

that already exists. All that I would request him even now is that the Members of Parliament who might be interested in this as a subject should be at least asked to depose before that committee and to bring about a certain sitting of the committee in which that committee will take specific note of this particular aspect.

In conclusion, I would say that whatever might be contemplated as a stop-gap measure, one thing should be taken into consideration as to whether it can be at least weighed for its viability and that is, whether it would be possible to amend the Constitution and include in the Seventh Schedule another new item under item 97. You say that the formation of panchayats at the village level based on these four points would be included under item 97 in the Seventh Schedule of the Constitution

I would say that the Madhya Pradesh Government has been the first Government in this country which has already framed a law based on these four points and that law is working. So I think, I have a point in requesting the hon Minister to study this matter more deeply. That was all the purpose in bringing forward this Bill before the House and in the hope that he will take the matter up, I would, under his instructions, withdraw the Bill.

MR CHAIRMAN: The question is:

"That the leave be granted to withdraw the Bill to provide for planning and development through various democratic and official agencies of Panchayat Raj"

The motion was adopted.

SHRI RANABAHADUR SINGH: I withdraw the Bill.

15.56 hrs.

CONSTITUTION (AMENDMENT)
BILL

(AMENDMENT OF ARTICLE 324)

SHRI R. P. ULGANAMBI (Vellore):
Mr. Chairman, Sir, I beg to move:

"That the Bill further to amend the Constitution of India, be taken into consideration."

MR. CHAIRMAN: The hon Member may continue on the next occasion. We now take up the Half-An-Hour Discussion.

15.57 hrs.

HALF-AN-HOUR DISCUSSION
DECLARATION OF ASSETS BY THE ELECTED REPRESENTATIVES

PROF. MADHU DANAVATE (Rajapur): Mr Chairman, Sir, I am raising a discussion on a very important question which relates to the declaration of assets by the elected representatives.

To put the record straight, I would like to read the Question that was posed to the Home Minister and the reply that was given by the Minister concerned. The Question was:

"(a) whether a number of newspapers carried editorials and articles during July-August last to the effect that for a healthy and progressive political atmosphere, it was necessary that every elected representative should declare publicly the movable and immovable property owned or controlled by him;

(b) whether Government have examined this demand and taken any decision thereon; and

*Moved with the recommendation of the President.

[Prof. Madhu Dandavate]

(c) if so, the salient features thereof."

The Home Minister, Shri K. Biahmananda Reddy, replying to this Question said:

"(a) Government have seen some reports on the subject."

The Government is quite knowledgeable.

"(b) and (c). There is already a Code of Conduct for Ministers which provides for the disclosure by a Minister to the Prime Minister or the Chief Minister, as the case may be, of assets and liabilities and of business interests of a Minister and members of his family and also for submission of an annual declaration regarding his assets and liabilities. These are treated as confidential documents. . .

—because, if they are opened out something may come out—

"No proposal is under consideration for requiring other elected members to furnish similar declarations."

12.00 hrs.

While I raise this discussion on the floor of the House, I do so with a clean conscience because the Party to which I belong, the Maharashtra Branch of the Socialist Party, has directed all the Legislators and the Municipal Councillors elected under the Socialist ticket to declare their assets and properties. Sir, the House will be happy to know that, not only those Members of the Socialist Party from Maharashtra like myself who are elected to the Parliament, but the Members of the Bombay Municipal Corporation, the Poona Municipal Corporation and 27 Presidents of the Municipalities which the Socialists have captured in the recent elections

on the basis of adult franchise, all of them have made public declarations of their liabilities, assets and properties—whatever they have.

On 9th August last, the Legislators from Maharashtra walked in procession—on that historic and memorable day—to the Governor of Maharashtra and submitted a statement indicating their liabilities, their assets and their properties, and ultimately that declaration, handed over to the Governor, was published in the press. What we have done for ourselves, we are demanding that it should also be done for all the elected representatives.

