

SHRI BHUPESH GUPTA : At the time when the loan was advanced by the Government and this Company came into the limelight another gentleman of the Congress Party, Mr. Thirumala Rao, figured very prominently. He was negotiating with the Government and acting as a liaison man. May I know whether the Government has held consultations with him, whether any information has been sought from him as to how the fraudulent deed was enacted and whether Mr. Thirumala Rao has been asked to explain his conduct in the whole affair of the Jayanti Shipping Company ?

SHRI N. SANJIVA REDDY: He resigned his Vice-Chairmanship much earlier, before we took over. We are trying to get information from all sources; we are getting from foreign sources, from charter companies; from all sources we are attempting to get information. Mr. Thirumala Rao . . .

SHRI BHUPESH GUPTA : But, Sir . . .

SHRI N. SANJIVA REDDY : He must also permit me to answer. Mr. Thirumala Rao is also co-operating. He is prepared to give any information that he is asked to give. The foreign companies are also co-operating. There are only a few of them from whom we are not able to get information but we are at it.

SHRI BHUPESH GUPTA: This is a philosophical answer.

SHRI N. SANJIVA REDDY: It is not philosophical. We are trying to get information from all sources.

SHRI CHANDRA SHEKHAR : Is it a fact that there is some rumour that the Government is proposing to drop the enquiry against this Company; if so, what are the reasons and why should not the Government appoint an Investigation Commission like the Dalmia Jain Commission which enquired into the affairs of Dalmia Jain concerns ? Why should there be hesitation on the part of the Government, if the affairs of the Company are so bad, in appointing a Commission of that nature ?

SHRI N. SANJIVA REDDY: We are trying to get all the information in India and from outside India also. Things are coming to our notice and naturally we will

have to examine the legal aspects, the Law Department, the Home Department, all of them are at it and we will certainly take whatever action is legally necessary and possible.

SHRI BHUPESH GUPTA : It is a great fraud committed by the Congress Party.

(Interruptions)

REPORT OF MANAGING AGENCY ENQUIRY COMMITTEE

◆7. SHRI N. R. M. SWAMY: Will the Minister of LAW be pleased to state:

(a) whether the report of the Managing Agency Enquiry Committee has been examined by Government; and

(b) if so, what decision has been taken as to the future of the system of managing agency

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THE MINISTER OF STATE IN THE MINISTRY OF LAW (SHRI C. R. PATTABHI RAMAN) : (a) and (b) The recommendations of the Managing Agency Enquiry Committee are under consideration of Government and a decision is expected to be taken thereon very soon.

SHRI N. R. M. SWAMY: May I know whether it is a fact that some of the recommendations given by this Committee have not been approved by the Department?

SHRI C. R. PATTABHI RAMAN: The whole thing is being considered by Government and there is no question of approval or disapproval.

SHRI N. R. M. SWAMY : Even today some of the Government's policies have been spelt out in the newspapers where it has been stated that in some of the industries such as sugar, cement and textiles discontinuance of the managing agency system has been recommended; is it a fact?

SHRI G. S. PATHAK : Sir, the Managing Agency Enquiry Committee Report was placed on the Table of this House and whatever is contained in that Report should be known to everybody. The question which is being put to me relates to what the Committee has recommended in its Report. I am prepared to give the answer

but when the information which the hon. Member wants is contained in a Report which was placed on the Table of the House, he should be presumed to have known what is contained in that Report.

SHRI NIREN GHOSH : There was a Press report that the Law Ministry or the Department concerned does not propose to abolish the managing agency system. In view of the fact that it has tremendously contributed to monopolisation and concentration of economic power may I know whether the Government propose to abolish the managing agency system lock, stock and barrel?

SHRI G. S. PATHAK: Now we have stated that the whole question which emerges from the Report is before the Government at the highest level and until the Government arrives at a decision it is not possible for me to say what the decision is going to be.

SHRI BHUPESH GUPTA : That much we know. Unless the Government arrives at a decision there will not be any decision. That much we know. We want to get a little more light from him. In 1956 on the floor of this House Mr. Chintaman Deshpande when he sponsored Companies Bill gave a clear assurance that latest by 1960 the managing agency system in the country will have been abolished. And since then the assurance had been earlier repeated also. May I know the reason why the Government has adopted such dilatory tactics in abolishing the managing agency system, which was castigated from all sides of the House and in response to which the Government gave an assurance about its abolition ? Do I understand that it is the patronage of big money behind the Congress Party that is now coming in the way of taking firm action against the managing agency system, as there are 445 managing agencies still operating in the country ?

SHRI N. SANJIVA REDDY: Could he not put a question without insinuation?

MR. CHAIRMAN : The question was : What was the reason for the delay ?

SHRI BHUPESH GUPTA : Why is he keeping the political managing agency ? He is in the syndicate.

SHRI N. SANJIVA REDDY: We can have everything outside, but not inside the House.

(Interruption)

SHRI A. P. CHATTERJEE : The hon. Minister has not answered the question.

SHRI G. S. PATHAK : The suggestion that the Government is guilty of any dilatory tactics and all the insinuations which have been made by the hon. Member are being repudiated. They are wrong.

♦8. [Transferred to the 29th July, 1966.]

SHORTAGE OF VANASPATI AND EDIBLE OILS

*9. SHRI JAGAT NARAIN:

SHRI B. N. MANDAL :

SHRI V. M. CHORDIA :

Will the Minister of FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION be pleased to state :

(a) whether it is a fact that an acute shortage of vanaspati and other edible oils has arisen in the country recently and particularly in Delhi;

(b) if so, the reasons therefor;

(c) whether the prices of vanaspati and other edible oils have also gone up; and

(d) the measures taken by Government to see that manufacturers and traders do not exploit the situation ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION (SHRI ANNASAHIB SHINDE) : (a) and (c) Shortage of vanaspati and groundnut oil accompanied by a rise in prices was reported from many States, including Delhi, during April-May, 1966.

(b) The shortage was largely due to the shortfall in production of groundnut during the current year and consequent reduced availability of groundnut oil, the main raw material for vanaspati. In Delhi, the shortage was further accentuated by heavier

(d) The question was actually asked on the floor of the House by Shri Jagat Narain.