

[Smt. Roza Deshpande]  
ing the mill on lease and helping mill owners who were losing. This very theory has brought about certain great failures in this Bill. For instance a mill in Bombay, Sakseria Mill, was taken on lease for one year because the mill owners were losing. Then the Government made profits in just one year and they returned it to the mill owners. Again he made losses and again the Government took it up on lease and later on handed over to the mill owner. Then that mill was closed for many years. The General Secretary of the A.I.T.U.C. Shri Dange had to climb the gates of that mill and told the Government that it was high time they took it over and nationalised it. That is why I say they started with the idea of helping the mill owners and not helping the workers.

MR. CHAIRMAN : You can continue tomorrow.

17.30 hrs.

#### HALF-AN-HOUR DISCUSSION

C.B.I. INQUIRY INTO LAND DEAL SCANDAL OF CUTTACK STATION OF A.I.R.

MR. CHAIRMAN : We will now take up half-an-hour discussion. Before we take it up I should like to point out to the House that at least I would wish to go by the rules and I hope you would cooperate.

Rule (55) says :

“There shall be no formal motion before the House nor voting. The member who has given notice may make a short statement and the Minister concerned shall reply shortly. Any member who has previously intimated to the Speaker may be permitted to ask a question for the purpose of further elucidating any matter of fact.”

Now, if we have to finish this in half an hour, I would need your cooperation; to be strictly within the rules, to make a short statement I will give you five minutes.

SHRI SURENDRA MOHANTY (KENDRAPARA) : Five minutes would not do.

MR. CHAIRMAN : I would not go beyond half-an hour.

SHRI SURENDRA MOHANTY : I am grateful to you for your guidance. But I can show you umpteen instances where.....

MR. CHAIRMAN : I am not concerned with those umpteen instances. I will go by the rules.

SHRI SURENDRA MOHANTY : How much time will I get ?

MR. CHAIRMAN : You will get ten minutes.

SHRI SURENDRA MOHANTY : I would like to preface my observations by the remarks that I have no intention to politicise the issue, or scandalise any individual, institution or government, as far as this particular matter is concerned. My only intention is to put this All-India Radio land deal in Cuttack in its legal perspective and to urge upon the hon. Minister to lay the copy of the CBI Report on the land deal on the Table of the House so that we all know the facts. What I am interested with, and I am sure what the House is interested with, is to know the facts. I have no intention, I repeat, either to scandalise anybody or to politicise the issue.

The genesis of the matter is like this. It will be recalled that in the year 1969 the Government of India had acquired about two acres of land in Cuttack for the purpose of constructing staff quarters for the All India Radio employees at

a cost of about Rs. 4 lakhs. I know the hon. Minister can immediately retort that the land was acquired by the Government of Orissa. While conceding that fact that the land was acquired in 1969 by the Government of Orissa, I would point out that the responsibility also devolves on the Central Government in the matter of acquisition and requisitioning of property. Under entry 43 of the Concurrent List of the Seventh Schedule of the Constitution, the Government of India owes concurrent responsibility in the matter of acquisition and requisitioning property for a public purpose. So, the hon. Minister cannot get away with the argument that the land was acquired by the Government of Orissa. It is true the land was acquired by the Government of Orissa, but the Government of India had the primary responsibility, not only under the Constitution but also by the very compulsion of the fact that it was being purchased for a public purpose, and the public purpose was nothing other than the purpose of the Government of India.

I do not wish to minimise the role of the Government of Orissa. But, at the same time, I would like to emphasize that the Government of Orissa was merely an agent of the Government of India in this deal and the Government of Orissa had no other responsibility than acquiring the land on behalf of the Government of India and paying the money which the Government of India was agreed to pay. The overall responsibility rested with the Ministry of Information and Broadcasting of the Government of India.

I now invite the attention of the hon. Minister to entry 42 of the Concurrent List of the Seventh Schedule which says "acquisition and requisitioning of property." Since it is in the Concurrent List, the over-riding responsibility is on the Government of India, and that

is the gravamen of my charge against the Minister. It was the bounden duty of the Government of India, of the Ministry of Information and Broadcasting, to satisfy themselves as to the nature of the tenancy of the land and the valuation that they were going to pay for it.

