

RAJYA SABHA

*Monday, the 29th July, 1968/the 7th
Srawana 1890 (Saka)*

The House met at eleven of the clock,
the DEPUTY CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

PROCEEDINGS AGAINST M/s. BENNETT COLEMAN & Co.

*150. SHRI A. G. KULKARNI : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether the proceedings against M/s Bennett Coleman & Co., which conducts the Times of India and other publications have been completed;

(b) if the answer to part (a) above be in the negative, what are reasons for the delay; and

(c) whether the Chairman of the company who was recently appointed is the nominee of the Government of India or of the Judge before whom the proceedings are being conducted?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : (a) No, Sir.

(b) Two petitions under Sections 388-B and 398 of the Companies Act were filed before the then Companies Tribunal in September, 1964 against Shri S. P. Jain and other respondents. They filed writ petitions and appeals on technical grounds and the petition under Section 398-B is still under stay order by the Calcutta High Court before which appeals arising out of two writ petitions are still pending. In the petition under Section 398 after disposal of all the appeals by the Bombay High Court and the Supreme Court, the Companies Tribunal started regular hearing which had to be suspended owing to the abolition of the Tribunal in July, 1967. This case is now pending before the Bombay High Court and the presiding Judge directed in March, 1968 that a comprehensive compilation of all documents should be made and these should be furnished to the Court and parties. Some time has been taken in preparation of these compilations and the case is now likely to come up for hearing in the next month.

1—14 R.S./68.

(c) Shri D. K. Kunte was nominated as Chairman by the erstwhile Companies Tribunal.

SHRI A. G. KULKARNI : Is the Government aware that the inordinate delay in completing proceedings against Messrs. Bennett Coleman and Co. and its managing agents has created a very serious situation. Apart from the delay, Mr. S.P. Jain is taking advantage of these proceedings and doing other things to circumvent the legal proceedings instituted by the Government. In this connection also this Company is publishing renowned dailies in English and other languages and is threatened with the most unstable economic situation. Is it not a fact that the staff, editors and employees of these organisations have submitted a memorandum to the Prime Minister in the month of July? Will the hon. Minister of Industrial Development and Company Affairs place that memorandum before this House, or disclose the contents of that memorandum? May I know the steps proposed to be taken by the Government to deal with the allegations of a very serious nature made in the memorandum?

SHRI FAKHRUDDIN ALI AHMED : Madam, three questions have been raised by the hon. Member. One is with regard to the delay in proceedings with these matters. We have already explained that so far as the Government are concerned we have taken all the necessary action. The delay has been caused because of a large number of petitions filed by the respondents, sometimes on technical grounds before the Tribunal, and when they did not get relief from there they filed petitions before the High Court and when the petitions in the High Court were dismissed they filed an appeal in the Division Bench. An appeal was filed in the Supreme Court which was disallowed. The delay has taken place on account of these facts. We have already stated about the present position of these two applications, one pending before the Calcutta High Court and the other being considered by a Judge of the Bombay High Court. Therefore, we are doing all that is possible for us to do. Madam, when the other party has a right under the Constitution to make these petitions before the High Court and several courts on account of which the proceedings are delayed, there is very little that we can do in this matter. However, we shall see how early these petitions can be expedited. Our lawyers are taking necessary action.

With regard to the third question which has been raised by my hon. friend, it is true that an unsigned anonymous letter was sent by the workers to the Prime Minister on the basis of which we made enquiries and the result of that enquiry also said that there is nothing that we can do in this matter. In fact, Mr. Kunte himself made a statement in the Lok Sabha when this matter was raised there.

SHRI A. G. KULKARNI : Is it not a fact that the editors of this organisation particularly Mr. Shamlal Saraf, have submitted a memorandum to the Prime Minister? How can it be said that it was an anonymous memorandum? Further, is it also not a fact that Dr. R. C. Cooper, who was the Chairman of this organisation before Mr. Kunte, was a Secretary of the Swatantra Party, and at that time the Government asked him to sever his connections with the Board because he was in a political party? May I know, Madam, why the Government is not taking similar action when Mr. Kunte is himself not only a Secretary but is entirely monopolising the entire publications of the Times of India? In this connection why does the Government not take the same action against Mr. Kunte as has been taken against Dr. Cooper?

SHRI FAKHRUDDIN ALI AHMED : Madam, so far my information goes it is with regard to the allegations filed by some workers in an anonymous petition. If the hon. Member is referring to some other memorandum, I shall make enquiries from the Prime Minister's Office whether such a memorandum has been filed

SHRI A. G. KULKARNI : About Mr. Cooper.

