

28. Shri Hari Charan Soy

29. Shri V. M. Wadiwa, and

30. Shri Lal Bahadur Shastri

and 15 from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the 15th day of April, 1963;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of 15 members to be appointed by Rajya Sabha to the Joint Committee."

THE APPROPRIATION BILL, 1963

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI B. R. BHAGAT): Sir, I beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1962-63, as passed by the Lok Sabha, be taken into consideration."

This Bill arises out of the Supplementary Demands of Rs. 157.98 crores voted by the Lok Sabha on March 13, 1963 and the expenditure of Rs. 113.57 crores charged on the Consolidated Fund of India as detailed in the Supplementary Demands presented to the House on February 21, 1963. Explanations in support of the Demands have, as usual, been given in the foot-notes below the Supplementary Demand Statements. I shall, therefore, confine myself to a few introductory remarks.

[THE DEPUTY CHAIRMAN in the Chair]

Of the additional provision of Rs. 271.55 crores asked for in the current batch of Supplementary Demands, Rs. 98.6 crores are on Revenue account, Rs. 59.02 crores for Capital expenditure and the balance of Rs. 113.93 crores for loans and advances, including repayment of Debt. The largest single item in Revenue expenditure is the additional provision of Rs. 37.50 crores for Defence Services. As the House would recall, Supplementary Demands for Defence Services totalling a sum of Rs. 95 crores were sanctioned by Parliament in November last year. Thus, as compared with the provision of Rs. 376 crores included in the original Budget, the net expenditure on Defence in the current year, is now estimated at Rs. 505 crores.

Of the balance of Rs. 61.10 crores Revenue expenditure, Rs. 14.15 crores are for payment to producers and re-rollers of iron and steel and for transfer to the Fund of the net proceeds of surcharge on iron and steel and other miscellaneous receipts. A sum of Rs. 10.55 crores is required for payments to the States of their share of Union excise duties due mainly to larger collections than anticipated earlier and the share accruing to them as a result of the current year's Budget proposals. An

additional provision of Rs. 18·20 crores has been asked for transfer of grants from the U.S.A. under P.L. 480 and of receipts under the Emergency Risks Insurance Scheme to the respective Funds which are covered by a corresponding increase under Revenue receipts. A sum of Rs. 4·66 crores would be required mainly for policing of border areas.

On Capital account an additional provision of Rs. 23·48 crores has been asked for as a result of the stepping up of imports of foodgrains from abroad and also for payment of advances to State Governments for internal procurement. Provision for the transfer to the Special Development Fund of the loan assistance from the U.S.A. under P.L. 480, which is notionally treated as capital expenditure, was originally estimated at Rs. 60 crores. As the amount of loans now expected to be received is Rs. 80 crores, an additional provision of Rs. 20 crores is required for the transfer to the Fund. Of the other important items of capital expenditure, I would mention Rs. 8·48 crores for the purchase of shares of Heavy Engineering Corporation and Rs. 5·64 for the purchase of gold to cover the adjustment in respect of gold subscribed for the purchase of Gold Bonds.

Under Loans and Advances, the largest single item is Rs. 70 crores for State Governments partly as special loan assistance and partly as additional assistance for financing their Plans. The special loan assistance had to be made available to several State Governments to clear their over-drafts with the Reserve Bank following a lack in their resources. Hon. Members will recall that mention to that effect had been made by the Finance Minister in his Budget Speech the other day. The additional Plan assistance arises out of the Planning Commission's subsequent discussions with the States in the current year and also includes provi-

sion for payment of arrears for the preceding years. An additional provision of Rs. 5·93 crores is required for advances to foreign governments, mainly for financing their rupee expenditure in India under the Trade Agreements signed with them. Provision has also been made for payment of a loan of Rs. 5 crores to Heavy Engineering Corporation.

Finally, an additional provision of Rs 33 crores has been included under 'Repayment of Debt' for discharge of ad hoc Treasury Bills issued in favour of the Reserve Bank. These have a maturity of 91 days and accordingly provision has to be made for their repayment and re-investment four times a year. The additional requirements are mainly attributable to the increase in the overall deficit for the current year.

Madam, I do not wish to take the time of the House in explaining these proposals further, except to make these general remarks and detailing the broad heads. I shall, however, try to meet the points that the hon. Members may wish to raise during the debate. With these words, Madam, I move.

The question was proposed.

SHRI BHUPESH GUPTA (West Bengal): Madam, I should immediately refer to Demand No. 48 with regard to the Home Ministry. You will see that the money is sought to strengthen the Intelligence Bureau and other investigating authorities of the Central Government. Naturally, we would be entitled to go into this question and see whether the moneys are being properly spent. To begin with, I will deal with a particular case in which the Central Home Ministry came into the picture but seems to have faded out. I have in mind the case of the sale of 10,680 rights of the Telco that is 10,680 shares of the Telco, by the then Hyderabad Government to the

[Shri Bhupesh Gupta.]

Economic Adviser of the Nizam of Hyderabad, Mr. C. B. Taraporewala. The sale took place when the States had not been reorganised. The case arose out of it and came before the Central Government. Whatever I am going to speak, I shall speak absolutely based on the official records and files and I would ask the Government to explain why the Home Ministry is not acting in this matter. Therefore, I think the House will bear with me because I want to make my observations by way of proper documentation. As I said, the sale took place when it was the Hyderabad State. The shares were sold by the Hyderabad Government and were brought by Mr. Taraporewala, the Economic Adviser to the Nizam. Now very few people knew what happened at that time but suddenly the Supreme Court of India by an order dated the 21st December 1959, directed the appointment of an auditor to audit the accounts of His Exalted Highness the Nizam's Charitable Trust. In pursuance of the orders of the Supreme Court Messrs. A. F. Ferguson and Company, Chartered Accountants, Bombay and New Delhi audited the Accounts and their audit report dated 22-10-1960 was received by Mr. Rai Trimbaklal, Director of Endowments and Joint Secretary, Board of Revenue, Andhra Pradesh, in his capacity as Director of Endowments. What did that audit report say? It said:

"It appears that at about this time Khan Bahadur Taraporewala acting for H.E.H. the Nizam, was offered by the Government of Hyderabad, some 10,680 rights at a price of Rs. 10 per share of which was substantially lower than the prevailing market value of the rights."

Then it went on:

"I may point out that the 'rights' referred to are the right shares of the Tata Locomotive and Engineering Co., Ltd., and that the prevailing market value of the rights was

not less than Rs. 25/- per share as revealed by the audit report itself."

That is the Government authority. In the same report it was also mentioned:

"However, the sale proceeds of 10,680 rights which were first sold were credited to the personal account of H.E.H., the Nizam".

The reference here is to the sale of rights belonging to the Nizam's Charitable Trust. The report further mentions:

"However, it is clear that H.E.H. the Nizam personally made a profit equivalent to about Rs. 1,60,793.10 representing the difference between the price at which the rights belonging to the trustees were sold on the market at Rs. 2,67,193.10 and Rs. 1,06,400 paid by him to the Government of Hyderabad for the purchase of the rights. H.E.H. the Nizam would not have earned this profit during a short period of time in the absence of the Trusts Holdings".

What I am concerned with here is not the amount of profit. The shares were sold at a lower price than the prevailing market price at that time. What happened? This audit report was sent to the Joint Secretary of the Board of Revenue who is in charge of Endowments in the old Hyderabad Government, the Andhra Pradesh Government later on, Mr. Trimbaklal. He suspected certain things, that certain shady deals may have occurred. He got in touch with the Central Government and he was dealing with the matter in his hands. Here again you will find a very interesting things. On 17th October 1961 Mr. Trimbaklal, Joint Secretary of the Hyderabad Government, wrote a letter to the Accountant General at that time. Here is an interesting thing:

"I have addressed a D.O. letter No. 1171/CI/59, dated 13-4-1961

which you may kindly see. Twice I met you in Office and personally explained certain matters with regard to the purchase of 10680 Telco Shares belonging to Government, by Shri C. B. Taraporewala. I also showed you the photostat copies of the letters which I received in Delhi from Shri D. L. Darbari."