After the land was acquired, it was found out that the land was a *khasmahal* land, that the land belonged to the government, and that the particular person, the lease-holder, was holding the land on lease and the lease was going to terminate in a year's time.

My second question to the hon. Minister will be, not to his political self but to his conscience : Does it behove the Ministry to pay a sum of Rs. 4 lakhs to a person for a piece of property whose lease was going to expire in a year's time when that land was being acquired for a public purpose ?

I would like to give you instances. The adjacent land to this plot of land which has been acquired by the Government of India belonged to one Mr. Ahmed. That land was resumed as distinguished from acquired. It was resumed by the Government because it was being resumed for a public purpose, namely, the extension of the Sailabala Mohalla College which is a Government College and no compensation whatsoever was paid for this land except Rs. 38,000 for the super-structures standing on the land.

As we are debating this issue, in Bhubhaneshwar, the Government of Orissa, the very same Government of Orissa, is resuming about an acre of land in the heart of Bhubhaneshwar town without paying any compensation for the extension of the police station. So, my question is, under Notification under Section 4 of the Land Acquisition Act, why the Ministry of Information and Broad-

[Shri Surendra Mohanty]

casting, the Government of India, keeping its eyes and ears open, did not raise the issue with the Government of Orissa that this being a *khasmahal* land, this being a Government land, as to why the Government of India should be made to pay any price for it?

Sir, you are a lawyer of eminence. You must be knowing that under the land acquisition proceedings, under Sections 5 and 6, the awards are given. At that stage, the disputes are raised. My entire grievance of charge is that the Ministry of Information and Broadcasting, knowing fully well all these facts for reasons best known to them, paid Rs. 4 lakhs for a Government land which they could have done without.

Against this background, I have a few questions to ask and I will conclude. The Government of India being the purchaser had the ultimate responsibility to satisfy themselves as to the nature of the tenancy of the land. I want to know whether they have done so or not and, if they have not done so, what are the reasons thereof.

My second question is, whether it was brought to the notice of the Government of India that the land in question was *khasmahal* land, that it was a leasehold land and that the lease was going to expire in a short time and, if so, why the Ministry of Information and Broadcasting did not urge upon the Government of Orissa to resume the land instead of acquiring it by paying compensation to the lease holder. I want to know whether the land had been shown as a *khasmahal* land, as a leasehold property. In case the State Government had shown the land to be *khasmahal* land, why did not the Government of India insist that no compensation was payable?

I hope, the hon. Minister will not take shelter behind the fact that the Orissa Government did it. I do not hold any brief for the Orissa Government . . .

THE MINISTER OF INFORMATION AND BROADCASTING (SHRI I. K. GUJRAL) : Not for the present Government.

SHRI SURENDRA MOHANTY : Now that you have provoked me, I will come to that. According to Mr. Gujral, when his illustrious predecessor was in the Ministry of Information and Broadcasting who comes from the town of Cuttack and with ears and eyes open, it was only in 1972 that the compensation was paid.

The hon. Minister, at p. 219 of the debate relating to the Demands of the Ministry of Information and Broadcasting in an indecent haste got up to say that Shrimati Nandini Satpathy had nothing to do directly or indirectly in the matter. I concede the point, I stand by the Government, that she was not directly concerned. But she had a lot to do indirectly in the matter . . .

MR. CHAIRMAN : Let us not get into allegations.

SHRI SURENDRA MOHANTY : Why are you impatient, Sir ?

MR. CHAIRMAN : You cannot re-start your speech after you have asked your questions.

SHRI SURENDRA MOHANTY : I am concluding. Shrimati Nandini Satpathy, who was the Minister of Information and Broadcasting in the year 1972, was indirectly responsible in making this illegal payment coming as she does from Cuttack and knowing full well the nature of the tenancy the person who was the owner of the land and the relation.

MR. CHAIRMAN : This is not a question ; this is an allegation.