SHRI FAKHRUDDIN ALI AHMED : . . . Let me finish. About the appointment of Mr. Kunte, may I point out that it is not the Government who have appointed a Chairman? He is appointed by the Tribunal and there is very little we can do in this matter.

श्री निरंजन वर्मा : क्या श्रीमान यह बतलाने का कष्ट करेंगे कि इसी कम्पनी के साहू शांति प्रसाद, साहू श्रियांस प्रसाद और उनके जनरल मैनेजर पर 406, 409 और 420 आई० पी० सी० के अन्तर्गत जो मुकदमा चल रहा था वह इसके अतिरिक्त है या इसी से सम्बन्धित है?

श्री महावीर प्रसाद भार्गव : केवल 420 है ।

SHRI BHUPESH GUPTA : May I know, Madam, whether the Government is aware that Mr. Kunte happens to be the General Secretary of the B.K.D. and that since his assumption of this high office the anti-Communist activities of the B.K.D. National Executive are being given a lot of publicity in the "Times of India" group of papers of Sahu Jains? May I further know whether he is also aware that Mr. Kunte is trying to utilise this paper in order to run an anti-Communist campaign and disrupt the United Front? In view of this fact may I know whether the Government has considered the advisability of removing Mr. Kunte? And what is the step that the Government proposes to take in view of the allegation that Mr. Kunte has received a sum of Rs. 2 lakhs from Jains?

SHRI ABID ALI : I wish he was doing that.

SHRI FAKHRUDDIN ALI AHMED : So far as the allegation with regard to Rs. 2 lakhs is concerned, this allegation was made in the Lok Sabha also. Mr. Kunte denied that he received Rs. 2 lakhs from Jains. Madam, we have no material on the basis of which any action can be taken to prove that he actually took Rs. 2 lakhs.

SHRI BHUPESH GUPTA : On a point of clarification, Sir...

(Loud laughter)

THE DEPUTY CHAIRMAN : Be a little calm.

SHRI BHUPESH GUPTA : I apologise to you, Madam. Earlier the Chairman was removed on political ground that one should not be a party man. But here you have appointed one who is not only a party man but is disrupting the United Front and running a campaign against a certain political party and is utilising his position in order to give publicity in this paper. Has this fact been considered as we heard the argument for replacement by some one more acceptable to all sides of the House?

SHRI ABID ALI : Nothing of the kind.

SHRI BABUBHAI M. CHINAI : On a point of order, Madam. Is it fair for any hon. Member of this House to say something in connection with an hon. Member of the other House by virtue of which it is alleged that he has taken some money from somebody and is allowed to make allegations against an hon'ble Member of the other House? I personally feel, Madam, it is wrong in principle...

(Interruption)

THE DEPUTY CHAIRMAN : That is not correct. Please do not reflect on a Member of that House.

SHRI BABUBHAI M. CHINAI : ... Mr. Bhupesh Gupta, I am on my legs. I am not yielding to you. Madam Deputy Chairman, may I submit in all humility that the observation which has been made in connection with an hon. Member of the other House should be expunged from the proceedings?

SHRI BHUPESH GUPTA : Not at all.

(Interruption)

THE DEPUTY CHAIRMAN : No aspersion should be cast . . .

SHRI BHUPESH GUPTA : Madam, on a point of order . . .

(Interruption)

SHRI M. P. BHARGAVA : Madam, it is not that we are saying anything in this House about any Member of the other House. But if any Member of the other House has some public duties to perform, then this House is certainly entitled to have a say about it.

SHRI BHUPESH GUPTA : Yes.

THE DEPUTY CHAIRMAN : Mr. Chandra Shekhar.

SHRI BABUBHAI M. CHINAI : Then it can be said outside the House...

(Interruption)

THE DEPUTY CHAIRMAN : I have called Mr. Chandra Shekhar.

SHRI CHANDRA SHEKHAR : May I know whether it is not a fact that the C.B. I. went into the affairs of this Bennet

Coleman and Company and levelled certain criminal charges against the Shanti Prasad Jain group of companies, and the Vigilance Commission endorsed the views of the C.B.I. and the cases are pending for legal opinion for four or six months in the office of the Attorney-General, and they have not been sent to a court of law? If so, may I know the reasons for the delay in sending such cases to a court of law?