Mr. Darbari is the Superintendent of the S.P.E. under the Home Ministry.

"I am extremely grateful to you for having given me sufficient time to explain this case. I hope you will certainly take necessary action whatever you consider proper."

This was the letter which Mr. Trimbaklal wrote to the Accountant General of the Hyderabad Government of that time. And that letter was acknowledged by him, I think, on the same day. And then what did he do? What is the next step that he took? He is the Joint Secretary of the Revenue Board and he was in charge of the endowments, Mr. Trimbaklal. He then wrote a letter to the Hyderabad I.G. of Police, Mr. Nambiar.

"I met our Chief Secretary about four days back and I was directed by him to contact you in connection with the purchases of Telco shares by Shri Taraporewala from Government. I was told that the files and the photostats received from the Central Special Police have been sent to you for investigation. I have consulted in this matter with the leading advocates. They are of opinion that the matter and quote clear and the case of forgery etc. can be fully established. The course suggested is to prosecute the concerned person. I hope you will take immediate necessary action.

If you want to know the details and further information in this regard, I am prepared to see you and give all the information required.

Kindly let me know as to when I may see you in this connection.

Your sincerely,
(Sd.) Trimbak Lal."

He wrote this letter to the I.G. Police. And the I.G. Police acknowledged this letter. Then what happened? This letter of the 20th October, 1961 was acknowledged and so the case was before the Andhra Pradesh Government. Then what happened? You will be naturally interested to know that. The Central Government seems to have ordered a prosecution but nothing further seems to have happened and what is regrettable is that the Central Intelligence Branch or the Special Police Establishments are practically out of the picture, although this is a kind of evasion of income tax. It amounts to a breach of trust. It amounts to cheating a charitable trust, the Nizam's Trust. Nothing happened then. What happened thereafter? That is very interesting. Here again I am in possession of some correspondence, but in order not to take much of the time of the House I shall only give an idea of it. This Joint Secretary of the Board of Revenue, Hyderabad, is in charge of the Endowments, I mean Shri Trimbak Lal. He met the Chief Secretary of Andhra Pradesh and explained to him the position, and about what he thought was an unfair deal, or a shady deal with regard to these shares. After that meeting and in order perhaps to put in on record, he wrote a letter to the Chief Secretary himself, which again is rather interesting. Therefore, I would just like to briefly refer to one part of it in order to make you understand the case that I am placing before the House. There are so many letters here, Madam Deputy Chairman, and I get a little confused. Here I got this letter.

SHRI K. SANTHANAM (Madras):
Place the whole thing on the Table of the House.

SHRI BHUPESH GUPTA: In that letter to the Chief Secretary, Mr. Trimbaklal wrote thus: The letter is dated the 5th October, 1961 and bears the number D.O. No. P/4684/61. It runs thus:

"Dear Sir,

I met you in your office at about 4-0 P.M. on 3-10-61, and showed you the photostat copies of the letters which I got from Sri S. L. Barbhari from Delhi. These copies I have already shown to the Chief Minister, when he was in Delhi, on 28-9-61. These photo copies leave no doubt about the forgery and fraud that has been committed. These are very serious criminal offences about which, I am of opinion, that the Government should take necessary action. In case no prompt action is taken by Government it is feared that these matters will be taken up by the public which could make the position of the Government very awkward. As the matter is very serious I consider it my duty as a Government servant to bring the above facts to your notice.

"During my stay at Delhi, I was informed that Mr. and Mrs. C. B. Taraporewala are secretly contemplating to go away to Pakistan with a lot of jewellery worth several lakhs. This information is also from most reliable sources.

"I hope that after due consideration of this serious matter, the Government will take suitable action whatever it considers necessary.

Yours sincerely,
(Sd.) Rai Trimbaklal."

And Madam Deputy Chairman, this letter was addressed to Shri M. P. Pai, I.C.S., Chief Secretary to the Government of Andhra Pradesh, Hyderabad. Later on a letter was also written to the Home Department. The Chief Secretary wrote a letter to the Joint Secretary, Board of Revenue, Shri Trimbaklal, on the 17th October, 1961, and it is like this:

"The matter referred to by you is being attended to and the Government are considering what action would be appropriate in the matter. I am writing this to suggest that if there is anything you wish to convey, you may write to me direct without unnecessarily marking copies to any one else since having regard to the nature of the contents it is desirable that any kind of risk is avoided.

Yours sincerely,
(Sd.) M. P. Pai."

Therefore, the matter was under investigation according to the letter of the Chief Secretary himself. Then this Shri Trimbaklal wrote another letter, this time to the Investigating Officer, marked "Top Secret". All the letters are absolutely top secret. This letter he wrote to Mr. Anandaram, Superintendent of Police, Investigation Branch, C.I.D. Hyderabad, and the Superintendent of Police, Mr. Anandaram, wrote in reply to Mr. Trimbaklal. It is dated 29th November, 1962. It runs thus:

"Dear Shri Rai Trimbaklal,

Sub: Sale of Telco shares— Alleged forgery and cheating by Shri C. B. Taraporewala, Financial Adviser to H.E.H. the Nizam, Regarding . . .

Ref: Your D.O. letter No. T.2/62-3/ dt. 24-11-62.

The complaint in the case was obtained from you on the specific orders of the Chief Secretary and the progress made in the investigation of the case is being intimated to him from time to time."

So this was being intimated to the Chief Secretary.

"If you desire to know the progress made in the investigation of the case, you may please approach the Chief Secretary to Govt. in the matter.

Yours sincerely,
(Sd.) Anandaram."

So the matter was investigated according to this letter of the 29th November, 1962. Such is the position. But what is happening, we do not know. The Central Intelligence Department and the Special Police Establishment of the Home Ministry came. Even so we do not know what happened. Here again I would invite the attention of the House to a letter written by Mr. Trimbaklal, maybe in despair, to Mr. Anandaram, Superintendent, C.I.D., Hyderabad. He wrote like this:

"My dear Shri Anandaram,

You are fully aware that in the course of my other work and duties in the case of H.E.H. the Nizam's Charitable Trust, certain matters in connection with the sale of TELCO Right Shares by Government had come to my knowledge. This information I gave to the Chief Secretary, considering it as my duty through my D.O. letter No. P/4684/61, dated 5-10-61. After that I had no interest in the matter and it was left to the Government to take whatever action it considered proper.

After a lapse of one year, you again contacted me on phone and came to my office with some other officers of your Department and told me that the Government had taken a decision to take action in this case and start prosecution against the concerned person under alleged forgery, cheating and criminal breach of trust. On your personal assurances and your showing me the file in which the opinion of Public Prosecutor was also there and there was an endorsement of Chief Secretary that I complied to your request in lodging a formal written complaint, the draft of which was prepared by Public Prosecutor. When the written formal complaint was obtained by your officers on 3-9-62, you and others also assured me that the maximum time that will be taken will be one

month in filling the case in the Court.

You are quite aware that I had my own doubts about this and that seems to be coming out true. On telephone whenever I asked about this, you were kind enough to assure me that everything is quite ready and shortly action is going to be taken. Inaction in this case has created a very awkward and painful situation personally to me for which you are fully aware.

I hope you will be kind enough to intimate to me immediately whether there is any action going to be taken by you or not so that I may do whatever I feel necessary in the matter.

Hope you will excuse me for the trouble.

Yours sincerely,

(Sd.) Rai Trimbaklal."

