

"That the Bill to define and regulate the rights and duties of parties to hire-purchase agreements and for matters connected therewith or incidental thereto, as passed by the Rajya Sabha, be taken into consideration."

SHRI SOMNATH CHATTERJEE (Burdwan): Sir, I welcome this measure because it had been long overdue. In the modern trend of commercial development, hire-purchase represents a considerable part of the transactions which are entered into but we find that the weaker sections of the society are left completely at the mercy of the commercial institutions and financiers. We find that during recent years there have been a large number of hire-purchase transactions but many evils have crept into this system. There was no specific law apart from the law of contract and the law of the sale of goods to deal with such transactions. In working of hire-purchase law there are a lot of laws and as a result there has been a large-scale exploitation by a section of the people who had the money to invest and who are making available this money for the purchase of getting certain goods on hire-purchase basis. It has turned out to be an engine of oppression in the hands of unscrupulous financial institutions. That is why, I welcome this measure and I congratulate the Minister also.

So far as the form of agreement, which is generally in vogue, is concerned, it is heavily loaded in favour of the financiers. In my experience, in the courts of law, I have found that the financial institutions or the financiers get blank signed agreements from the hirers. Not in one case but in numerous cases I have found this because the hirers are completely at the mercy of the financiers. There are not only few instances. This is a problem which has been there and so far as transport contractors are concerned the problem is greater. Somebody applies for a permit for a taxi or a truck or a lorry. He has not got the money. When the taxi or truck is allotted to him, he had to rush for finance to the financiers or financial institutions. They pay to the motor company for being allotted the car. Then the usual system with these financial institutions is that they are charging almost penal rates of interest, deducting large sums of money by way of brokerage, by way of financing com-

mission and then take a large part of the amount by way of three or four instalments apart from the deposit that was made and then keep blank promissory notes signed by the parties, blank *hundis* signed by the parties and blank agreements containing blank spaces duly signed by the hirers or the guarantors. This was the common practice and this was very pertinently commented upon, I find, in the report of the Road Transport Taxes Enquiry Committee set up under the chairmanship of Dr. Keskar which submitted its report in November, 1967. Thereafter, another mode of business that was being adopted and that was seriously abused was the power of seizure that was provided in those agreements and which was liberally exercised and for the purpose of seizure what these financiers do is that they keep so to say an army of *thugs* and army of people who would go to different places and physically seize those cars or trucks even when almost 95% of the loan has been paid or even in some cases where only one instalment remains to be paid, they seize the cars.....

MR. CHAIRMAN : Please continue tomorrow.

16 hrs-

DISCUSSION RE. ALLEGED PAYMENT OF RS. 60 LAKHS TO SHRI NAGARWALA BY CHIEF CASHIER OF STATE BANK OF INDIA, NEW DELHI

MR. CHAIRMAN : We shall now take up the discussion under rule 193 to be raised by Shri Jyotirmoy Bosu.

SHRI JYOTIRMOY BOSU : The issue of Nagarwala has been one of the most mysterious ones, and during the last one year, people all over the country have been left guessing. If this Government had attached any value to public opinion, which they do not, they would have come out with details and cleared the fog. Instead, not only have they observed stony silence but they struggled to keep others in darkness including this Parliament. We were all made to sit

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tight-lipped, and one year has passed to get this discussion, thanks to those who were with us for this.

In this, most powerful people in the country are involved without doubt. Although it is nothing but the tip of an iceberg, to quote my hon. friend Shri Shyamnandan Mishra who is a good professor of English and who can use nice expressions, it has revealed unheard of malpractices in the country's premier bank and banker of the State. The judiciary has been subjected to severe criticism. The performance of the police has been exposed. The PM's Secretariat and the secret service have been dragged into the whole thing. Nothing short of an all-party parliamentary probe will satisfy the people of this country.

SHRI SHYAMNANDAN MISHRA (Begusarai) : It is a judicial matter, and there should be a commission of inquiry.

SHRI JYOTIRMOY BOSU : Government charged Nagarwala of defrauding the State Bank to the tune of Rs. 60 lakhs. Let us examine briefly the issues involved in this and draw our own conclusions.

Mr. Nagarwala, the late Mr. Nagarwala—may his soul rest in peace—a man of 50, an ex-British Indian Army captain, was the nephew of a very eminent Parsi knight, a sort of ex... I would not mention the name; it is not nice—was not a vagabond as the Government tried to paint him. I went to Bombay to know things for myself, and get it confirmed. The poor old mother of this unfortunate Nagarwala lives with her sister-in-law in dire sorrow and misery. Late Mr. Nagarwala was an all-rounder and a linguist, and he kept on saying to his mother whenever asked for years 'Do not ask me, mother, what I do'. Mind you, he was found lawfully possessing a service pistol. That will give you an opening. He taught English in Nagoya University in Japan. Of course, we do not know if he had any secret assignment behind it. He was physically handicapped; he had a defective voice and an injured leg. He was never capable of imitating anybody's voice. He would never be able to lift a trunk carrying currency weighing about

62 k. g., not to talk of shifting it from one taxi to another. These are all cock-and-bull stories planted on us. He was a simple man. He was made to believe that he had been given complete amnesty. He himself led the police to the place where the money was kept.

Sir, Nagarwala did not try to hide the taxi numbers which he used. He went back to his usual place of residence in almost normal condition. He told his counsel—that it is published all over—that he was nothing but a carrier. He was neither a crook nor had he any intention to cheat or defraud. Unfortunately, he has been silenced for ever. A few days before he was silenced, he was supposed to have made a sensational disclosure. From the Jail, I am told he wrote a letter to the Prime Minister seeking her help. He was made to walk from the Jail gate when he landed from the civil ambulance car. Mind you he was a heart patient; how nicely treated, with what object, in mind, you can guess. He said to somebody, I may die before I can reveal the truth.

16.06 hrs.

[MR. SPEAKER in the Chair]

Let me come to the bank and to Malhotra. Malhotra is a seasoned Chief Cashier with over 20 years of service, familiar to the Prime Minister and Mr. Haksar and his people. He adopted the unusual method. The Government said on 26th May, 1971—Mr. Chavan said—"I certainly agree that it is very fantastic and unbelievable that an officer of long standing with more than 20 years of service should act in such a stupid manner; if I may say so, something more than that." I leave it at that.

They tried to give us the impression that this is the first time when he did this, and on the 24th May, at about mid-day, it was reported, and we were told, that a phone call first from the Prime Minister's Secretary and then from the Prime Minister, was addressed to Mr. Malhotra, not to the agent of the State Bank of India; the phone call came, asking him to hand over Rs. 60 lakhs. It is a paltry sum; he took out the paltry sum of Rs. 60 lakhs from the premier State Bank

without a single piece of chit. For the disbursement of the bank's money, if the money really belongs to the State Bank's books of account, could it be disbursed on telephonic instructions? The banks have secret codes for telegraphic transfers. Even if the Prime Minister herself went to the bank for money, she has to sign a cheque or a voucher. No voucher was signed at all in this case. This was one withdrawal during the day, and the vault is controlled by a double-key system. The agent was nowhere near the scene. Mr. Malhotra, violating the bank rules, refused to take the bank's cash wagon, security guard and the driver. The Transport Officer insisted, but he managed to take out the money, and drove the car himself. It was staff car No. DLK 760.

The money was specially earmarked. We have evidence on record. Whose money was this? The statement of the Deputy Head Cashier, in the FIR No. 812, lodged by Mr. Rahul Sing, Deputy Head Cashier, is there. He said in his statement before the police, Sir, I am working as Deputy Head Cashier in the State Bank of India, Parliament Street. Today, at about 12:30 p. m Mr. Prakash Batra, Deputy Chief Cashier came with the cash withdrawal book and said that a sum of Rs. 60 lakhs is to be paid to Shri B. P. Malhotra which is lying in this box." Presumably he pointed his finger towards the container. These are very serious matters.

Sir, they have not produced any real evidence from the bank record that Rs. 60 lakhs belonged to the bank. Neither they have arranged for identification of the seized currency. If the legal heirs of Mr. Nagarwala claim the money, it will be a problem for the Government.

Mr. Chavan tried to tell a story in reply to my different letters. It is a story of the currency chest, of the Reserve Bank of India. We have this book, *Functioning and Working of the Reserve Bank of India*. I regret to say that it is nothing but a red herring and afterthought. Here is a book which does not fit in. I leave it to another hon. Member of this house to explain it technically, because he is more acquainted with these things.

Let me quote from the proceedings of this House. Shri Shyamnandan Mishra

asked, "Could you give us the normal daily holdings of the currency chest during the last one year? That, we are entitled to know." Mr. Chavan replied, "Why do you want to know it?" Very strange. "Normally, really speaking, Rs. 15 to 20 lakhs. Then, Shri Chavan added—this is the next paragraph—"On an ordinary day." "On an ordinary day the withdrawal is about Rs. 15-20 lakhs." Then he goes on saying something else. Members should draw their conclusions. They have been talking about an agreement between the State Bank of India and the Reserve Bank of India, governing the functioning of the currency chest retained by the State Bank of India. We want it to be placed on the Table of the House so that we can examine it ourselves. Government have to prove that it was not unaccounted money belonging to very powerful people or party. That is why Mr. Malhotra was left untouched; he was not made a co-accused; he was absolved and reinstated; no doubt he will be rewarded or silenced..... (An Hon. Member: silenced? What do you mean?)..As happened to Nagarwala. A departmental enquiry was instituted by the State Bank of India in this matter. What are its findings; it should be laid before the House. I should say that Malhotra is not to be blamed, as we do not blame Nagarwala. Malhotra did his job which he has been doing very often under the authority of the supreme power in this country.

This is the briefest trial in history. it was done at supersonic speed. In five minutes it was over. The judgment is silent on two acts of the arrested persons. Nagarwala was never asked to perform the court; could he imitate somebody else's voice? We are surprised why the Prime Minister was not produced before the court when the allegation was that Nagarwala imitated her voice. It was up to her to go before the court and say: I did not speak to Malhotra to give this money. She was not produced before the court. That makes us think there is a skeleton in the cupboard.

The judgment of the High Court says: it is the duty of the magistrate to find out who the offenders really are; if he finds that in addition to persons sent up by the police as accused, some other persons are involved, it is the duty of the magistrate to proceed against those persons. It goes on to say: the learned council submits that Malhotra should

[Shri Jyotirmoy Bosu]

not have taken out the money in question from the bank vaults without the necessary cheque or authority; it is thus sought to be concluded that Malhotra dishonestly misappropriated public money and is liable to be proceeded against under section 409 of the IPC; it is not denied by the State that Malhotra has been arrested a few days after the arrest of the petitioner on the basis of the same first information report; the case under section 409 IPC is being investigated. It is however not denied that in Nagarwala's case the police was able to conclude investigation and put in a challan within three days of the commission of the offence; the investigations against Malhotra are still pending... How much more should I read? It goes on :...Malhotra is a star witness of the prosecution in this case against Nagarwala; it is his solitary statement of having received a telephone call which is the basis of his removing Rs. 60 lakhs from the bank and handing it over to the petitioner; his statement *prima facie* shows that he has been cheated and for that reason a charge under section 419 and 420 IPC has been framed against the petitioner... These are the remarks of the hon. Judge which he had been constrained to make and which reveal that there is a skeleton in the cupboard.

