is not the first time. I have got a circular that was issued by the Bombay Stock Exchange on 14th December, 1965 where Birlas themselves reported that forged shares of Hindusthan Motors were on sale. For two years they have been saying that the matter is before the Company Law Affairs and the police and after two years the hon. Minister comes again and says that forged shares of the Hindusthan Motors are on sale in the Stock Exchange. Nothing can be a greater crime than allowing forged shares to be sold in the market and this is continuing. What more *prima facie* case does the hon. Minister want? If nothing more, let him make it clear that he will appoint a Commission of Inquiry at least in respect of the sale of forged shares of Hindusthan Motors. A copy of this circular perhaps has been sent by my hon. friend, Shri M. P. Bhargava, to the hon. Minister himself. Here I have a copy of another letter of the Deputy Chief Controller of Imports and Exports in which he has categorically stated that the behaviour of this firm raises a serious doubt and that the Government should be very cautious in dealing with this firm. This letter was issued in 1963. It is now four years and may I know what the Government has done? In 1965 they have themselves reported to the police that forged shares are in the market and in 1967 the hon. Minister himself admitted that forged shares are on sale in the market. Are these two things not enough? With your permission, Sir, I shall read the letter of the Deputy Chief Controller of Imports and Exports. This is a confidential circular No. 18/63-64, dated 8th July, 1963: It says:

"For a period of two years, from the date of issue of this circular, all

the Licensing Authorities are hereby requested to scrutinise carefully all the applications for issue of Import/Export Licences or Customs Clearance Permits, etc. and accompanying documents, if any, received from Messrs. The Century Spinning and Manufacturing Co. Ltd., Industry House, 153, Churchgate, Bombay, and their proprietor, partners, directors and branches, if any, before licences, etc. are actually issued, as their *bona fides* are not free from doubt.

Receipt of this circular may please be acknowledged in the attached pro forma.

(Sd.) SUSHIL KUMAR,
Deputy Chief Controller of
Imports and Exports."

These are two documents which are Government documents and the documents of Birlas themselves. Do these two documents not indicate enough for taking action against this industrial house?

SHRI NIREN GHOSH: More than enough.

SHRI CHANDRA SHEKHAR: And why does the hon. Minister go on saying that a *prima facie* case is not established? Sir, you look into all these documents and you yourself decide whether there is a *prima facie* case or not. All these circulars go to the Birlas before they go to the various Departments. And so what else can I do except bringing some facts before the hon. Minister and the Government? After three months if you are going to appoint a Commission of Inquiry nothing is going to happen because all the papers will be destroyed. They are already destroying the papers. Mr. Chairman, I seek your protection in the name of democracy. Nothing can be done in his country if the Government goes on saying that they are examining the matter and that they will take care of it if they are convinced that here is a *prima facie* case. So I

want at least in the case of these Hindusthan Motors the Government should accept the demand for the appointment of a Commission of Inquiry.

SHRI NIREN GHOSH: Sir, you take the sense of the House and if you feel it is the sense of the House that a Commission of Inquiry should be instituted, then you direct the Government accordingly.

SHRI M. M. DHARIA: Sir, I would like to make it clear that before the next session if this Commission of Inquiry is not appointed . . .

SOME HON. MEMBERS: No, no.

(Interruptions)

SHRI M. M. DHARIA: Before we reassemble for the next session if this Commission of Inquiry is not appointed we shall take a very serious view of the matter. I would like to make it very clear to the Government.

(Interruptions)

SHRI BHUPESH GUPTA: And I will extend full co-operation.

श्री राजनारायण : श्रीमन्, मेरा एक सुझाव है। चूँकि श्री चन्द्र शेखर जी को हमने सुना है और चन्द्रशेखर जी की बात हमको इतनी साफ लगती है कि . . .

श्री आबिद अली : मिनिस्टर जवाब दे रहे हैं।

श्री राजनारायण : हम तो उनका घेराव करने जा रहे हैं। आपकी आज्ञा से उनको घेर कर बैठने जा रहे हैं।

श्री आबिद अली : आन् ए प्वाइन्ट आफ आर्डर।

श्री राजनारायण : नो प्वाइन्ट आफ आर्डर।

SHRI ABID ALI: Let the Minister reply.

श्री राजनाथरायण : चन्द्र खिर जी ने जितने एन्क्वायर्स लगाये हैं उससे राफ़ हो गया है कि . . .

MR. CHAIRMAN: Please sit down.
(Interruptions.)

श्री राजनाथरायण : हम तो उनको घेरा देंगे ।

(Interruptions.)

MR. CHAIRMAN: I am sorry this kind of disturbance is not conducive for any deliberations. This becomes almost a fish market. I am very sorry to use that word; I should not really use that word because it takes away my dignity and the dignity of everyone. The hon. Minister is trying to answer. You should listen to him.