Now, this is the position and no action is being taken. I have enough documentary proof, more are there, taken from the topsecret and confidential files of the Government. I do not know how they came to me but such things come to me. This shows that the matter is under investigation ever since 1961 but nothing is being done, although the Central Government or the SPE is reported to have supplied not only the material but also has asked the Andhra Pradesh Government to proceed with the prosecution of the case against Mr. Taraporewala. Now, Madam, I must tell you that when the complaint was first lodged with the Chief Secretary in 1961, he advised that there should be a written complaint by the Joint Secretary, Board of Revenue and on his advice, the Joint Secretary to the Board of Revenue also filed a written complaint and this was shown to the Public Prosecutor who sanctioned it. Everything was ready for prosecution but nothing has been done. The Central Government comes into the pic-

[Shri Bhupesh Gupta.]
ture because it took certain initiative also in some matters. I read from the letter of Mr. Lal in which he brings in the Central Government dated the 27th September, 1961:

"I obtained from Shri L. S. Dnabarbari, Superintendent of Police, Fraud Squad, Special Police Establishment, New Delhi, photostat copies of a letter dated 18-10-54 from Rangildas Khandwala & Sons, Stock and Finance Brokers, Bombay, addressed to Khan Bahadur Taraporewala, Financial Adviser to H.E.H. the Nizam of Hyderabad and containing certain proposed alterations obviously in the handwriting of the recipient, (2) a copy of letter (1) sent as an enclosure to a letter from Shri C. B. Taraporewala to the Government of Hyderabad and in which the alterations 'proposed' in letter No. (1) had been carried out and (3) an office copy of the letter (1) of Rangildas Khandwala & Sons. I am enclosing the above three photostats which clearly speak for themselves and show how the Government was by the use of the said forged document, dishonestly induced to sell the 'rights' at rates far lower than the prevailing market rates and how the Government was consequently cheated.

"There appears to be considerable room to suspect the commission of the offences of forgery, cheating and criminal breach of trust by Shri C. B. Taraporewala and I request that immediate and appropriate action be taken."

This is the letter of Mr. Trimbaklal dated the 3rd September, 1962. The whole thing is there and all these things had been gone into. The Government was committed to sanctioning the prosecution. The Central Government furnished the material to start the prosecution and the Chief Secretary said that this would be done but nothing has so far been done.

SHRI M. N. GOVINDAN NAIR
(Kerala): How many months ago?

SHRI BHUPESH GUPTA: It started in 1961 and now we are in 1963. I have given the dates and the documents are also here but nothing is being done and my information is that the matter is sought to be hushed up. What does it involve? Mr. Taraporewala bought the shares from the Hyderabad Government, as I said, at a lower price, fifteen rupees less per share, and then, instead of transferring the shares to the charitable trust he transferred them to the account of the Nizam and then they were disposed of. The Nizam made a certain amount out of it. This is the finding of the auditor appointed not by me or anybody else but by the Supreme Court. I have quoted from the audit report. Do you need a better fool-proof case than this? The Andhra Government for reasons best known to itself has not moved in the matter and so is the case with the Chief Secretary of Andhra. We should like to know what the Central Government is doing in the matter, especially when it came into the picture. A small amount has been gained by the Nizam, very small compared to what he holds; the Charitable Trust has been cheated and the fact remains that this transaction has entailed loss of money to the Central exchequer. This also should be borne in mind. The transaction has also meant a loss of funds to the Hyderabad Government, and now the Andhra Pradesh Government, the difference between the sale price of the share at that time to the Hyderabad Government and the market price of the share which was Rs. 15, and it involved 10 680 TELCO shares. Such is the position.

The recognised Leader of the Opposition in the Andhra Assembly, Mr. Sundarayya, is in prison because the Central Government suspected something about him. I am not going into this matter but here, on the basis of the series of documents available now

to the House, correspondence has passed between the officers of the Hyderabad Government (Andhra Pradesh Government) and the Chief Secretary and the Inspector General of Police, the Superintendent of Police, C.I.D., Hyderabad, there is a foolproof case, a very strong case, for the prosecution on charges of forgery, charges of cheating and charges of criminal breach of trust and the case should be started against Mr. C. B. Taraporewala. Why is he not being prosecuted, I should like to know.

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI R. M. HAJARNAVIS): I have listened carefully to the speech of the hon. Member without interruption. Having heard the facts of the case, I am not yet clear as to where the responsibility of the Central Government comes in at all.

SHRI BHUPESH GUPTA: It comes. Mr. Dharbari, Superintendent of Police, Special Police Establishment . . .

SHRI AKBAR ALI KHAN (Andhra Pradesh): That is irrelevant.

SHRI BHUPESH GUPTA: Don't get up for the Nizam . . .

SHRI AKBAR ALI KHAN: Just listen to me. If the facts as you say are correct, then it is a matter within the province of the Andhra Pradesh Assembly. Simply because one C.I.D. officer wrote a letter, it does not come within the province of the Centre. That is the only thing I want to say. On merits, on facts, I do not want to say anything.

SHRI BHUPESH GUPTA: Madam Deputy Chairman, let us discuss . . .

SHRI AKBAR ALI KHAN: I think it is very unfair to charge somebody because somebody . . .

SHRI BHUPESH GUPTA: It would have been unfair if I had spoken only on the basis of information and not

on the basis of documents and you would have pooh-poohed the whole thing.

SHRI R. M. HAJARNAVIS: All the documents do not make what is irrelevant relevant.

SHRI BHUPESH GUPTA: It is absolutely relevant. Why are we sanctioning money to strengthen the Central Intelligence Bureau? The Prime Minister said that they would investigate into cases involving Ministers and others. These cases, he said, would be investigated by the Central Intelligence Bureau. I should like to know why the Central Intelligence Bureau in this case is not doing anything or conducting some direct investigation and how is it that—now, don't try to fix the responsibility on Mr. Dharbari, Superintendent, Special Police Establishment, he acted on behalf of the Central Government—when he handed over the material to the Chief Secretary and, according to my information, which you can challenge, the Central Government advised that prosecution should be launched, at least the authorities concerned of the Central Government, no action is being taken? This is how the Central Government comes into the picture.

SHRI R. M. HAJARNAVIS: If what you say is correct, then we are not blameworthy at all.

SHRI BHUPESH GUPTA: Anyhow, Madam Deputy Chairman, I think they cannot get away. You cannot get away now. You have to satisfy the country because you have lost money also to the Central Exchequer. And are we to watch . . .

SHRI AKBAR ALI KHAN: That money, if at all, should go to the Charitable Trust. It has nothing to do either with the Government of Andhra Pradesh or with the Central Exchequer.

SHRI BHUPESH GUPTA: The Andhra Pradesh Government lost because the Andhra Pradesh Government was manipulated into a position where it sold 10680 Telco shares to Mr. Taraporewala at a price much lower than the prevailing market price at that time. It is a very serious matter. You cannot just dispose of it like that. Prove if I am wrong; then I shall withdraw everything but it is all true because I am stating every single thing on the basis of correspondence of officers themselves, not from newspaper reports or other things. Prove if I am wrong; I will surely take away all the charges. If *prima facie* . . .

SHRI K. SANTHANAM: May I ask my hon. friend what exactly he wants the Central Government to do? The Central Government has no more right to prosecute Mr. Taraporewala than the hon. Member himself.

SHRI BHUPESH GUPTA: There you are, Madam; that is Mr. Santhanam and the more Mr. Santhanams speak that way, the more Mr. Taraporewalas get away. The Central Government can ask the Andhra Pradesh Government—if the Central Government can send a telegram to arrest Mr. Sundarayya and many other communists and put them in prison—certainly the Central Government can send a telegram to Mr. Sanjiva Reddy asking him to start prosecution against Mr. Taraporewala.

SHRI P. N. SAPRU (Uttar Pradesh): The best course for Mr. Bhupesh Gupta would be to publish these facts outside this House so as to give an opportunity to Mr. Taraporewala to defend himself.