I must be very fair. It is not only that some of the Members of the Opposition have followed this practice, but I am happy to recall that one of our young Ministers, Shri Mohan Dharia, when he accepted office in May 1971 in the Union Government—he was, probably, the first Minister to do so—he submitted that statement not only to the Prime Minister as required by the insufficient Code of Conduct that they have evolved, but he also cyclostyled that statement and gave it to the leaders of the Opposition in Parliament and he also submitted that statement to prominent personalities like Justice Chagla and Mr. Jayaprakash Narayan. Probably, some friends there must not have liked his submitting that statement to Mr. Jayaprakash Narayan, but he considers him to be one of the personalities in India with impeccable character and quality. Therefore, accepting them as men, in our public life, with integrity, he submitted those statements to persons like Justice Chagla, Mr. Jayaprakash Narayan and a number of other prominent personalities. I am only expecting that what the Members of the Socialist Party in Maharashtra have done and what the Congress Member like Shri Mohan Dharia has done in this House, that

particular example, must be emulated by all the elected representatives and, particularly, by the Ministers.

Sir, my conviction that such statements must come forward gets reinforced and strengthened by what we have seen in the 87 hours of debate on import licence scandal in this very House: whether we belong to the ruling Party or to the Opposition, I have not the least doubt that, as far as this country is concerned, each one of us in this Parliament will hang our heads down in shame, sorrow and pain when we go before the people—after the scandal discussion that has taken place in this House. It is not merely one section of the House that will hang their heads down in shame, but the entire House feels that our status, our dignity and our honour have been denigrated. And if we want to establish that, prevention is better than cure. We have to see that the potential scandals are nipped in the bud, we have to create confidence in the minds of the people about those Members of Parliament and State Legislatures who hold important offices as Members of Parliament or State Legislatures. Here I may say that it is not only the Ministers who hold important offices, it is not only they who hold the levers of power, but even ordinary Members like those who belong to Parliament or State Legislatures have also the levers of power with them. What are those levers of power? The businessmen can try to purchase the Members of the Legislatures, at the Centre as well as at the State level. They can build up their own lobbies inside the Parliament. They can build up their own lobbies inside the State legislatures. They can lure the Members of the State legislatures and the Central Parliament and request them, 'Here is the price we are prepared to pay' and if there are men who will be prepared to sell their soul for a mess of pottage, then the soul of democracy and the parliamentary democracy will

be completely mutilated and destroyed. In order that this thing should not happen—whether it is Members of the Opposition or of the ruling party, there are weaknesses—we must have a provision in the statute to see that there is no attraction, and temptations for any member of the legislature whether at the Centre or in the States, that he can be purchased by money power must be prevented

There are levers of power in our hands. I do not want to cast aspersions on any individual Member and it is against the ethics that I observe in this House. I do not want to name anyone. But I know that sometimes there are business houses which pick up a few Members of Parliament and provoke them to ask and put questions against their rival business houses, not out of any love for justice and equity, but because they are more concerned with their own prosperity and their own business interests. Therefore, if they cannot rise on their own strength, they would like to rise on the debris of their rival industrial houses and they paint their rivals in all the black colours when their own image is not a shining one when related to the image of their rivals. Therefore, they will provoke certain Members of Parliament and Members of State legislatures to ask certain questions embarrassing to the industrial houses which are their rivals and, as a result, if some industrial house goes down, then they feel that at least the gap between the two gets widened. That is what is likely to happen and this has happened in certain cases. That also has to be prevented.

In this connection, I find, sometime ago there was a discussion where the Minister also inadvertently made certain remarks which was sought to be interpreted in some other connotation and context. But a controversy did go on in this House that certain big houses and monopoly houses are try-

[Prof. Madhu Dandavate]

ing to keep certain members of the Parliament at their disposal and are trying to serve their own business interests. And if this happens, merely for the lure of lucre, in that case, the Parliament and parliamentary democracy would be destroyed.

