

about Rs. 40 to Rs. 45 lakhs to various countries including Yugoslavia and America, U.K. etc.

**Dye-stuff Case**

\*2319, **Shri N. E. Munisamy:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the Dye-stuff case in the Bombay Export Trade Controller's Office which occurred in the year 1950 has not yet been finalised; and

(b) if so, the reasons therefor?

**The Minister of Commerce (Shri Kanungo):** (a) and (b). The Hon'ble member is presumably referring to the case in which some officials of the import Control Office at Bombay were prosecuted but were acquitted by the High Court in October, 1955. Disciplinary action under the C.S. (CCA) Rules has however been started against them and the enquiry is proceeding.

**Shri N. E. Munisamy:** May I know whether it is a fact that out of the six accused against whom the case was filed, the prosecution asked for the withdrawal of the case against Shri G. S. Naicker and one other person; if so, why not that particular gentleman be reinstated in office especially since he was discharged as early as 1950?

**Shri Kanungo:** The departmental enquiry has started after the case was finished in the High Court, and therefore till the departmental enquiry is over, no case of punishment or lack of punishment will be considered.

**Shri N. E. Munisamy:** May I know if the departmental enquiry was commenced only in 1956 or 1957 when all the accused were discharged or acquitted by the High Court? Why were the innocent and guilty persons clubbed together in this enquiry?

**Shri Kanungo:** No, Sir. The departmental enquiry was started only in 1958. The fact is that the two

men were sent for prosecution and the prosecution withdrew the charges against them. That does not mean they are not liable to a departmental enquiry.

**Shri N. E. Munisamy:** May I know whether it is not a fact that the Government has been paying the salaries of all these officers for the last seven years, including certain officers against whom there is no case at all? Why not the period of retirement be extended to them and they be reinstated in office?

**Shri Kanungo:** As they are under suspension, they are getting compensatory allowance as provided in the rules.

**Vishnu Sahai Committee**

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Shri S. M. Banerjee:  
Shri Prabhat Kar:  
Shrimati Renu Chakravartty.  
Shri Ram Krishan Gupta:  
Shri Ajit Singh:  
Shri E. K. Khadilkar:  
Shri Naushir Bharucha:  
Shri H. N. Mukerjee: ✓  
Shrimati Parvathi Krishnaas  
Shri Warrior:  
Shri Panigrahi:  
Shri Vajpayee:  
Shri Sadhan Gupta:  
Shri Parulekar:  
Shri U. C. Patnalk:  
Shri Aurobindo Ghosal:  
Shri S. C. Samanta:  
Shri Subodh Hanada:  
Shri Bibhuti Mishra:  
Shri Tangamani:  
Shri Bimal Ghose:  
Shrimati Masida Ahmed:

\*2320.

Will the Prime Minister be pleased to state:

(a) Whether the Vishnu Sahai Committee appointed to investigate into the M.O. Mathai affair has submitted its report;

(b) if not, at what stage it is;

(c) when the report is likely to be submitted;

(d) whether the enquiry includes investigation into the Chechamma Memorial Trust, and

(e) whether a copy of the report will be laid on the Table of the House?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) to (c) The Cabinet Secretary has submitted his report to the Prime Minister who sent it to the Finance Minister and the Comptroller and Auditor-General for their comments. Thereafter, the Prime Minister sent a note on this report, together with the comments of the Finance Minister and the Comptroller and Auditor-General, to Mr Speaker

(d) Yes

(e) The reports of departmental enquiries and other investigations are not usually laid on the Table of the House

Shri S M Banerjee: Unfortunately, the report has not been laid

Mr. Speaker: It has been laid

Shri S. M. Banerjee: The report

Mr Speaker: He means the Secretary's report?

Shri S. M Banerjee: Yes

I want to know whether it is a fact that Shri Vishnu Sahai has stated in his report that this so-called sum of Rs 3,90,000 was held in cash for several years right up to 1952 or 1953, and even part of it afterwards, and that, except for Shri Mathai's own statement that he had this money in cash, no proof of the legal possession of this amount could be produced, and Shri Vishnu Sahai has had to rely solely on the statement of the Prime Minister in Parliament that this money was invested in shares, debentures etc ?

Shri Jawaharlal Nehru: It is difficult to grasp all that question, but towards the end of it, the hon Member said something about my

having said that it was invested in shares etc I do not quite know what the hon Member is referring to

Mr. Speaker: The hon. Member is ostensibly referring to some passage in the report alleged to have been made

Shri Jawaharlal Nehru: I am asking about what I said

Mr. Speaker: The hon Prime Minister said with respect to this amount that it had been held in stocks and shares.