He goes further : I am however constrained to remark that had the police shown as much diligence in completing the investigation of the case registered against Malhotra as was done in the case of the petitioner, they would have provided no reasonable grounds of doubt in the mind of the petitioner about their bonafide. I can only hope that they will be able to complete.....

Now, this who shows where the thing was dragged to.

There is another very interesting thing. The memo—a very important piece of document—was removed from the trial file. The original case record which was in the court of Shri K. S. Sindhu who had earlier granted bail to Shri Nagarwala was procured by the Prosecutor, Shri Damodar Das, to make the same available for the Chief Prosecutor and the investigating officer, Shri Kashyap. The file was procured on Saturday and on Monday morning, when the file was returned

by the office of the prosecutor, record-holder Mr. Ahmed found one memo missing from the original records. That is how the whole thing has been handled.

They found one particular judge very inconvenient and this case was transferred to somebody who was fortunate—he must have been a good man to be promoted a High Court judge soon after. The police performance also has revealed many things. The Superintendent of Police was contacted by the State Bank authorities at 2:30 PM personally but the FIR was not recorded earlier than 4:30 PM. A gap of 2 hours—Mr. Speaker, you are a lawyer and you know—is a very serious lapse. In the meantime, the Delhi press did a great service. They flashed the news that this has happened and the matter could not be suppressed at that stage.

Nagarwala confessed that he had accomplices. The police is unwilling to say how many people were in the taxi to which the trunks were shifted. Although two other persons were arrested, we know nothing about it. It is a queer coincidence that the enquiring officer, a young scheduled caste officer, Shri Kashyap, was promoted overnight. He fell a victim to an accident very near that date. It is unfortunate. I am sure Mr. Chavan, who has held the Home Portfolio, would satisfy the House as to why the day he died all the papers were removed instantly from his house and also his body was not allowed to be dissected and no *post mortem* was performed. If you go deep into the matter, you will see that some imposter had put in an application to the police officer at Mathura-Brindaban police station requesting them not to do *post mortem*. On enquiry, I found the man who applied is an imposter whose address and whereabouts are not known. He is not related or connected with this man.

This is the story of the Home Minister running...

AN HON. MEMBER : It is really a story.

SHRI JYOTIRMOY BOSU : This is the story of a person running with the hare and hunting with the hound. Unaccounted money,

collections for political funds were dumped into the State Bank vault, because the amount was massive. I was told till May, 1971, it touched almost Rs. 30 crores. Nagarwala, we have not the slightest doubt, was a high-powered secret service man and it was his job to be a carrier. I do not know if he was in the Research and Analysis Wing or in some other branch. We do not know about it. An unrevealed man who was supposed to have waited at a particular place at a particular time to receive the money from Mr. Nagarwala to help in performing his duty was not there to receive the money. That put Shri Nagarwala in a fix. He is supposed to have gone to Palam. But he did not meet that man. I have got a letter with me here. I do not wish to mention names, because I have promised the Chair that I shall not mention names... (Interruptions) I can lay it on the Table, if you like; or, I can pass it on to you. It is not something untouchable.

This money was supposed to have been taken out of this country. Sir, you know there are three places particularly in the world where you can change any currency for any other currency; one is Beirut, another is Tangiers and the third is Hongkong. This money was taken out either for Beirut or Tangiers, because a young industrialist is hard up for foreign exchange. This money was supposed to have been taken out for a project coming out in Haryana. I do not want to mention names.

The Government has to prove that everything was above board and the House has to be satisfied. Government have to disprove what I have said. I have written a letter to Shri Chavan yesterday, asking a few questions. I hope he would be kind enough to cover them in his reply. If he cannot cover them in his reply today, let him get his reply to those questions circulated to Members before the House adjourns.

श्री एच० के० एल० अगत (पूर्व दिल्ली) : अध्यक्ष महोदय, अभी ज्योतिर्मय बसु साहब ने जो एक कहानी कही, उसको सुनने के बाद मुझे इंग्लैंड के एक क्लार्क के बारे में कुछ ध्यान आ गया। एक मुलजिम जो चोरी के केस में गिरफ्तार था और कन्फेशन कर चुका था, उसने ज्योतिर्मय बसु साहब जैसे किसी आदमी

को अपना वकील कर लिया। उन्होंने बहुत बहस की और बहुत सारी बातें कहीं। मुलजिम ने उसकी बातें सुनने के बाद कहा कि इनकी बहस सुनने के बाद मुझे यकीन आ गया कि मैं बेगुनाह हूँ, वैसे मैं गुनहगार हूँ। ज्योतिर्मय बसु साहब की बातों को सुनने के बाद शायद नागर-वाला को भी वकील नहीं आया कि वह बेगुनाह है। मुझे ताज्जुब है कि पार्लियामेंट के एक जिम्मेदार मेम्बर यहाँ खड़े हो कर कह रहे हैं कि नागरवाला बेगुनाह है। किस बिना पर कि उन्होंने उसकी माँ से बात की है, वह कहती है कि वह बचपन से बड़ा अच्छा था, उसका चाल-चलन अच्छा था, उसको सविस् रिवास्वर मिला हुआ था। जैसे सविस् रिवास्वर वाले आफेंस नहीं करते। मुझे बहुत ताज्जुब हुआ कि एक पार्लियामेंट का जिम्मेदार मेम्बर इस हाउस के अन्दर खड़े हो कर इतनी गलत बातें कर सकता है, इतना झूठ बोल सकता है, और इतने गलत इल्जाम लगा सकता है। (अव्यवधान)

SHRI S. M. BANERJEE (Kampur) : Sir, it is unparliamentary... (Interruptions)

SHRI H. K. L. BHAGAT : Sir, if it is unparliamentary, I withdraw it... (Interruptions)

SHRI PILOO MODY (Godhra) : Is he withdrawing it ?

MR. SPEAKER : The moment the objection was raised, he has withdrawn it.

SHRI H. K. L. BHAGAT : I am withdrawing it. (Interruptions)

SHRI JYOTIRMAY BOSU : That is better. Behave yourself in future.

श्री एच० के० एल० अगत : मैं बहुत शान्ति से बोलूंगा। हमारे बसु साहब ने बहुत सी बातें ऐसी कह दी हैं कि जिन पर शान्त रहना काफी मुश्किल हो जाता है.....

अध्यक्ष महोदय : आप उनकी बातों पर तबज़ह न दीजिये, अपनी बात कहिये।

श्री एच० के० एल० भगत : उन्होंने जितनी बातें कही हैं, जिलकुल डेबुनियाद बातें हैं, गैर-जिम्मेदारी की बातें हैं और जिनके लिये उनके पास कोई एविडेन्स नहीं है, कोई शहादत नहीं है।

उन्होंने कहा कि इस मामले में पुलिस का बड़ा गलत रवैया रहा, बड़ा बंगलिंग हुआ, जूडीशियरी का रोल बड़ा खराब रहा। किसी जज को इस काम के लिये तलाश किया गया—सारी ऐसी बातें हैं जिनकी कोई बुनियाद नहीं। साढ़े बारह बजे केस होता है, डार्क बजे पुलिस के पास इन्फर्मेशन जाती है, साढ़े दस बजे रात को सारा रुपया, 5100 रुपये को छोड़ कर, रिक्शर हो जाता है। इतना बड़ा केस, इतना बड़ा फ्राड और 12 घंटे से पहले ही ट्रेस हो जाता है, पुलिस मुलजिम को पकड़ लेती है, रुपया बरामद कर लेती है, उसके बावजूद भी इल्जाम पुलिस पर लगाया जाता है। अगर पुलिस मामले को जल्दी हल करले तो हुकूमत का कुसूर, अगर उसमें देर हो जाय, तो भी हुकूमत का कुसूर, ज्योतिर्मय बसु साहब को तो हर तरह से हुकूमत का ही कुसूर नजर आता है।

एक बात उन्होंने कही कि कोर्ट में श्रीफैस्ट ट्रायल हुआ, जब मुलजिम ने कन्फेशन किया तो कन्फेशन के बाद ट्रायल हुआ करता है..... (व्यवधान).....उसके बाद केस सेशनज में गया। सेशन जज ने इस बिना पर उसके कन्फेशन को तोड़ा कि सेशन 251 में उसको डाक्यूमेंट्स उमी दिन दी गई थी और उस पर चार्ज-शीट लगाने से पहले एक दिन का टाइम देना चाहिये था। सेशन जज ने अपने जजमेंट में कहा है कि उसका कन्फेशन बालट्री था या नहीं था, इस पर मैं कुछ नहीं कह सकता। इस ईशू पर किसी किस्म की कोई वीडियो या फाउण्डिंग नहीं दी गई।

तीसरी बात यह कही गई कि इस मामले को इन्वेस्टीगेट किया जाय कि सुप्रीन्टेन्डेंट आफ पुलिस का एक्सीडेंट कैसे हो गया। एक्सीडेंट मधुरा के पास हुआ, टंगि से हुआ, उसकी बीबी

कार में मौजूद थी। उसके घरवालों ने, उसकी बीबी ने, उसके रिश्तेदारों ने, किसी ने यह नहीं कहा कि वह एक्सीडेंट नहीं था, लेकिन ज्योतिर्मय बसु साहब होशियारी और चालाकी से कहते हैं कि एक्सीडेंट नहीं था.....

श्री ज्योतिर्मय बसु : यह गलत बात है।
I never said this, I cannot call it a lie. That is unparliamentary. But I say, he is telling the untruth.