SHRI SURENDRA MOHANTY : Is that going to be expunged ?

MR. CHAIRMAN : No ; I am not expunging it. But it is not a question.

SHRI SURENDRA MOHANTY : I request that all these questions must be replied to by the hon. Minister in their entirety and the C.B.I. report must be laid on the Table of the House.

SHRI SHYAM SUNDER MOHAPATRA (Balasore) : Although Mr. Surendra Mohanty started like a saint at the end he put his legs on the mud.

The entire idea of acquisition was mooted in 1969 when the Opposition was in power in Orissa ; when the compensation was paid and when the deal was over at that time Mr. Mohanty's Utkal Congress was in power.

As far as the legal point which Mr. Mohanty has raised is concerned I want to submit that the decision of the Patna High Court was :

"It was entirely in the option of the lessee to continue in possession and it was not within the power of the Government to terminate the lease at their will if the lessee exercised his option and wanted renewal of the lease the only restriction being that the rent was liable to enhancement at each renewal..."

SHRI SURENDRA MOHANTY : Which year ? He is misleading the House.

SHRI SHYAM SUNDER MOHAPATRA : There has not been a single case which he can cite where the lease has been terminated. Wherever it was asked it was always extended by the Government.

As far as valuation is concerned his injunction is that corruption was involved. The valuation was Rs. 2 lakhs per acre. Let me cite an instance. I come from a remote place like Borealis

where a decimal of land costs Rs. 2,000 which means Rs. 2 lakhs per acre. Then what to speak of a city like Cuttack and that too when the land is situated in the midst of a busy centre. Naturally it will be a little more. And it is known under what circumstances it was acquired. I am not holding brief for any one. I want to say that the land is situated in the most central place and is very well suited for staff quarters. There are precedents, to show that as far back as 1957, the land was acquired at Rs. 7,000 for 44 decimals which comes to Rs. 1,75,000 per acre. And here this was concluded in 1972. With the passage of time the cost should have gone up. Paying Rs. 2 lakhs for one acre, I do not think, is an exorbitant price. He has said that the lease period was going to be over. May be, within a year or two, it was going to be over. But, as I have submitted, there has not been a single instance where it has not been extended. The man who has the lease has the power to transfer, as I have quoted from the High Court report, he has the power to sell. Ultimately, however, it is the decision of the Government.

No political motive should be attributed behind such a thing and this should be done in a clear way, with open heart in the matter of purchase of valuable land situated in such a busy city like Cuttack. It comes within the jurisdiction of the State Government. The State Government of Orissa has been fully satisfied about this acquisition. Even the Law Department (Government of Orissa) is of the opinion that the transaction is foolproof.

My final question is this. Will the hon. Minister see that unnecessarily there is no victimisation of any particular person in this case ? Will he personally make himself fully assured that the Government was satisfied before transacting this business ?

**SHRI S. M. BANERJEE (Kanpur):**  
I congratulate the Minister for acquiring a land here for construction of quarters for the A. I. R. Staff. I wish that he will acquire land in other places also.

My questions are :

- (1) Whether the site was selected by the Government of India in March or April, 1969 ?
- (2) Whether a Notification was issued by the Orissa Government on 4th January, 1971 (when Congress Government was not there, but the Government was headed by Shri R. N. Singh Deo) ?
- and (3) Whether the compensation for the land was paid to the owners of the land on 30th March, 1972..

**SHRI SURENDRA MOHANTY :**  
Who was the Information Minister then ?

**SHRI S. M. BANERJEE :** March 1972, when there was Swatantra- Utkal Government in the State, headed by that renowned leader, Shri Bihwanath Das ? As far as my information goes the Information Minister was not Shrimati Nandini Satpathy. I think Prime Minister was the Information Minister then. Mrs. Nandini Satpathy was simply assisting her in other matters. I would like to get clearcut replies to these questions so that the confusion created by my hon. friend Mr. Mohanty may be removed.

श्री हुकमचन्द्र कछबाय (सुरना) पट्टे पर जो जमीन दी गई थी वह कब दी गई थी और जिन के नाम पर या पट्टे पर जमीन दी गया यह सही है कि वह एक सरकारी कर्मचारी है ?