SHRI ABID ALI: He does not allow him to answer.

SHRI FAKHRUDDIN ALI AHMED: I have listened with careful attention to the two cases pointed by the hon. Member. So far as the case of the Hindusthan Motors is concerned, the only thing that I would like to point out at this stage is that in that matter the question of an enquiry does not arise because the matter is already under police investigation and I think in public interest hon. Members would not press me to disclose further information as to what steps we are going to take in that matter. (Interruptions). Since that matter is already under police investigation, what further action is going to be taken, I am not prepared to disclose at this stage.

(Interruptions.)

SHRI ARJUN ARORA: May I know if the hon. Minister is aware that we may not have much time? He is pleading for time. He is pleading for completion of the various processes. May I know if he is aware that the

Birla lobby, Birla's contactmen, Birla's agents, Birla's henchmen and Birla's political machinery have already launched a campaign . . .

AN HON. MEMBER: Blitzkrieg.

SHRI ARJUN ARORA: . . . against the Minister, the Minister of State, and his Ministry? If he does not act with speed, the powerful political influence of Birlas may not allow him to remain in the Ministry and complete the process.

SHRI ABID ALI: May I know from the hon. Minister whether the terms of the enquiry which he is going to institute will include how much money Birlas have been giving to some of the opposition parties, and whether it is not a fact that the contribution by Birlas to them has not been quite to their expectation and therefore they are making a hullabaloo?

SHRI BHUPESH GUPTA: How much money he is giving to you?

SHRI B. D. KHOBARAGADE: A number of instances have been cited by many Members about the corruption and malpractices that have been indulged by the Birla House and the Birla group of industries, and the hon. Minister has said that some police investigation is going on in some cases of the Birla group. It only proves that there is *prima facie* evidence against Birlas and it clearly proves that the Birla group people are indulging in all kinds of malpractices. Therefore, when the demand is being raised from all corners of the House, not by one single Member but by almost all sides of the House, then I do not understand what difficulty is there for the hon. Minister to appoint a Commission. This question has been discussed not only in this House but throughout the whole country and in the press as well and various allegations have been made against the Birlas. When will the hon. Minister awake from his

Kumbhakarna-like slumber and appoint a Commission for making such an enquiry? Otherwise it will give an impression that some Ministers of the Government are on the payroll of the Birlas. This allegation was made by Mr. Arora in the last session and he has said that if his allegations are not proved, he will resign from the membership of this House. We do not know what has happened to that allegation. Mr. Arora has not resigned from the membership of the House. It only means *prima facie* that Mr. Arora's allegations are correct. Therefore, what I would like to say is this. If any Commission is to be appointed, it should be appointed before the end of this session because the next session will begin after three months. Three months' time would be a long time and it would give a chance and scope to Birlas to manipulate things and destroy all relevant records. Therefore, I would like to submit that the Commission of Inquiry should be appointed as early as possible.

SHRI AKBAR ALI KHAN: Sir, I would most respectfully submit that the House and the Government are in full possession of the sentiments of the House. Now the Government wants time to consider this important matter. I request you to proceed with the other questions. We have got a right to say, those who have given other questions, that one question should not take up so much time.

SHRI NIREN GHOSH: If the sense of the House is for the appointment of a Commission of Inquiry, you direct the Minister to appoint the Commission.

SHRI BHUPESH GUPTA: Fortunately we have now here the Leader of the House who also at one time helped in a very important enquiry. He understands our sentiment. I should like to know, in view of the very strong sentiments expressed

buttressed by facts and other things and serious allegations from Members on both sides of the House about the Birla concerns demanding an immediate enquiry under the Commission of Enquiry Act into the affairs of the Birla concerns and the Birla House, whether the Leader of the House will give expression to the sentiments by advising his Government to institute such an enquiry? In such a matter it is the task of the Leader of the House to rise above party questions and act as leader of the House, as the tribune of the entire House, when the sentiment of the House is expressed in this voluminous manner and unanimous manner. Therefore, I request Mr. Chagla to say something on the subject. Unfortunately he was not present. It has never happened in Parliament for fifteen years. I have been here since 1952, and never a single question aroused so much interest and elicited so much information and at the same time inspired so many Members to ask so many questions in public interest. It is an extraordinary thing, an extraordinary issue, an extraordinary matter, an extraordinary problem. Therefore, I hope the Leader of the House would come to the rescue of our honour and dignity and impress upon the Government the urgency of an immediate, thorough public enquiry. The entire matter should be left in judicial hands and nobody else's hands.

SHRI M. C. CHAGLA: Fortunately or unfortunately I was not here when the strong sentiment was expressed by the House. But I see the House has been making history. As my friend said, one question has been discussed for one hour. I will carefully go through the proceedings and I will certainly convey to the Prime Minister the strong sentiment expressed by the House.

MR. CHAIRMAN: Next question.