श्री एच० के० एल० भगत : नागरवाला के इस केस में 60 लाख रुपया इन्वाल्ड था, यह 60 लाख रुपया रिक्शर भी हो गया, उनको यह बात इम्प्रोबेबल लगती है। स्पीकर साहब, जितने जुर्म होते हैं, जो लोग जुर्म करते हैं, कौन चाहता है कि मैं कत्ल करूँ, लेकिन उसके बावजूद भी कत्ल कर देने हैं। जितने जुर्म होते हैं, वे एबनार्मल बातें होती हैं, एबनार्मल स्टेट आफ माइण्ड में जुर्म कर देते हैं, बड़े सीधे लोग भी चक्कर में आ जाते हैं। आप देखिये—उधर कितने सीधे नेता लोग बंटे हुए हैं, लेकिन ये आज ज्योतिर्मय बसु के चक्कर में आये हुए हैं। यह कैसी स्टून्ज बात है कि हीरेन मुखर्जी, इन्द्रजीत गुप्त, मिश्र जी, मनोहरन जी जैसे लोग भी उनके चक्कर में आ गये हैं, इससे ज्यादा कोइन्सिडेंस क्या हो सकता है।

मैं आप से अजं करना चाहता हूँ कि आप देखें—नागरवाला साहब कई महीने जिन्हा रहे और अस्पताल में भी रहे, जेल में भी रहे। मैंने आज मदरलैंड में देखा—एक लैटर छपा है जो नागरवाला ने अपने दोस्त को लिखा था, इसके मायने हैं कि उस दौरान वह अपने दोस्तों को खत भी लिखते रहे, कुछ अदालत में बयान भी दिया। उसके मरने से पहले महीनों तक केस कोर्ट में रहा। तो नागरवाला ने इस केस के बारे में कोई काउन्टर वर्जन नहीं दिया। मैं कहना चाहता हूँ कि अगर श्री ज्योतिर्मय बसु को इतना बड़ा शक था तो वे उससे मिल सकते थे, उससे इन्टरव्यू माँग सकते थे और बकाल से मिल सकते थे, उससे पूछ सकते थे। मेरी ऐसी

इतला है कि कुछ अपोजीशन के सीडर्स ने नागर-वाला को एप्रोच भी किया जबकि वह हास्पिटल में था लेकिन इनके पल्ले कुछ भी नहीं पड़ा। अगर इन्होंने यह नहीं किया तो गलती की। इनको उसके पास जाना चाहिए था और पूछना चाहिए था। अगर कोई बात थी तो उसको सामने लाना चाहिए था। मलहोत्रा ने 60 लाख रुपए निकाल दिए तो कैसे उसके ट्रैप में आ गया, जो आबाज थी प्राइम मिनिस्टर की कैसे उसको इमिटेट कर लिया, कैसे उसके ऊपर असर हो गया और उसने समझा कि प्राइम मिनिस्टर का टेलीफोन है। यह सबाल ये कर रहे हैं तो आफेंस के ट्रैप में जो लोग आते हैं वह एक एबनार्मल सिचुएशन में आते हैं। मैं यहाँ पर मलहोत्रा की वकालत नहीं कर रहा हूँ लेकिन यहाँ पर ज्योतिर्मय बसु जी ने नागरवाला की ओर मलहोत्रा दोनों की वकालत की है। तो मेरा कहना है कि एक बैम हुआ जोकि फौरन पकड़ा गया, केस कांर्ट में गया और उसके बाद कानून के मुताबिक उसका ट्रायल हुआ लेकिन वह मर गया।

श्री ज्योतिर्मय बसु ने कहा कि पार्लमेंट की एक कमेटी बनाई जाये जोकि इसको इन्वेस्टिगेट करे। पार्लमेंट्री कमेटी अगर बनाई जायेगी तो उसमें कौन से लोग होंगे? कांग्रेस के लोग ही ज्यादा होंगे और फिर कल को आप लोग कहेंगे कि यह तो कांग्रेस की कमेटी है, यह इन्साफ नहीं करती। इसलिए अगर आपके पास सेंट्रियल है, जो इस केस को बढ़ाता है तो आप हिम्मत क्यों नहीं करते हैं, अदालत में जाकर कम्प्लेंट क्यों नहीं फाइल करते हैं? अब तक मैंने जितनी बात श्री ज्योतिर्मय बसु की सुनी उसमें उन्होंने एविडेन्स का कोई लिंक नहीं दिया। हाँ, एक बात जरूर उससे माजित हुई कि नागरवाला से इनका लिंक-अप जरूर है।
(व्यवधान) ...तो सैरा कहना है कि बहुत दफा यह केस यहाँ पर आया, इस पर बहुत बातचीत हुई। अब हमने कानून का तरीका क्या है? कानून का तरीका यही है कि अगर आपके पास कुछ एविडेन्स है तो अदालत में

जाइये लेकिन वहाँ जाने के लिए आप तैयार नहीं होते।

मुझे अफसोस है कि यहाँ पर खड़े होकर उन्होंने एक सैंस में दो बातें कही। एक तरफ तो उन्होंने यह कहा कि अनएकाउन्टेड पैसा जो एनेक्शन के लिए चाहिए वही एलेक्शन के लिए पैसा जमा हो रहा था, यह हो रहा था, वह हो रहा था। दूसरी तरफ उन्होंने कहा पैसा किसी इंडस्ट्रियलिस्ट के लिए चाहिए था जिसको फारेन एक्सचेंज की कमी थी। अगर मैं इनकी बात को गैर जिम्मेदाराना कहूँ, वाक्यात के खिलाफ कहूँ, आँखों में धूल शौंकने की कोशिश कह दूँ, अगर कानून के विपरीत कह दूँ, इनको शक नहीं है बल्कि यह तो शक पैदा करना चाहते हैं और लोगों को धोखा देना चाहते हैं, धूल डालना चाहते हैं, जनता के सामने भी यह इसको ले गए (व्यवधान).....

संसदीय कार्य तथा नौबहन और परिवहन मंत्री (श्री राज बहादुर) : यह इन्टरप्रायस क्यों हो रहे हैं?

श्री एच० के० एल० भगत : यह भी कहा गया कि इन्वेस्टिगेशन बड़ा अनफेयर हुआ है। इसमें बड़े आदमियों के नाम इन्वाल्ड हैं। पुनिस इन्वेस्टिगेशन कर रही थी उसको मैनपुलेट किया गया। अगर मैनपुलेट किया गया तो फिर प्राइम मिनिस्टर का नाम कैसे आ गया। यह कितनी रिडिकुलस बात है। इस देश के प्राइम मिनिस्टर का नाम आया यही साबित करता है कि इन्वेस्टिगेशन किना फेयर था। यह इसी मुल्क में हो सकता है, दूसरी जगह नहीं।.....
(व्यवधान).....

श्री पीयू मोदी : इसी मुल्क में प्राइम मिनिस्टर की वकालत पार्लमेंट में होती है।
... (व्यवधान).....

श्री शंकर दयाल सिंह (चतरा) : अगर ये लोग इसी तरह की हरकत करेंगे तो हम भी इनकी बात नहीं सुनेंगे।

अध्यक्ष महोदय : जितनी डिबेट कर रहे हैं, आपका खयाल है कि इंटरप्रायस करने से

[अध्यक्ष महोदय]

सब कुछ ठीक हो सकता है ? जिस प्रकार इन्होंने माननीय ज्योतिर्मय बसु को सुना वैसे ही आप भी माननीय सदस्य को सुनिये ।

श्री एच० के० एल० भगत : स्पीकर साहब, कानों को खोदना, जैसे आज माननीय ज्योतिर्मय बसु साहब ने खोदने की कोशिश की है, मरने के बाद लोगों को और करना या डिमश्रोनर करना, झूठा कन्फेशन लेना, कैरेक्टर असेसिनेशन करना, कालिलों को तलाश करना फिर उनको कत्ल करना, ये रबायात श्री ज्योतिर्मय बसु साहब की पार्टी की है, हमारी नहीं हैं ।

इस देश के अन्दर गीडसे ने महारमा गाँधी जी को मारा । उसको भी फेयरस्ट ट्रायल मिला, और मैं माननीय ज्योतिर्मय बसु साहब से कहना चाहता हूँ कि जो जुर्म वह कर रहे हैं तो उनको भी फेयरस्ट ट्रायल मिलेगा । यह हमारे कन्ट्री की ट्रेडिशन है कि यहाँ ट्रायल कानून के मुताबिक होता है । ताज्जुब होता है पोलिटिकल इस्ट आप उठाने की कोशिश करते हैं, कैरेक्टर असेसिनेशन आप करते हैं और आप समझते हैं कि किमी न किसी तरह से प्राइम मिनिस्टर के नामको ले आओ तो आप कोई बहुत बड़े हो जायेंगे । ऐसी बात नहीं है । इन तरीकों से कुछ नहीं बनता । लोग आपकी असलियत को समझने हैं, बगल में आप की असलियत और हैसियत जनता ने अच्छी तरह समझ ली है । मरे हुए नागरवाला के नाम पर जिन्दा होने की आप कोशिश कर रहे हैं, ज्योतिर्मय बसु साहब ।

आज उन्होंने कहा इन्डायरेक्टली कि "May his soul rest in peace." मैं कहना चाहता हूँ कि जितनी इनकी दलीलें फेकड है उतनी ही प्रियर भी फेकड थी । आज बसु साहब को सुनने के बाद मुझे तो यही लगा कि क्लिष्ट माननीय ज्योतिर्मय बसु साहब हैं इस हाउस के सामने गलत बयानी करने के, इस हाउस के सामने बेबुनियाद बातें करने के, इस हाउस के सामने आकर फैक्कीशन करने के, इस हाउस के सामने

गेर जिम्मेदारी से आकर इल्जाम लगाने के मुलजिम यह है । या मुलजिम नागरवाला थे या मुलजिम माननीय ज्योतिर्मय बसु है ।

इन शब्दों के साथ मैं अपना बयान खत्म करता हूँ ।

SHRI H N MUKERJEE (Calcutta-North-East) : It has taken this House a year and more to have this discussion whose aim is only to unravel the mystery which when it took place was so peculiar and so complicated that it shook the country. The Government somehow wanted to take shelter behind specious plea that I do hope that in spite of the somewhat ejaculatory speech by my friend, Mr. Bhagat... (Interruptions) the Government would not have to pull the veil over the incident which happened

It is not because we want to pursue a particular policy of vendetta. But a mystery is there all the time. Not merely a mystery, perhaps, you in your school days might have read omnibus volumes which had written on them the title Detection, Mystery and Horror. On this occasion, mystery is there. Horror is also there, because after the mysterious circumstances, one man after another died. Nagarwala died; I am not casting any suspicion on anybody, but the fact of the matter is that he died; the police officer died perhaps the magistrate died or the doctor died, and a number of things happened. But the detection never took place. The mystery was there, horror has happened, but the detection has not taken place as far as we are concerned, and we do not know how it happened and I think that is what worries most of us.

I am not concerned about whatever might be the political implications of Shri Jyotirmoy Bosu's attack, which may be right or may be wrong; that is a different matter. I am not interested in its political implications, but as a citizen of this country, I would very much like to know how exactly it was that Rs. 60 lakhs or more—I have forgotten the figure...

SHRI JYOTIRMOY BOSU : Rs. 60 lakhs.

SHRI H. N. MUKERJEE : ...could be spirited away from the vaults of the State Bank of India with ventriloquism or otherwise. I do not know; Mr. X could get in touch with a person called Malhotra, who I am told is high up in the staff of State Bank of India, and in a trice, in a few seconds, in a few minutes at the very outside, Mr. Malhotra got hold of Rs. 60 lakhs in cash carted it downstairs and got into a car and had it spirited away. All this happened, when with your nomination, we try to get a few pounds by way of foreign exchange when we are going abroad on an official assignment and when we go, it takes us some little time to get £20 out of the State Bank of India after putting the money down in rupees...

AN HON. MEMBER : Six hours.

