

PAPERS LAID ON THE TABLE**MINISTRY OF COMMERCE NOTIFICATIONS**

THE MINISTER OF STATE IN THE DEPARTMENTS OF PARLIAMENTARY AFFAIRS AND COMMUNICATIONS (SHRI JAGANNATH RAO) : Sir, on behalf of Shri Manubhai Shah I lay on the Table a copy each of the following Notifications of the Ministry of Commerce, under sub-section (3) of section 17 of the Export (Quality Control and Inspection) Act, 1963 :

- (i) Notification S.O. No. 2216, dated the 22nd July, 1966, publishing the Export of Rubber Ice Bags (Inspection) Rules, 1966.
- (ii) Notification S.O. No. 2377, dated the 6th August, 1966, publishing the Export of P.V.C. Leather Cloth (Inspection) Rules, 1966.
- <iii) Notification S.O. No. 2454, dated the 12th August, 1966, publishing the Export of Gum Karaya (Inspection) Amendment Rules, 1966.
- <Liv) Notification S.O. No. 2459, dated the 16th August, 1966, publishing the Export of Rubber Hot Water Bottles (Inspection) Rules, 1966.

[Placed in Library, see No. LT-6922/ 66 for (i) to (iv).]

NOTIFICATION UNDER THE ESSENTIAL COMMODITIES ACT, 1955

SHRI JAGANNATH RAO : Sir, I also lay on the Table a copy of Notification S.O. No. 2314, dated the 30th July, 1966 issued under section 5 of the Essential Commodities Act, 1955. [Placed in Library. See No. LT-6995/ 66.]

SIXTH REPORT OF THE COMMITTEE OF PRIVILEGES

SHRIMATI VIOLET ALVA (Mysore) : Sir, I beg to present the Sixth Report of the Committee of Privileges.

**MESSAGE FROM THE LOK SABHA
THE ESSENTIAL COMMODITIES (AMENDMENT) BILL, 1966**

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

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in the Lok Sabha I am directed to enclose herewith a copy of the Essential Commodities (Amendment) Bill, 1966, as passed by the Lok Sabha at its sitting held on the 31st August, 1966."

Sir, I lay the Bill on the Table.

THE JAYANTI SHIPPING COMPANY (TAKING OVER OF MANAGEMENT) BILL, 1966-cow/d.

MR. CHAIRMAN : When the House adjourned the Minister had just concluded his speech.

THE MINISTER OF TRANSPORT, AVIATION, SHIPPING AND TOURISM (SHRI N. SANJIVA REDDY) : Sir, I would like to make a few more observations in just five minutes. I would like to place before the hon. Members a few facts so that the discussion may be directed on the proper lines because, otherwise, they may say, "why was this delay" ? And yesterday I had said that we had taken very quick action and I would now like to give the dates also as to what action we had been taking then and there. We began taking action on the 24th, and in between there were two or three holidays also—the Republic Day holiday and other holidays fell—and we took the final decision about appointing an inquiry committee on the 2nd February—this is about seven or eight days later, Sir, from the beginning. And after that the committee could not function effectively because he was not co-operating. We held a meeting in the Finance Minister's room on the 6th June, 1966, and papers were submitted to the Cabinet on the 8th June and this decision given by the Cabinet was on the 9th June, and

and the Ordinance was passed and the company was taken over on the 10th June. It is within a matter of hours, Sir, that we took this decision. But my friend.. Mr. Dahyabhai Patel, may be harping on one or two points and asking, "The Home Minister got my letter on the 9th May. What happened ? What did he do ? Why did he not arrest him ? Why did he not impound his passport ?" Now this was a point that Mr. Dahyabhai Patel would like to press, and so I would like to give him information in advance, so that it will be easier for him also to appreciate the position. When the Home Minister received that letter with photostat copies from him—he said that the Home Minister received it on the 9th May—the Home Minister, and the Transport Minister with all the officials, I mean the Home Secretary and other officers concerned, all of them met in the Home Minister's house on the 15th, within seven days of his writing to the Home Minister, to find out whether there was any material to arrest him or impound his passport. I would like to give the information available at that meeting. I have got the minutes of the meeting where Nandaji and all the others were there, and it was discussed by the Home Secretary and other officials in the Ministries also, and, therefore, it decided, Sir, that with the available material they could not arrest him, that they could not impound his passport either, and that they could wait for better materials when they could take action. Now, this was the decision taken because, Sir, in the other House, Mr. Madhu Limaye said that they wanted to arrest him but somebody else came in the way and prevented it. Evidently, the same impression seems to be existing here also in the mind of Mr. Dahyabhai Patel. It is not so as a matter of fact. In the meeting it was the officials including Mr. S. Kohli, and also others felt that the materials that were before them—the letter and the photostat copies sent by Mr. Dahyabhai Patel—were not enough to arrest him, or to impound his passport. Therefore it was not as though no action was taken when *he sent some information. It was discussed at the highest level, the

Home Minister himself being there, and all the officers of the Transport Ministry, and everybody else being there. Then it was decided that we had to wait and gather more materials, so that we could impound his passport or arrest him. Therefore this action was taken and this was on the 15th May. So very quick action was taken on this affair, and I am sure the whole House is one with the Government that the best thing that could be done was to take over this company so that we could bring to light the irregularities committed by Mr. Teja. I think, Sir, it should satisfy my hon. friends that we have taken action and taken quick action, and if still they disagree with the action taken, I have absolutely no objection. They have a right to disagree. As I said, after Mr. Dahyabhai's letter all the Ministers and all the senior officers met, but they found that the material was not yet enough, until we proved something else, to arrest him. They may still disagree and they may say that we ought to have arrested him. I am only giving them the action taken in quick succession within one week of the receipt of Mr. Dahyabhai's letter with photostat copies. Action was taken week after week and quick decisions were taken. We took the decision at a meeting of the Cabinet Sub-Committee consisting of myself, the Finance Minister and the Law Minister, and we took the decision on the 6th of June. On the 8th papers were submitted to the Cabinet. On the 9th the Cabinet took the decision; and on the 10th the Ordinance was promulgated. So it was a gap of twenty-four hours for each meeting. Now this is the information I wanted to place before them and I thank you for the opportunity you provided for me to point all this out.

SHRI DAHYABHAI V. PATEL (Gujarat) : Sir, I would like, having heard the hon. Minister speak just now, to seek one clarification. I did not get the date properly. Did the hon. Minister say that the decision to appoint the inquiry committee was taken on the 2nd of February ?

SHRI N. SANJIVA REDDY : It was on the 2nd of February. That is why I collected the figures.

SHRI DAHYABHAI V. PATEL : If this fact is true, then why was it denied in the House, Sir ? My questions were asked in March about the arrest of ships of this company. Why did the hon. Minister not come forward and say till July, till August, that they had taken the decision to appoint a committee of inquiry? Now this is dodging the question. I do not think the hon. Minister is fair to the House in the manner in which he is trying to put up this matter. Sir, this, I think, is enough to look after what he has said just now.

Now, Sir, coming to what I was about to say, or what happened, there was an interruption, a loud interruption, Sir., yesterday in the House, and somebody remarked—my friend who has got a loud voice here—that I was a particular friend of Dr. Teja. Sir, the English language is such that the word 'friend' can be construed to mean anything. It is the practice in Parliament to refer to each other as my friend the hon. Member. But what exactly does the gentleman mean to convey by 'friend' ? He says that he has evidence, or some photostat copies. I do not know. He has not passed on any cheque or any money to me. If he has got photostat copies, let him produce them. He says I partook of his hospitality. Now 'hospitality' is a term also which is something, which can be wide, which can mean very much, which can mean nothing. Hospitality can mean anything. I know which Ministers of the Government have enjoyed it and gone and stayed in his villa in Tokyo and in Paris. Sir, I have been to Tokyo after this company had been formed. I did not meet him nor anybody concerned with this company. It is quite true that I went and saw a Jayanti ship at Goa during a trip which was sponsored by the Ministry of Parliamentary Affairs. I was requested by the Government, by the Secretary of the Ministry., along with other Members who came with us. They included Shri P. N. Kathju and Pandit Tankha, Members of this House and there were so many others from the other House also. And there were two employees

of the Ministry of Parliamentary Affairs who looked after our comforts just as they do when Members of Parliament are taken to see public sector projects. I think this was a crude attempt to malign me and I would request this House and the people outside to dismiss it. We know what such loud voices try to fling here. The Congress Party is very chary of criticism. They complain about a campaign of mud-slinging. Let them hold a mirror to their own face and say what this is. This is what I want to know. Will the hon. Minister apologise for this ? I should like the hon. Minister to apologise to this House.

SHRI ARJUN ARORA (Uttar Pradesh) : If you will permit me, Sir, I shall place on the Table of the House a photostat copy that I had yesterday. I have it here with me now.

MR. CHAIRMAN : No, I don't think I will, unless I have seen it.

SHRI ARJUN ARORA : I am only requesting you to permit me to place it on the Table of the House.

SHRI DAHYABHAI V. PATEL: The allegation was that I partook of his hospitality. It was no partaking of hospitality. As I said it was something sponsored by the Ministry of Parliamentary Affairs and when we had gone there we were taken to see the ship alongwith some 15 Members of Parliament.

SHRI ARJUN ARORA: Not that alone. I have something more.

MR. CHAIRMAN : Mr. Arora, please let him go on.

PANDIT S. S. N. TANKHA (Uttar Pradesh) : If I may correct my hon. friend, this trip was not sponsored by the Ministry of Parliamentary Affairs. The trip was sponsored by the Ministry for going to Bombay to see certain public sector undertakings. We went and saw those undertakings and in the course of our stay in Bombay, and even before that, Dr. Teja represented to us and requested us to go over to Goa to see one of his ships which was there at the time. So the trip to Goa was not sponsored by the Ministry of

Parliamentary Affairs. We went there of our own accord at the special invitation of Dr. and Mrs. Teja.

SHRI DAHYABHAI V. PATEL: May I say that I was not among them in the trip when they went to see the public sector undertakings? As I said, it was one sponsored by the Ministry of Parliamentary Affairs and there were two employees of the Ministry of Parliamentary Affairs who came to look after the comforts of the Members of Parliament and they went to Goa just as they had gone to Bombay to see the public sector undertakings. So that is what I say. When arrangements are made in this way, how can it be said that I had my friends and that I had partaken of their hospitality? Not only that. If this man had offered me a cup of tea anywhere, does it mean that I have gone and stayed in his villa like the Minister and the officers of the Ministry have done? Have I gone and stayed in France as his guest, in his villa in the south of France? Let us know about it, Sir. And whether I partook of any hospitality or not, has it influenced my judgment about the affairs of his company? It is very obvious that the judgment of the officers of the Government and particularly of the Ministers has been influenced. That is my grievance.

Today the hon. Minister tells us that it was decided to appoint a committee on the 2nd of February.

SHRI N. SANJIVA REDDY: I had repeated it before on the floor of the House.

SHRI DAHYABHAI V. PATEL: No, he had not said it. I have gone through all the proceedings and I would like him to point out to me where he had said it. I would also like to point out here that when Mr. Poonacha, a colleague of the hon. Minister Shri Sanjiva Reddy, was appointed a Minister, within three or four days I warned him that this cesspool was coming on his head and he should be careful. Fortunately for him for some time he was in the Finance Ministry and so LU7RS/66—6

this did not touch him. But ultimately my prediction came true and this cesspool he has had to handle.

SHRI C. D. PANDE (Uttar Pradesh): But he is innocent.

SHRI DAHYABHAI V. PATEL: Coming now to the Bill itself, I would like to continue my speech from where I was interrupted about the manner in which I had planned it. The Minister has said that they had taken quick action against this company. My complaint is that this is a belated step which they have now taken and it is something which they should have taken much earlier. I am also not sure, and it is not clear to me because the Minister did not say anything to explain to this House the change, why the period of taking over of 10 years that was there in the original Bill was changed to 15 years. It is the usual practice for the Minister concerned to explain the changes that are effected in the measure before the House. But now no explanation has been given by the Government in respect of this matter. Even though the Minister informs us that they took quick action on the 2nd February, still I persist that both Mr. Sanjiva Reddy and Mr. Nanda should appear before this House in sackcloth and ashes to do penance for negligence.

SHRI AKBAR ALI KHAN (Andhra Pradesh): For negligence?

SHRI DAHYABHAI V. PATEL: Of course for their negligence. Here is a tax-evader, the Commission of Enquiry appointed by the Government has said. And what a Commission of Enquiry have they set up? Have you ever heard when a gang of thieves and swindlers are concerned one swindler is made the judge? That is exactly what has happened.

SHRI A. D. MANI (Madhya Pradesh): Who is the swindler?

SHRI DAHYABHAI V. PATEL: He may be a swindler or he may have been very honest. I have great respect for Mr. Sukthankar. I know him because he comes from Bombay and I also

[Shri Dahyabhai Patel.]

come from Bombay. He was an able officer. But he was the Managing Director and he was appointed to enquire into the allegations against this company. This is wrong. The principle of this is wrong. And if the Minister had taken the trouble of reading the report that he had submitted then he would have found it a revealing document. It is a document sufficient to condemn more than anything that I can say, the management of the affairs of the Ministry concerned. They had been denying every charge that we were making. These charges were being denied in this House since January last. It is no use saying they had appointed a committee to go into this. When did he say that ? I raised a short notice question in this House. Sir, you will remember we had to sit late for the discussion on that Short Notice Question. That took place on the 18th March and what did the Minister say on that day? The Minister did not say they had appointed a committee to enquire into this matter. On the contrary he said that I was prejudiced, that I was speaking on behalf of the Bombay companies and he said that because the Jayanti Company was making rapid progress whereas the other companies were limping, they were jealous and he suggested that I was being put up for saying this. I think the Minister should come forward and offer his apologies for those remarks of his which were utterly unjustified. And they were made in March, that is to say, after the 2nd February when they say they had appointed the Commission of Enquiry. The Minister talked of other people being jealous and of other companies limping behind whereas Dr. Dharam Teja had made a wonderful success of his enterprise.