I have seen certain legislators who completely live beyond their means. Probably nobody raises that issue on the floor of the House. But, all the same, it is there. These are the things talked about. You go in the trains, you go in the bullock-carts and you travel by bus and you hear the stories about our character, about our integrity and about the character of the parliamentary institutions in this country. And, Sir, what we hear is not very flattering to the dignity and honour of these institutions. Therefore, I want that those living beyond their means by taking help from industrial houses, from big business houses, at least should be checked. Therefore, when one tries to get money by all dubious means, if there is some provision in the statute and if he feels "Some-one is going to ask me every year and I have to make a declaration and probably, if I try to earn money by dubious means, there is some forum where questions will be asked", it will act as a deterrent.

The hon. Minister said in a written reply last time and also in reply to a supplementary that they were following a code of conduct. The Prime Minister has given a written statement and the Minister also has given a statement. These statements are normally not available to the common man. If these statements are published in the press and are available to the man in the public life, in that case, if people feel that there is something shady, something that is wrong and something that is mysterious, then questions can be posed from public platforms and there will be no question of breach of privilege if probably the issues are focussed in

a proper manner, either through criticisms in the columns of the Press or on public platforms. Probably, at least some Members of the Parliament and legislators will feel responsive to the criticism if it is voiced on the platform and they will feel that they should change their own ways.

I am not talking on general terms but I have concretised certain specific issues and I am offering these. There are laws framed in this House. There are statutory provisions and mandatory provisions. Within certain time the reports have to be presented like the Tariff Commission Report, the MRTP Commission report, the Sugar Inquiry Commission Report and so on and so forth. Very often we find,— I do not attribute any motive to any Minister or anybody,—these are not presented in time and there is inordinate delay in the submission of the report. If only there is some delay in submission of some administrative report there is no economic consequence but here in this case if a report like the Tariff Commission report is delayed, it results in disastrous economic consequences and distortion of prices and certain sections of the business community and industrial houses get gains by such delay in the submission of these reports. I am not talking about A or B or C. If the powers that be are affected by the power of the purse, they may deliberately delay submission of the report and there will be serious economic consequences and that will in turn result in distortion of prices. Therefore, it is very necessary that not only Ministers but elected representatives of both sides of the House should do this. There is no demarcation line and as far as opposition is concerned, I may say, we are as pure as the Ganga.

So what I would say in conclusion is that even if there is no statutory provision, we can have common agreement with the leaders of the

opposition and the leaders of the ruling party and we must evolve a code of conduct. Till the statutory provisions and legal provisions are provided for by law, let us follow traditions and conventions. There are shining traditions and shining conventions. As an example I will say this. Long before the Defection Bill had been thought of, in 1943 when socialists left the congress under the leadership of Acharya Narendra Dev, a number of them in the U.P. State Assembly decided that they should give up their seats in UP. They gave up their seats and contested the election. Including Acharya Narendra Dev everyone was defeated. But their defeat was more glorious than the victory of many persons. These are the traditions which we have set up.

I would conclude by saying this. Let us evolve a code of conduct, in consultation, among leaders of opposition and leaders of ruling party. Till a statutory provision comes, let every person elected to Central or State legislature come out with his assets and liabilities statement. In this manner we will be strengthening the parliamentary institutions and parliamentary democracy in this country. With that hope I conclude my speech. Thank you.

SHRI K. GOPAL (Karur): Every Member, elected to Assembly or Parliament is supposed to file return of election expenses. But that is a matter for separate discussion. Likewise, will Government see that a return showing the assets and liabilities should be submitted before they take oath in the Parliament. As a matter of fact, it should be done at the time of filing the nomination. But the Minister said it poses some difficulties. I want to know after winning whether they will be made to submit a report of the assets and liabilities?

***SHRI KRISHNA CHANDRA HALDER (Ausgram):** Mr. Chairman, Sir, I thank Prof. Dandavate for raising this half-an-hour discussion today. He has rightly pointed that the opinion of the public about Ministers, Members of Parliament etc have gone down so much that sometimes we feel ashamed to disclose our identity of being Members of Parliament. Prof. Dandavate has in his speech quoted the original question and the answer given thereto, I will therefore not repeat that. The hon. Minister had stated in his reply that there is a code of conduct for the Ministers under which the Central Ministers and State Ministers are required to submit a declaration of their assets and liabilities either to the Prime Minister or to the Chief Minister as the case may be. This is done on their appointment as Ministers. They are also required to furnish thereafter, an annual statement of their assets and liabilities. All such statements are kept in the custody of the Prime Minister or of the Chief Ministers as secret documents. I want to know that how many of the 61 members of the Council of Ministers at the Centre have furnished an amount of their assets and liabilities.