SHRI H. N. MUKERJEE : But here he could have Rs. 60 lakhs by an operation which no body up to this point of this time has sought to explain; on the contrary, the Finance Minister started the business of trying to hide it and put a veil over it. I am not saying that he is guilty but why should these people have a guilty conscience every time an allegation is made? I appeal to the conscience of all these Members. Let them not take a partisan view of the matter. Let them put their hand on their hearts and say 'What about this incident, what about Rs. 60 lakhs in the State Bank of India which is national property, being spirited away, and no inquiry taking place, and no explanation yet forthcoming about how it took place and how it could not be prevented on that occasion because of certain circumstances? But in future we could do something about it.' But nothing of that sort has been done so far, as far as we know.

Nagarwala and Malhotra were in jug in jail for some time, and we read in the papers that Mr. Malhotra shed copious tears, I do not know what he told the court; Shri Jyotirmoy Bosu has got hold of many documents; I do not care; when I see a drain, I get away from it; I do not go to inspect it I am speaking not as a drain-inspector but as something else. We read about Malhotra shedding lots of tears and that sort of things. We read about Nagarwala having made a statement and promised a full confession. What that confession was, we never know; who was implicated or was not implicated we never

know. Meanwhile, the court unconditionally releases Malhotra on the basis of Nagarwala's statement or what else, we do not know. But Malhotra is a free man, possibly waiting in the queue for Padma Bhushan or something. In the meantime, before the Nagarwala confession which was to come out, according to paper reports, people died and you cannot blame anybody, if there is suspicion of mystery behind the manner of those deaths.

I can understand Shri H. K. L. Bhagat saying that this was the explanation of the Police officer's death. That may very well be the case. I am not congenitally suspicious to that extent. But there are certain circumstances which do give rise to a certain suspicion and it is for Government to clear the air and to remove that suspicion. But Government have not done it, and that is why I was very annoyed when earlier during this session there was an answer to a question where Government merely said Nagarwala is dead, Malhotra has been released by court order and there is no case, and we know nothing else about it. A question asked in this House in regard to what had happened in regard to the Nagarwala case elicits the answer that Nagarwala is dead, blissfully dead, Malhotra is blissfully free, and Government is very blissfully free to do what it likes. We asked for it. Last year we asked for it. For a whole year we have waited. I would say, if this Government had any guts, I do not see why with their massive majority, they have not come out with a reply. I do not see why, with that massive majority, they do not have the guts. They could have come up and said that this is the position; this is the reason. Do not wait for the accusation to come. If this is the way you can function. God bless you; go ahead; and you govt over your wonderful image. (*Interruption*) There is no doubt about it. The Government says, "everything is over; there is no case. Let us forget it." I would be personally happy if we can forget this unsavory thing, but can we forget, as Members of Parliament with some responsibility for the working of the State Bank of India? If the Finance Minister foregoes his responsibility, it is his business. But Parliament is responsible for the security of the people's property in the State Bank of India, our premier banking institution. Can we forget it? And should we be permitted by our people to forget it? That is why, on this

[Shri H. N. Mukerjee]

sort of thing having taken place, we must get an answer.

That is why I wish to know how the State Bank operates when cases of this sort do happen. How could Rs. 60 lakhs be carted out of the vault in record time? How could it happen? You must explain. If you cannot explain, there must be, as he said, more skeletons in the cupboard. Surely, even if a naya paisa is taken out of the State Bank or anywhere else, some papers have to be signed; some requisitions have to be made. Who made the requisition? Who signed the papers? Who brought out the money? Normally, I would not have wanted to know. Normally, I know that a country, a Government, a State, has to operate; sometimes they have all sorts of business to do. There is such a thing a secret service and all that sort of thing. Normally, I would not have asked a question about how your secret service business operates. But the matter is not secret. You can get away with murder, but if the murder is out, then the murder will have to be looked into and investigated. You cannot now say it is a secret service operation. If it has been a secret service operation, the whole thing would have been transacted differently. But you did not allow it to be a secret service operation. If that is your defence, I do not know. Therefore, I would say, do not take shelter behind the plea that this was a secret service operation, and therefore, "for God's sake, for patriotism's sake, you keep quiet." You cannot say that. Because, in the meantime, these things have happened, and the people have come to know that, because you proudly say, you proudly proclaim all the time that "we are a democratic society, an open society" and whatever else. *(Interruption)* If it is an open society, and a democratic society, for God's sake, come forward and do something about it.

I should also like to know, since the matter has come up, to whom does this money belong. If the matter had not come up, I would not have bothered, and it is not worth anybody's grain. To whom does the money belong, and how does the money operate? Mr. Chavan himself must know. At least Mr. Malhotra must know. Mr. Chavan might not know everything. He is

not omniscient. But Mr. Malhotra is a person operating somewhere in this planet. Can't he be requisitioned and called? We must know where he is, and why should not the bank tell Parliament what has happened? Was the bank cheated or the bank's property was wrongly removed from one part of the city to another? Whatever the explanation, we must understand what it was.

If it was a secret service money and that sort of thing, apart from the rightness or wrongness operating it, they should be having a special apparatus which should rule out this kind of incident which has come to light, a thing associated with the Nagarwala case. Now, it cannot be said to be secret; it is no longer a secret. Even if a murder is committed one can get away with the murder, but when the murder is discovered, one has to give an explanation for that sort of thing. Therefore, the Government has very much to answer for it. It should decide to tell Parliament that there would be a genuine investigation, whatever you call it, judicial enquiry or whatever be the category you wish. I do not mind whichever mechanism it is. The hon. Member there suggested something. But what I say is, this mystery has got to be unravelled; this peculiar complication. It has caused such a tremendous damage to the reputation of the Government, if you care for your reputation. If you think you can safeguard your reputation merely because you have power, you have money, if that is your idea, that is a different matter, you can disregard Parliament. But if you do not disregard Parliament, if you do not disregard public opinion, you must explain. A mystery has taken place; horror has been there; detection should be there. If detection does not take place, that would be a sign of the guilty conscience which this Government, howsoever its majority, cannot afford.

SHRI PILOO MODY : It is only in an open society that you can say these things.

SHRI VASANT SATHE (Akola) : If my hon. friend Shri Mody would keep his open mouth shut for some time, I shall be able to make my point because it distracts the attention of the House.

SHRI PILOO MODY : Is it an insurance policy or what ?

SHRI VASANT SATHE : I believe this matter has been discussed in this House quite a number of times and most of the points that have been raised by my friend Shri Jyotirmoy Bosu had already been answered. I have been trying to understand what the so-called mystery is about, of which Shri Bosu and Shri Mukerjee spoke. Let us consider some well-known facts about this case. Then we shall know whether there was any need to be at a dead horse continuously and create cloud and mystery in this House and in the country. Some facts are well-known. I shall first deal with the part played by Mr. Nagarwala or alleged to have been played by Nagarwala and also the alleged part of Shri Kashyap... (*An Hon. Member :* It is murder). Prof. Mukerjee and Shri Bosu ask why no enquiry was made and why no post-mortem was conducted. They are trying to create some doubt to show that there is something fishy about this whole affair. Nagarwala was done to death; and finished he was silenced—that was the word used. Let us try to consider the facts about these two deaths first. It is well known that this incident took place on the, 24th May, 71 and Nagarwala was arrested the very day. He was produced before the magistrate on the next day i. e. on 25th. His confession was not recorded till the 27th. No judge, including the Sessions Judge who remanded the case said that the confession was not properly recorded under section 164. Full opportunity and statutory warning was given to Nagarwala before his confession was recorded. There is nothing that can be challenged so far as the confession goes. My friend said that the correct procedure under section 251 of the Cr. P. C. was not followed. I do not agree with him for the simple reason that when a man admits his guilt, no other corroborative evidence is required. Therefore, there is no question of miscarriage of Justice having taken place on that score. What the Sessions Judge said was, opportunity should have been given to Nagarwala to ponder over the confession as well as the other documents. On that account, he remanded the case and set aside the conviction. Full justice according to the law of the land was, therefore, done by the Sessions Judge by remanding the case, and the case was being tried. About that, you cannot say that

the judicial process was not done in a proper manner. So, after that the case was remanded and the trial was going on.

During the period of trial and remand, Nagarwala became ill. For four months, Nagarwala was being treated not in the jail hospital but from 10-9-71 when he first complained of pain till the 2nd March 72 when he died, he was being treated in Irwin Hospital. Towards the end, he was treated in G. B. Pant Hospital in the coronary care unit. There unfortunately, he collapsed while taking his lunch. So, the best treatment available in this country was given to him. So, what is there to be suspicious about it ? If he had died in jail in police custody, some suspicion can be there. It is a pity that if any person dies in a political party, immediately some people create a dust over it and say that there is some suspicion. Shyama Prasad Mukherjee died—suspicion. Deen Dayal Upadhyaya died—suspicion. Ram Manohar Lohia died—suspicion. We must have some sense of responsibility. Instead of raising such cheap debates and trying to run down the administration or the government by casting aspersions; they must show some sense of responsibility. Let us leave at least the dead people alone; let us not drag them here.

17 hrs.

AN HON. MEMBER : He is losing track of the main discussion.

SHRI VASANT SATHE : I am not losing sight of Rs. 60 lakhs.

Now an atmosphere or climate of mystery is sought to be created. It is made out as if someone died in mysterious circumstances. Which are the mysterious circumstances ? As far as Nagarwala is concerned, he died of a heart attack in a hospital. And yet government ordered an inquest. The report of the chemical analyser is still awaited. Yet they jump to the conclusion that the death is under suspicious circumstances. After the death of a person, the government have ordered an inquest, even though under the law there was no necessity to do so. What more do you expect from the government ?

Then, coming to the death of Shri Kashyap, no man in his right senses would

[Shri Vasant Sathe]

raise any doubt about the death of Sri Kashyap. I do not think even Shri Jyotirmoy Basu has said anything to the effect that he has any doubt about the manner of his death. Then, why do you cast aspersions? When the car of Shri Kashyap collided with a tonga, his wife and children were with him. How could one imagine that this was planned or planted? Of course, it is a coincidence. But when you know about the actual fact, why do you cast aspersions or raise doubts about this coincidence? Therefore, so far as these two unfortunate deaths are concerned, there is no basis to raise any suspicion or doubt, or cast any aspersion on the government, on the country, on the leader, in an indirect and clandestine manner, especially when the person involved is the leader of this country...

SHRI PILOO MODY : Of your party; not of this country...*(Interruptions)*

SHRI VASANT SATHE : Of 55 crores of people.

SHRI PILOO MODY : No. only Rs 60 lakhs.

SHRI VASANT SATHE : They have been routed in the polls and now they...

SHRI PILOO MODY : These Rs 60 lakhs went to rout us.

SHRI VASANT SATHE : They have been routed in the poll because they believe in the bullet rather than the ballot. Now they are trying to raise cheap, small, petty things and create doubts in the country. Do you think that by raising this Nagarnala episode you can raise your image in the country and make yourselves more popular among the people? Today it is the Nagarnala case. Tomorrow the poster issue would be coming up. Instead of these small things, why can you not raise some basic policy matters and discuss them? Then alone will you command respect from the people?