SHRI N. SANJIVA REDDY : Please read it fully and see if I had not said that some committee was appointed.

SHRI DAHYABHAI V. PATEL: I agree. But they said it after my Short Notice Question was asked. I asked whether any ships of this company were impounded. What was the answer

given ? The Minister said that many ships of many companies were impounded all over the world and so how could he know ? Is this the answer of a responsible Minister ? He could have straightway said, "We have heard that one of the Teja ships was impounded, and as for the affairs of this company, we are looking into them." But he said nothing of that kind. And the great *Sadachari*, Mr. Nanda, he said he did not find any proof enough to arrest this man. I put photostat copies of things in his hands. And, Sir, may I draw the attention of the House to what this photostat copy says ? I will try to be as brief as possible. I will avoid the other part of it; I will only read the relevant portion from this photostat letter. These letters were* read out by me in the House and I think they were printed widely in the Press and so the people are familiar with them. It is said in this letter :

"The above receipt ..."

It is a receipt for 1,05,900 dollars and there is another one for 79,800 dollars. And this letter is addressed to Dr. Teja—

"... at your request is solely for your convenience and we acknowledge not having received any payment."

Sir, what greater fraud can there be than this ? This is the photostat copy I handed over to the hon. Mr. Nanda of *Sadachar* fame.

SHRI A. D. MANI: On what date ?

SHRI DAHYABHAI V. PATEL: That was in May.

SHRI N. SANJIVA REDDY: 9th May.

SHRI DAHYABHAI V. PATEL:

There you are; 9th May and yet they did not think it worth while taking action. They did not say even on that day that they have appointed a Commission to go into it. When there is this documentary evidence to prove that there is fraud, that there is evasion and

breach of foreign exchange regulations, what more proof do they want ? Photostat copies of this type are produced and yet no action was taken by the Government under the plea that a Committee has been appointed to look into this. This kind of behaviour of the Government hits at the very root of the Constitution and the fair type of Government that we expect. We have complained again and again of the differential treatment between the public sector and the private sector. The Government is very hard on the private sector. I have no objection to their being hard on dishonest people; I will support them always. The Government have broken open the hearths and homes of people whom they suspect of evasion of Income-tax and very often they are found to be wrong. What was that Government doing on this ? What was the great *Sadachar*, Mr. Nanda, doing in this case?

THE DEPUTY MINISTER IN THE
MINISTRY OF FINANCE (SHRI L. N.
MISHRA) : Waiting for your lecture.

SHRI DAHYABHAI V. PATEL : I went to him personally twice and pointed out to him that this man, as the Report itself has pointed out, is a crook; yet the hon. Minister thought that he could not take action against him. Then against whom could he take action, may I know with all the wide powers at his disposal ? Only this morning—or yesterday I believe—there was a question about the raid by the Customs authorities on a foreign firm in Calcutta and discovery of imported goods. They raid so many places. Why don't they raid the place where there is so much evil ? They do not look at the stinking cesspool which is right at their door-step but they go on looking for smaller things, here, there and everywhere. Here I have the letter from Mr. Nanda which says :

"As regards your reference to the affairs of the Jayanti Shipping Company, on the material furnished criminal proceedings cannot be initiated."

I would like lawyer Members of this House to
...

SHRI A. D. MANI: Date ?

SHRI DAHYABHAI V. PATEL:
August 2nd.

SHRI A. D. MANI: Of this year ?

SHRI DAHYABHAI V. PATEL: Yes, Sir; of this year. I would like lawyer Members of this House to apply their mind and consider this. I produce the photostat copy of a letter which says that 'I am sending this receipt for your convenience'—this is from a Japanese firm addressed to Mr. Teja—and it is for so many hundreds of thousands of dollars and it further says 'we acknowledge not to have received any money but we are only sending it for your convenience'; what more evidence do you want ? Is it not a criminal conspiracy to defraud the exchequer of India, to defraud the Company flying the Indian flag? The Company Law Administration takes severe action against certain people. As I have said we have two sectors in this country, the public sector and the private sector but of late it seems there is another sector, the Nehru sector, which has the protection of the Nehrus and which has everything to go by and against which no action is taken.

SHRI AKBAR ALI KHAN : We object to this.

SHRI DAHYABHAI V. PATEL: I do not yield to this objection because I have repeated this allegation in this House and if you read Mr. Sukthan-kar's Report . . .

SHRI AKBAR ALI KHAN : What is the substance ?

SHRI DAHYABHAI V. PATEL:
. . . you will see that Gen. Kaul has been paid large sums of money; ultimately they were paid out of the funds of the Jayanti Shipping Company. It is all in the Report of Mr. Sukthankar; it is not my making any allegation. It is proved here. And I have alleged that all these facilities have been given to Mr. Teja because he looked after Gen. Kaul, posted him in America, paid him a bigger salary and showed him many other favours.

SHRI ARJUN ARORA: Will the hon. Member give the date on which Gen. Kaul joined this Company ? It was long afterwards. He joined the firm only in 1963, long after the loan was negotiated and given. Don't defame a person who is not here.

SHRI DAHYABHAI V. PATEL : Sir, I am referring to the Report of the Enquiry Committee appointed by the Government. It is in their hands. Mr. Arjun Arora can go through it and then can have his say. He can disbelieve me if he likes but I, am prepared to point out the page and paragraphs of the document if he wants. I do not wish to bother the House by reading out the relevant portions but if he reads diem he will see that the allegations made have been substantiated and proved. If he wants I can mention the paragraphs but I think there is no need to quote them.

Then there is one more criticism in the Report of the Enquiry Committee to which I think the attention of the House must be drawn. It says on page 24 that there has been top heavy and incompetent management. What was the Company Law Administration doing all the time ? It says here in that connection :

"Shri Thirumala Rao, M.P. was appointed a Director and Vice-Chairman of the Company with effect from 26-6-1961 when the Company was a private limited company. He was given an honorarium of Rs. 1,000 per month and an allowance of Rs. 500 per month with effect from 1-9-1961. His remuneration was raised to Rs. 4,500 per month, in elusive of all allowances, with effect from 1-1-1963. He severed his connection with the Company with effect from 1-12-1965. We have not been shown any papers assigning any specific duties to him."

Sif, this is very significant. The Committee appointed by the Government has this to say about him : "We have not been shown any papers assigning any specific duties to him." Was it for looking after the Mem'bers of !

Parliament or the Ministers of Government that this salary was being paid to him ? Then it goes on :

"Shri Thirumala Rao's son, Shri Ramakrishna Rao was posted in the Company's office in London. His designation, then, was Management Representative. His academic qualifications are M.Com. and LL.B. He completed his education in 1957 and served as Information Assistant for a little over a year in "India 1958" Exhibition and thereafter in the same capacity in the Government Tourist Office in Delhi from May 1959 to September 1961 before joining the Jayanti Shipping Company."

Then there is a list of the emoluments and allowances paid to him. All that is listed in the Report of the Committee. I am not giving anything just out of my own mind.

Then there is a paragraph on page 27 under the heading "Misuse of Company's Funds" and it says there :

"Dr. Teja has denied that the cost of his or Mrs. Teja's travels to India and elsewhere was paid by the Jayanti Shipping Company."

The Report further says :

"We have, however, seen a few vouchers which showed clearly that at least some of these travels were financed by the Jayanti Shipping Company. We have, indeed, seen some other vouchers which go to show that the cost of similar travels by some other persons who were not even on the pay rolls of the Company and who had not been deputed on any special mission by the Company's management, was also met by the Company."

Now about Gen. Kaul the Report has this to say on page 28. I was not going to read out all these but I am sorry I was provoked and I must read them out. It says here :

"General Kaul's name was not borne on the pay rolls of the Jayanti Shipping Company as shown to as.

But we have seen a few entries indicating his salary having been paid by the Jayanti Shipping Company. We were given to understand that General Kaul was a personal consultant of Dr. Teja and that the payments made by Jayanti Shipping Company to him were subsequently reimbursed by debit to Dr. Teja's personal account with the Jayanti Shipping Company."

What is all this ? Whom does it deceive? I do not know whether it deceives the Minister. A Company that was not able to pay its staff, a Company that was not able to pay the income-tax dues of the staff into the Reserve Bank, a Company that could not put the provident fund contributions of its employees into Government securities, against such a Company if they do not take any action,, the Ministers are all guilty. I sent a letter to Mr. Jagjivan Ram in March pointing out that as a champion of labour at least he should have taken notice of this and taken action. Again, this is a serious infringement of law. It is misappropriation, of course, but the Government never tolerates anyone misappropriating the provident fund of employees. All income-tax deductions, the law requires, should be paid immediately into the Reserve Bank. No action has been taken against him. Therefore,, I repeat that in this country we have three sectors, viz., the public sector, the private sector and the Nehru sector. Do you want more proof ? I will give it, if you want it. Thank you.

SHRI M. GOVINDA REDDY (Mysore) : Mr. Chairman, the Jayanti Shipping Company was started in 1961 and the Government took it over in June, 1966.

[THE DEPUTY CHAIRMAN in the Chair]

Within this short period of five years, the Company has earned notoriety mostly owing to the shady deals and unscrupulous transactions of its founder, who is a "Dharmatma". He has done so many things. The glare of notoriety attained by this Company has tended to put the blame for all the wrong things

that he has done at the door of the Government. Now, the objective picture of the Company has to be seen, how the Company started functioning, whether it started functioning as a normal company, whether the Government was justified in guaranteeing the loan, whether the Government did exercise ordinary vigilance that was expected of them when some of the shortcomings came to their notice whether any action was taken and whether there was any loss to the Government and considerations which are relevant in this connection. I have taken time to study the working of this Company. I have found nothing wrong in the working of the Company as it was until the disclosures were made of the shady deals of Dr. Dharma Teja. At the time of taking over, the Company owned 34 lakhs GRT. It had about 22 ships. When the Government was hard pressed for large bulk carriers and tankers, the Government tried its level best to see that the Shipping Corporation stepped in in order to supply this want. But the Shipping Corporation was engaged in its own plans of having about 200,000 GRT, and then in executing its own plans. So, the Shipping Corporation could not come to the aid of the Government to fill the need. Then, the private shipping interests were consulted by the Government, whether they could fill up the gap. The private shipping concerns, when consulted, presented some demands, namely, the Government should give them interest-free loans, the Government should assure them that sufficient freight cargo would be earmarked for them, both in respect of grain transportation as well as in transportation of ores. Another condition which they laid down was that the Government should be prepared to pay a higher freight than what was being paid for transporting cargo and all that. These were certainly one-sided conditions and the Government did not accept these conditions. All the same, the need for bulk carriers and tramp ships was very great because the Government was spending large amounts of foreign exchange for transporting foodgrains and for exporting iron ore in ships which had foreign flags. This

[Shri M. Govinda Reddy.]

was the pressing necessity. When there was no other interest coming forward to supply this need for bulk carriers and tramp ships, the Jayanti Shipping Company came forward to do it on very reasonable terms, as the Minister took pains yesterday to explain. They offered to provide about 26,17,000 GRT and they accepted this guarantee of a loan on an instalment basis. Ten per cent was to be paid when a ship was bought and the ship would be taken over by nominee of the shipping aid committee and several other conditions were hemmed in, in order to give this loan. So, nobody could say at this stage that the Government was not justified in guaranteeing a loan of Rs. 20 crores.

Now, from what has happened later on, one could say that the Government should have seen through this scheme. But even if Mr. Sanjiva Reddy were supplied with an X-ray machine, he would never have been able to discover what were the designs in the mind of Dr. Dharma Teja, when he proposed the scheme. So, it was impossible for the Government to find out whether he was, in fact, having his own designs in promoting this Company. The Government was concerned with the need of the hour and he proposed to supply the need of the hour. Therefore, the Government guaranteed it and there was nothing wrong in guaranteeing the loan and the conditions which they laid down for this guarantee were quite justified.