SHRI BHUPESH GUPTA: Now, why should I publish? As if all that I have to do now is to give a chance to Mr. Taraporewala and not save the money to the Government and the people. Look at the democracy.

THE DEPUTY CHAIRMAN: It is better you pinpoint how the Central Government is involved in this.

SHRI BHUPESH GUPTA: I have exposed this case.

SHRI P. N. SAPRU: But may I point out . . .

SHRI BHUPESH GUPTA: Please do not interrupt me. I do not like to make repartees against you. I respect you very much.

Now, I have stated the case. I say that everybody lost here. The Central Government lost, the State Government lost and a great fraud by a big man was committed. And Mr. Taraporewala is accusing the Central Government . . .

SHRI AKBAR ALI KHAN: That is one side of the case. Unless you hear the other side how can you come to any conclusion? (*Interruptions*).

SHRI BHUPESH GUPTA: Mr. Taraporewala, Mr. Akbar Ali Khan, is castigating the Government of India by making public statements in the 'Current' which always attacks widely the Government of India telling how the Nizam has been fulfilling his responsibilities. He has been looking after the Nizam very well and the same Mr. Taraporewala is being patronised and protected by the Government.

SHRI R. M. HAJARNAVIS: According to our Constitution he is also entitled to protection of the laws till he is proved to be guilty.

SHRI NIREN GHOSH (West Bengal): Why don't you apply the D.I.R.?

SHRI BHUPESH GUPTA: You require a Vivian Bose Commission to find these things out? Here is an Audit Report by an Auditor appointed by the Supreme Court. It is not my report. And are you not concerned about it when such things go on in

the country? Big men in high places controlling crores of rupees as Financial Adviser to the Nizam of Hyderabad doing such things involving enormous amounts, aren't you concerned about it? You talk about morals, ethics, good way in public life and ask people to save money and contribute while allowing the Nizam of Hyderabad and Taraporewala and Company to get away with such open fraud, cheating and swindle of public funds and your conscience is not pricked. I am surprised. This should have come from hon. Members opposite. It is the Congress Government which is losing; it is the State under their control which is losing. It is their officers who have made the complaint. Madam Deputy Chairman, I need not say very much on the subject. I leave it at that and I hope that prosecution will be started. A Commission of Parliament should study such things. I think Central Government should in the first place mob the Andhra Pradesh State Government and in the second place entrust this to the Central Intelligence Bureau to investigate this matter as a special case involving high personalities in order to expedite the prosecution which the Government has promised. Here I have something to say about the State Government. I suspect that influential persons are preventing the State Government from going in the right way, and it is the duty of the Central Government to intervene and see that things are set right. Here are the papers. I shall leave them for the present. I shall return to this later. Madam, I have not disclosed certain things deliberately because I would like to listen to what they say and then I would like to confront them with the other things.

Now, Madam, I would come to another thing. The Home Ministry is naturally looking after the security of our country. Very good. The Central Intelligence Bureau is the conscience keeper of the Home Minister. I can understand it but I regret that the gentlemen of the Central

Intelligence Bureau sometimes do certain things. Well, if they want to protect the security of the country, the territorial integrity and independence, by all means give them assistance but if the Central Intelligence Bureau becomes an instrument of oppression of the major opposition in the country in the hands of the Government, then I humbly submit that this is a matter for Parliament to consider before we sanction Rs. 20 lakhs under this Demand.

What happened is this. In Bhagalpur in Bihar an interesting thing took place. Here again the whole thing is documented. Here in the name of emergency five Communists were arrested under the Preventive Detention Act. Because we give them money, we can ask them to look into this matter and give us the necessary information. Briefly the case is this. They were arrested in November last year. They were arrested and taken into custody under the Preventive Detention Act and the order for arrest is supposed to have been issued by the Sub Divisional Officer of Bhagalpur. Well, they went to jail; they were taken in. Then the matter came up before a court of law. And the Sub Divisional Officer was surprised; he had never issued such a warrant. These people had been arrested on a forged warrant. On forged warrants people are being arrested. I am not saying it; the Sub Divisional Officer of Bhagalpur says it. He says:

"All the five persons on bail file Hazri. After enquiry it has transpired that the accused persons have been victims of machination and conspiracy by some interested persons, who were inimically disposed towards them. The forwarding memo of the Officer in Charge Sonhaura refers to my memo No. 055C dated 8th November, 1962, which in fact, was the number of a letter addressed to the B.D.O. Colgong in respect of some departmental proceeding against some assistant of Colgong Anchal.

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"In fact, I never issued any such memo to the Officer in Charge, Sonhaura.

"I also found on 22nd November 1962 and again yesterday at Sonhaura P.S. the alleged memo number said to contain my order under my signature, directing the Officer in Charge, Sonhaura, to arrest these five persons and one Anirudh Singh under the Preventive Detention Act.

"The signature on the alleged memo is a forged one. The envelope containing this letter was a registered one bearing No. 42 and dropped at Sujaganj Bazar Post Office. Thus these five persons have been unnecessarily harassed and so they are discharged from the liability of any bail whether granted or not.

"But it is a very serious thing that the liberty of five persons has been jeopardised and put at stake and they have been arrested in a false case under a forged signature. Hence I direct both the Officer in Charge, Kotwali P.S. and the Officer in Charge, Sonhaura P.S., to enquire into the mischievous act of the person/persons concerned so that the person/persons indulging in such unlawful activities may be brought to book. Send letter to both police officers.

(Sd.) S. M. A. Khair,

Sub-Divisional Officer."

This is, Madam Deputy Chairman, what is happening in the country. Forged warrants are utilised to arrest communists and put them in prison. And they are let out only when the Sub Divisional Officer in whose name the warrant is supposed to have issued denies that he issued the warrant and castigates the officers saying that it is a forged document.

THE DEPUTY CHAIRMAN: You have taken 35 minutes.

SHRI BHUPESH GUPTA: I am finishing. I need not say much. This is another case and you can imagine that these and similar cases are taking place all over the country. I have quoted a Sub-divisional Officer to show how the emergency powers are being used under the Government of India, when the Government of India is responsible for the administration of the emergency powers directly to Parliament. That is why they give reports and we discuss them. I would like, again, the Central Intelligence Bureau to detect, to find out who committed the forgery and prosecute them on the charge of forgery. The Central Government should come in. That is the least I expect. I can ask the Bihar Government to apologise to the five communists who were arrested and tell the country that they should not have done such a thing. This is not a big demand. I am basing it on the findings of the Court itself as far as they are concerned.

Then, let me pass on to the other question, the release of those arrested. I think the Central Intelligence Bureau is not doing the right thing. I think the moneys are being wasted. Now, four or five months have passed since the emergency was declared. Has there been any major overt act of obstruction of the defence effort in any part of the country by anyone? Have you prosecuted any communist and got a conviction against him? No. This only shows that no political party in the country is obstructing really the war effort so much as you can launch a prosecution and convict him. In fact, if you read the newspaper reports, it must be said to our credit that no one in the country today is coming in the way of the defence effort. All are in favour of it. The Communist Party is the big Party after the Congress. If any sizeable sections of the Communist Party were opposed to the defence effort, then something would have happened in the country. Nothing has happened. Therefore, it stands to reason when I say that this is a false charge

against our Party. Our Party is committed to supporting and strengthening national defence and the cause of the territorial integrity of the country and still you are behaving in this manner. Now, on suspicion people have been arrested in November, again, on the orders of the Central Government in most cases. Now, the Central Government says it is for the State Government to do it. The State Government says that the Centre has to be consulted. We know all these things. Why should they not be released? Why should they be kept in prison?