Lastly, I come to the drawal of the sum. The Finance Minister has explained here so many times that this amount was withdrawn from what is known as the currency chest

kept in the State Bank. The State Bank maintains it on behalf of the Reserve Bank. This is a standing arrangement, not after the Nagarnala episode, but even before it. Whenever such large sums running into lakhs of rupees are required, the amount is withdrawn from this currency chest. There are specific instructions on the subject which the Minister mentioned the other day. It can be operated by two persons. May I submit there is no personal account of the Prime Minister? This has been stated more than once. There is no personal account of the Prime Minister from which this amount was withdrawn. *(Interruption)* You have been casting that aspersion direct or indirect, all the time. Mr. Piloo Mody has been saying, again and again, in his semi-jocular, funny, buffoonery, manner, whatever it is. That is the aspersion. I do not want to run away from it...

SHRI PILOO MODY : Since I have been accused of having said this, let me say, once again, what I have been saying, that this is the money which was given for election funds and this was used to topple State Governments. I have said it not once but hundred times and I thank Mr. Sathe for allowing me to say it once more.

SOME HON. MEMBERS : No, no.

SHRI VASANT SATHE : Therefore, I say, again, there is no account run or managed by the Prime Minister. The only account that is known is in the name of the Jawaharlal Nehru Memorial Fund. This has nothing to do with it. That is operated jointly. Why cast any aspersion?

The Congress has won elections not on the basis of this money, an amount of Rs. 60 lakhs. The Congress has won elections on the basis of the faith that the people of this country have in it. You must realise this once and for all. Therefore, I submit that the Opposition is indulging in a futile game. If they realise their real weakness where it lies, I am sure, instead of raising such cheap and shallow discussions, instead of doing that, they will devote time to more serious problems that this country is facing.

SHRI K. MONOHARAN (*Madras North*) : Mr. Speaker, Sir, at the outset,

fortunately, I must confess that I am not a lawyer like my hon. friend, Mr. Bhagat, because the line between a lawyer and a liar is very thin. *(Interruption)*

Sir, the most controversial figure who was connected with the State Bank fraud to the tune of Rs. 60 lakhs is no more. *(Interruption)* I think, we must have some serious discussion about it. My humble request to all the Members is this. Our intention should not be to score a debating point. We must have a heart-searching today. So, I request my colleagues to listen to my speech patiently.

In the meanwhile, one year has elapsed ever since this fraud took place. It is the dirtiest blot struck on the purest fabric of democracy. My humble request to the ruling party is this. The entire country is shocked and the conscience of the nation is shocked and paralysed. The people of this country have placed their unshakable faith on the leadership of the nation; after the 1971 elections, after the landslide victory, you should not be under the delusion that people have exonerated the Government of India for this callous crime. The issue is entirely different. In the meanwhile, so many events took place, almost historic, like Bangladesh, refugee problems. So, the patriotic citizens of this country had shelved these controversial matters like this into cold storage, hoping that time would come when they could reopen the issue and find out a positive solution. One year, we have been trying; we, Members of Parliament, have written to you, Mr. Speaker, a letter to allow us to have a discussion about Nagarwala case, but, unfortunately, you in your wisdom, though not refused, kept quiet. Now we have got our opportunity, a first-class opportunity, to focus the attention of the country. What happened? My friend, Mr. Bosu, has brought out how the money was taken away from the chest, from the vaults, of the State Bank of India to the tune of Rs. 60 lakhs. I think, my friend, Mr. Sathe, would concur with me that Rs. 60 lakhs were taken away from the vaults of the State Bank of India by a telephonic talk. Let us have a heart-search. One man telephoned and immediately Mr. Malhotra, the Chief Cashier, attended the phone. From the other side, a request was made, 'We want 60 lakhs for a supreme cause of importance, that is, Bangla Desh.' So, the

code language was this. 'The man will be coming there and standing; you hand over the amount to him.' So, goes the story. All the papers have reported this. Suddenly, on the basis of this, this Chief Cashier, Mr. Malhotra, acted and Rs. 60 lakhs were taken away. So many taxis were changed in the meanwhile by Late Shri Nagarwala, and ultimately he was caught; he was arrested, and this was the briefest trial that world had ever known in the history of jurisprudence. I want to ask him; I do not know, I am not a lawyer; Mr. Sathe was saying something; I wish he will shed some light over that. He gave a confessional statement pleading guilty. The magistrate, in his wisdom, said, 'I accept your confessional statement *in toto*...

SHRI H. K. L. BHAGAT : He accepted the entire facts...*(Interruption)*

SHRI K. MANOHARAN : I wish you well; you must live long. If tomorrow, you are murdered and Mr. Shyamnandan Mishra goes to the court and says, 'I murdered', then he will be sent to the scaffold...

SHRI H. K. L. BHAGAT : Please do not advise him to do that.

SHRI K. MANOHARAN : You should not take the matter lightly. That fellow issued a confessional statement and that was accepted immediately within five minutes, five years' sentence was granted and the fellow was put in jail...*(Interruption)* Subsequently, the procedure adopted by the magistrate was questioned. And what action has been taken against the magistrate is not known to me.

Now, Sir, we are a free nation; if I can borrow the expression of my hon. friend, Shri H. N. Mukerjee, we are an open nation...

AN HON. MEMBER : Open society.

SHRI K. MANOHARAN : Open society. Anybody can enter and anybody can get out. That is the society we are having. Sixty lakhs of rupees, I shudder to think. As Prof. Hiren Mukherji has rightly pointed out, even a paisa if I want to draw from a bank, from the money which has been deposited in my name, I have to pass through so

[Shri K. Manoharan]

many ordeals and so many procedures. In order to explain that fully, I think I can quote the *Hindustan Times*. I think the hon. Members opposite should pay meticulous attention about it and think over the matter. This has shocked the moral foundation of this country, the moral foundation of this country is crumbling now. That is why I am saying, let us objectively approach this problem and find out a solution. I quote :

"What is causing considerable puzzlement is that no one has explained on behalf of the State Bank of India how the whole thing could happen. Nobody can withdraw one paisa from a bank even when the money is deposited in one's own account without a cheque or a pay order or some such valid document."

I hope my friend, Mr. Bhagat, would have no objection for this. Otherwise, your money will be looted from the bank.

"...Yet a stranger talks with a high official—not the highest—it has to be noted—over the telephone is paid out an extraordinarily big sum and no question asked :

Does the State Bank do its business in this carefree, slipshod, playful manner, one wonders..."

...(*Interruptions*) You had as many adjectives as possible.

"...Lapses one does not deny, do occur and the shrewdest of men on occasion behave like fools and walk into booby traps. Even so, it is fantastic that hard-hearted top flight bank officials who are supposed to be 'discretion personified' are so easily deceived by the crude gimmick of an amateur trickster."

The Government should ponder over this matter and now I am trying to draw your attention to an unfortunate Supreme Court lawyer who has had 20 years standing. He has got a pathetic observation to make. That observation also I want to submit for the consideration of the pathetic creatures

sitting before me.....(*Interruptions*) I think it is perfectly parliamentary. The observation of the senior Supreme Court advocate is this :

"During my two decades at the Bar I have not come across a single case in which an accused has been led through all steps to making an admission so quickly."

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI K. C. PANT) : You know what sort of men lawyers are.

SHRI K. MANOHARAN : I have already explained what is my impression about lawyers. Luckily you were not here.

This is how matters have happened.

Regarding Nagarwala, my friend, Mr. Jyotirmoy Bosu, has explained something about his physique, how he is physically handicapped, whether he can indulge in mimicry.....(*Interruptions*) According to the doctors, he returned from Japan. He met with an accident at the Poona-Bombay road wherein his skull was broken and his lower teeth protruded through the chin and the man has lost his voice and he could not mimic, he could not speak for the past seven months and continuously he was bed-ridden. So, the paper report says that he could not mimic, he is quite incapable of mimicking and he himself was telling, 'How can I mimic such a scintillating sweet voice of a lady like our Prime Minister ?'

AN HON. MEMBER : What a compliment ?

SHRI K. MANOHARAN : I tell you this Nagarwala is a limp. He cannot walk. So, he cannot do it by himself. There must be a gang behind. Which is that gang ? That is the question.

SHRI PILOO MODY : In front of him.

SHRI K. MANOHARAN : I am sorry I want to make an amendment to Shri Piloo Mody's suggestion, namely 'not all'.

SHRI PILOO MODY : Not that sweet voice.

SHRI K. MANOHARAN : Some gang behind. (*Interruptions*) I am talking about Nagarwala. Why should my hon. friends opposite think of their back ? I am talking about Nagarwala. He himself cannot do it as a single solitary fellow. There is a racketing going on, and he was in the know of the whole codewords and all that. This was what Nagarwala himself said. This is according to his own lawyer. I want to draw the attention of the hon. Finance Minister to this.....

AN HON. MEMBER : Now, he is depending upon the lawyers.

SHRI K. MANOHARAN : Was Nagarwala a lone wolf ? According to Nagarwala, he was not. He said :

"Will I shoulder the guilt of Mr Malhotra also ? If Malhotra is not guilty, I am all the more innocent. Bring him in the dock, and let both of us face the music together".

This was exactly what Nagarwala said. There is one other thing also which he has said to which I want to draw the attention of the House.

He said :

'I am not to spare anyone'.

Then he was robust and he was having a robust constitution. I am not attributing any motives regarding the way Nagarwala was killed or the investigating officer was killed. Only after knowing the case history of any individual we can decide whether the fellow died out of myocardial infraction or coronary infraction or something of that kind; otherwise, we cannot. So, I demand of the hon. Finance Minister to submit all the relevant documents relating to his medical treatment and the like. So, I am not going to say anything on whether he was killed or the other officer was killed or some fellows were killed; they might have been killed or might not have been killed. We are in the dark. So, all that we ask of Shri Yeshwantrao Chavan is this. Let him have an inquiry. Let him set

up an inquiry commission and let that commission of inquiry go into the question, probe into the matter fully and see whether he was killed or not killed. That is an entirely different matter. But Nagarwala is no more here. That does not mean that the problem is nowhere at all...

SHRI S. M. BANERJEE : Nagarwala is everywhere now.

SHRI K. MANOHARAN : Here is Nagarwala telling :

"So far, I have been tolerant and patient." This is Nagarwala speaking.

"I was not on my own but just a carrier. If the person to whom I was to deliver the money was not at the pre-arranged spot, what was I to do ? And I got caught as I thought I would."

The last one is very revealing and shocking, and that shows that there was something fishy about it. That must be discovered and found out. He says :

"I have waited enough. Now I am going to unmask everybody".

The next day he died out of heart attack. I do not attribute motives for it. It might be coincidental or accidental or something of that kind. But he said :

"I have waited enough: now I am going to unmask everybody".