Now, the actual working of the Company was closely watched. The second question I am addressing myself is whether the Government did exercise ordinary prudence and vigilance in the working of this Company. Now, the Government had its own director on the Board of the Company and when the director first came to know that there was something wrong with this Company, he reported it to the Government. The Reserve Bank was apprised of some of the discrepancies which were shown in the foreign exchange earnings as given by the Company and as given by the Government director. The Reserve Bank went into this question and

found that there was discrepancy. They called for an explanation. They asked Dr. Dharma Teja to explain the discrepancy. This also took place in 1965. Now, the Company came into existence in 1961. In 1963 they were able to have a complete fleet. By 1964 they were working to their full capacity. The Government had no reason to suspect anything about the working of the Company. If you look at the balance-sheet for 1964-65—I have taken care to study the balance-sheet—nobody can suspect that there was anything wrong with the Company. The shipping vessels were overseas 15 and coastal 7. The tonnage of the overseas vessels was 2,60,500 and 15,732 was the tonnage of the coastal vessels. The paid-up capital as shown in the balance-sheet for 1964-65 was Rs. 2,88,13,000. Now, the cost of the fleet was Rs. 28,41,16,000. There was ample evidence to show that the money was there. Depreciation also was provided for on the fleet, *i.e.*, Rs. 3,36,11,000. In the previous year also the depreciation provided was Rs. 1,69,63,000. Now, the income from freight and chartering also was very good and very promising. The income in 1964-63 was Rs. 7,81,87,000, which is a very excellent income and the previous year's income was Rs. 4,94,99,000 or nearly Rs. 5 crores. Now, their expenses were this. One could say that if the income was so much, the expenses might be far more. The expenses in 1964-65 were Rs. 5,97,22,000. Provision also was made that year for depreciation of Rs. 1,67,18,000. Of course no provision for taxation was made. There was surplus shown in the balance-sheet of Rs. 11,52,000. When one sees the balance-sheet audited by a reputed firm like Messrs. Chopra and Company, how can anybody expect the Government or the Government directors to have any suspicion that there is something wrong? Later on it was discovered that some of the amounts mentioned here were not correct. Of course the Reserve Bank went into that and examined. My point is, he was a company floated; it acquired the vessels. It was working properly and it was also earning a very decent income. On the face of it no-

body could suspect that there was something wrong. The shady deals and transactions all took place behind the scenes, and nobody had any reason to say that shady deals were taking place until 1965 when the company defaulted on one of its terms, and that is to collect Rs. 11 crores capital. It was only when this default occurred that the Government had reason to go into it. When a joint stock company was functioning and when balance-sheets according to Company Law and procedure were presented and there was nothing wrong apparently in the balance-sheets, how could anybody suspect and say that the Government was not vigilant? In fact the Government directors I must say, whether it was Mr. Sukthankar or Mr. Parasuram or somebody, have done their best. When they came to know, when by whisperings, that something was wrong, they reported to the Government, and Mr. Raj Bahadur who was the predecessor to the present Minister of Shipping and Transport sent for Dr. Teja and he had a conference with him; and meanwhile the Reserve Bank was issuing warnings to the company from time to time. All this was going on. The objection made by Shri Dahyabhai Patel is that the Minister should come in sackcloth and ashes and stand before the bar. It is not so. The Government have exercised due vigilance. But in a joint stock company just on a mere suspicion one cannot go and arrest a person. There must be sufficient proof of the misdeeds of the person in order to be able to take action. Even according to the Company Law Administration there are so many companies which indulge in irregularities of all sorts—giving a false balance-sheet, affording false figures to the auditors, and all that sort of thing. But still the Company Law Administration cannot go into it if the ordinary procedure prescribed according to the Company Law is satisfied. So this was a thing that took place there.

The hon. Member, Shri Dahyabhai Patel, described him as a crook. This crook having taken advantage of his position in the company, he being founder of the company and having

some of the directors, of course, of his own choice, naturally he did all these shady transactions. The Minister has pointed them out. There are five or six mainly in gross amounts. I am not going to take the House into them since they have been repeated here time and again. All these came to light only after the Government instituted an enquiry. Now the argument is advanced that one who was a director of the company should not have been a member of the Board. It is the Government directors themselves who have drawn the attention of the Reserve Bank to some of the failings of the Company, to some of the shortcomings of the Company, and it is again the Government directors on the Board who have drawn the attention of the Government also to what was going on. When the ships of the Company were impounded for non-payment of dues, either the port dues or incidental amounts or non-payment of provident fund etc., it was then that the eyes of the Government directors were opened and they further probed into the matter, and when they came to know that there were really some suspicious transactions taking place, they themselves had drawn the attention of the Government to this matter. Therefore, the mere fact that Mr. Sukthankar was a member on the Board of Directors—he was not a member on behalf of Dr. Teja; he was a member on behalf of the Government—does not disqualify him or does not make him take a prejudicial interest in coming to a conclusion. Therefore, I think there was nothing wrong in having appointed him as one of the members of the Committee. There was the audit comment. So it was only when the Enquiry Committee went into the affairs of the company these several shady transactions were discovered. Therefore, my submission is that the Government have been normally vigilant in the matter. After all the defects have come to light in 1965 and action is being taken in early 1966. The Government have lost no time, and the only time that can be considered to be delay in Government taking action is the time taken by this Committee to go into the affairs of the company. The

[Shri M. Govinda Reddy.]

Committee had to take so much time because the Jayanti Shipping Company did not co-operate with them, did not furnish them with the books and materials, and therefore they waited for it and it was that lapse of time that could be said to be the cause of delay. Therefore, the Government have been properly vigilant. It is unfortunate that what looked to be a promising company and what looked to be a very flourishing company should have been brought to this sad fate by an adventurer. Madam, we know that comets appear in the skies from time to time and when comets do appear, some disasters result in the world. These human adventurer-comets sometimes appear on the Indian horizon more often than the comets that appear in the skies. Nobody could have imagined that a founder of an institution of this sort who gave an excellent plan and who started well would have his own designs of indulging in shady transactions for his own benefit. Therefore, I agree with the Government in the steps they are taking. The Government have been vigilant. There is no blame to be laid at the door of Government. The Shipping Corporation is managed well under the guidance and control of the Board. All the assets of the Company are in the hands of the Corporation. Even now this Company can be worked in a very successful manner. There is no loss for the Government because, although they have guaranteed to the extent of Rs. 20.25 crores, they have not given all the Rs. 20.25 crores. They have disbursed only about Rs. 6 crores, and the assets are more than what the Government have advanced. Therefore, there is no apprehension on any account. Of course some of the Company's funds which would have accrued to the country as foreign exchange have been defrauded by this person, and action is being instituted against him. I wish that the Government would succeed in getting a conviction against this gentleman and would be able very soon to get him extradited to India.

DR. D. R. GADGIL (Nominated) : Madam, I shall not go into the affairs

of the Company but I rise to intervene merely to put before Government a point of view regarding the manner of taking over the management. I consider it not desirable that Government should take over the management of the Company under this set of rules for a fifteen-year period. There is considerable experience in the past, Madam, in relation to this. The Government, by taking over the management in this manner, puts itself really in the position of almost a trustee in relation to criminals. That really is what the position becomes. If the Government had proceeded in an ordinary fashion, if they had acted as the creditor of the company and taken over the assets of the company and then proceeded to administer it, I understand that there would be some transitional delays . . .

THE MINISTER OF STATE IN THE
MINISTRY OF TRANSPORT AND
AVIATION (SHRI C. M. POONA-CHA) : Very
normal.

DR. D. R. GADGIL : ... and for those delays some legal provision could have been made. I am suggesting it for the serious attention of this Government that they should consider this approach because if they do not consider this approach, the result will be even more disastrous. The Minister yesterday mentioned as a very easy possibility that the shares of the founder would be taken over. I had asked him specifically whether he was the only shareholder and then the fact came out that this company which the Government financed in such a big way with its capital of Rs. 2.8 crores had one shareholder holding about Rs. 2 crores, who was a non-resident Indian, and the other shareholder who held Rs. 80 lakhs was a foreigner and resident-Indians proper, amenable to the jurisdiction of the Government, held shares of only about Rs. 2 or 3 lakhs. This by itself somewhat an amazing revelation. I should have thought that the Government when giving Rs. 20 crores on the basis of those guarantees and also asking the State Bank of India to give Rs. 20 crores—public institutions all over are involved—should have gone

deep into the matter. It is governmental finance. That it should have been given to a Company which has a nonresident Indian and a foreigner is in itself peculiar. But why I am bringing it the other way round is that the idea that you can easily take over your credits, the shares, of the non-resident Indian, is an illusory idea, because a clever operator as Dr. Teja is, I do not myself believe that all his shares would be unencumbered. There would be a number of transactions surely behind Dr. Teja's shares and also the question as to how they are financed and so on and so forth is there. There are likely to be a number of transactions. I believe that at least by now the Government should be chary of saying anything definite regarding Dr. Teja's transactions; unless they examine them fully, what may be at the back of those shares, they do not want to say. To say that because you have got some credits and, therefore, you/wiH be able to get hold of the shares of Dr. Teja is, I believe, not correct. The shares, Rs. 80-lakh worth of shares, of Mr. Kulkundis, you are not going to get hold of them, so that the ownership properly belongs to the Jayanti Shipping Company. All that you are doing is taking over the management of the company. You are the managers. So, actually these sets of criminals are in fact getting very efficient and honest management for nothing. That is the crux of the problem. And I say this because we have a lot of experience for the last ten years of this. The Maharashtra Government has taken over all the bad textile mills in Maharashtra State and is running them for the benefit of the owners. The moment they become at all profitable, the owners step in. When they do not become profitable, then you run into the reserves, you run into the provident funds of the labourers and run them. Now, this sort of a step that the Government is taking, I think, is an utterly wrong step to take. Therefore, whatever the legal difficulties, they are purely transitional difficulties. You have two claims on which to proceed—(a) the claim as creditors and (b) your prosecutions against Dr. Teja himself. But that is only a personal prosecution. That has

nothing to do with the Company. With the Company as such how can you proceed as a creditor ? So, the proper step to be taken here is to move the courts as creditors; then have an ordinance in order that an important public utility organisation does not stop its work. But do not put yourself into this position of a 15-year management of the company because once you put yourself into this position, in the meanwhile, you can do nothing to the structure of the Company at all. Once you are in management, you cannot act against the Company and try to change its structure. I do not see how you can do it. You can do it now if you do not take over the management officially. Therefore, I would implore the Government. I mean, if there is an ordinance and there is some hurry, they can take legal counsel and see what steps are necessary. But for heaven's sake do not put yourself into this position. This is one of the biggest lacunae in our Industrial Regulation Act, the lacuna that the Government can take over incompetent management from incompetent and unscrupulous people but they cannot shift them from ownership. This is an extremely important lacuna. This has been the main instrument through which unscrupulous capitalists have blackmailed the Government. The whole set of things like the Mundhra deal, the BIC, arose out of this, like this. You are afraid of unemployment, you are afraid of this happening, you give moneys and the ownership structure still remains intact. As long as the ownership structure remains like that, as long as the law structure that we have is there and with the very great solicitude that lawyers and judges naturally have for rights of property, you just cannot do anything at all.

AN HON. MEMBER : Why not nationalise

DR. D. R. GADGIL : The Govem-ment is not coming in with that. But it cannot be possible unless the Government nationalises the whole shipping, and they will be against the Supreme Court. That is why I am deliberately asking them to act as creditors. They

[Dr. D. R. Gadgil.]

have Rs. 6 crores. They can take back these six crore rupees. And obviously, there is a default here. There is a criminal case. Therefore, they can say, we want the six crores back. We will take the ships and then take over the assets of the Company and take steps to change the organisation. This is a very important point of view. And this not only arises out of this, it arises in every respect. I remember, Madam, this was there as long ago as the First Plan. I remember the first meeting of the Advisory Committee of the first Planning Board and there we had the proposal of Shri Dandekar about the Scindia Steam Company. And I asked Shri Deshmukh whether that loan, that investment, that finance of the Government to a private sector was going to result in any ownership equity shares in favour of the Government. This was a free gift so that you rehabilitate the private sector, so that when the time comes for nationalisation, then you have a larger compensation to pay, because you have rehabilitated them. The whole principle is wrong and therefore, I would implore—this has been in the manner of trying to put forth a point of view—the Government to consider this very earnestly and see what it can do and not go into this 15-year period.

SHRI AKBAR ALI KHAN : Madam, Dr. Gadgil's speech undoubtedly deserves consideration. But in view of the special circumstances of the case and in view of our practice, our knowledge regarding such companies, the policy which we have followed in the previous years and the system that we have adopted in order to get hold of things and save for the country as far as possible, his suggestion would be still worse. I think in the circumstances, the only alternative, with due respect to Prof. Gadgil and to what he was telling us, is to take it under the Government's management. I do appreciate the question of ownership, the question of handling and phasing all the things they have done. All

these things had come and I am sure the Government and the Minister will examine this very carefully and will have further legal advice in this matter. I feel that if they had gone to the court, the time, with their best effort, would have been so wrong that most of the assets were likely to be frozen; they could have lost this thing. So, in the present circumstances of the situation, I think that was the best alternative that the Government adopted.

Madam, my friend.. Mr. Govinda Reddy, has given you certain facts. I will not repeat it. But let me make it abundantly clear that in 1961, as pointed out already, we were very much in need of shipping for food and for so many other things. We were paying heavy foreign exchange for foreign ships. We wanted the Corporation to take up the matter but it was not possible. We wanted the old shipping agents and owners, who were working in this matter, for instance, Scindia and others, to take up the matter, to give us more ships, but it was not possible. Under those circumstances, when you needed shipping and there was no alternative, this gentleman with his great resource! appeared. I think his evils and his evil-doings appeared much later. If you examine the whole thing in detail, you will see when the whole thing started his credit was very high. I am sure the House will appreciate that in such matters, in matters of industry a certain adventure is necessary. In the matter of developing a certain industry which is non-existent, you have to take certain risks.

DR. ANUP SINGH (Punjab) : Adventure.

SHRI AKBAR ALI KHAN : It was an adventure, I agree. But it was not an adventure in the sense in which it came out at a later stage.

SHRI M. GOVINDA REDDY: Not adventure but misadventure,

SHRI AKBAR ALI KHAN : Yes, if adventure means misadventure. But I do not mean that. What I mean is it was a bold step. No well-established institutions were coming out with any scheme. In those circumstances this deal was made.

Madam, if you go through the agreement, you will find that fairly good safeguards have been kept. With that background the deal was made. At that stage the property and the assets that he showed were, to a great extent, genuine ones. At that stage, I am saying, there was nothing to show that his credit was not good. After that things went on. Foreign exchange was earned, and if I am wrong the Minister will correct me, the instalments were regularly paid.