Shri Jawaharlal Nehru: No, Sir That is not my recollection of what I said There are two things in what I said One was that when Shri Mathai came here, I gathered from him on enquiry that he had certain assets, about Rs 2 or Rs 3 lakhs Subsequently—not then, but subsequently—on another occasion, I saw, in fact he gave me, some list of his investments when I enquired about that That was a little time afterwards It was not contemporaneous with that

Shrimati Renu Chakravarty: In the other House, the Prime Minister had said "I have an actual account He gave me an account in writing Broadly speaking, there were Rs 2 to Rs 3 lakhs invested in shares and debentures in various companies" In view of that we are told that Shri Vishnu Sahai has not been able to prove it except basing himself on the statement made by the Prime Minister in Parliament In view of its very great importance, could we know whether the Prime Minister will lay this particular paper on the Table of the House so that we may be able to judge which is correct—Shri Mathai's statement to Shri Vishnu Sahai, or Shri Mathai's statement in writing to the Prime Minister?

Shri Jawaharlal Nehru: Both are correct, and there is no contradiction

Shri Prabhat Kar: May I know whether the Vishnu Sahai committee had the power and the authority to

verify facts by examining and cross-examining witnesses, and calling for the production of documents, if not, how did the Government expect the people to come and place the facts before this Committee?

**Shri Jawaharlal Nehru:** Government did not expect any one to come. In fact, they did not think there was anybody who could come, that is to say, otherwise he would have come, but the enquiry was not even what is normally called a departmental enquiry, but an investigation made at my request by the Cabinet Secretary to ascertain the facts so that one might form some idea as to whether one should proceed in this matter or not. Such enquiries are often held before one proceeds, and such enquiries are always treated as confidential because, if they are not so treated, one cannot usually get the evidence that one requires. Evidence is often of fellow officers and others who would confidentially give their views about a subject, but who would hesitate probably to do so if they thought it was going to be published. Therefore, they are treated as confidential, and the hon Member is quite right in saying that Shri Vishnu Sahai had no authority to compel people to come to him to give evidence.

**Shri Prabhat Kar:** I was asking whether he had the right of examining and cross-examining witnesses, and to ask for the production of documents.

**Mr Speaker:** The hon Prime Minister has said he had no right.

**Shri Jawaharlal Nehru:** He had no right to do that, he could only request people, such people as he wanted to.

**Shri H. N. Mukerjee:** In view of the Government having restricted the terms of reference of the Vishnu Sahai Committee and made it virtually impossible for it to probe into the facts of the situation, and in view of so many allegations having been bruited about in regard to this matter, may I

know whether Government will have a further investigation and ask for evidence to be placed before a proper investigation tribunal and not this kind of semi-departmental or quasi-departmental committee?

**Shri Jawaharlal Nehru:** It is an odd request, if I may say so. A number of charges are brought forward, chiefly in speeches in Parliament from hon Members opposite or other Members. When we ask for other information to be placed, practically nothing is placed. The only information that we have had really are the charges in speeches here. Now, the hon Member suggests that there was a limitation on Shri Vishnu Sahai. There was no limitation at all except the legal limitation that he could not act as a court of law and summon people. Otherwise, he was given the broadest terms of reference to enquire into and ascertain the facts as to whether Shri Mathai had done anything improper during his service in regard to these various charges. Every single charge that was mentioned in this House has been taken up by Shri Vishnu Sahai, and as I mentioned in my note to you, Sir, there were three or four major charges.

The matter first came up because of the trust. Then it came up about the insurance premia and annuities. Then reference was made to certain property purchased in the Kulu Valley and certain remittances sent to his relatives. These are the four heads. He has enquired into them and submitted his report. And I do not understand how we can go on having enquiry after enquiry simply to please the hon Member opposite.

**Shri H. N. Mukerjee:** I do not wish to be factious. I want the Prime Minister to understand that personally I have no information in this matter, but I know that Members of Parliament were disinclined to offer whatever evidence they had to a Committee like the Vishnu Sahai Committee with attenuated functions. But

if there was a different kind of tribunal, then surely they would come forward. That is the impression I get. That being so, I would very much like to have an assurance from him that if that is so—he can take me at my word—he will go further into the matter and look into the proper state of things.

**Mr. Speaker:** It is hypothetical.

**Shri Jawaharlal Nehru:** I would like to assure the hon Member that I have paid quite a good deal of attention to this matter. Naturally so. Apart from that, since he was working directly under me, indirectly I was very much interested in this matter. I have paid quite enough attention to this. I am sorry if any hon Member who had some information was disinclined to produce it. I cannot myself see any such thing, because these are financial matters, bank books and other things. They may of course be there. But I really think it will be odd if hon Members who have some information would not produce it but would want another Committee before they can do so.