SHRI PILOO MODY : It is known as coaccidental.

SHRI K. MANOHARAN : It was not only that. Nagarwala was telling another thing also. I feel proud of it. He says :

"Mr. Maheshwari, my lawyer, I am going to give you startling disclosures very shortly in the court of law, but one thing I must say, the Prime Minister is not at all involved in this case".

AN HON. MEMBER : Who else is ?

SHRI K. MANOHARAN : Who else is ? That is the question. The Prime Minister is not involved in this case. This is what Nagarwala has even said to his own lawyer. So, I want to ask Shri Yeshwantrao Chavan, and I want to put the same question to Shri Yeshwantrao Chavan and I hope that he as a responsible Finance Minister would answer this question. Do not think that political opposition is airing the question to you with a view to extorting something. It is a matter concerned with the entire country. The entire country is watching us now outside. "The Nagarwala discussion will come;" how many telephone calls I have been receiving ? They say, they want to know, what about the truth of it. So, the entire country is watching us. You have got a halo or a nimbus around your head after the election and you claimed yourself that you are the custodian of secularism, socialism, integration, democracy and what not. The people believe you. The people have reposed confidence in you. Come and say, Do not let down the people and betray the people of this unfortunate country. They are expecting much. This Rs. 60 lakhs was a daylight robbery on one day right under the very nose of the Prime Minister and right under the very nose of Parliament in the capital city of India. Are we not ashamed of it ? Please have a heart-seaching.

I want to put some questions to Mr. Chavan before I finish my speech. The first question is this. Rs. 60 lakhs—I want to know whose money it is. I do not know the source or the ownership of this money. I want to know to whom does it belong. If anybody says it is the State Bank's, the State Bank never expected to hold this much money so far. The State Bank never owns the money. So far, the State Bank did not come out with the statement saying that "this money is ours, or that has been drawn by somebody." Then, whose money it is, Mr. Chavan must reply. If Mr. Chavan has got the reply, let him reply. All I would say is, Mr. Chavan must reply to this question, because it is a vital question.

MR. SPEAKER : Five minutes more.

SHRI K. MANOHARAN : The second question is this. The first trial of Nagarwala having been set aside, as violating all judicial procedures, what action has been taken against the magistrate by the Government or

the high court ? This is my second question. Are you hearing, Mr. Chavan ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : I am listening.

SHRI K. MANOHARAN : My third question is—

SHRI YESHWANTRAO CHAVAN : What was your second question ?

SHRI K. MANOHARAN : Are you so absent-minded ?

SHRI YESHWANTRAO CHAVAN : I wanted to be sure about what you are asking.

SHRI K. MANOHARAN : You must be careful; we are discussing a serious problem. My second question is—once again, for your information—the first trial of Nagarwala having been set aside, as violating all judicial procedures, what action has been taken against the magistrate by the Government or the high court ? My third question is, (*Interruption*)—if the first trial of Nagarwala could be held and finished in a few minutes, why should the case against Malhotra be pending for so long ? Nagarwala was brought in within five minutes, charge-sheeted, the case was investigated and he was sent to prison within five minutes. The problem was over. But then the problem of Malhotra is still pending. It is being dragged on. Why ? That is the question. The fourth question is, the present status of Malhotra. Is he under suspension or is he still working as a Special Adviser to the State Bank of India or, has he been promoted, or promoted for anything else ? I do not know. I want to know that.

The fifth question is, under what authority was Mr. Malhotra keeping the money in the vault when the ownership of the money was not declared. When the State Bank has not so far claimed it as its own ?

The sixth question is, what prevented the Prime Minister or the Finance Minister or the State Bank of India itself...(*Interruption*)—please keep quiet. Let me finish. What prevented the Prime Minister...(*Interruption*)

MR. SPEAKER : Order, please.

SHRI K. LAKKAPPA (Tumkur) : He cannot say, Sir, "Please keep quiet." How can he say that ? (*Interruption*).

SHRI K. MANOHARAN : I am used to this conglomeration of chaotic noise. I can afford to ignore these interruptions. My sixth question is: what prevented the Prime Minister or the Finance Minister or the State Bank itself from making a statement so far ? One year has elapsed. Malhotra was known to be an efficient and experienced officer; nothing has been said why he acted in—what the Finance Minister called—a stupid manner.

MR. SPEAKER : Please conclude now.

SHRI K. MANOHARAN : My last demand, along with my hon. friend Mr. Bosu, is that there should be a commission of enquiry to go into the question, covering—I am not supplying the terms of reference but am suggesting something for your consideration—the ownership of the money, Nagarwala's trial and Malhotra's part. All the three must find a place in the terms of reference and it must cover as wide a field as possible. You must convince the country by showing that the Government is sincere and above board; it is like the Caesar's wife; they should show that they have nothing to do with the money. Unless and until the Finance Minister comes forward with a statement convincingly explaining the whole position, I warn that the so called image that you have built up with great difficulty, with the co-operation of the people and the opposition parties will be tarnished.

MR. SPEAKER : We have fixed two hours for the debate; Members have already taken $1\frac{1}{2}$ hours. The hon. Minister will take about an hour for reply. Let the debate go upto 6 O'clock and I shall call the Finance Minister at 6 O'clock. Members may limit themselves to five minutes and make only points.

SHRI SAMAR GUHA (Contai) : What about my half an hour discussion ?

MR. SPEAKER : It will be further postponed. Let us see.

SHRI VIKRAM MAHAJAN (Kangra) : This discussion is another attempt to start a mudslinging campaign as the repeated attempts made recently to start a smearing campaign and I am sure they will fail as usual. After all what happened in this case ? A man called Nagarwala cheated the State Bank of India and took away Rs. 60 lakhs but was caught. One of the hon. Members is trying to make a hero of him and he read out his qualifications; Mr. Bosu was saying that he was a very qualified man. I submit that it might happen that a good man might turn to be bad; this is one such instance. There are many occasions when banks are cheated but they have never become subjects of discussion in the House. If a thief takes the name of an hon. member of this House or if a forger takes the name of an hon. member of this House or if a dacoit robs a bank and takes the name of an hon. member of this House, will it become a subject for discussion in this House ? I am surprised that one of the dacoity cases has become the subject of discussion here.

One hon. member said, this is the briefest trial in the history of courts. Probably he is ignorant of how a trial takes place when confessions are made. On 25th May Mr. Nagarwala expressed his desire to make a confession. 24 hours later he was produced before a magistrate who recorded his confession. On 27th, he was convicted. Let me read out the relevant section from the Cr. P. C. dealing with confessions : Section 251A reads thus :

"(4) The charge shall then be read and explained to the accused and he shall be asked whether he is guilty or claims to be tried.

(5) If the accused pleads guilty, the magistrate shall record his plea and may, in his discretion, convict him thereon."

The magistrate did what the law said. Nagarwala later on realised that he probably could have got a lesser punishment if he had fought the case. So, he appealed. Even the Sessions Judge did not say that the confession was not voluntary. He merely said there was a procedural defect. I quote from his judgment :

[Shri Vikram Mahajan]

"On the same day, i. e. on 27-5-71 the accused had made a confessional statement. A chararsheet was presented to the court against the accused and the accused was furnished documents under section 173 Cr. P. C. However, thereafter, adequate time was not given to him to consider these documents and the charge was immediately framed against the accused..."

Hence he set aside the conviction and ordered a retrial. I personally feel it was a wrong decision and the State should have appealed against that. But probably Government thought it was not worthwhile to take shelter behind technical points. So, the Sessions Judge ordered a retrial on the basis of that short technical point. Therefore, the accusation that the judiciary was bought over or that the trial was not fair is absolutely wrong. Another point was made that the investigating officer was done to death, was murdered and he did not die a natural death. I have never heard of a case where a person was travelling in a car and an attempt was made to kill him by banging a tonga against the car. If members who have made this strange charge apply their common-sense, they will realise that such attempts are never made.

The whole attempt of the opposition to throw mud on the ruling party shows that they are trying to catch the last straw, because they have been thoroughly beaten in the last two general elections. In 1971 they had a thrashing and again another thrashing in 1972. They have lost on all economic issues and they have failed to convince the public. Out of frustration they are trying to catch up such small cheap issues so that they can try to revive themselves in the public. Out of frustration they are trying to raise such issues like robbing the banks and trying to make themselves heroes. They do not understand that if the people of India had believed in their fables, their stories, they would have voted for them in 1971 and in 1972, because the incident took place before the general elections. It clearly shows that the people are satisfied with the explanation given by the government. That is why they voted for the ruling party and the Congress party has been returned to power with such

a massive majority. It also shows that the people of India have rejected the stories which they are trying to circulate. This is like beating a dead horse.

Sir, I would suggest that false charges should not be permitted to be raised in this House. Otherwise, it will become a common feature and members will be tempted to raise similar issues again and again. They are really cock and bull stories based on the evidence of dacoits; forgers and thieves. So, such discussions should not be allowed to be raised in this House.

Then, a question is asked whether Shri Nagarwala really died of heart attack or whether it was a deliberate murder. Death strikes when one least expects it. I do not think anyone in the opposition thinks that he is immortal. No one is immortal. Everyone dies when the time comes. It so happened that Shri Nagarwala's time came when he was on trial. It was just sheer accident. This was not his first heart attack. According to the medical report he was having heart trouble for the last three or four months. In fact, he was under treatment from the 18th August, 1971. For the first time, a heart attack was detected on the 14th January, 1972 and he died on the 2nd March, which means, two months later. He might have had some more attacks in between. It is well known that when a person gets a second attack it is a miracle if he survives and the third one is normally fatal.

Finally, I would say these are cock and bull stories and an attempt to catch at the last straw so that they can throw some mud on the ruling party. Having failed in the elections they are trying to become popular in this cheap way. We have no doubt that they will fail here also.

श्री जगन्नाथ राव जोशी (साजापुर) : अध्यक्ष महोदय, यह जो विवाद खड़ा हुआ है यह राष्ट्रीयकृत बैंक से 60 लाख रुपया जो निकाला गया इस बात को लेकर हुआ है। मेरी समझ में यह बात नहीं आती कि अधिकारारूढ़ दल यह अपने ऊपर क्यों लेता है ? यह मामला सब का है। बैंक सबके हैं। एक बैंक में से 60 लाख

रुपया निकाला गया जिसके लिए इतना सारा विवाद खड़ा हुआ। यह क्या दलगत बात है यह हमारी समझ में नहीं आता। इसमें संबंधित व्यक्ति हैं एक नागरवाला, दूसरा मल्होत्रा, तीसरी सरकार और चौथी आम जनता। इन सबका इसके साथ संबंध है। नागरवाला का कहना क्या है, वह उन के इकवाली बयान पर आधारित है। या जो उन्होंने पत्र लिखा है या किसी को कुछ बताया है, उस पर आधारित है। दो दिन तक यह मामला इस सदन में चलता रहा, जिन मल्होत्रा ने स्वयं बैंक की साठ लाख रुपये की राशि उठा कर दी, उन को क्यों नहीं पकड़ा गया—ये सीधे सबाल हम बहुत समय पूछते रहे, किन्तु वित्त मंत्री महोदय ने यह नहीं कहा कि इतना बड़ा भारी घपला हुआ है, उम आदमी के खिलाफ अमुक कार्यवाही की जायगी। The only thing that the Finance Minister was saying was that the man had been suspended.