SHRI N. SANJIVA REDDY : Yes.

SHRI AKBAR ALI KHAN : According to the agreement he carried out all the conditions completely.

Now the second stage comes, and I can assure the House that so far as the assets are concerned, shipping and other things, I think there is no danger of the money that we have invested being lost. That point is clear. But when the thing came to our notice, a drastic step was necessary. If my friends really examine the whole facts without prejudice as given by the hon. Minister, they will be convinced that it could not have been taken over at an earlier stage.

Regarding Mr. Sukthankar, I think it was right that he was appointed. He knew the thing and he has been working in it. He brought the whole thing to the notice of the Government. That he is a brilliant man even Mr. Dahya-bhai agrees. Therefore, the Government did well to appoint Mr. Sukthankar. His integrity is not in question. He was a man of established integrity. He was a capable man. He was a man who had seen the working of this Company. Therefore, the appointment of Mr. Sukthankar and a man from the Audit department was, in those circumstances, the right step that the Government took. And after the submission of the report by that Committee, it was only proper that this Company was taken under the Government control.

Madam, I do not think there is anybody either on this side or that side who would plead for Teja, whether it is Mr. or Dr.

SHRI V. M. CHORDIA (Madhya Pradesh) : He is softening.

SHRI AKBAR ALI KHAN : There is no question of softening, Mr. Chordia. I am sure there is no question of softening. If there was any question of softening, I think this measure could have been delayed very easily. So I assure you that there is no question of softening. We want to take as strong a step as possible but subject to the provisions of law, subject to the law of the land. Then with all the regard that I have for Mr. Dahyabhai Patel, the photostat copies of the documents themselves may not be genuine because it is not difficult to get hold of the forms of any company. You have to put a certain document on the form of the company and somebody will just take a photo and present it here and demand his arrest. I think in the ordinary run of things it is not advisable. You must also remember that under the provisions of the Company Law, if you want to get hold of a person of a company, it is not that person alone but the credit of that company is also involved. Therefore, unless you are sure you should not take such a drastic step which may ultimately make you liable for damages and other things. You can get somebody arrested but afterwards you have to face suits and other prosecutions. Therefore, this is not the thing which a mature administration should do.

DR. ANUP SINGH : What do you suggest ?

SHRI AKBAR ALI KHAN: After consultations with the best lawyers they have reached this stage. Probably Dr. Anup Singh was not here when the Minister was speaking. Dr. Teja had a sum of Rs. 70 lakhs or something in the State Bank of India in England. It was frozen. I am sure the Minister, in consultation with the Home Minister, will take all such steps with regard to all the banks and his property so that not only we safeguard our interest . . .

SHRI A. D. MANI: May I, Madam, ask a question?

SHRI AKBAR ALI KHAN: Mr. Mani, we have no time. We have to pass the Bill today.

SHRI A. D. MANI : I want to ask a question.

SHRI AKBAR ALI KHAN : If you want to ask a question, you should put it to the Minister. I am not the Minister.

THE DEPUTY CHAIRMAN : Please do not interrupt.

SHRI AKBAR ALI KHAN : So whatever steps they have taken in the present circumstances are the correct steps and in the best interest of the country.

Now, regarding the provisions of the Bill, they are of a routine type. I think if we had taken over the management of the company for good, then the question of compensation would have arisen and the Supreme Court decision would have come in. Now it is only a sort of supervision.

DR. D. R. GADGIL : There is no compensation and the whole company goes back to him.

SHRI AKBAR ALI KHAN : You are right. When we take up this company we do not take up the ownership. You are perfectly right. It has been our policy, in order to save employment, in order to see that industries run, and because of so many other things that we have not taken it over immediately, I mean ownership. In certain cases we have rehabilitated them. After safeguarding the rights of everybody, if we take action against their misdeeds, then I think there is no grouse. My point is . . .

DR. D. R. GADGIL : You are in fact suggesting that it should be given back to Dr. Teja.

SHRI AKBAR ALI KHAN : No. I agree with you that at present the legal position is that. We are the manager for the time being but it does not stop us to take up the whole thing or to nationalise it. That will be at a later stage, not at this stage because if we had nationalised it at this stage, I am sure you would have come across greater difficulties because the question of compensation would have arisen. You are right that today

the compensation may be less because its credit is very low and when we rehabilitate it, the compensation may be much higher. I fully appreciate that but I think* we have to form an opinion in these difficult and conflicting circumstances and as such I agree that the Bill should be approved. I am sure the Minister will be very alert and the Government will be very alert and whatever measures will be necessary in order to further safeguard the position, he will come with them.

SHRI BANKA BEHARY DAS (Orissa) : Madam, though under the present circumstances I support this Bill, but I beg to differ from the Congress Members who have spoken before me. I demand in this House that there should be a judicial enquiry because various misdeeds, forgery, fraud, misuse and misappropriation of public money or violations of foreign exchange regulations have been reported and all sorts of crimes under the I.P.C., and the Criminal Procedure Code have been committed and the Government of India is an abettor in these. That is the reason why I say that by passing this Bill we are not going to do enough justice to the tax-payers' money. We have stood guarantee to the extent of Rs. 20 crores. It is not only the job of the Government to see that its money is safe as long as the assets are there but we are also to see that the corporations to which we advance money behave properly and conform to the aspirations of this country. If we see the entire history of this concern from its birth till its premature death—if we can say that it is a premature death by passing this Bill and if there is no reversion as Prof. Gadgil says—then also we will see that the Government patronised this institution in all sorts of ways which was not fair. I will also say about the history of this Company because I want to refer in this connection to this gentleman, Dr. Teja. He also belongs to that part of Orissa to which our Biju Patnaik belongs. In this connection I can say that just like the other gentleman, though he studied in Andhra, he was also a pauper a few years back. I use the word pauper not in the sense that he was not having

anything to live but a pauper in comparison with the wealth he has amassed. You know how he is having a holiday in his rest house in Riviera on the Mediterranean Coast.

AN HON. MEMBER: Do not be jealous.

SHRI BANKA BEHARY DAS: I am not. I want to be poor because then there will be no fall. Only those who are up will have a fall. I want to say something about the way the Government has behaved in this period. I have certain documents here which I am going to quote and I charge here the Transport Minister also along with it that he has tried to shield this gentleman throughout. I know perfectly well that on the 6th May when Dr. Teja was here in Delhi resting in Oberoi Hotel room from 1st to 11th May and was going round visiting different personalities of this city, the Director of Enforcement of the Finance Ministry received vital documents which clearly showed that this man was a swindler, a person who had committed fraud and had amassed huge money and had cheated our exchequer. After getting that report on 6th May, on the 7th, the Director of Enforcement decided that this person should be arrested, that he should not be allowed to go out of India from the Oberoi Hotel, that he must be arrested and put under lock and key in the Delhi Jail. After taking this decision, he informed the Finance Ministry on 8th May. I will not blame that Department because they have tried to very much safeguard the interests of this country. They got the papers on the 6th, scrutinised them on the 7th and decided that that man should be arrested that day and sent the file to the Finance Secretary and also, unhappily they sent a copy to the Transport Ministry also. I think there came the rub, otherwise that man would not have gone out of India.

DR. S. CHANDRASEKHAR (Madras) :
Who prevented his arrest ?

SHRI BANKA BEHARY DAS : I am
narrating the history.

SHRI N. SANJIVA REDDY : Who sent the report ?

SHRI BANKA BEHARY DAS : The Director of Enforcement and on 8th May I am told that the Director of Enforcement had a vital discussion with the Finance Secretary on this matter and both concurred that that man should be put under arrest but you know what happened. He gave a hint to it also. The next day round about the 9th, some of the Ministers wanted to shield this man in spite of his black deeds, in spite of the express opinion of the Director of Enforcement of the Finance Ministry and the net result was that he came to know that something was going to happen, some mishap was going to happen and on the 11th May he left India for good and perhaps he is not going to return as long as this complaint is there. In this connection I want to say that not only the Transport Ministry but several Ministers are also interested. You might have seen in the press report in 'The Times of India' that its correspondent at Paris, who went to the Riviera to see what was happening there, went very near to Dr. Teja's place, has stated that in the lanes and roads of Riviera everybody is discussing that.

SHRI N. SANJIVA REDDY : For the information of the hon. Member, so that others may not harp on this, may I inform him that it is not correct? The Enforcement Director has not sent any report. On the 15th May, the Enforcement Director was also there in the Home Minister's house. Nandaji was there. All of them were there but still if my friend says that all this is true, I am only sorry for him. I can say nothing more than that.

THE DEPUTY CHAIRMAN : Mr. Das, your time is limited. There are quite a number of Members wanting to participate. I would like you to restrict to 10 minutes.

SHRI BANKA BEHARY DAS : Everybody got 15 minutes and I will try to finish in 15 minutes. Though he was there for discussion but this was his opinion in the file also and because the

[Shri Banka Behary Das.]

Ministers were there and they wanted to say that this was not sufficient proof for them . . .

SHRI N. SANJIVA REDDY : No.

SHRI BANKA BEHARY DAS: He has to share that opinion. In this connection I want to say that these were the documents which were with the Directorate. Something was referred to by Mr. Patel about receipts. I can say that Mr. Kothawala who is a representative of this firm wrote a letter to the Shipping Company, with the assistance of a lawyer in America as mentioned in Mr. Sukthankar's report, where it has been said :

"While Dr. Teja was here, he gave me two receipts in original and one copy of each that had been issued by Mitsubishi for \$79,800 and \$ 159,600. As per his instructions I am sending them to you to be dated and sent as previously done, copies of which are attached. I trust you will do the needful in the matter. Kindly acknowledge receipt."

Not only these things were going on. This is dated 17th April, 1965 and the receipt that the Company sent, which was referred to by my friend, was dated the 9th November 1964. And in this connection also I want to tell you how this Company was behaving. There is a photostat copy with me, which is in the handwriting of Dr. Teja, where he has said referring to "monies spent by and through Kothawalla in Japan" spent by or through Kothawalla, the celebrated representative of this firm, in Tokyo, who used to do all these jobs under the directions of Mr. Kaul also. Here in the document in which he himself writes :

"Nature of final accounts to be determined after I see how balance-sheets for 1962-1963 and 1963-1964 accommodated money from builders."

Here is the clear proof also that he was to manipulate things. After seeing the balance-sheets he was going to adjust,

he was going to see which amounts were to be adjusted. In his own handwriting he has written it. I am not going into details, because everybody knows what scandals are enacted here. On two items . . .

SHRI N. SANJIVA REDDY: AU that has been brought out by the committee. The Government has already instituted cases against them.

SHRI BANKA BEHARY DAS : That is why I was going to say this that the Government knew all these things. Before Dr. Teja came to India, most of the things were known to the Government, and most of the matters were brought to the notice of the Government, and he was here, as I said, from 1st of May to the 11th of May. But nothing was done. And not only that The whole world knew; the Indian press agitated for the last six months drawing the attention of the Government as to how the affairs of this Company were going on. Here in this House and in the other House also all those discussions were taking place. So the Government cannot say that they were completely in the dark, that they were only depending upon the report of Mr. Sukthankar, which came so late. Madam Deputy Chairman, in this connection also I want to refer to a few matters again, how this man, being connected with very high-ups, from Pandit Jawaharlal Nehru, when he was there, up till now, how he has behaved—and that is the only reason. Because there was a misplaced favour, that is why he took advantage of this and, as a result, we have been landed in such a situation. There is no doubt about it.

Madam Deputy Chairman, you also know that Dr. Teja used to visit Moscow often and used to be the guest of Mr. Kaul in Moscow. We know Mr. Kaul is our Ambassador there. You also know what happened. Mrs. Teja wrote a letter to the representative of his firm, Mr. Kothawalla, to send some of the loud-speakers and other equipment as gifts to that embassy in Moseow. The Government now takes some advantage saying that it was a gift to the embassy. Is it a proper thing that such

an illustrious person's wife should write to his representative in Japan for giving gifts to our embassy ? Is our embassy in such a condition ? Is it such a poor institution in this world that they want to accept gifts from such notorious and illustrious swindlers. Madam Deputy Chairman, this I say with all emphasis, because I have seen those photostat letters written on the Embassy pad, seen how the gifts are being accepted and how Dr. Teja is being invited there to remain as a guest.

SHRI DAHYABHAI V. PATEL: They were demanded also.

SHRI BANKA BEHARY DAS: Whatever it might be. As everybody knows, sometimes it is demanded; sometimes it is given, and all these things happen.

Madam Deputy Chairman, again I will say also that the link is not still now snapped. There was a gentleman by name Rajan, working as steno to the Prime Minister and drawing a few coppers as salary and he was later employed as an employee in this concern on a salary of Rs. 2,000/- per month. What was the purpose of this employment?

THE DEPUTY CHAIRMAN : Mr. Das, you said you wanted fifteen minutes. Your time is up.