Prof. Dandavate has stated that Shri Mohan Dharia alone has publicly disclosed his assets and liabilities.

PROF. MADHU DANDAVATE: They might have given to the Prime Minister but how many given to the public.

SHRI KRISHNA CHANDRA HALDER: I want to know that how many in the Council of Ministers have declared their assets and liabilities even to the Prime Minister. How many of them are submitting their annual accounts also? As you are aware, Sir, this said code of conduct was formu-

*The original speech was delivered in Bengali.

[Shri Krishna Chandra Halder] lated 27 years ago. Since then the moral values of the Ministers, Members of Parliament etc. have undergone a steady decline. Previously if a charge of corruption was raised in Parliament against any Minister, at least an enquiry was instituted. In the time of Pandit Jawaharlal Nehru at least two Ministers had to resign office as a result of such enquiry. I would not name those Ministers. But what is the situation today. The correctness of the statement of assets furnished by even the Head of our State was challenged by a ruling Congress member viz., Shri S. N. Mishra. Even after prolonged discussion the doubt about the genuineness of the declaration of assets by even the Head of our State has not been completely erased from the public mind. A doubt still lingers. At present there is no machinery to verify whether the statement furnished by Ministers are factually correct or not. I will therefore, ask the Minister whether he is prepared to frame some machinery to verify the correctness of such statements. All the Members of Parliament, Ministers etc. should furnish detailed statements of their assets and liabilities for scrutiny before this body. I would like to know whether he would set up a Parliamentary Committee comprising of leaders of all the parties to scrutinise the statement of assets furnished by all the Members of Parliament and Ministers? That Parliamentary Committee should place their findings before the Parliament after scrutinising all the statements of assets and liabilities. I feel such a Parliamentary Committee is very necessary to remove the suspicion from the public mind regarding the conduct of Ministers, Members of Parliament etc.? This will go a long way in saving the system of Parliamentary democracy. Although I do not believe that our basic problems can be solved through the system of Parliamentary democracy. Or that the country can be freed from corruption through this

system. This step will help the interest of yourselves who talk about Parliamentary democracy all the time. I want a clear answer to my questions.

THE MINISTER OF HOME AFFAIRS (SHRI K. BRAHMANANDA REDDY): Sir, I would like the House and, particularly, Prof. Madhu Danavate and others, to listen to my reply to Starred Question No. 316. I had stated that there is already a Code of Conduct for Ministers which provides for the disclosure by a Minister to the Prime Minister or the Chief Minister as the case may be of assets and liabilities and business interest of a Minister and members of his family and also for submission of an annual declaration regarding his assets and liabilities. These are treated as confidential documents. No proposal is under consideration for requiring other elected members to furnish similar declarations.

Under Rule 55(1) of the Rules of Procedure of this House, a discussion can be raised to seek elucidation on a matter of fact. The hon Member has commended declaration of movable and immovable properties by elected representatives as a healthy practice. He had also eloquently pleaded for the need to evolve a code of conduct for elected representatives. He further recommended that those members who amass wealth during their tenure as elected representatives should be subjected to some electoral disqualifications. It will be appreciated that these are all matters which constitute suggestions for action and do not strictly require any elucidation on any matter of fact.

PROF. MADHU DANDAVATE: I never used the word disqualification at all. Probably, he may have prepared his reply before.