हम इस से सन्तुष्ट नहीं थे, फिर लाबी से चिट्ठी आई, उसे पढ़ कर मंत्री महोदय ने सुनाया कि—The man will be arrested under section 409 of the I. P. C.

मैं वकील नहीं हूँ, इस लिये नहीं जानता कि 409 क्या चीज है, लेकिन इस सदन में आप ने पढ़ कर सुनाया, इस लिये हम जानते हैं—यह रिकार्ड पर है। अब इस केस को एक साल हो गया है—जिस व्यक्ति ने साठ लाख रुपया निकाल कर दिया, उसको और जिस व्यक्ति को दिया गया, उसको, दोनों को आमने-सामने खड़ा कर के इस की जाँच क्यों नहीं की गई ?

इस मामले में प्रधान मंत्री जी का नाम घसीटा गया, विरोधी दलों ने नहीं घसीटा, प्रधान मंत्री जी के नाम से या जो उनके सचिव हैं, उनके नाम से फोन पर बात हुई, यह बात स्वयं मल्होत्रा ने सामने लाई है, हम नहीं लाये। जब देश की प्रधान मंत्री जी का नाम घसीटा गया था, तो यह सरकार की सबसे ज्यादा जिम्मेदारी थी कि उसकी पूरी जाँच करके वस्तुस्थिति को सामने रखते कि कौन किस को धोखा दे रहा था। यह कोई व्यक्तिगत विश्वासघात का मामला

नहीं था—कोई मित्र मेरे पास आता है और किसी का नाम बता कर पैसा ले जाता है और बाद में पैसा मिल जाता है तो यह एक व्यक्तिगत बात हुई, लेकिन यहाँ तो पैसा बैंक का था, यह मामला व्यक्तिगत पैसे का नहीं था, बैंक से साठ लाख रुपया निकाल कर कैशियर ने दिया है। एक पोस्टमास्टर भी अपनी पत्नी को गफलत में बिना 10 पैसा लिये कार्ड देगा तो सस्पेंड कर दिया जायगा, लेकिन यहाँ तो बिना वैलिड बाउचर के 60 लाख रुपया दिया गया और एक साल हो गया हम को मालूम नहीं कि क्या कार्यवाही की गई। जनता को मालूम नहीं है कि इतना पैसा देने के बाद भी मल्होत्रा जी के खिलाफ कौन सी कार्यवाही की गई, यदि कोई कार्यवाही नहीं हुई तो क्यों नहीं हुई, इसका जवाब जनता जानना चाहती है। जब हम चाहते हैं कि राष्ट्रीयकृत बैंकों का एक-एक पैसा जनता के भले के लिये खर्च हो, तो यहाँ तो 60 लाख रुपये का गवन होता है और साल भर तक कोई जाँच नहीं होती, तो जनता का विश्वास इस तरह से नहीं बनेगा। इस समय सबाल जनता का है, जनता पूछ सकती है कि इतना बड़ा भारी घपला होने के बाद एक साल तक शासन ने क्या किया, सरकार ने क्या किया, सारे तथ्य सामने क्यों नहीं रखे ? अपोजीशन को इस के लिये काशन का कोई मतलब नहीं है।

मैं पिछले सदन में भी था और इस सदन में भी हूँ—क्या एक साल से कोई चीज सामने आई ? उस समय भी मेरा मुँह यह कह कर बन्द किया गया—दि मैटर इज सबजुडिस। हमने उस समय भी काफी सबाल उठाये थे, लेकिन उनके जवाब नहीं मिले। मैं स्वयं जेल में गया था, नागरवाला जी से मिला था। उनको बोलने में कठिनाई होती थी, आघ्रा घन्टा बँटे, एक घन्टा बँटे, सब उन्होंने कहा कि मैं आप को लिख कर देता हूँ और उसको मैंने 10 अगस्त को जब फंक्शनिंग आफ दि नेशनलाइज्ड बैंक्स पर बहस चल रही थी, तब उठाया। मैंने उस

[श्री जगन्नाथराव जोशी]

के कुछ उद्धारण यहाँ पढ़कर सुनाये थे। नागरवाला ने स्वयं लिखा था—Why do you catch the tail of the bull and not its horn.

यह रिकार्ड पर है। इसका क्या जबाब आज तक मिला, जब नागरवाला स्वयं कहता है कि इकवाली बयान जबरदस्ती लिया गया, पता नहीं कैसे हो गया, सबके सामने नहीं लिया, एक बयान हो गया, दूसरे का नहीं हुआ, जब इस तरह की कोइन्सिडेंटल बातें हुई, तो इनकी वजह से मिस्ट्री ज्यादा बढ़ गई। मैं कस्यप की दुर्घटना के मामले में नहीं जाता हूँ, लेकिन स्वयं नागरवाला ने जो कहा था, जो पत्र लिखा था, जिसकी फोटो-स्टेट कापी मदरलैंड में छपी है, जिसमें वह कहता है—I have been a victim of strange circumstances.

क्या सरकार की जिम्मेदारी नहीं है कि सब तथ्य सामने रखे। हम सरकार को एक्यूज नहीं करते, लेकिन सवाल एक राष्ट्रीयकृत बैंक के, 60 लाख रुपये का है, वह रुपया कैसे गया, क्यों गया, जिन्होंने दिया और जिन्होंने लिया क्या दोनों का पड्यंत्र नहीं। था कैशियर भी पड्यंत्र कर सकता था, प्राइम मिनिस्टर की आवाज निकाली उम पर पैसा दे दिया गया, यह किस का पड्यंत्र था, इन्होंने क्या बताया, उन्होंने क्या मुना, वह स्वयं क्यों गया, बैंक की गाड़ी क्यों ली, कैशियर स्वयं क्यों गया, यह सारा मामला हमको आज तक पता नहीं है। यह तथ्य मामले आये। इसलिए जहाँ तक नागरवाला का सवाल है, वे आमतौर पर कहते थे, मेरे सामने भी कई बार कहा :

The Prime Minister is absolutely innocent.

हमने कहा हम किसी को एक्यूज नहीं करते।

We want to solve the mystery.

यह क्यों हुआ, यह बात बताइये। हम किसी को एक्यूज नहीं करते। हमने प्राइम मिनिस्टर का

नाम नहीं लिया। उन्होंने स्वयं लिया कि प्राइम मिनिस्टर और उनके सचिव की आवाज में कहा इसलिए पैसा दिया गया। हमने नहीं कहा।

He considered himself to be the tail of the bull. In this case we wanted the horn.

उसको आप क्यों नहीं पकड़ते? कुली अदालत में कुछ नहीं हुआ और आज हमारे सामने भी यही अंधेरा है। इसलिए हम कहते हैं कि यह मामला कोई व्यक्तिगत नहीं है। इसमें कांग्रेस पार्टी या किसी भी पार्टी का सवाल नहीं है। मामला राष्ट्रीयकृत बैंक में पैसे का जो घपला हुआ है उसका है। यह सवाल इसलिए आपका भी है, हमारा भी है और जनता का भी है। इसमें कोई भी दलगत सवाल नहीं है इसलिए आप क्यों कोई तरफदारी करें। हम सभी इसके तथ्य जानना चाहते हैं। पिछली बार आपने कहा मीटर सबजुडिस है इसलिए हम बोल नहीं पाए। और आज जो मुख्य व्यक्ति था वह चला गया। एक व्यक्ति है मलहोत्रा जोकि इस मिस्ट्री को खोल सकता है। जिनको बीस साल का तजुर्बा है उन्होंने बिना वॉलिड वाउचर के साठ लाख रुपया कैसे दिया?

Was it the first transaction or one of the transactions that went on?

इसलिए वह मन में आ जाता है। आखिर में इसीलिए हम सारे तथ्य जानना चाहते हैं। यदि बमु जी का सुझाव आपको मंजूर नहीं है तो आप कोई दूसरा प्रोसीजर बतायें जिससे कि सारे तथ्य सामने आ सकें और जो दोषी हो उनको सजा हो सके। क्योंकि जब स्वयं वे मिस्र को कहते हैं कि मैं सारी बातें खोलकर बता दूंगा तो दूसरे ही दिन उनकी मृत्यु हो जाती है। इसलिए मन में अन्वेषा पैदा होता है। ऐसी दशा में हमको कोई दलगत सवाल समझकर उड़ाने की कोशिश न करें। यह सवाल राष्ट्र का है, राष्ट्रीयकृत बैंक का है और बैंक में काम करने वाले कर्मचारियों का है। इस प्रकार से

यदि प्रीसिडेंट बन जाता है तो फिर किसी ने फोन किया, 60 लाख रुपया दे दिया, किसी चीफ मिनिस्टर ने टेलीफोन किया तो दस लाख दे दिया, जिला परिषद के चेयरमैन ने कहा तो दो लाख दे दिया। '... (व्यवधान) ...' इसलिए जहाँ तक बैंको का सवाल है, वह ठीक अनुशासन में काम करें जोकि इस देश के हित में हो, इसके लिए इस को दलगत सवाल न बना करके पूरे तथ्यों की जानकारी माननीय वित्त मंत्री जी सदन के सामने रखें जिससे सभी का समाधान हो।

SHRI B. K. DASCHOWDHURY (Cooch-Bihar) ? We are having a very interesting debate on the issue of Rs. 60-lakh fraud case that happened last year. The mover of this discussion wanted to whip the dead horse expecting that it could move and run also. Unfortunately, the mover of the discussion could not give any clue, could not put any questions to the house which the hon. Minister might answer. No doubt, Sir, he made out certain points depicting the character and the personality of the person, also alleging that Mr. Nagarwala belonged to the group of secret service. That was his private information...

17'55 hrs

[SHRI R. D. BHANDARE in the Chair]

SHRI M. RAM GOPAL REDDY (Nizamabad) : Which he made public.

SHRI B. K. DASCHOWDHURY : That was the private information which probably he got by his association with the service officers. Whatever it be, the main question that has been posed in this discussion is; what is really the mystery and the mystery followed by the furore ? There is no doubt about it. That is a matter that should be tackled. The real import of this one is that some one telephoned and on the basis of this telephone call, a large amount of money, Rs. 60 lakhs, was taken out of the vault of the State Bank of India. Questions were also raised as to on whose account the money, that huge amount of money, a block of money was deposited. The basic fact is this. In the vault, it is not necessary that a particular

sum of money is to be accounted for. It is the total amount of money, that has been deposited in the vault for safety and security. And what happened is that under the Treasury Rules, only some authorised persons of the bank are entitled to take out the money from the vault. In that case, Mr. V. P. Malhotra was one of those authorised persons. When this Mr. V. P. Malhotra, the then Chief Cashier of the State Bank of India instructed his deputies and the juniors to take out the money. It was adequately demanded by certain other officials to have a proper receipt on that. As a matter of fact, as reported in the newspaper, the entire amount that was taken out from the vault under certain special circumstances, was entered into. So, that was not the question. The question is : how this big amount of money was deposited with the vault, safety vault and it was placed in whose account ? That was simply a safety vault where large amounts of money, may be Rs. 60 lakhs, may be Rs. 6 crores, are usually deposited as a measure of security.