SHRI BANKA BEHARY DAS: There are all these things and I have still enough to say. These are things most of which the Minister cannot controvert at all. Something he might say, because it is not in the files. But I say most of the things go uncontroverted. So what is going to happen ? Shall we be satisfied with this sort of affairs prevailing in this notorious concern ? As Professor Gadgil has said, are we taking over this bankrupt concern only to give it a choromyn injection and to hand it over afterwards back to them ? In the matter of now Government taking over the management of this undertaking, there is a silly clause in this Bill to stipulate that it can be taken over only for a maximum period of fifteen years. I warn my friends that there is such a clause in this Bill that smacks of, if I may use a very strong word, that smacks of conspiracy, namely, that if a single

shareholder of this concern wants that this concern should go back to them, and if the Government approves of it, then it can be handed over to them. Is this the purpose for which we are going to give this power to the Government under this Bill to take over this management themselves for a period of fifteen years ? Also, even before this fifteen-year period, if even one shareholder, not the majority of the shareholders, but if even one shareholder wants that this concern should revert back to that notorious swindler, Dr. Teja, and if the Government is satisfied with it—we know how this Government is satisfied always, because the entire history shows how this Government is satisfied with a person by looking at his face and at the faces of his friends—it may happen. So if that happens, what is the purpose of passing this Bill ? What is the purpose of taking over this undertaking and spending on it huge sums of money from the State exchequer to revive that and then hand over that to those persons who are still in the favour of the Ministers and of the Members of this Cabinet and many other people of this country.

So with these words I would like to conclude my speech. Though I have nothing to say about the purpose of this Bill, I should say that it smacks of this danger. That is why I want to emphasise in this House again and again that if you want to correct the position, not only about this Jayanti Shipping Corporation, but also about the concerns which you are going to take over in future, the only remedy is that we should have an impartial judicial inquiry conducted by a Judge of the Supreme Court, who should give us details about this concern, how the Government has fumbled, how the Ministers have been involved, how the benefits have been showered on this concern so that, in future, not only the Ministers who are presiding over the destinies of this country just now, but also any Minister coming after them, whether they belong to the Congress Party, or whether they are others will take the warning from history, and they will try to behave properly in future.

With these words I support this Bill.

SHRI M. P. BHARGAVA (Uttar Pra-desh) : Madam Deputy Chairman, I rise to support the Bill before the House, and in doing so I will pose certain questions to myself and will try to answer the questions. The first question which comes to my mind in this connection is whether it was correct for the Government to encourage the Jayanti Shipping Company for coming up. The second question is whether the Government took all the steps to safeguard the interests of the money which was being given to the Jayanti Shipping Company, and the interests of the shipping world. The third question which arises is whether the complaints against mismanagement, and others, which began to come, were expeditiously dealt with. The fourth question is whether the Sukthankar Committee, which was appointed, was in a position to deliver the goods. And the fifth question which arises is whether the taking over of the Company is in the best interests of the Company and in the interests of the shipping development in the country.

Coming to the first question I would say that when this deal was arrived at it was a perfectly genuine deal and it was in the interest of the country's shipping industry which was not in as advanced a stage as we would have liked it to be in independent India. If I may say so, the important reasons which weighed with the Government in their decision to grant a loan of Rs. 20 crores from the S.D.F.C. were these. First of all, in 1961-62, Indian shipping was deficient in tramp tonnage whereas a large portion of our international trade such as iron ore and foodgrains comprised of bulk cargoes needing bulk carriers for economic sea transport. Thus, on the transportation of grain and ore foreign flag was being used and vast sums were being spent in foreign exchange. This serious lacuna had to be filled up. Dr. Teja's proposal envisaged the addition of 11 bulk carriers, a sizeable tonnage of about 200,000 GRT not only by way of bulk carriers but tankers and smaller size tramp ships.

Secondly, other Indian shipping companies to whom constant appeal was being made by the Government to add

to the country's tramp tonnage of the bulk carrier type did not evince interest in the proposition. On the other hand they were demanding interest-free loans and special freight rates for foodgrains and iron ore.

The third reason was that the proposal of Dr. Teja envisaged no payment to the shipyard before the delivery of the ships. The first payment of 10 per cent, of cost was to be made only on delivery of the ships, the balance of 90 per cent, being paid over seven years after delivery.

Fourthly, what was asked of the Government was a loan equal to 90 per cent, of the price of the vessel and this request was in keeping with the general policy of the Government to grant loans to shipping companies through the Shipping Development Fund Committee for the acquisition of tonnage. Some of the loan conditions imposed were more stringent than for other shipping companies to safeguard the Government's interest, such as the building up of paid-up capital before loans could be granted.

Fifthly, the public sector Shipping Corporation of India could not undertake this sizeable expansion in tramp tonnage as the Corporation which had already drawn up its own plan for expansion of tonnage during the Third Five Year Plan could not undertake a further sizeable expansion in the shape of bulk carriers and tramp ships.

So these are the reasons why the Transport Ministry felt that here was a proposal, a genuine proposal which should be encouraged in the interest of Indian shipping.

Now, let us examine the second question. What were the safeguards which the Government took? The company had to conform to the provisions of the Merchant Shipping Act, 1958, Capital Issues Control Act, 1947 and the Foreign Exchange Regulations Act. The company had to convert itself into a public . . .

SHRI DAHYABHAI V. PATEL: If I may interrupt the hon. Member to put

one question, I would ask him : Why has not the Government put before the House the note that Dr. Subbarayan wrote very strongly opposing this move to give, this large loan to Dr. Dharama Teja ? Why did the Government suppress this note and not bring it out?

SHRI M. P. BHARGAVA: If only Mr. Dahyabhai Patel will bear with me for a few minutes, I will show how the country has been benefited by this deal and it has not lost a single penny. He has only to bear with me for a few minutes. My approach and the approach of my hon. friend, Shri Dahyabhai Patel, are different.

SHRI DAHYABHAI V. PATEL : The country would have been much better off if it had been given to honest people instead of to dishonest people.

SHRI M. P. BHARGAVA : As I said, my approach and that of Mr. Dahyabhai Patel are a little different. My approach is that this Company should be saved at all cost. I was one with my hon. friend in the beginning against this Company because of its mismanagement. I was one with him in saying that all the wrong deeds of this Company should be checked. I was one with him when he raised questions after questions for scrutinising the affairs of this Company. But I will be the last person to wreck this Company, as my hon. friend wants to. It will add greatly to the tonnage of this country which is very much needed at present.

I was talking about the second safeguard which the Government had taken. The Company had to convert itself into a public limited company within one year from the date of the loan agreement or immediately before the first instalment of the loan was due for payment, whichever was earlier. Thirdly the Company had to raise an initial paid-up equity capital of Rs. 1.5 crores for becoming eligible for the loan and thereafter to raise it progressively to Rs. 5 crores. The Company had always to maintain a debt equity ratio of 4 : 1. If the Company failed to raise its paid-up capital to Rs. 1.5 crores, then no loan was to be given to it. So all these L117RS/66-^7

precautions were taken. I will not mention the others because I have only limited time at my disposal.

Then I come to the third point. We see from the Statement of Objects and Reasons that for some time past complaints had been made both in Parliament and outside against the management of this Company, alleging mismanagement, misuse of Company's funds, leakage of foreign exchange, non-deposit of provident fund, income-tax deductions, non-payment of bills for supplies and services, non-payment of salaries and family allotments, nonpayment of premium for insurance of ships and so on. This was the time, if I may say so again, when Mr. Patel and myself were acting together. We pointed out that these were the things that were happening in the Jayanti Shipping Company and I also gave calling attention notices and wanted a statement to be made by the Transport Minister in this very august House, in order to tell us whether all these complaints against the Jayanti Shipping Company had any basis or whether they were baseless. That was the starting point when something had to be done to stop these things.

Now, I come to my fourth point, namely, the appointment of the committee. All aspects of the case were gone into by the Government. The Government had to find out some means by which they could use the laws which we have for the regulations of companies. But it was not an easy job. It was not an easy job to interfere into the affairs of a public limited concern which was governed by our voluminous Company Law with all its different sections and sub-sections and what not. Therefore, the first thing which was done was to appoint a two-man committee, with Mr. Sukthankar and Mr. Bhalla who was the Auditor-General's man. Even then there were fears expressed in this House that it would not be possible for this committee to make much headway because many of the accounts were not in India. This committee could not have access to those accounts because they could not go to other countries and find out what was happening. Therefore,

[Shri M. P. Bhargava.]

it was not possible to know exactly the real state of affairs of this Company. Therefore, what did this committee do ? This committee only recommend that a further probe was necessary and that some other things had to be found out in order to take over the management or to take some other steps for straightening the affairs of this Company. And this is exactly what was done.

In the meantime, to our good luck and to the good luck of the authorities, some criminal acts of this gentleman, Dr. Dharama Teja, whom we had all regarded as a gentleman, as a big businessman and as a financial wizard, came to light. Then photostat copies of documents came to us where he had made arrangements for getting commissions from a Japanese firm, where he had made arrangements for commission on sales and purchases of this and that. All these things came to us. They were before the Government and so they could act, now that they had a handle. Till then they had no handle and so they could not act. Then, they acted in the interest of the country and they acted for straightening the affairs of this Company and so this Bill is before the House now.

Before I sit down I will be failing in my duty if I did not pay my tribute and congratulations and the thanks of this House for the excellent work done by the then Transport Minister, Shri Raj Bahadur. He is the one person who has been able to increase the tonnage of the country, who even exceeded the targets fixed for shipping in both the last two Plans and who did whatever he could for the development of shipping. Therefore, I hope the House will agree with me when I congratulate him for his achievements. And I have also to congratulate the present Ministers., Mr. Sanjiva Reddy and Mr. Poonacha for the quick and expeditious action they ' have been taking in straightening out the affairs of this Company and trying to see that the Company is not wrecked—as would have very much pleased Mr. Dahyabhai Patel if the Company was wrecked—and I hope with all the efforts of the Government it would be

possible to straighten out the affairs of the Jayanti Shipping Company and the Jayanti Shipping Company, under the guidance and management of the Shipping Corporation of India, would progress from year to year and would render the service for which it is meant. Thank you.

श्री विमलकुमार मन्नालासजी औरदिया :

उपसभापति महोदया, यह जयन्ती शिपिंग के बारे में जो चर्चा चल रही है वह स्वयं में एक ऐसी बात हो गई है जो कि हमको जाने के लिये नी आँखें खोलने के लिये अच्छी हो सकती है और जो वर्तमान में हम इस तरह की अन्य कम्पनियों के साथ ट्रांजिक्शन कर रहे हैं उनके लिये भी अच्छी हो सकती है ।

उपसभापति महोदया, यह जो तेजा साहब थे जिनको बड़ा क्लक कहा गया है सचमुच में बड़े धूर्त थे और वह जानते थे कि किस आदमी की क्या बीकनेस है, किसको किस तरह से प्रसन्न करके अपना कार्य पूरा किया जा सकता है । वह अच्छी तरह से समझते थे, वह जानते थे, कि हमारे प्रधान मंत्री देश में विकास करना चाहते हैं और इनके सामने अगर अच्छा सुन्दर नक्शा माल होने वाले जहाजों का बना कर रखेंगे तो यह हमें काफी रुपया उधार दिलवा सकेंगे और उससे हमारा काफी लाभ हो सकेगा । वह यह भी जानते थे कि किस तरह से प्रधान मंत्री के पास एप्रोच की जाय, किस तरह की मालायें उन्हें पहिनाई जाएं जिससे कि उनके पास एप्रोच आसानी से हो सके । वह यह भी जानते थे कि प्रधान मंत्री जी को खुश रखने के लिये किन किन लोगों को और प्रशासन के किन किन लोगों को एप्रोच कर के मैं अपना लाभ प्राप्त कर सकता हूं । उदाहरण के लिये जनरल कील की चर्चा की गई, जिनको चीन के भगदे में बापस आना पड़ा, जिनका मेरे मत में कोई वास्तव होना चाहिये था, अगर उनको कुतुनी तनकाह दे कर जयन्ती शिपिंग में रखा, तो वह बतलाने दे कि इनको रखने से क्या लाभ होगा । फिर दूसरे कील साहब की यहाँ पर चर्चा की गई ।

तो वह यह जानते थे कि किन किन को क्या-क्या लाभ देने से हमें क्या लाभ हो सकता है कि किससे किस तरह से अपना काम करा सकते हैं। वह यह भी जानते थे कि संसद् एक बड़ा भारी फोरम है जहां पर कि किसी को रखना चाहिये और इस तरह से उन्होंने श्री थिरूमल राव को डाइरेक्टर बना कर रखा और उनका वेतन भत्ते आदि को 1500 रुपये से 4500 रुपये तक पहुंचाया। उनके लड़के की जिसकी तनख्वाह 400 रुपये थी, उसके लिये तनख्वाह 1600 रुपये के करीब कर दी। तो इस तरह से वह जानते थे कि कहां क्या क्या करना है। वह जानते थे कि भूतपूर्व प्रधान मंत्री का जो स्टेनो है उससे मेरे को सीक्रेट इंफार्मेशन भी मिल सकती है और कभी मौका आने पर प्रधान मंत्री को अपनी ओर से कुछ सुझाव भी दे सकता है।

श्री आई० के० गुजराल (दिल्ली) : कौन से प्रधान मंत्री को।

श्री बिमलकुमार मन्नालालजी चौरङ्गिया : भूतपूर्व प्रधान मंत्री को।

श्री आई० के० गुजराल : जब वह उनके पास इम्प्लायमेंट में थे तो क्या प्रधान मंत्री थे, किस प्रधान मंत्री का जिक्र है।

श्री बिमलकुमार मन्नालालजी चौरङ्गिया : अगर आपको पूरी डिटेल चाहिये तो भूतपूर्व प्रधान मंत्री नेहरूजी के जो राजेन साहब स्टेनो थे उनको श्री तेजा ने किस तरह से परचेज किया, यह देखें। उस समय सम्भवतः हम इस बात की खोज नहीं कर सकते थे कि राजेन साहब को उन्होंने किस तरह से पटाया लेकिन राजेन साहब जब नौकरी छोड़ कर चले जाते हैं तो फिर जिसको 600 रुपया मिलता था वही जयन्ती शिपिंग कम्पनी में 2000 रुपये मासिक पर रह जाता है। तो यह सारी घटनायें ऐसी हैं जिनसे हम इस निष्कर्ष पर पहुंचते हैं कि संसार में अपने व्यक्तिगत स्वार्थ को सिद्ध करने के लिये कोई भी आदमी इस तरह के अनुचित उचित मार्ग अपना सकता

है जो कि हमारे देश के लिये घातक सिद्ध हो सकता है। हम अपने भोलेपन में, हम अपनी साधुता के कारण, हम अपने अच्छे व्यवहार के कारण इन घूर्त लोगों की योजनाओं को समझ न सके यह बात दूसरी है, मगर इन सारी बातों से प्रमाणित है कि हमारे तेजा साहब ने अपना सारा कार्य अच्छी तरह से बनाया। तो जब से इस कम्पनी का निर्माण हुआ तब से संसद् के कुछ सदस्यों ने इसके प्रारम्भ से ही इस पर ध्यान आकर्षित किया कि हमको इसना नहीं गहरा जाना चाहिये, इतनी अधिक इनको छूट नहीं देनी चाहिये, ऐसी काफी चर्चा लोक सभा में हुई, उसकी प्रोसीडिंग्स भी मैंने पढ़ी हैं। उसको दुहराना नहीं चाहता, इसके बाद भी यहां पर कुछ मेम्बर्स और हमारे मंत्रीजी कहते हैं कि हमें मई में इसकी सूचना मिली और हमने तुरंत काम शुरू कर दिया, लेकिन फरवरी का हमारे पास यह अखबार है, फरवरी 1966 के इस अखबार में भी यह हेडिंग है : Jayanti Shipping Bubble Bursts : M.Ps Demand Teja's Arrest. यह फरवरी 1966 का है। तो ऐसी स्थिति में इसमें काफी ढिले हुई है।

श्री प्रतुस चन्द्र मिश्र (बिहार) : अखबार कौन सा है ?