SHRI K. BRAHMANANDA REDDY: Any way, the question whether

all elected representatives should be required to declare publicly their assets and liabilities had been considered on several occasions in the past. Right at the time when the Constitution was made, proposals to this effect came before the Constituent Assembly and the founding fathers of the Constitution did not see any merit in incorporating provisions in our Constitution in this behalf. In 1964, this House considered a Private Member's Bill on this subject moved by Shri H. V. Kamath and rejected the Bill. In 1969, the All India Whips Conference deliberated on the need for a code of conduct for elected representatives and adopted a code of conduct. Even this code of conduct does not include any provision for declaration of assets and liabilities by elected representatives. Most recently, two Committees of Parliament considered the matter. One was the Committee presided over by the Speaker for changes in the electoral law.

PROF. MADHU DANDAVATE: Excuse me for my interruption. He has been referring to the founding fathers. But the founding fathers did not feel the necessity of amending Articles 368 and 13(2).

But, later on, through the Golak Nath case, when we found that probably a mis-use of those loose Articles was taking place, we came forward with the 24th Constitution Amendment Bill and tightened up Articles 368 and 13(2) and we said that Article 13(2) is not the controlling clause for Article 368. Whatever the founding fathers of our Constitution might have felt earlier while framing the Constitution, later on, when our experience demanded that these changes had to be incorporated, we have made them. That is my argument.

SHRI K. BRAHMANANDA REDDY: So far as the principle underlying your suggestion is concerned, the matters do not change. Now, one

was the Committee presided over by the Speaker for changes in the electoral law. The other was a Joint Select Committee which examined the Presidential Election Act. Again, Sir, no recommendation on this subject has been made. Finally, I understand that there are two other Private Member's Bills on this subject introduced in the House by Shri Ulaganambi and Shri B. K. Das Choudhury. The House will have an opportunity to discuss this question at greater length when these Bills come up for consideration.

As I had stated in my answer, there is already a Code of Conduct for Ministers which provides for disclosure by a Minister to the Prime Minister or the Chief Minister as the case may be of assets and liabilities and business interest of a Minister and members of his family. The code of conduct also requires submission of annual declarations regarding Ministers' assets and liabilities. This code of conduct represents the consensus amongst all Chief Ministers when they went into this question in 1964. This code already provides an adequate mechanism for the Prime Minister or the Chief Minister to look into allegations concerning Ministers' assets in the light of their earlier declaration of assets and liabilities. All elected representatives, and more so the Ministers live every minute of their lives in the glare of publicity and public gaze. The two Houses of Parliament can make themselves felt at any point of time on any aspect of their members' conduct, reputation and for that matter any aspect of public administration. The authority of this House, the sanction behind discussions and expression of opinions in this House in our view, constitute the safeguard necessary in this behalf. Mere declaration of assets and liabilities, even their being made public, would not be any greater sanction than the opinion and authority of this House. Further, these public

[Shri K. Brahmananda Reddy]

declarations can lead to frivolous challenges. As the facts are, such challenges are likely to receive exaggerated publicity. Even if the challenge or other allegations were to be found baseless after inquiry, the unsavoury publicity arising out of the challenge would cause irreparable damage to the reputation of the concerned Member of Parliament or of the Legislative Assembly. If declarations by elected representatives were to be insisted upon and were also to be made public, adequate safeguard against frivolous challenges would have to be advised.

Another aspect of the matter is that a mere declaration of assets and liabilities—here, I would like you to listen carefully—would not be adequate to prevent clandestine or benami acquisition of wealth. Now, Sir, Mr. Dandavate has made much of the Socialist Party of Maharashtra, Members of the Socialist Party, having declared their assets before the Governor and some Corporators before somebody else. If he thought that—he began his speech in that manner—the conscience of the Socialist Party is eased by this, I am afraid, he has committed a grievous mistake

PROF. MADHU DANDAVATE: I am very sorry. You have not responded to the noble sentiment. I am sorry.

SHRI K. BRAHMANANDA REDDY: Noble or otherwise, I am only saying that you claim that. If you think that mere declaration of assets and liabilities will absolve you all and if that is being considered by you as easing of your conscience, I would say you are very wrong.

It would, therefore, be necessary to devise further measures to provide for sanctions against incomplete declarations and other such matters. I am sure, Sir, that at the appropriate

stage when Private Members' Bills are considered, this House will go into all these aspects, the pros and cons of the proposals in detail.