SHRI FAKHRUDDIN ALI AHMED : Madam, it is a fact that investigation has been made by the C.B.I. and now the matter is pending for the final opinion of the Attorney-General as to what action can be taken.

THE DEPUTY CHAIRMAN : Mr. Arora.

SHRI CHANDRA SHEKHAR : Madam, the main point which I wanted to emphasise was that it is lying in the office of the Attorney-General for more than six months. How many more months will the Attorney-General's office take ?

THE DEPUTY CHAIRMAN : He wants to know why it is not being expedited.

SHRI CHANDRA SHEKHAR : Yes that is the whole point.

SHRI FAKHRUDDIN ALI AHMED : We have also taken up the matter with the Law Ministry for the Attorney-General to expedite giving his opinion.

SHRI ARJUN ARORA : May I know if the Government is aware of the fact that M/s. Bennett Coleman and Company is one of the guilty companies as far as the implementation of the awards of the wage boards is concerned? Here a board of directors has come into being because of certain actions taken by the Government, and that very board of directors does not implement the directives of the Government, does not implement the recommendations of the wage boards which are binding. That has been the statement of the Labour Minister a number of times. And still, the Government tolerates that board of directors. May I know why the Government does not move the court for the appointment of an entirely new board of directors in this case? It was at the instance of the Government that the Tribunal appointed a new board and a new Chairman, and Mr. Kunte

was brought in. May I know what has the Government been doing ever since the Tribunal was abolished? We know the Tribunal was abolished in a hurry by the Government early in 1967. Since then, no High Court has decided any of the cases which were transferred to the various High Courts as a result of the winding up of the Tribunal. May I know what has the Government been doing to expedite the disposal of those cases by the various High Courts? May I also know why the Government is sleeping over the need to appoint a new board of directors?

SHRI B. T. KEMPARAJ : The hon. Member has made a speech.

THE DEPUTY CHAIRMAN : I am constantly reminding hon. Members to put questions only. What can I do ?

SHRI FAKHRUDDIN ALI AHMED : On an application filed by us for an interim order for the appointment of a new board of directors, the then Tribunal appointed, first of all, Dr. Cooper who, it was alleged, was asked to resign for political reasons, that is also not true. After his resignation, Mr. Kunte was appointed as the Chairman, and Government were given the authority to appoint two directors. We have since appointed two directors on this company. And the direction is that if these two directors do not approve of any of the resolutions brought before the board, then these directors will have the right to file an application before the Tribunal—now the High Court—regarding their complaint, and then the court will decide what action should be taken in such matters. So if there are any matters where the directors feel that the work is not being done in the interest of the company, then certainly they have the right to make a reference to the High Court and the High Court will then take a decision in those matters.

THE DEPUTY CHAIRMAN : Next question.

श्री राजनारायण : माननीया, इसका मतलब यह है कि अब मैं बार बार खड़ा हो जाया करूँ।

THE DEPUTY CHAIRMAN : Please, Mr. Rajnarain. I have called the next question.

REORGANISATION OF RAILWAY BOARD

***151. SHRI ANANT PRASAD SHARMA† :**

SHRI BALACHANDRA MENON :

SHRI M. V. BHADRAM :

SHRI K. DAMODARAN :

Will the Minister of RAILWAYS be pleased to state :

(a) whether Government have any plans to reorganise the functioning of the Ministry of Railways (Railway Board) ;

(b) if the answer to part (a) above be in the affirmative whether Government have come across any difficulties in implementing their plan of reorganisation; and

(c) if so, what were the details of the plans and the nature of difficulties in implementing them?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI PARIMAL GHOSH) : (a) No such proposal has been under consideration.

(b) and (c) Do not arise.

SHRI ANANT PRASAD SHARMA : Is the hon. Minister of Railways aware of the system of railway management in foreign countries like England, Germany and America and has he studied whether there also the railways are managed through a board like the Indian Railway Board, both in public and private sectors? If so, what are the advantages and disadvantages of that system as compared to our system?

THE DEPUTY CHAIRMAN : I do not know which country the hon. Member is referring to.

SHRI PARIMAL GHOSH : Madam, so far as the administration of the railways by a system like having a Railway Board is concerned, recently the British Government have also adopted a similar policy of having a board for their railway management, and the constitution of the board is more or less on the same lines as ours, though they have a very much lower route-mileage as compared to ours. They have a Chairman and one or two Vice-Chairmen and the number of Members varies from 10 to 16. They have also found

† The question was actually asked on the floor of the House by Shri Anant Prasad Sharma.