श्री बिमलकुमार मन्नालालजी चौरङ्गिया : मार्गनाइजर। (Laughter) वह अखबार कौन सा भी हो लेकिन अगर सच बात कही जाय तो हमारे मंत्री महोदय अपना पाप छिपाने के लिये, अपनी गलतियों को लोगों के सामने से हटाने के लिये, अपना असत्य बिसकुल स्पष्ट रूप से लोगों के सामने नहीं आये इसको दबाने के लिये बहुमत के आधार पर हंस के हो हो कर दें तो उससे सत्य छिप नहीं सकता। जब फरवरी 1966 में ही इस बात को लोग शासन के सामने ले आये थे कि इस तरह की गड़बड़ी चल रही है तो हमारी सरकार को चाहिये था कि उसी समय इस बात की खोज करती। इसमें हमारे तीन डाइरेक्टर वहां पर क्रम से अलग अलग रहे, तो इन तीनों डाइरेक्टरों का क्या यह कर्तव्य नहीं था कि वह

[श्री विमलकुमार भन्नालालजी चौरडिया]
 वहां जा कर केवल हां में हां नहीं मिलाते बल्कि इस बात की खोजबीन करते कि जिस कम्पनी में 6 करोड़ 7 लाख रुपया सरकार का लगा हुआ है उसकी स्थिति क्या है। मैं माननीय मंत्री महोदय से पूछना चाहता हूँ कि जो ये तीनों डाइरेक्टर वहां रखे गये थे उन्होंने कभी इस बारे में कोई रिपोर्ट दी अथवा नहीं कि यहां पर किस तरह से मिस-मैनेजमेंट हो रहा है, किस तरह की अव्यवस्था चल रही है और अगर दी थी तो उस पर शासन ने क्या किया। फिर इस कम्पनी के द्वारा जितने फर्जी काम किये गये वे सारे के सारे उस रिपोर्ट में भी दर्ज हैं, उनकी पूरी की पूरी यादी है कि वह जो बना माल खरीदते थे उसमें स्वयं कर्मिशन खा जाते थे, खुद के लिये बहुत खर्चा करते थे, 37 लाख डालर विक्रम अत्यन्ती शिपिंग का और फिर 44 लाख रुपया और उसका है जो कि इंकम टैक्स से पैसा काट लिया लेकिन उस पैसे का भुगतान नहीं किया। यह सब पाप एक दिन में हुआ ऐसा अगर कोई कह दे तो उसे मैं क्या कहूँ, यह आप कल्पना कर सकते हैं। यह पाप धीरे-धीरे बढ़ता गया और आज इस स्थिति में आया कि यहां से रवाना हो जाने के बाद लन्दन या ब्रिटेन में जो पैसा था उसको बटोर कर के वह फ्रांस चला गया, वह हमारी सरकार की पकड़ से बाहर चला गया। हम अपने आप को बहुत अच्छा कहते हैं कि हम बड़े शक्तिशाली हैं सब कुछ कर सकते हैं लेकिन आज हमारी सरकार इस स्थिति में नहीं है कि फ्रांस से उसको पकड़ कर यहां बुला सके, जिसकी वजह से ये सारे पाप हुए हैं उसको पकड़ कर यहां लाने की क्षमता नहीं। आप यह जानते हैं कि इसने बहुत गुनाह किये हैं, इतने धन का दुरुपयोग किया है, अमेट्स और लाइविलिटीज का ऐसा हिसाब अभी पेश किया गया उसके हिसाब से डेढ़ करोड़ रुपये से अधिक उसमें डेफिसिट पड़ता है, इतना सारा होने के बाद भी हमारी शक्तिशाली सरकार इस परिस्थिति में नहीं कि धर्म तेजा को पकड़ कर ला

सके और उसके खिलाफ कार्यवाही कर सके। फिर हमारे पास सेंट्रल इंटेलिजेंस भी है, हमारे स्वयं के डाइरेक्टर थे, इंकम टैक्स डिपार्टमेंट भी उनका हिसाब किताब देखता रहा होगा, हमारे कम्पनीज के रजिस्ट्रार भी उनके हिसाब की चेकिंग करते रहे होंगे—डाल-मिया जैन कम्पनी की जो रिपोर्ट थी उस पर जब डिसकशन हुआ तब बताया गया कि उनके कितने कितने अधिकार हैं, उसकी काफी चर्चा की गई—लेकिन यह सब होने के बावजूद भी यह स्पष्ट है कि हमारी सरकार की कृपा के कारण, हमारी प्रशासन की नेगलिजेंस के कारण, यह सारा पाप हुआ और हमें आज यह स्थिति देखनी पड़ी। अब निवेदन यही है कि हम इससे भी कुछ सबक लें और जिन दूसरी कम्पनीज में इस तरह के कर्ज वगैरह एडवांस कर रखे हैं उनके बारे में कुछ सोचें कि उनमें हमारा रुपया कहीं डूब न जाय इसके लिये ठोस कदम उठाये।

दूसरी बात हमको यह करना है कि इस सारे मामले की जांच करने के लिये, जैसा कि अन्य सदस्यों ने भी सुझाव दिया है एक जांच समिति बनायें, पूर्ण अधिकारों के साथ एक आयोग बिठा कर के सारी जांच की जानी चाहिये और जो भी इसमें दोषी मिले, खाली यही नहीं कि पाप किया हो, ऐसा नहीं बल्कि उसमें जिसने सहमति दी हो, जिसमें उस का ओमिशन हो, उसकी नजर अन्दाजी की वजह से कोई हमारा नुकसान हुआ हो तो उन सब के खिलाफ कार्यवाही की जानी चाहिये।

तीसरी बात यह कि जिन जिन को कृपा-पात्र बनाकर के और बिना काम के लगाए रखा था, जैसा कि राजेन के बारे में चर्चा है और एक कौल साहब के बारे में चर्चा है, जिनको बिना परपज के, केवल ओब्लाइज करने की दृष्टि से उसने रख रखा था, उनको अविलम्ब हटा देना चाहिये, उनका खर्चा हमें बिलकुल बर्दाश्त नहीं करना चाहिये।

चीथी बात, तेजा साहब को पकड़ कर लाने के लिये हम उच्च स्तर पर चर्चा प्रारम्भ करें जिस से तेजा साहब को वापस लाया जा सके। इससे दो परपज होंगे, पहला परपज यह है कि हम सारे मामले पर जांच पड़ताल कर सकें और अगर उनको दोषी पायें तो दंडित भी कर सकें। इसलिये उच्च स्तर पर चर्चा करें और उनको पकड़ कर लाने की कोशिश करनी चाहिये अन्यथा पांच साल के लिये कम्पनी लेना फिर दस साल के लिये बढ़ाने का अधिकार रखना, यह तो फिर नीकरशाही चलाते रहना है। इससे कुछ परपज हम हल कर पायेंगे नहीं। इस दृष्टि से मैं मुझाव दे रहा हूँ कि माननीय मंत्री महोदय इन सारी गलतियों से कुछ सबक लेकर इस बात का ध्यान रखेंगे कि भविष्य में इस तरह की गड़बड़ न हो।

श्री राजनारायण (उत्तर प्रदेश) : माननीया, मैं सबसे पहले जो सरकारी पक्ष की ओर से एक असत्य भवन खड़ा किया गया है उसको ध्वस्त करना चाहता हूँ। असत्य भवन यह खड़ा किया गया कि तेजा सिंह के सम्बन्ध में जानकारी सरकार को बाद को मिली है और मेरा कहना यह है कि तेजा के सम्बन्ध में जानकारी सरकार को पहले ही से थी और जिस समय इनको कर्जा दिया गया, 20 करोड़ रुपये और कुछ का उस समय भी थी, उसके पहले भी थी। हमारे पास दो डाक्यूमेंट्स हैं। मैं आपके जरिये सब की सेवा में पढ़ना चाहता हूँ :

"Dr. D. Ramaswamy, Sita Kunj, 137, Queen's Road, Bombay-1.

SHRI I. K. GUJRAL: Original or copy?

श्री राजनारायण : कापी।

श्री आर्दो के० गुजराल : यहां रख देंगे आप ?

श्री राजनारायण : हाँ। मैं उसमें से पढ़ दूंगा।

उपसभापति : इस कापी का सारांश दे दीजिए।

श्री राजनारायण : नयी चीज कह रहा हूँ।

सुनियेगा :

"Dr. D. Ramaswamy, Sita Kunj, 37, Queen's Road, Bombay-1,

29th November, 1961.

Dear Sir,

It was some time ago that the name-changing ceremony of the tanker "Adi Jayanti" was done by Shri Morarji Desai. Shri Jayant Dharma Teja, the Chairman of the Company, that acquired the tanker has done a spectacular and incredible thing in acquiring what is now the biggest vessel in our merchant marine out of his own resources and he deserves all our unstinted admiration.

Since our Government has agreed to advance to Jayanti Shipping Company, according to newspaper reports, the huge amount of about Rs. 7 crores, the matter concerns the public and as a member and in the public interest I am furnishing some information concerning Teja which contradicts the theory that he has become wealthy on his scientific inventions.

From the meagre account that appeared in the press, he is practically the only shareholders in the Jayanti Shipping Company, which is a private limited company. He has not issued any shares to the public. At any rate, as far as the foreign exchange component is concerned, he is reportedly the only contributor.

I have known Mr. Teja since 1946 and was associated with him during his stay in the USA. In 1952 he was not what can be considered to be wealthy. I still have a cheque for 150 dollars which he issued to me and which bounced. (Mr. Teja, however, made good this amount months later). In 1953, he floated a concern in the name of Rockefeller and Greening Tne. in Chicago. (He was then working in 'Mystic Adhesive Tape Company in

[श्री राजनारायण]

which his American wife and two of his friends were listed as Vice-Presidents.) I, as a representative in India, of Rockefeller and Greening Inc., was asked to negotiate export of mica from India to USA wholly on consignment basis. I negotiated with a mica firm in Gudur, Andhra Pradesh, who were agreeable to ship mica, 50 per cent, on a consignment basis and 50 per cent, on a letter of credit basis, but before making any supplies they called for commercial references through their bank. The American bank reporting on Rockefeller and Greening Inc. at the address given reported that there was no such firm to be located at the address given or anywhere in the neighbourhood. I wrote to Mr. Teja asking for clarification, since it put me in an embarrassing position. I did not receive any reply.

I met him twice in 1956 in New Delhi and he gave me to understand that he was doing well as head of a consulting firm in New York, but did not indicate that he was a millionaire. Now, I hear reports that he has made millions of dollars (believed to be about 4 millions according to his friends) from his inventions. Whatever his inventions, they may be taken to date from 1956 onwards and whatever fortune he made might have been in the past five years. If he has earned, say, 2 million dollars, discounting 50 per cent, from the estimates of his friends during five years, after taxes, his earnings must have been not less than 5 million dollars before taxes, which works out to about one million dollars a year. This will place him among the top income in the USA. This fact is incredible in view of the fact that his accomplishments could not have gone unnoticed in the press. Mr. Teja being not a reticent type.

He is referred to as Dr. Teja, which I think is not correct. The Purdue University and Chicago University he quit before taking his Ph.D. But he does not discourage people referring to him as Dr. Teja. As far as I know, he holds no American degree. Once he told me in Chicago that he submitted his scientific work to Mysore University, which gave him the doctor's degree,

which also does not tally with facts regarding issue of degrees.

As I said in the beginning of this letter, my purpose is not to belittle Mr. Teja's accomplishments. The above history does not detract from the fact that he made possible the salvaging of foreign exchange to be put to use. Our Government should extend to him all facilities and I am only interested that you should have the above information and that any concessions given to him are not based on mere trust but in full awareness of the above background.