Here I would like to invite your attention to only one little thing. Here, Mr. Atulya Ghosh, as you know, is the President of the West Bengal Congress. He spoke at a meeting in Calcutta on the 2nd of March in which he advised the Chief Minister to release communist detenus because the bye-elections were coming. His speech is here. I shall just quote it lest I should be accused of misrepresenting him. This is from the "Ananda Bazar Patrika" group's English edition, a paper which is very much opposed to me and I am opposed to it and, therefore, I will not call it a friendly paper. It is a very unfriendly paper. It reads:—

"Gosh will recommend release of communists before bye-elections."

This is what Mr. Atulya Ghosh said:—

"I would request the Chief Minister to release Communist leaders from prison before the five bye-elections to the State Assembly are held. I do not like to be told that we have won the bye-elections keeping communist leaders behind the prison bar."

This was stated by the State Congress Chief, Mr. Atulya Ghosh, at a public meeting on the Maidan on Saturday afternoon. It was on the 2nd of March. The Chief Minister, Mr. Sen, was

beside Mr. Ghosh and the President of the All-India Congress Committee, Mr. Sanjivayya, addressed the meeting.

Now, either it was braggadocio on the part of Mr. Atulya Ghosh—I will not accuse him of braggadocio, he is a responsible man in public life being a Member of Parliament and the President of the Congress—or he was trying to make fun of it. I do not think he was doing either. He said in all seriousness that they should be released. Mr. Atulya Ghosh is the President of the Congress. What happened after that?

Here again, the Congress paper "Jugantar" wrote editorially some time back. I am quoting from the paper of 25th February on "Bye-elections and the release of political prisoners".

THE DEPUTY CHAIRMAN: I think you better give the gist of it. You have taken 45 minutes.

SHRI BHUPESH GUPTA: I will not read it. This paper editorially demanded their release. Another paper "Basumati", with which I am told some Ministers are associated in Calcutta, also said that the prisoners should be released. Many other papers have said it and yet we do not get their release. Why? What has happened to the country?

Why must you hold in jail Opposition leaders like Mr. Jyoti Basu, whose statement I read on the floor of the House? Again, I can read his statement to remind you. He seems to be maligned by some. I quoted from the "Jugantar" of 3rd November, 1962. A day after the National Council's Resolution was passed, Mr. Jyoti Basu gave a call to the Party in West Bengal: "The National Council's Resolution passed in November, two days ago, has to be carried out by Party members. This is our solemn duty." (*Time bell rings.*) He made a speech in the Assembly and that also I can read out in which he made

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his position very clear. Now, yesterday or the day before yesterday I read in the papers that another M.L.A. of the Communist Party was arrested as he was going out of the Assembly. It is not right. Now in Tripura you have got the entire Territorial Council Opposition in jail. In Assam 120 comrades are in jail. In Manipur 7 comrades are in jail. In Maharashtra 70 comrades are in jail. In Kerala nearly 30 are in jail. In Andhra Pradesh the same number is in jail. In Tamilnad the same number is in jail. In West Bengal 120 are in detention without trial plus another 525 on various charges under the Defence of India Rules. In Punjab 45 are in jail. In Bihar again nearly 30 are in jail. In Uttar Pradesh you have got 45 people. In Karnatak 25 people, in Gujarat 3 and in Himachal Pradesh 3 are in jail. In Madhya Pradesh 12 or 13 and in Rajasthan 3 or 4 are in jail. And so on. Now, why are such things happening? Why must you keep over 1,000 communist trade unionists in prison? What has happened to the country? It is a defamation of the country. Are you not advertising to the world that it is divided on the question of national defence and so on?

It is political vendetta of the worst type. It is an attempt to crush and cripple the Communist Party. A chance has come and, therefore, you take advantage of it. Arrest with forged warrants if you like or arrest communist leaders all over the country. Leave some out and arrest the others in order to break the Communist Party and weaken its movement. Now, what has happened in Assam? Is there a single accusation against our Party that anybody has done anything against the defence effort? Yet 120 of our comrades were arrested, and many removed to Berhampore jail in Orissa where they are not even allowed to meet their relatives. In Tripura the entire leadership is arrested. Secretaries are arrested. Everybody is arrested. Fifty of them

were brought to Hazaribagh jail and not given even the facilities of a jail. The jail conditions are simply appalling. I would ask the Home Minister to consider this. I would ask the Central Intelligence Bureau through him not to be carried away by this kind of thing. We are a free country, supposed to be democratic, and we want to build up our democratic institutions. When ten Members of Parliament, two belonging to this House, and nearly forty or so of the members of the Legislatures are put in prison, including recognised leaders of the Opposition in Andhra and West Bengal, what is at stake is not merely the Communist Party of India, but the foundations of democracy and our good name and our institutions. Might I not, then, as we deal with this subject, demand the release of all these political prisoners and detenus? I assure you on the floor of the House that nothing will be lost by an act of this nature. I can only say that it is not a question of reviewing individual cases but a political decision at the highest level by the Prime Minister has to be taken to set free the members and workers of the country's principal Opposition. And then prosecute us or do anything in case we come against the defence effort of the country. We are solemnly united in this matter of protecting the territorial integrity and in the cause of the defence.

THE DEPUTY CHAIRMAN: Please wind up now.

SHRI BHUPESH GUPTA: I am coming to the last part. I agree with you. I say today elections are to be held. It is a very bad thing for the elections you are going to hold in West Bengal when you are still arresting people, keeping so many of our organisers, campaigners and popular leaders in prison. Is it not a travesty of parliamentary institutions? Today it may be the Communists, tomorrow it may be the P.S.P. and God forbid the day after tomorrow it may be the Congress, if some other people, reactionary forces, occupy positions of authority. Therefore, we are creating

a dangerous precedent for the country's future by striking at the democratic institutions. Madam Deputy Chairman, I once again appeal, as we are going to adjourn tomorrow, to the Government and the Prime Minister in particular that they should ask the State Governments to release every single detenu who is held on political grounds belonging to our Party, trade unions, and so on, and we would like them not to use the emergency powers and the Defence of India Rules to persecute the major opposition party or to strike at the democratic movement of the trade unions or other organisations which are working for the cause of the people.

1 P.M.

Finally, Madam, I should like to come to the Ministry of Works and Housing. What shall I say?

THE DEPUTY CHAIRMAN: Please wind up. You have taken 45 minutes.

SHRI BHUPESH GUPTA: In five minutes I am finishing. Just five minutes. Now, Madam, this is a subject which you know. It relates to our Ministers' electricity bills, our Ministers' water bills, our Ministers' electrical appliances, and so on. They are supposed to get Rs. 2,250, a pretty big amount. An I.C.S. officer gets Rs. 4,000. Perhaps the Secretary of this House gets a little less. But then Mr. Khanna comes with a statement. What does it show? It is a very interesting thing. All I can say in this connection, to save time, is that according to me out of the 28 Cabinet Ministers and Ministers of State—they are 28 in number—22 people have got furniture, their house is furnished free, and each house has cost more than Rs. 20,000—some Rs. 30,000, some Rs. 29,000, some again Rs. 30,000, like that. But how many come under the scale of Rs. 20,000 and above? Twenty-two out of 28. I do not know why the six are left out. They are also in the category of Rs. 16,000, Rs. 14,000, and so on. But they can complain. I do not know whether they have got a

trade union; otherwise they would perhaps be leading a demonstration for denial of their rights and privileges. I do not know whether under the Constitution you can discriminate against them in this manner.

SHRI AKBAR ALI KHAN: You become their adviser now.

SHRI BHUPESH GUPTA: I hope you will have this advantage also since you belong to those Benches. This is number one. As far as the Deputies are concerned, they seem to be not so well up, but there also it is Rs. 15,000. May I ask the House, what is the use of telling the country to practise austerity and preaching Sermons from the Mount to the people about austerity, sacrifice, and so on, when the gentlemen of the Cabinet and the Ministers of State would not be satisfied with less than Rs. 25,000 worth of furniture? I would like to know this, please explain to us. Do they eat furniture or what? We are quite comfortable with whatever is given to us within the allotted amount. We do not complain.