**Shri Vajpayee:** Rajkumari Amrit Kaur joined this Trust when she was a Cabinet Minister and collected donations, from whom we are not told. In view of this, may I know if Government will consider the desirability of asking the Ministers not to associate themselves with private trusts, particularly of this nature?

**Shri Jawaharlal Nehru:** Cabinet Ministers, as anybody else, have a perfect right to be trustees of charitable organisations. There is absolutely nothing to prevent them. Whether an organisation is charitable or not is another matter. In fact, Rajkumari Amrit Kaur did not join this Trust. She started it. She was the originator. In fact, she collected money for some two or three years before the Trust was started and then put it in this account. (Interruptions). The

question was whether I would issue directions to Ministers. Ministers should be careful, but I cannot tell them not to join a charitable trust. It is a very ordinary thing.

**Shri Vajpayee:** But Ministers should say from whom they get money, from whom they collect donations. Ministers are public servants.

**Shri Tangamani:** Why are the names not revealed?

**Shri Vajpayee:** Why anonymous donations?

**Shri Jawaharlal Nehru:** I really do not understand this question. I can very well accept the statement that Ministers have to be very careful and all that. But why should Ministers not accept anonymous donations? This is the first time I have heard that a person should not accept anonymous donations. (Interruptions)

**Mr. Speaker:** We are going away from the Mathai case to the Rajkumari 'Case'.

**Shrimati Benu Chakravartty:** As far as I could make out from the Prime Minister's statement, this Committee had no power of verification. In view of the fact that the investment of Rs 2-3 lakhs in shares and debentures, which has been stated by the Prime Minister, is of very great importance for coming to a conclusion whether to exonerate Shri Mathai or not, could we ask whether the Prime Minister will be pleased to place on the Table of the House at least that written statement given to him so that we can judge, even if he does not give us the report of the departmental inquiry committee?

**Shri Jawaharlal Nehru:** I confess I do not understand this approach to this question. In the course of 11 or 12 years of service under me, this gentleman, Shri Mathai, gave me various pieces of information from time to time, sometimes at my instance when I enquired from him, otherwise, I was not interested in his private affairs. When he came to me,

I naturally wanted to find out. I told him that I could not afford to pay him any big salary; at the most I could afford a Private Secretary in those days on, say, Rs. 100 or Rs. 150; I could not afford more. He said: 'I have got enough. I have got two or three lakhs which I have earned from various sources'. There the matter ended. I did not enquire further. Then when he asked me for permission to purchase this property in the Kulu Valley, I was interested and asked him: 'What is it going to cost you? Have you got investments?' It was at that time that he gave me that list of investments. Subsequently, again he showed me a list and I looked through it; I was not auditing it; I had a broad glance at it. Subsequently, when something else happened, I think probably when for the first time mention was made to me about this Trust, I asked him. It was on two or three occasions. I refreshed my memory about those things. It is not quite easy for me; there were odd bits of papers. No doubt they are somewhere. But at that time, this question did not arise in this form. It was merely for my satisfaction that I did it.

Some Hon. Members rose—

Mr. Speaker: Next question.

Shri Jagdish Awasthi: A few more supplementaries should be allowed. It is an important question.

Shri S. M. Banerjee: I would request you to allow a few more questions. This is an important matter.

Mr. Speaker: I have allowed sufficient number of questions.

Shri Braj Raj Singh: There are some facts which are there which are not revealed.

Mr. Speaker: Next question.

#### Bifurcation on Education Ministry

\*2321. Shri Harish Chandra Mathur: Will the Prime Minister be pleased to state:

(a) what considerations persuaded Government to bifurcate the Ministry of Education;

(b) whether any assessment of the working of this arrangement has been made; and

(c) what organisation brings about co-ordination between the two sections of the bifurcated Ministry of Education?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) The old Ministry of Education and Scientific Research had grown considerably and comprised a very large variety of work. There were eighty sections in it. The work of these sections was varied. Apart from the purely educational side, there were scientific research and development comprising a large number of National Laboratories and Institutes, and technical education which dealt with a growing number of technical institutes and with the development of modern industry and technology. There were also various types of cultural activities, sports, athletics, etc. The Prime Minister considered all this work too heavy for one Ministry and decided to separate it into two. At present, the Ministry of Education consists of fifty-two sections and the Ministry of Scientific Research and Cultural Affairs of thirty-five sections.

(b) No formal assessment has been made. The present arrangements have been working satisfactorily and are largely fulfilling the objectives in view.

(c) There is no special organisation for co-ordination. There are, however, Committees where both Ministries are represented, and close contact and mutual consultation are maintained.

Shri Harish Chandra Mathur: Has the hon. Prime Minister discussed with the two concerned Ministers and ascertained what difficulties they have