The following questions might interest you:—

- (1) Why is nothing being done to exploit his inventions in India?
- (2) Why is he not issuing shares to the public?
- (3) Why has he not taken any well-known Indian businessman in his Board, except Shri Thirumala Rao, M.P.?
- (4) Is he prepared to disclose his assets abroad?

26/j August, 1966 "Dr. Ram

श्री ए० जी० मणि : बहुत लम्बा है।

श्री राजनारायण : काहे आप घबराते हैं। हमें बोलने दीजिए। एक नयी चीज आ रही है मणि साहब भी समझें क्योंकि सारा असत्य भवन खड़ा किया गया है ट्रेजरी बैंक से और तेजा को रुपया कब दिया गया, कम्पनी को क्यों मदद दी गई, क्यों यह जानकारी दी गई कि बहुत ईमानदार है, बढ़िया है, सुन्दर है, अच्छा काम चल रहा है? उसकी जानकारी तो पहले ही कराई गई थी सरकार को। इसलिये लेटर को पढ़ना जरूरी था।

अब देखिये यह काफी उन्होंने भेजी है 26 अगस्त 1966 को, डा० राम मनोहर लोहिया, एम० पी० नई दिल्ली को :

Manohar Lohia, M.P., Lok Sabha, New Delhi.

Dear Sir,

On Jayanti Shipping Company scandal you were the only one who presented

the quintessence by asking whether the Government will arrest and prosecute Dr. Teja. Dr. Teja played a series of confidence tricks on gullible people like Nehru and he was assisted by people like Mr. Thirumala Rao, M.P. In the year 1955-56, Teja, who had no doctorate, was introduced to various Ministers and high Government officials as Dr. Teja by Shri Thirumala Rao.

Teja received a D.Sc. from the Swiss university of Geneva nearly four years later in 1959, as confirmed by the said university in a letter to me. He was also described by Mr. Thirumalarao as one of the inventors listed in the 300 greatest living inventors in U.S.A. I checked with the U.S.I.S. and was informed that there was no such listing known to them. Mr. Thirumala Rao spread the impression that Teja was collecting millions by way of royalties on his inventions from I.C.I. and Montecatini. I have a letter from I.C.I. stating that no such royalties are being paid by them. Montecatini did not reply my letter. There is no evidence to show that Dr. Teja has any sizeable income from any source other than Jayanti Shipping Company.

By way of background I send herewith a copy of a letter I wrote to Shri Morarji Desai who passed it on to Shri Nehru.

(Sd.) D. Ramaswamy."

माननीया, मैंने पूरा नेटर पढ़ दिया है और मैं यह कहना चाहता हूँ कि इन दो पत्रों के द्वारा सरकार ने जो भ्रम खड़ा किया था तेजा की नाजायज हरकतों के बारे में, उनकी आमदनी के बारे में और उनके सम्बन्ध में जितने वहाँ पर महल खड़े किये गये हैं, उन सब के बारे में कि बाद में यह जानकारी हुई कि ये बातें बिल्कुल असत्य हैं। इस सरकार को पूरी जानकारी 1961 में कर दी गई थी कि डा० तेजा किस टाइप का आदमी है और डा० तेजा से कोई सम्बन्ध नहीं किया जाना चाहिये। ये दो पत्र बिल्कुल साफ और स्पष्ट हैं।

सरदार रघुबीर सिंह बंजहारी (पंजाब) :
रामास्वामी कौन साहब हैं ?

श्री राजनारायण : यह जो लैटर है, वह ले सीजिये।

उपसभापति : नहीं जी, नहीं।

श्री लोकनाथ मिश्र (उड़ीसा) : इसीलिए श्री बिस्मिल्लाह को वहाँ पर रखा गया है।

श्री राजनारायण : यह कुल देखा लिया जाय और मुझे कहने की जरूरत नहीं है क्योंकि सदन के सम्मानित सदस्य परेशान हैं। श्री कमेटी बनी है उसमें ओरिपोर्ट दी है उसमें यह सारी चीज मिल सकती है, जिस समय मंत्री जी ने आइन्वेस्ट जारी किया था, पेश किया था, उससे मिल सकती है और उसी को मैंने दूसरे तरीके से बोर्ड में कहा है। मैं सदन के जो सम्मानित सदस्य हैं उनके सामने जो फील्ड है, जो सरकार की जानकारी में है, उसको रख देना चाहता हूँ। यह जो बकरी मिनिंग कम्पनी है वह 10 फरवरी 1961 को बनी थी और उस समय उसकी पेड अप कैपिटल कुल 200 रुपये थी। 200 रुपये पेड अप कैपिटल के साथ दुनिया की कोई बकरी हमें बतला दी जाय कि यदि मंत्री लोगों का उसमें इन्टरस्ट नहीं है, वैन प्रधान मंत्री का इन्टरस्ट नहीं है तो मैं यह जानना चाहता हूँ कि 200 रुपये पेड अप कैपिटल वाले को 20 करोड़ रुपये सरकार द्वारा देने की बात कैसे हो सकती है? यह हमारा साफ सवाल है।

दूसरी बात यह देखी जानी चाहिये कि फरवरी में तो इस कम्पनी की पेड अप कैपिटल 200 रुपये थी मगर मार्च 1962 में छलांग मार कर 1.5 करोड़ रुपये हो गई और इक्विटी शेयर 100 रुपये के हो गये। इसमें शेयर होल्डर्स कौन कौन हैं यानी 75 प्रतिशत तो डा० तेजा के थे, केवल 25 प्रतिशत दूसरों के थे, एम० एम० कुसकन्दस के जो क ब्रिटिश मार्गरेट हैं।

दिवान चमन लाल : (पंजाब) वह एक अमेरिकन सिटीजन है।

श्री राजनारायण : जो रपट है उसमें ब्रिटिश इंडियन सिटीजन है। अगर आपको ज्यादा जानकारी है तो दे दीजिये। हम तो रपट की बात कह रहे हैं। हम रपट से पढ़ रहे हैं कि पेड अप कैपिटल वाद में 2.88 करोड़ रुपया हो गई और वाद में जाकर 74 परसेंट शेयर तेजा के हो गये और 24 प्रतिशत कुलकन्डस के हो गये और जो वॉलेंस बचा उसमें एक दर्जन इंडियन शेयर होल्डर्स हो गये। यह कम्पनी 15 मार्च 1966 को पब्लिक लिमिटेड कम्पनी में बदल गई और उसका अधिराज्यड कैपिटल 5 करोड़ रुपया हो गया और 20.25 करोड़ रुपया उसको कर्जा के रूप में मंजूर हुआ। नवम्बर 1961 में जब ब्रम्बई के इस दोस्त ने श्री मोरारजी भाई को चिट्ठी लिखी और मोरारजी भाई ने जो उस समय के प्रधान मंत्री श्री नेहरू से उनको वह चिट्ठी दे दी। अब देखा जाय कि एट दी एंड आफ 1963 कम्पनी के ऊपर कितना कर्जा था। उस समय न यह अपने लोगों को तनख्वाह दे सकती थी और न जो उसके ऊपर लायविलिटीज थीं उनको ही पूरा कर पाई थीं और उसको पूरा नुकसान होने लगा था। मैं चाहता हूँ कि जो तेजा के भतीजे नारायणा साहब थे, उसके बारे में हमारे सम्मानित सदस्य जान लें। नारायणा से अधिक डा० तेजा का शुभ चिन्तक कोई नहीं होगा। वह क्या लिखते हैं :

Managing Director Narayana, his nephew, complained that neither he nor the Board was kept informed of the various financial arrangements which Dr. Teja was making from time to time from his far-off head office in south of France.

नारायणा ने 1 दिसम्बर 1965 को इस्तीफा दे दिया। नारायणा यहाँ आये। नारायणा सरकार के सभी मंत्रियों से गुप्त नाम से मिले, अपने दोस्त के जरिये सरकार के पक्ष के

लोगों के जरिये से प्रधान मंत्री के सामने सारी बातें रखी। लोगों के सामने रखी कि तेजा ने सारा पैसा बंगल कर दिया है। उसके पास न कोई एकाउन्ट है, न कोई हिसाब है और बाहर से जो कर्जा लेता है उस कर्ज को वह दूसरे एकाउन्ट में दिखा देता है और इस तरह से उस कर्ज को इस कम्पनी के नाम कर देता है। इस तरह से पूरी की पूरी, होल हिस्ट्री, फ्राम दि वेरी बिगनिंग, शुरू से ही सत्य पर पर्दा डाल करके, असत्य को मंत्री के पास पहुंचा करके, तेजा साहब ने इस सरकार को और इस जनता का उसने जितना रुपया से लिया है उसका दुरुपयोग किया है।

उपसभापति : अब आपके तीन ही मिनट रह गये हैं।

श्री राजनारायण : मैं जरा मुसीबत में हूँ और नया आदमी हूँ। हमें दोनों कहा जाता है और नया बतलाया जाता है मगर समय नहीं दिया जाता है।

उपसभापति : आप विनती कर रहे थे कि . . .

श्री राजनारायण : मैं 30 तारीख के टाइम्स आफ इंडिया को जल्दी में पढ़ देना चाहता हूँ। मेरा सवाल है कि डा० तेजा मई और जून के महीने में, जब कि यह कम्पनी 10 जून को ली गई थी तब वे उसके पहले दिल्ली में थे या नहीं ? मेरी अपनी जानकारी यह है कि डा० तेजा यहाँ थे। मेरी अपनी जानकारी है कि सरकार के मंत्रियों के बहुत से लोगों को जानकारी थी कि डा० तेजा यहाँ हैं। उस समय तेजा को गिरफ्तार क्यों नहीं किया गया ? मेरा आज भी कहना है कि अगर ठीक तरीके से अन्तर्राष्ट्रीय नियमों का पालन किया जाय तो अन्तर्राष्ट्रीय नियम भी यही कहेंगे कि तेजा को गिरफ्तार किया जा सकता है। विश्व व्यवस्था के हित में एक कलाज है, अन्तर्राष्ट्रीय नियम के अन्तर्गत अगर कोई ऐसा आफेंस न हो, जो पोलिटिकल हो, तो इस तरह के अपराध में

एक मुल्क में दूसरे मुल्क के रहने वाले को बंदी बना सकता है और यहां मंगा सकता है। इस कानून के मातहत डा० तेजा को अब तक गिरफ्तार क्यों नहीं किया गया ? जिस डा० तेजा के बारे में इतने स्कैन्डल हैं, जिस डा० तेजा के बारे में सुखतंकर कमेटी की पूरी की पूरी रपट पड़ी हुई है और जांच कमिशन जो कहता वह भी यही कहता है कि उनके साथ कोआपरेशन नहीं किया गया, एकाउन्ट्स नहीं दिखाये गये, उनको पेपर्स नहीं दिखायाये गये, बारबार कहने पर भी नहीं दिखायाये गये और इस तरह से पूरी की पूरी रिपोर्ट इसी तरह की बातों से भरी हुई है। मंत्री जी ने भी जब आइनेन्स के लिए इसके बारे में निवेदन किया था तब भी पड़ा था कि इसमें यह लिखा है और ये ये शिकायतें हैं। तो मेरा कहना है कि वह नाजुक जगह, वह मुलायम जगह कौन सी है जो इस सरकार को रोक रही है डा० तेजा को गिरफ्तार करने से ? वह नाजुक कड़ी, वह नाजुक जगह कौन सी है जो आज इस कम्पनी को राष्ट्रीयकरण से रोक रही है ? मैं प्रोफेसर गाडगिल साहब से इतिफाक करता हूं, मेरी भी अपनी भांग है कि अभी और फौरन इस कम्पनी का राष्ट्रीयकरण कर दिया जाना चाहिये। यह जो विधेयक आया है, यह अपूर्ण है। इस विधेयक के जरिये हो सकता है कि डा० तेजा को और कुछ खिला दिया जाय, इस कम्पनी को मजदूर कर दिया जाय, उसके शेयर पक्के कर दिये जायें और बाद में फिर इस कम्पनी को डा० तेजा के हवाले कर दिया जाय क्योंकि यह बिल्कुल सही बात है। शिपिंग कारपोरेशन आफ इंडिया तो केवल उसकी मैनेजर ही है, सरकार मैनेजर है और डा० तेजा आज भी मालिक बना हुआ है। तेजा कम्पनी का मालिक बना हुआ है और वहीं मालिक आज इस सरकार को नौकर बना रहा है। तो मैं चाहूंगा कि यह सरकार नौकर की स्थिति से उठे और उसका राष्ट्रीयकरण करे।

दूसरी बात जरा यह देखी जाय कि तेजा की वाइफ . . .

उपसभापति : आप का भाषण समाप्त होना चाहिये।

श्री राजनारायण : माननीया, औरतों का मामला है, कुछ तो रहम कीजिये। तेजा की वाइफ डंके की चोट पर कह रही है कि मैं तेजा के सम्बन्ध में पूरी जानकारी कराने के लिये तैयार हूं। यह सरकार तेजा की वाइफ को क्यों नहीं यहां बुलाती और तेजा की वाइफ से सारे रिकार्ड क्यों नहीं लेती।

इसी के साथ साथ हमारे मित्रों ने जो कुछ कहा है मैं उधर इस समय नहीं जाना चाहूंगा। मगर हमारे पास बहुत से सबूत हैं और मैं चाहूंगा कि मंत्री लोग अपना दिल टटोलें और आज जब सोने जायें तो खाना खाने के बाद चित्त सोयें और अपनी छाती पर हाथ रख कर पता लगायें कि किस-किस की लड़की को, किस-किस के लड़के को डा० तेजा या डा० तेजा के एजेंटों के जरिये या डा० तेजा के प्रभाव से कहां-वहां से रकमें मिली हैं, डाक्टर तेजा किन-किन के लड़कों को लंदन में बिल पे करते हैं, किन-किन के लड़कों को विदेशों में होटल में टहराते हैं, किन-किन के लड़कों के लिये उमने मकान खरीद कर के दिये हैं। मैं अदब के साथ कहना चाहता हूं कि प्राइम मिनिस्टर कहती हैं कि हम सत्य हैं, यह केवल कहने की जरूरत नहीं है, दूसरों को अहसास होना चाहिये कि हम सत्य हैं।

SEVERAL HON. MEMBERS : No, no.