In answering the question, I had merely stated the factual position. In doing so, I was also reaffirming my great faith in the conduct and the values which the elected representatives of this country cherish. The question of disqualification of members of the legislature who amass wealth during their tenure as elected representatives did not directly arise from the question as it was formulated. In any case, whether or not, there should be disqualification, and if so, what should be the nature and scope of such disqualification, are matters which could be considered when amendments to the Representation of the People Act are taken up for discussion. Therefore, it would not have been proper for me to express any opinion on this issue while answering that question which did not directly relate to that subject. The answer I furnished on the 5th was complete and after hearing the member I do not think that any aspect of my reply needs any elucidation on any matter of fact.

As I have already said in my reply as well as in the remarks made now, mere declaration of assets and liabilities is not a remedy against corruption. If you think it is a remedy against corruption or any such thing, it is not so.

PROF. MADHU DANDAVATE: On that there is no difference

SHRI K. BRAHMANANDA REDDY: On the other hand, it has potentialities of some mischief. They will have to be considered in depth and safeguards evolved if Parliament were to ultimately decide on something like this.

Secondly, my hon. friend has brought in not only elected MPs but all elected representatives. That would mean lakhs and lakhs of people in this country, elected MPs, elected members of Legislative Assemblies, Legislative Councils, panchayats, corporations, Municipal Councils, co-operative societies, house-building societies and what not. They are all elected representatives.

SHRI THA. KIRUTTINAN (Sivaganja): That has been done in Tamil Nadu except for MPs.

SHRI K. BRAHMANANDA REDDY: On paper. That I know. Please do not go into it.

SHRI K. GOPAL (Karur): The assets are on the high side for everybody.

SHRI K. BRAHMANANDA REDDY: There is no remedy if a false declaration is made. Nothing has happened. Therefore, let us not go into this question which is not a subject matter of debate just now.

Secondly, you will have to consider his intention. Whether his intention is this or whether he wants to limit it to only the elected members of Parliament and the legislatures is one point on which he has to be clear. If you put 'elected representatives', that will mean a million people in this country, or even more. So I would request him to consider this.

If Shri Mohan Dharma has done it, I do not want to make any comment. Whether it is heroic or otherwise, I do not know. Whatever it be, it is a matter for him.

PROF. MADHU DANDAVATE: I hope you do not disapprove of the conduct of Shri Dharma.

SHRI K. BRAHMANANDA REDDY: I am neither approving nor disapproving.

PROF. MADHU DANDAVATE: You are not prepared to praise your colleague for what he has done.

SHRI K. BRAHMANANDA REDDY: I am not approving; I am not disapproving. I am not making any comment.

If the honour of MPs or others has to be maintained, if they have to be protected from the manipulations of business people, this alone will not suffice. I hope he will entirely agree there.

PROF. MADHU DANDAVATE: Agreed. But make a beginning somewhere.

SHRI K. BRAHMANANDA REDDY: He has also said that some people are living beyond their means. That has nothing to do with assets and liabilities. It has something to do with the money got.

Therefore, I do not want you to refer to what the late revered Dr. Ambedkar, one of the architects of the Constitution, said in this regard. After all, all elected representatives live in the public gaze every moment and if really there are some who dishonour themselves by this kind of corruption, the public are there to correct them. I am sure in a great majority of cases such elected representatives fall to the ground when they go before the people at the time of the next poll.

Shri Halder asked how many Ministers had submitted the list of assets and liabilities. It is a code of conduct. I presume all Ministers would have submitted their lists of assets and liabilities to the Prime Minister.

[Shri K. Brahmananda Reddy]

I have no reason to believe that some have not submitted.

If is a matter on which I cannot assert, but I can only presume that all Members would have submitted their list of assets and liabilities. So far as I am concerned, I have submitted.

About a committee, the question is premature. I am not saying: no At the same time I am saying that this is a matter which has great poten-

tialities, apart from good if there is any, for mischief also. Therefore if it has to be considered, it has to be considered in great depth.

18.37 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, December 16, 1974/Agrahayana 25, 1896 (Saka).