THE DEPUTY CHAIRMAN: I thought you were winding up.

SHRI BHUPESH GUPTA: I am winding up. They are winding up the house in the Works Ministry, I am winding up the subject.

The second point is about electricity. Here it is Rs. 500, Rs. 600, and so on per month. Regarding water also you see it is very interesting. Huge amounts are spent. With regard to electricity, now the Ministers are angry. They are writing letters to the Prime Minister instead of having some introspection. I do not know whether they are running a mill in their house or something. I do not know, may be some flour mills is being run. Otherwise so much of electricity consumption is unthinkable, Rs. 500, Rs. 600, and so on. Now the Home Minister said that he would pay out of his pocket. Good, very good.

[Shri Bhupesh Gupta.]

What happened all these years? Why was it not necessary for Mr. Khanna to divulge this thing before you realised that your household was not good? Mr. Lal Bahadur is a very simple man. He has put one thousand Communists in prison, but he does not know how to look after his own household. The consumption is so high.

SHRI AKBAR ALI KHAN: Security purposes.

SHRI BHUPESH GUPTA: That is right. But then he thought that now something had happened. His conscience has been pricked. Therefore he said that for the next six months he would pay out of his own pocket, he would not charge anything. It is a good example. But what happened to others?

As far as water is concerned, I do not know how much sin they commit. Must they wash it all the time? As far as the Minister of Parliamentary Affairs is concerned, he is perfumed. I do not think he uses much water. This is the position. I do not at all understand how such things are happening, so much water and electricity consumption.

SHRI R. M. HAJARNAVIS: Relevance was not a strong point with the hon. Member, but I thought good taste was.

SHRI BHUPESH GUPTA: What is your consumption? Your consumption of electricity is Rs. 182 and water Rs. 29. It is good. You are consuming less water and still you are very fresh. I see it. With Rs. 29 water you look fresh. Why should others also not look so? You can get on with Rs. 182 electricity.

THE DEPUTY CHAIRMAN: I am afraid you have to wind up.

SHRI BHUPESH GUPTA: I am finishing. Therefore, Madam, I am not making a personal complaint against the Ministers. I know them

personally, but public standard demands that the matter has to be gone into. About the Finance Minister I do not know. About the Prime Minister also I do not know. Their households are in the President's Estate. In England . . .

THE DEPUTY CHAIRMAN: We need not go to England. That is all right. You please wind up.

SHRI BHUPESH GUPTA: I have to go to England because we are adopting their parliamentary procedure. In England the Ministers get £ 5,000 per year except the Prime Minister who gets £ 10,000. They do not get anything else. I say here you calculate how much they get. Every Minister today costs more than the Viceroy's Executive Councillor cost before. That is what I say. It is better to fix the salary at a higher figure than to commit a fraud on public credulity. I say this is a better thing, a straighter way of dealing with these things; otherwise people would not have known. This is what I say so that people can discuss this question of what the salary should be, water charges, electricity charges, and everything to be paid.

Madam, in this connection I take serious exception to the statement by the Finance Minister when he accused Members of Parliament. If we consume more water, blame us. But everything we pay for. We do not get free water or free electricity, but our Ministers get free water, free electricity, and so on. They consume resources and power and they also draw upon the exchequer. We pay the money from our salaries, hard-earned salaries of some of us. I think it is a matter of shame . . .

THE DEPUTY CHAIRMAN: That will do, Mr. Bhupesh Gupta, Mr. Mani will speak in the afternoon. The House stands adjourned till 2-30 p.m.

The House then adjourned for lunch at eight minutes past one of the clock.

The House reassembled after lunch at half-past two of the clock, THE DEPUTY CHAIRMAN in the Chair.

SHRI BHUPESH GUPTA: Madam Deputy Chairman, I should like to make a correction. I gave the figures

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THE DEPUTY CHAIRMAN: You have finished. Do you want to make a correction?

SHRI BHUPESH GUPTA: One figure only I read out by mistake. I want to put the records straight.

THE DEPUTY CHAIRMAN: You may just read out.

SHRI BHUPESH GUPTA: The figure I gave out should be like this. The profit made by the Nizam was equivalent to Rs. 1,60,793-10-0—it should not be one million—representing the difference between the price at which the rights belonging to the trustees were sold on the market, which is Rs. 2,67,193-10-0, and Rs. 1,06,400-0-0 paid by him to the Government of Hyderabad when he bought the rights. This is the position.

THE DEPUTY CHAIRMAN: Mr Mani. You should be very brief.

SHRI A. D. MANI (Madhya Pradesh): Madam, I will take only five minutes. I should like to speak on Vote No. 101 regarding the Ministry of Works, Housing and Rehabilitation. The cost of electricity and water supplied to Ministerial residences has been the subject of controversy in the newspapers. It is a matter of gratification that the Minister of Works, Housing and Rehabilitation supplied the figures to the Consultative Committee of that Ministry. I do not want to touch on the personal aspect of this matter but I would like to make one suggestion which I had made earlier

in this House last year, and that is that the time has come for us to appoint a Parliamentary Committee to go into the entire question of Ministerial amenities. I have worked out roughly how much a Cabinet Minister costs our Government. The salary is Rs. 2,500; Rs. 500 is the sumptuary allowance which is free from income-tax; Rs. 250 is the rent for the residence; Rs. 350 is towards the cost of electricity supplied; Rs. 60 is for water supplied and Rs. 250 is in respect of servants' help which they get in all Ministerial quarters. It gives a total of Rs. 3,910. This is not a high figure. I quite concede that for the responsibility that a Minister has to discharge he has got to be paid Rs. 3,910. But this would mean that it is more or less free from income-tax excepting the salary of Rs. 2,500. On this calculation, it works out at a cost of Rs. 5,000 per month. If that is so, it is much better to place the Ministers on a footing of equality with other citizens and pay them Rs. 5,000 a month subject to taxation. On the one hand, the Ministry wants the private concerns giving a salary of more than Rs. 6,000 a month to be penalised by the excess salary not being treated as deductible expenditure from income-tax. It is one of the proposals which the Government has brought forward. Now, I would like the Government frankly to accept the position that, instead of giving this sum of Rs. 5,000, we should go into the question of Ministerial amenities in the form of an enquiry by a committee. I may mention here that in the United Kingdom whose practice we generally follow in regard to parliamentary procedure, whenever a sovereign dies and his successor comes to the throne, there is a full discussion of all the amenities given to that sovereign, and I can quote the Hansard debate to show that on the question of allowances to Princess Margaret there were very heated exchanges in the House of Commons. We do not want the Ministers to be embarrassed by questions asked of them in public and in private as to why they are spending so much money. I

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quite agree that democracy is a costly form of government but let us incur the cost with our eyes open.

I make one other suggestion and that is in regard to the amenities for Ministers in excess of what are provided. For example, if a Minister wants air-conditioning to be done in two or three rooms, let there be a permanent Committee of Parliament to go into the question of amenities. In the old days of the British Government, whenever a Governor wanted to expand the Government House, he had to seek the personal sanction of the Secretary of State. Now, I understand that the practice is that when a new Minister moves into an old house, the furniture is changed, the tapestry is changed, the colour is changed. All that should not be possible. It is necessary that the Ministers should set an example in these matters, and I am certain that the proposal that I have made that there should be a Parliamentary Committee of Enquiry would be very carefully considered by the Government, and I do hope that at least in this matter, he will set an example, particularly at a time when we are asking the people to bear the burden of untold sacrifices in the name of the emergency.

DR. SHRIMATI SEETA PARMANAND (Madhya Pradesh): Madam Deputy Chairman, I am thankful to you for giving me just a minute. I wanted to make a reference—and I wish the Home Minister were here—to the way in which time and again references are made to official documents, and if this practice grows, if in these times of emergency official secrets go out . . .