THE DEPUTY CHAIRMAN : Order, order.

* * * Expunged as ordered by the Chair.

श्री राजनारायण : मैं इस वकन केवल इसारे में कह रहा हूँ और मैं यह कह रहा हूँ कि इसकी जानकारी कराई जाय ।

SHRI AWADHESHWAR PRASAD SINHA (Bihar): I object to this. This must be expunged.

THE DEPUTY CHAIRMAN : Order, order.

श्री राजनारायण : अगर इतनी बात को आप एक्सपंज करायेंगे

... I think you should be removed from the House. Go to a panchayat. Do not sit here in this Rajya Sabha. This is Rajya Sabha. It is not Nehru Sabha. This is Rajya Sabha.

श्री अवधेश्वर प्रसाद सिंह : मैं 17 वर्ष से यहां हूँ ।

श्री राजनारायण : 17 वर्ष से आप जैसे बहुत हैं ।

श्री अवधेश्वर प्रसाद सिंह : बड़ी कोशिश से आप आये हैं ।

(Interruptions)

श्री राजनारायण : यही कारण है कि आप चले गये हम को छोड़ कर ।

उपसभापति : मिस्टर राजनारायण, देखिये, मैंने आपको बीम मिनट दिये ।

श्री राजनारायण : मैं पार्लियामेंट्री और संयत भाषा में कह रहा हूँ कि मंत्री लोग छाती पर हाथ रख कर के सब बातों की जानकारी दें और केवल भक्ति न दिखायें इन्दिरा जी की । इसके लिये बहुत भक्तपड़े हुये हैं ।

SHRI AWADHESHWAR PRASAD SINHA : He must withdraw it.

THE DEPUTY CHAIRMAN : Order, order. No allegations should be made against anyone. You must talk of the things that are in the Bill without reference to anybody.

SHRI RAJENDRA PRATAP SINHA: (Bihar): He has made the allegation. We discussed about this today, this very morning. He has made the same allegations again. I will request . . .

SHRI RAJNARAIN : I do not withdraw this allegation. No allegation . . .

मैंने केवल यह कहा है कि छाती पर हाथ रख कर के, उतान हो कर के, मंत्री लोग सोचें कि कहां क्या होता है । मैं फिर कहता हूँ कि जहां तक अफवाह है, उस अफवाह से वर्तमान प्रधान मंत्री भी बरी नहीं है । उसकी वे सफाई दे दें ।

SHRI RAJENDRA PRATAP SINHA: He has said that definitely.

SHRI CHANDRA SHEKHAR (Uttar Pradesh): Madam Deputy Chairman

THE DEPUTY CHAIRMAN : Order, order.

SHRI CHANDRA SHEKHAR: I rise on a point of order.

THE DEPUTY CHAIRMAN : You must hear me before you raise this point of order. This morning the Chairman has directed that no allegations are to be made either on this side or on that side and if any allegations are made, then they will be expunged. Mr. Hathi.

SHRI RAJNARAIN : On a point of Order.

liamentary practice. बहुत ही नाधु और शिष्ट भाषा में मैं कह रहा हूँ कि अगर इस तरह में चीजों एक्सपंज करने लगेंगी तो मुझे अफसोस के साथ कहना पड़ेगा कि इस सदन में पना नहीं क्या-क्या चीजें होंगी । और फिर अब आप एक्सपेंज ही करेंगी Why should I not read everything? No, no. Allow me to read out everything.

मैंने अपने निजी दोस्त को वचन दिया है, इस लिये नहीं यह रहा हूँ । मैंने केवल एक उदाहरण दे दिया । अगर चीज इस तरह से एक्सपंज करने की बात आयेंगी Let me read whatever I have got in my possession

उपसभापति : राजनारायण जी, अब आप . . .

This is no allegation, it is parliamentary practice.

SHRI RAJNARATN : Then I will read every detail, each and everything of what I have got in my possession. What is this ?

SHRI G. MURAHARI (Uttar Pradesh : About what Shri Rajnarain has just now said, I would like any of these Congress Members to come forward here and prove that he has made any specific allegation . . . (Interruptions) Sit down.

THE DEPUTY CHAIRMAN: Mr. Chandra Shekhar, please sit down.

SHRI CHANDRA SHEKHAR : I do not want to . . . (Interruptions) * * *

SHRI RAJNARAIN : * * *

SHRI CHANDRA SHEKHAR : The whole Government of India . . . (intirruptions) * * *

SHRI RAJNARAIN * * *

SHRI CHANDRA SHEKHAR: * * *

THE DEPUTY CHAIRMAN : Order, order. I want to speak now. You have spoken.

(Both Shri Rajnarain and Shri C. Murahari stoop up)

THE DEPUTY CHAIRMAN : Order, order. Both of you are standing.

श्री राजनारायण : माननीया, यदि सरकारी पक्ष के लोग समझते हों कि . . .

THE DEPUTY CHAIRMAN: Mr. Rajnarain, please Take your seat.

SHRI G. MURAHARI : Madam Deputy Chairman . . .

(Interruptions)

THE DEPUTY CHAIRMAN : Please be calm. Let us arrive at a solution calmly . . . (Interruptions) Order, order.

(Interruptions)

SHRI RAJNARAIN : You should not do that. You also . . .

* * * Expunged as ordered by the Chair.

THE DEPUTY CHAIRMAN : Order, order. There has been shouting on both sides. I must be impartial and say that there has been shouting on both sides. And I want to hear Shri Gaure Murahari.

SHRI G. MURAHARI: Madam Deputy Chairman, from the morning

(Interruptions)

THE DEPUTY CHAIRMAN : Please. Let me hear Shri Gaure Murahari.

SHRI G. MURAHARI : From the morning we have been having an exhibition of temper, shouting and trying to shout down Opposition Members . . .

SEVERAL HON. MEMBERS : No, no.

THE DEPUTY CHAIRMAN : -Order order.

SHRI LOKANATH MISRA : Madam, I want to make a submission for your consideration.

THE DEPUTY CHAIRMAN : Mr. Gaure Murahari, will you yield io him ?

SHRI LOKANATH MISRA : I would appeal through you, Madam, that the Congress Benches . . .

(Interruptions)

THE DEPUTY CHAIRMAN: You must please be quiet.

DR. B. N. ANTANI (Gujarat): They will not behave.

SHRI LOKANATH MISRA: You cannot shout down everybody. If somebody talks sense you will have to put up with it. The fact is this. Madam, through you, I would appeal to the Congress Benches who are definitely in a majority, a large majority, to show some sobriety. It may be that on certain occasions there are one or two from the Opposition who might be going a little beyond the limit. It does not matter, since we are in a minority. That is somehow to be tolerated by the ruling party.

(Interruptions)

THE DEPUTY CHAIRMAN : Order, order.

SHRI LOKANATH MISRA : And in retaliation if the Congress Benches vie with the Opposition in creating trouble, in shouting down the Opposition, that does not look nice. I have been sitting here. I am not a participant in what has taken place now. I have just been an observer and from an observer's point of view, I would appeal to the Congress Benches not to try to disobey the rules of the House. You see. There must be some dignity and that dignity must be maintained by the Congress Party.

SHRI AKBAR ALI KHAN : Just one word.

THE DEPUTY CHAIRMAN : Order order.

SHRI AWADHESHWAR PRASAD SINHA: When Shri Dahyabhai Patel spoke, did we speak a word ?

THE DEPUTY CHAIRMAN : I am surprised that you have no patience on this side to listen. When I have permitted Mr. Gaure Murahari to explain his position and I have also expressed my own views on what has been uttered, after that I am really surprised that you have no patience at all. Mr. Gaure Murahari will put his case. After that you may put your case as you want.

SHRI G. MURAHARI: Thank you, Madam. Since this morning we have had an exhibition of tempers, shouting and a type of behaviour that would really bring disgrace to any ruling party. You know all these years we have been taught lessons, we have been given lectures, as to how decency and decorum, have to be maintained in this country, how the S.S.P. has been instrumental in ruining democracy and in trying to undo dignity and decorum in Parliament and the Legislatures. But the way they have behaved today gives a lie to the whole propaganda. I am glad to observe that Congressmen are today placed in the position of the Opposition in trying to shout down speakers in this House.

THE DEPUTY CHAIRMAN : That would do. I do not know what more you have to say. I think you have made your case very well. Now you must be very brief.

SHRI G. MURAHARI: I am coming to the specific question of Mr. Raj-narain's observation. They say that he has made certain allegations. You can take out the record of what he has said just now and got through it. You will not find a single sentence where he has made a specific allegation about anybody. He has made a generalised statement about Ministers, asking them to put their hands on their heart and think about it and all that kind of thing. I do not think that can be expunged or taken out of the record. Is this the procedure we are going to follow? If any reference to the Prime Minister or any Minister is considered to be derogatory and defamatory and such references are to be expunged, then it will be highly impossible for anybody to function in this House. Madam, therefore, I would request you to see that this kind of thing is not repeated. It is all right if there is any specific allegation and it is objected to. There was a privilege motion this morning which in itself was wrong.

THE DEPUTY CHAIRMAN : Let us not go into that part. Please do not go into that. Come to the Bill and what is happening now during this period. Do you want to say something, Mr. Akbar Ali Khan, do you want to say something ?

SHRI AKBAR ALI KHAN : I just wanted to say . . .

THE DEPUTY CHAIRMAN: No, no. We are not going to enter into a discussion on this.

SHRI AKBAR ALI KHAN : I am grateful to Mr. Lokanath Misra for what he said. But he being a very senior Member will stand witness how we have treated our Opposition, and I leave it up to him to decide. It is only when things go beyond a limit that we try to protest.

THE DEPUTY CHAIRMAN : May I say that this morning the Chairman gave a directive and we come to some harmonious understanding of either side not making allegations and counter-allegations. I shall go through this report and I shall see if there is something that has been an infringement of

the suggestion made by the Chairman this morning. Then I shall act on my own within my right.

Now Mr. Hathi will make a statement. Mr. Hathi.

STATEMENT BY MINISTER *RE* DISTURBANCES AT AGARTALA TOWN ON 28TH AND 29TH AUGUST, 1966

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI IUSUKHLAL HATHI) : Madam, according to information furnished by the Government of Tripura, on August 28, 1966 in the evening a minor affray took place between an unauthorised cinema ticket seller and sepoy of the Assam Rifles. This was followed by a quarrel involving other members of the public and some Jawans.

A false rumour was spread about the death of a student in the quarrel and this led to the collection of a mob outside the Kotwali police station. The mob turned violent and hurled brickbats at the police. The police had to make a mild lathi charge and fire tear gas shells to keep the crowd away. Ninety three persons were injured including 66 policemen, 2 Jawans and 1 sepoy of Assam Rifles.

Early on the morning of 29th August, a mob collected before the Kotwali police station and tried to raid the police station. The police was forced to fire tear gas shells. In protest against the police action, supporters of the agitation also tried to stage a hartal.

The mob also raided the local police office and the guards had to open fire, injuring one person.

Fire had also to be opened in another locality to disperse unlawful crowds resulting in injuries to six persons, one of whom succumbed to his injuries. Two more persons, injured in firing by the police died subsequently.

At about 11 A.M. a crowd consisting mostly of students started collecting outside the Assembly premises. They succeeded in forcibly entering the premises

and taking out the Chief Minister at 14.00 hrs. The Chief Minister was rescued after intervention by the police who had to open fire. In this firing none was injured.

The mob also took out textiles from the Industrial Sales Emporium and set fire to them. The extent of the loss is being assessed. They tried to raid the local telephone exchange. Army was called out in aid of civil power. From 7 P.M. on 29th August a curfew for 36 hours was imposed in the Agartala town. Sixty nine persons have been arrested, including one M.P. and four M.LAs of the C.P.I.

On 30th August 1966, the Assembly proceedings were held peacefully. There were no fresh incidents. The curfew has been lifted with effect from 7 A.M. on 31st August 1966. Order under section 144 of the Criminal Procedure Code will, however, remain in force up to 4th September. The situation is under control and strict vigilance is being maintained.

SHRI NIREN GHOSH (West Bengal): Madam, I gave the notice of calling attention. I thought that perhaps this question would come up tomorrow. Now suddenly he has come and made the statement.

THE DEPUTY CHAIRMAN : If it was not made today you would be annoyed tomorrow.

SHRI NIREN GHOSH: I have no objection to it. It is good. But my information is that some army men were involved in the brawl and as a result of that both the Army and the police took a revengeful attitude and they beat down the mob as a result of which the unrest spread. It is not a normal situation that in a small town like Agartala suddenly the Army is called in. Why should the Army be called in in such a situation ?

THE DEPUTY CHAIRMAN : What is your question ? You want to know why the Army was called in.

SHRI NIREN GHOSH : Yes, the Army has been called in. I say that an army fellow was involved in bad dealings