इस जमीन के पास और भी जमीन होगी जो राज्य सरकार या केन्द्र सरकार ने खरीदी होगी ? मैं जानना चाहता हू कि वह किस नाम पर खरीदी गई ?

माना प्रकार की शंकाएं व्यक्त की जा रही हैं। क्या इनकी जांच रिपोर्ट बाइफी.बी.आई.के द्वारा कराई गई थी, यदि हां, तो इसकी रिपोर्ट क्या मदन की सेवा पर रखी जाएगी ?

इन घोटाले में किसी प्रकार का जो पक्षपात हुआ है चाहे वहां की कोई भी सरकार रही हो, जिन किसी ने भी इन घोटाले में सहयोग दिया है, उनके खिलाफ कोई कार्यवाही करने का आप इगारा रखें ?

**SARDAR SWARAN SINGH SOKHI (Jamshedpur) :** I have got a few questions to ask the Minister :

1. Whether it is a fact that this land in question belonged to Government and it was Khasmahal land and when the lease was going to expire at that point of time the Government of India purchased the land ?

2. The CBI enquiry report should be produced here to find out the facts which have been concluded in its enquiry.

3. If there was no scandal in land deal then why the CBI came into the picture, when the All India Radio had acquired the land for the construction of residential houses for AIR staff under the act prevailing in Orissa ?

4. Whether any irregularity was committed by any of the senior officers of Government of India in acquiring this land at the rate of Rs. 4 lakhs and whether any money has been mis-appropriated ?

5. There appears to be some mala fide intention of the concerned officers, concealing the facts from the hon'ble Members of Parliament.

6. I would further like to know from the hon'ble Minister has he brought the CBI report today in this August House and read it out to clarify his position.

7. The CBI report must be placed on the Table of the House, which has been concluded as answered by the Minister to Question No. 1286 who had taken over three files from the All India Radio Station, Cuttack pertaining to the matter. What has been found out from these papers and files seized by the CBI? It is very important to know it.

Since we have passed the Constitution Amendment Bill, I think, Government could acquire any land for public purposes by paying any amount as compensation.

**THE MINISTER OF INFORMATION AND BROADCASTING (SHRI I. K. GUJRAL) :** Sir, my hon. friend, Shri Mohanty, is a very able lawyer. I have no such claims. Therefore, I will not be able to speak in terms of the legalistic language but I will talk in terms of the Parliamentary language.

The issue is very simple and unnecessarily an effort has been made to complicate it. There is a piece of land in Cuttack which the All India Radio wanted to acquire. So, as is the normal procedure with us we got in touch with the Orissa Government. We asked them if they could acquire that particular piece of land. They said 'yes', it can be acquired.

In the meanwhile the Additional District Magistrate, Cuttack forwarded to the Regional Engineer's office a report dated 1-7-1970 from the Tehsildar (Sadar), Cuttack to the effect that the land in question belonged to Shri P. K. Samal and that it was a private land. The Tehsildar had also intimated to the ADM that the valuation of the land was at the rate of Rs. 8,000 per guntha in Cantonment area, that is, Rs. 2 lakh per acre. This communication was forwarded to us. Once we had decided to have the land naturally we asked the State Government, as we always do, to proceed with the acquisition of land. Government of India does not have the ma-

chinery available to it in various States for acquisition of land. Therefore, it is normal for the office to ask the State Government to undertake the acquisition. Then all the procedure is followed. Notices are given; objections are invited and land acquisition officer proceeds to evaluate the and on certain basis and then the Government of India is informed of its decision and the money is paid.

That is what exactly has happened. Notices were given. Shri P. K. Samal raised some objections. There was then a procedure. The land value was determined at Rs. 5 lakhs and odd which was deposited with Orissa Government's Treasury. The Orissa Government, in turn, paid Rs. 4,18,000 to Shri P. K. Samal. This was, in a nutshell, what has happened.