SHRI BHUPESH GUPTA: On a point of order . . .

THE DEPUTY CHAIRMAN: Let me listen first.

DR. SHRIMATI SEETA PARMANAND: . . . then we have to see that official secrets are maintained because we know that it is an open scandal today that so many things crucial to defence purposes also leak out. Therefore, it is very necessary that steps should be taken. I would request the Home Minister to see and use his Intelligence Department which the hon. Shri Bhupesh Gupta wanted to be used, to find out . . .

SHRI BHUPESH GUPTA: She supplied me the document, I gave the information.

DR. SHRIMATI SEETA PARMANAND: . . . how information leaks out and take action against the few people who are responsible for giving out this type of information.

Thank you.

THE DEPUTY CHAIRMAN: I think Members should use their discretion when they give out some secrets and attention of the Ministry of Home Affairs is drawn.

SHRI BHUPESH GUPTA: Absolutely. Every time I am going to use it as long as I am a Member.

SHRI P. N. SAPRU: Madam, there are just three questions on which I would like to speak very briefly. First of all, I would like to refer to the question of privy purses. We have a very heavy burden cast upon all sections of the community. The middle classes and the poorer sections of the community have been hit very hard by the Budget proposals. I do not grudge the sacrifices that we have been called upon to make in the cause of national freedom. But I see no reason why there should not be any income-tax levied on the Privy Purses of the Indian Princes. When some years ago the question about the salaries of judges was raised in the House of Commons and when it

was said that their salaries should be exempted from tax, the Labour Opposition opposed it, and Sir Winston Churchill did not pursue this matter any further. I know that we are in honour bound to respect certain covenants which we have entered into with the Indian Princes under article 362 of the Constitution. But necessity knows no law. Further, we know also that there is such a thing in the Law of Contract known as impossibility of performance. An agreement becomes incapable of enforcement if circumstances change, and circumstances have changed. The Finance Minister has very great influence with all sections of the community, and I hope that he will use his good influence—and the Home Minister will also use his good influence—to induce the Princes to agree voluntarily to a cut in their Privy purses or to any special type of income-tax in their case, for the purpose of the emergency. I shall be satisfied if the period is two years at the moment.

The second question I would like to refer to is that of the Cabinet. Now Mr. Mani has anticipated me in regard to this matter. I was somewhat shocked to read the revelations that were made in the press about the expenditure incurred on water supply and electricity by Ministers.

SHRI AKBAR ALI KHAN: And on furniture.

SHRI P. N. SAPRU: Yes, on furniture. Now I think they have got very heavy responsibilities to discharge. I know that some of them are men of very high integrity. Speaking for myself, I have great veneration for our respected Home Minister, Mr. Lal Bahadur Shastri. He is always given to a life of austerity, and it must have been a matter of deep pain for him to find that through oversight his bill had run up so high. I think, Madam, in these circumstances the best course is to have a consolidated salary of 4 or 5 thousand rupees.

SHRI BHUPESH GUPTA: Not at all.

SHRI P. N. SAPRU: A wage-earner is entitled to a good wage. (Interruptions.) I know what my electricity bill is, because my wife or my daughter-in-law looks into the bill, and if she finds that the bill is going up, she takes steps to see that it does not go up. Therefore, I think the best thing is to have a consolidated salary, which would ensure to our Ministers and Deputy Ministers a decent income.

The third thing that I would like just to touch upon is Police Administration, with particular reference to Delhi. I find that crime has, to some extent, increased in this capital city, and the number of murders has increased from 60 to 68 in the year under review. The number of other criminal cases has increased from 15,129 to 16,089. It may be that the population of the city has increased, but I think we need greater efficiency on the part of the police—I do not place the entire blame on the police. There should be greater co-operation between the police and the public. One of the difficulties is that the public is not coming forward to help the police in the detection of crime. I have heard Judges comment adversely on Police Administration. I have occasionally sympathised with the difficulties of police officers, because one of the tragedies in our country is that there is no public spirit; we do not come forward in a public spirit to help the police. It takes two to make a thing a success. There should be co-operation on the part of the police, but there should also be co-operation on the part of the public.

Now as regards the incidence of these taxes I do not wish to say anything on this occasion. I have my views in regard to direct and indirect taxation. I have my views in regard to the Super Profits-tax and I have my views in regard to the tax on kerosene oil, and on tobacco, which I think is a pretty harmless thing, because I am a good smoker. I have my views on tea which, I think, is rather nice to take when one has got to do a

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little work. I have my views on all these matters, but those are views which I shall place on a more suitable occasion. I would therefore say that while there should be co-operation between us and Government in the matter of defence expenditure—defence expenditure has had to mount up very heavily—it is very painful for me in the evening of my life to find some of my ideals shattered—I had longed to live in a world without armaments, but I find that all those ideals were of a visionary character, and China has been responsible for effecting a change in our attitude in regard to these matters. I feel that it is necessary for us to set an example of austerity. If we shall not set an example of austerity in our lives, we cannot expect the poor people to lead austere lives. It is easy to deprive a poor person of the gold that he values, but it is more difficult for us to practice austerity in our own lives, and the situation therefore demands that there should be austerity in the lives of us all. We are not a property-owning democracy; we are not a wealthy people; we are not an affluent society. Our problems are different from those of affluent societies or those of property-owning democracies. Our problems are the problems of a poverty-stricken people who want to see a good life enjoyed by all our countrymen.

SHRI LOKANATH MISRA (Orissa): And that is why probably you are asking for a salary of Rs. 5,000 for a Minister.

SHRI P. N. SAPRU: Well, I do not mean any particular figure; I shall be glad if it could be less than Rs. 4,000 or Rs. 5,000.

(Interruptions.)

THE DEPUTY CHAIRMAN: I have called on the Minister.

SHRI P. N. SAPRU: I thank you, Madam, for the courtesy extended to me to participate in this debate.

SHRI B. R. BHAGAT: Madam Deputy Chairman, I do not know what to say in reply, because the hon. Member who began the discussion spoke for forty-five minutes . . .

SHRI AKBAR ALI KHAN: All irrelevant.

SHRI B. R. BHAGAT: I would not say "all irrelevant"; but I do not think it calls for a reply.

SHRI BHUPESH GUPTA: He speaks for the Nizam.

THE DEPUTY CHAIRMAN: Mr. Bhupesh Gupta, we have already exceeded the time. You have taken fifty minutes, not forty-five. So please do not interrupt now.

SHRI B. R. BHAGAT: So I do not think he expects anything in reply just now. I can only assure him that whatever he has said, not only I but my colleagues and everybody will give due consideration to, and if there is anything for us to do in this, we will do. As a matter of fact, in this matter we have nothing to do because, as has been said by more than one hon. Member, it is not for the Government of India or for us to take any further action in the matter. He himself referred to the matter and said that probably the Government advised the Andhra Pradesh Government to take some action or other in it. So he himself feels that it is not for the Government of India to do anything in the matter. Whatever advice that had to be offered was offered, and I would like to end this topic by saying that we have taken note of what he said, and certainly we will bear everything in mind.

Then the hon. Member referred to the privy purses. This matter has come before both the Houses several times, and we have stated our position. He said that as everybody else is making sacrifices in this emergency to meet the needs of the country the Princes should also be asked to do so. It is a fact that many Princes have imposed a 10 per cent. cut on their privy purses, and as it is voluntary,

we cannot compel everyone of them to do so, but the fact that many of them have chosen to do so proves that there is an awareness in their hearts also about making the necessary sacrifice for the country. So far as imposing income-tax on this is concerned, the hon. Member knows perfectly well—he is an eminent jurist himself—the nature of the agreement and the covenant which we had to enter into with the Princes after independence. That precludes imposing any tax of that nature.

SHRI P. N. SAPRU: I shall be glad if they impose a voluntary cut. It will be better than imposing any income-tax.

SHRI B. R. BHAGAT: That is a fact for them to consider. I have no doubt that they are also patriots. They live in this country. They are aware of this general sentiment of Parliament and the country. They will voluntarily undergo any sacrifice that they think possible. More than that it would not be desirable to force them to do anything.

Then, Madam, the question of water and electric charges in the houses of Ministers has been raised by two hon. Members.

SHRI BHUPESH GUPTA: Three.

SHRI B. R. BHAGAT: So far as we are concerned, although it is an embarrassing thing, but we do not have any sense of guilt or apology about it for the reason that much has been made out of this. Some of the hon. Members may be doing it with the best of motives, but the publicity that is sought to be given to it shows that the Ministers are deliberately wasting electricity and water. The hon. Member there went so far as to suggest that the Ministers perhaps eat electricity and water. I think it is unfair.

SHRI BHUPESH GUPTA: I said that they do not eat electricity and water.

• SHRI B. R. BHAGAT: The point is that so far as the Government is concerned, we have nothing to hide. Some hon. Members suggested a change in the emoluments and amenities of the Ministers. Well, the amenities or anything else that is provided for the Ministers—whether it is in the nature of emoluments or amenities—are guided by the Salaries Bill passed by both the Houses of Parliament.

SHRI A. D. MANI: We can amend it.

SHRI B. R. BHAGAT: It is for the House to do it.

THE DEPUTY CHAIRMAN: He is suggesting. Let him suggest.

SHRI BHUPESH GUPTA: They are exceeding the limit sanctioned.

SHRI B. R. BHAGAT: About that particular suggestion I am saying that it is always open to the House to change the emoluments or the nature of emoluments—whether it should be a lump-sum salary, all inclusive or all exclusive, or the amenities should be stopped. Whatever the nature of it, if the two Houses think that it is time for that, that can be done; some thought can be given to it. But that is a separate question. But to say that there is wastage is, I think, a very wrong perspective, as has been put today.

Madam, the House should appreciate that as soon as the emergency started and some of us found that electricity and water should be conserved and saved, we imposed a self-restraint. If you see these bills, the statement about the water and electricity charges, you will see that they are all for the period of summer months—from April to October, six months. The bills are very high because all the fans are on and also other things. For the next six months, as the hon. Minister himself stated in the other House . . .

SHRI BHUPESH GUPTA: Heaters also.

SHRI B. R. BHAGAT: . . .

there are savings imposed as a result of restraint by Ministers to a considerable extent. In some cases it is as much as 40 per cent. So already they are taking enough care to see that there is no wastage so far as the consumption of water and electricity is concerned. Let it be realized, It is for the House to judge whether there are savings. We need not say more. In a democracy, I think that we are also democrats. If the hon. Member is a democrat, we are also democrats and we know that any unnecessary luxury has got to be curtailed.

(Interruptions)

THE DEPUTY CHAIRMAN: Mr. Bhagat, please finish your speech.

AN HON. MEMBER: The hon. Member is authoritarian.

THE DEPUTY CHAIRMAN: Mr. Bhagat, please carry on because the time is very limited.

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

SHRI B. R. BHAGAT: What I am saying is this. Whether some of the Ministers live in bigger houses or some of us live in smaller houses, it is not our choice. It is not that we live in a very big house because we want it. If it is thought that living in smaller houses would be conducive to efficient working or for security or other reasons, well, we are prepared to live in smaller houses. Madam, it is not for personal comfort or convenience that bigger houses have been allotted to Ministers and others. But the fact remains that a very big portion of the consumption of water and electricity is due to the fact that officers are there, the staff is there, a large number of servant quarters and other quarters are there. Then, security arrangements are there. Let the Ministers, particularly in some of the cases, be denied that. The point is that it is not for the personal con-

sumption of the Ministers. It is inevitable. In many cases because of the nature of their offices . . .

SHRI ARJUN ARORA (Uttar Pradesh): You will exercise no restraint.

THE DEPUTY CHAIRMAN: He is talking about the existing condition.

SHRI BHUPESH GUPTA: We are also talking about the existing condition.

SHRI B. R. BHAGAT: The hon. Member asked about security lights. In certain Ministers' houses there are 8 to 12 lights on all along the compound.

SHRI T. S. AVINASHILINGAM CHETTIAR (Madras): What danger are you suffering from? You are not suffering from any danger. There is security arrangement. Nobody is going to attack you.

SHRI ARJUN ARORA: He is defending the indefensible.

SHRI B. R. BHAGAT: I am sorry, Madam, I am stating facts.

SHRI ARJUN ARORA: Why are you trying to waste the time of this House in trying to defend the indefensible.

SHRI B. R. BHAGAT: I am stating facts . . .

SHRI BHUPESH GUPTA: Give explanation.

SHRI B. R. BHAGAT: If the hon. Members do not want me . . .

SHRI BHUPESH GUPTA: On a point of order. We asked him some questions. Let him answer those questions. Instead, he is defending the Ministers. You are exceeding the perquisite sanction. The river Jamuna is not to be pumped out to bathe the Ministers. That is what I say.

THE DEPUTY CHAIRMAN: That point has been made clear.

SHRI BHUPESH GUPTA: There-
fore, let them say that they are ex-
ceeding it.

THE DEPUTY CHAIRMAN: Mr.
Bhagat, will you please finish your
point?

SHRI B. R. BHAGAT: I am sorry if
some hon. Members think that we
are defending.

SOME HON. MEMBERS: You are.

SHRI B. R. BHAGAT: I am only
stating facts to show why the con-
sumption in the summer months had
gone up, and I am analysing what
portion is for security lights for a
large number of staff quarters, for
offices . . .

SHRI ARJUN ARORA: You are
giving no fresh information.

SHRI BHUPESH GUPTA: I can
bet. Nobody will endanger his life.

SHRI B. R. BHAGAT: I say let
that be changed. I have no objection
if the House decides that way. The
matter has come up and is being
considered. And whatever is possible
will be done and savings will be
effected. But my only request is let
the House not be carried away by
prejudices or predilections. The facts
are there. Whatever savings can be
made will be made.

SHRI BHUPESH GUPTA: How
many fans are on when you sleep—
two or three?.

SHRI JOSEPH MATHEN (Kerala):
Four.

THE DEPUTY CHAIRMAN: The
question is:

"That the Bill to authorise pay-
ment and appropriation of certain
further sums from and out of the
Consolidated Fund of India for the
services of the financial year 1962-63,

as passed by the Lok Sabha, be
taken into consideration."

The motion was adopted.

THE DEPUTY CHAIRMAN: We
shall now take up the clause by clause
consideration of the Bill.

*Clauses 2 and 3 and the Schedule
were added to the Bill.*

*Clause 1, the Enacting Formula and
the Title were added to the Bill.*

SHRI B. R. BHAGAT: Madam, I
move:

"That the Bill be returned."

The question was proposed.

SHRI BHUPESH GUPTA: Just one
minute.

THE DEPUTY CHAIRMAN: You
have already spoken for 50 minutes.

SHRI BHUPESH GUPTA: It is not
yet three. There is still one minute
left.

THE DEPUTY CHAIRMAN: You
have already spoken for fifty minutes.

SHRI BHUPESH GUPTA: Shall we
adjourn for one minute?

THE DEPUTY CHAIRMAN: The
question is:

"That the Bill be returned."

The motion was adopted.

SHRI BHUPESH GUPTA: Madam,
I propose that the House be adjourned
for fifty seconds because the other
thing comes up at 3.

SHRI M. P. BHARGAVA (Uttar
Pradesh): Madam, I propose that
the other business be taken up.

THE DEPUTY CHAIRMAN: Mr.
Chordia.