**SHRI SURENDRA MOHANTY :** Why then was the C.B.I. inquiry to such an innocent affair?

**SHRI I. K. GUJRAL :** You will see from what I have said just now that this land, particularly, belonged to an individual, Mr. P. K. Samal who happened to be a Joint Secretary of the Government of India. Then we were told that since the land is belonging to an individual, the Land Acquisition Officer had to satisfy himself with regard to the title etc. It was for him to satisfy himself about the title and the statement as to whatever was provided to him by Shri Samal. He was satisfied with this and he valued that at Rs. 5 lakhs and odd which amount was already paid into the Treasury of the Government of Orissa. Therefore so far as Government of India was concerned, we had no dealings whatsoever directly with the owner or the so-called owner of the land. It was the Land Acquisition Officer who came into play for acquiring it. After that had been done, there was some complaint against Shri P. K. Samal. That

[Shri I.K. Gujral]

was in some other context. And the C.B.I. started looking into his affairs. One of the complaints received by the C.B.I., I am told, was that he had made a wrong declaration to the Land Acquisition Officer. Therefore, it was looked into and while looking into the statement, it was held that the land belonging to Mr. Samal was held by him on lease basis and the lease was about to expire. Therefore, in all fairness, the land value should have been much less than the value paid. I think it should not have been beyond about Rs. 30,000 or 40,000. Even this valuation should have been on the basis of the unexpired period of the lease. So, the conclusion arrived at on the basis of this enquiry was that in this case there was a collusion. Taking advantage of it, they felt that Mr. O.P. Jena, the Land Acquisition Officer was the main person in this who had colluded in this case and tried to give a pecuniary advantage to Mr. Samal. Therefore, we have now recommended to Orissa Government on the basis of the C.B.I.'s findings—it is for the Orissa Government to take appropriate action—to take appropriate action under the Anti-Corruption—Prevention of Corruption Act—and also see to it that those who have colluded are brought to book. This, in a nutshell, is the history.

I was hoping that my friend, Mr. Mohanty will come here and compliment us that we have been so vigilant that even when it came to our notice, even after payment, that somebody has tried to cheat in the matter, we have come to the conclusion that these Officers need to be proceeded against and against whom action has now been initiated and Orissa Government has been asked for permission to take action.

MR. CHAIRMAN : Although you must have been ignorant, now that you know this, I am sure, you will be happy.

SHRI SURENDRA MOHANTY : I give my full-throated compliment to Shri Gujral.

SHRI I. K. GUJRAL : I am thankful for this compliment which I shall humbly accept.

The main point is this that we are taking action and nobody has been allowed to get out of this net. I would also suggest that let us not politicalise this issue on this matter and politics does not exist.

Neither in the Centre nor in the State has anybody tried to shield culprits and those who try to derive pecuniary advantage.

18 hrs.

श्री हुकूम ख व कछवाय : ललित नारायण मिश्र को छोड़कर।

श्री आई. के. गुजराल : नहीं कछवाय जी का भी छोड़कर। दोनों को छोड़ कर। आप भी चम्बल से आते हैं।

Before I reply to the questions raised by my hon. friend, I might say one thing, that although various parties were in power in the State of Orissa when the acquisition proceedings were going on, I would not like to politicalise it. I would not say that so and so was responsible for it because it is too petty for a Government to be interested in. Lower officers try to be smart and indulge in corrupt practices against which we are moving. But why should we always try to see politics where politics does not exist? I stand by every word of what I said earlier in the 1972 debate, which my hon. friend has quoted, that my colleague and predecessor in office, Shrimati Nandini Sarpathy had neither directly nor indirectly any thing to do with this. I stand by every word of what I have said.

My friend Shri Sokhey asked some questions which I hope I have covered. He asked whether any officers of the Government of India were involved in this. I have replied to it. Then he asked about the CBI Report. We have debated enough about it in another context. It is never laid on the Table. I do not intend to depart from that practice.

MR. CHAIRMAN : We do not want the C.B.I. to be a Committee of this Parliament.

1802 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, November, 26, 1974/Agrahayana 5, 1896 (Saha)*