The next question which really seems to be very mysterious is : how that money was taken out and for what purpose and about this mysterious fact, the hon. Finance Minister made it very clear in his statement as has been read out by the mover, that it was really fantastic, it was unusual and it was not proper on the part of a very responsible officer of the Bank to act in such a manner. Thereafter, the enquiry and the other things followed.

Questions have been raised as to why the Prime Minister's name has been dragged into this picture...

SOME HON. MEMBERS: No body did it.

SHRI B. K. DASCHOWDHURY : I have not yet finished.

...into the picture not even by the Opposition, not by the Opposition leaders but by some bank officials. What was the wrong for the Prime Minister to deny ? The mover has already referred to that. If some body referred to the name of the Prime Minister, when it has been adequately stated by this categorical statement, as referred to by the hon. Member, Mr. Manoharan, that the Prime

[Shri B. K. Daschowdhury]

Minister was not at all connected with this matter, does it require the Prime Minister to deny it specifically? On behalf of the Government that was denied by the hon. Finance Minister and that all actions are being taken against Mr. V. P. Malhotra in the matter.

The second point raised is that action has not yet been taken against Mr. Malhotra who acted in an unauthorised manner. It has also come out and come to light in the course of the discussion that action has already been taken.

SHRI S. A. SHAMIM (Srinagar) : What action ?

SHRI B. K. DASCHOWDHURY : He has been suspended. There is an inquiry and the inquiry report has already been submitted to the Government which is under consideration of the Government now. Government will certainly take further action. Hon. Members should appreciate the situation that whenever any such mysterious thing takes place, there must be certain procedures to be followed. In this case, the main action that has to be taken is against Malhotra who seems to be the first man who acted in an unauthorised way. Action has already been taken in this regard. The matter was sent to the committee of inquiry, and this inquiry committee has already submitted its report to Government, as I have said, it is under their consideration.

18 hrs.

The other question which has been asked is why Mr. Kashyap had met with such an accident and what the reasons for his death were. My hon. friends from this side of the House have already explained this matter. Questions have also been raised about Mr. Nagarwala's death. It was not the first time that Nagarwala fell. He was going through certain processes of treatment continuously for months and months together. It was only on the 2nd March of this year, 1972 that he died. Even after his death, there are certain inquiries about what led to the circumstances of his death. Those inquiries are still going on.

About the accident case, everybody knows that an accident is an accident, over

which there is no human control. As a matter of fact, Mr. Kashyap was one of the inquiring officers; he was a sub-divisional police officer; while he was coming to Delhi from outside, just in the opposite direction some tongas were coming and they were just speeding up their vehicles at a very high speed and the particular vehicle or car collided; in that car Mr. Kashyap had his own relations also. Those relations had nothing to complain about, but I find that it is only to have a certain political game that some of the hon. members have raised a doubt about the death of Mr. Kashyap.

The hon. members who raised this discussion knows full well that there are certain inquiries going on about his death, and the inquest report has not yet been received by Government. So, considering all these circumstances, whatever might be said against the Government. I do not understand why the hon. member gets so much agitated over this.

The only basic point was really the mysterious conduct on the part of Mr. Malhotra. What was the ultimate result of this big mysterious case? The Government and their machinery acted so promptly that almost the entire amount of Rs. 60 lakhs, leaving aside about Rs. 2400 or so which could not be recovered, was recovered. Even when Government have acted with all prompt attention to recover this entire amount so that there may not be any loss to the national exchequer, we find that Government are being blamed and the reputation of the Government is put in doubt. As a matter of fact, the measures taken by Government shall have to be appreciated by us. So, the basic question that remains is about the actions of Mr. Malhotra. I understand that Government will certainly take proper action. They will take whatever action is necessary after going through the inquiry committee's report, and they will certainly announce it when the proper time comes.

I do not see that there is anything that questions the reputation of the Government. On the contrary, the reputation of the Government has been enhanced by the way in which they have dealt with the matter.

SHRI SHYAMNANDAN MISHRA (Begusarai) : So far as I see it, the subject relates to two Finance Ministers. One Finance Minister is of the Government and another of the...

AN HON. MEMBER : Ruling party.

SHRI SHYAMNANDAN MISHRA : ruling party; my hon. friend has guessed rightly that Mr. Malhotra is the Finance Minister of the ruling party. That is what this case has uncovered and the country has taken due note of it.

Now, Mr Chairman, I hope the Finance Minister who is just in front of me has already consulted the other Finance Minister before coming to the House and replying to the debate. We seem to be living in the strangest of all the worlds. We are living in the days of the most irresponsible courts, and I would not like to mince words about it. We are living in the days of the most irresponsible police, the most dishonest, corrupt and servile police, and a police which behave like the domestic servant of those who are in the Government. We are living in the days of the most irresponsible State Bank of India. Finally it is bound to be so in the final count—we are confronting the most irresponsible Government.

The Government does not come out with any statement as to what has happened. The event has shaken the entire country and it has been characterised as the greatest fraud of the century; yet, it has not prompted the Government to come out with a statement; and that point has to be hammered into them. But I know they are going to evade any inconvenient questions, and the Finance Minister is very adept in making a very political reply. But thereby he would be deluding himself, for he cannot give a sop to his own conscience.

On this question, we did not have any statement from the State Bank of India either. What is this strange creature of the State Bank of India? Is it responsible to the country? Is it not a creature of legislation by this House? And yet, this body did not come out with any explanation about this incident in its annual report; they have mentioned all kinds of things such as organisation, research

and so on but not this. Am I going to put up with any kind of reply from the Finance Minister which suggested that it was a subject which was not considered fit enough to be included? I have gone through every sentence in the annual report, and the report does not make any mention of this.

Here, I am standing before you to say that I wrote a letter to the Chairman of the State Bank of India. Now he seems to be the person who deserves the highest punishments for all that has been done. I wrote him a letter about three weeks back, may be on the 4th of this month, but I did not elicit a reply from him till yesterday. I wrote to him, as a depositor, as a Member of Parliament who is responsible to his people, for the nationalised banks and so on. But then, the Chairman of the State Bank of India did not think it fit to reply to my letter till yesterday. And when the letter comes, it is such a curt, useless reply. I must give it the contempt it deserves. He is the person who must be ejected from office. If this one instance does not make the Government get out of office, at least the Chairman of the State Bank of India must go out.

MR. CHAIRMAN : Don't be so angry, since he has not replied.

SHRI SHYAMNANDAN MISHRA : I may not be, but I think Lord Buddha must more compassionate. (*Interruption*). What I am suggesting is, this incident would have blown any government to pieces in any advanced country, or the government, on this very incident, would have resigned of its own accord. We do not think that the Government of any other party would have come in that event we know their position in this House. This Government should have gone out of office because for this incident, there is no parallel and no explanation to the satisfaction of the people till now. And therefore I was saying that we are living in the day of the most irresponsible Government and some of its important organs.

We are raising this question in this House because the integrity of the banking institutions and the people's faith in them are not only vital to the economic growth but they are also vital to the maintenance of

[Shri Shyamnandan Mishra]

the moral fabric of this country. If this point is not borne in the mind of the ruling party, I think they are not fit enough to run this country. That is the basic question which has been raised by all Members, one Member after another, from this side of the House, and they must address themselves to this.

May I say a few words about the strange trial we had in the court and about the role of the court? Can anybody in his senses say that this matter has gone through a trial in the court? If this was a trial, you will have to find a new definition for farce. This was the most farcical trial you have seen ever in history. It has been amply pointed out by one hon. speaker after another—the record speed with which this matter was hustled through not only in the case of celebrated Nagarwala but also in the case of Mr. Malhotra. The way in which the trial was conducted is *prima facie* proof of the fact that the prosecution was anxious to bury the matter with the utmost speed and haste and the court was only too willing to oblige it. It makes our head hang in shame. This is not the trying court that this democracy deserves. Let this be carried home to the trying officers of the criminal courts, that they have brought down to ashes the reputation of the trying officers in this country. In the Godse case, in the trial of the murder of Mahatma Gandhi...

MR. CHAIRMAN : Please try to conclude.

SHRI SHYAMNANDAN MISHRA : I cannot make myself ridiculous; I must have my full say. This is a subject on which I shall have to assert my right. I have been waiting for my chance... If need be you extend the time.

MR. CHAIRMAN : There are certain limitations; I shall have to call the hon. Minister at 6:30.

SHRI SHYAMNANDAN MISHRA : I was saying that even in the case of Nathuram Godse, although he made a clean confession of his guilt, the trial lasted two years. In the case of Bhagat Singh who was

courageous enough to confess his guilt, the case lasted for quite a few years. In the case of Kennedy's murder, although the accused said he had fired the fatal shot that killed him, the Government of the day came to the conclusion that the matter required deeper probe.

Here it is not a solo performance of Mr. Nagarwala or Malhotra. Would the Government ask anybody in his senses to believe that it was a solo performance? Even in the matter of withdrawal of funds from the vaults of the State Bank, it required a number of persons to be associated with it. What has happened to those accomplices? Why have they not been brought to book? Therefore, I was saying that the courts have behaved in the strangest manner possible. One is almost tempted to say that this is a greater fraud on both the procedural law and the substantive law than the fraud committed on the State Bank of India. Therefore, I should say that this matter has not gone through the trial and it requires further trial and there is a valid case for submitting this to the commission of inquiry.

Let me say one word about the wonderful role of the police. The police has always been used by the ruling party for its own private purpose. We have seen examples of this in this very city of Delhi. I appeal to their sense of judgment in this matter.

MR. CHAIRMAN : Try to be short.

SHRI SHYAMNANDAN MISHRA : There could have been a successful prosecution of Mr. Malhotra. Even if 409 was the section under which the case was being conducted, section 409 read with section 405 did provide ample scope for convicting Mr. Malhotra, but that was not done. Don't you ask yourself, Mr. Chairman, a few questions? The FIR was filed in the Chanakypuri police station, quite a few miles away from the State Bank of India and not in the Parliament Street police station near the State Bank. Why was not this question asked as to why the FIR was filed at such a distant police station? If the FIR was properly examined, even on the basis of

FIR at Chanakyapuri, Mr. Malhotra should have been prosecuted. The bank official had said in his FIR at the Chanakyapuri police station that Mr. Malhotra withdrew the amount wrongfully and he refused to produce a receipt for it. Was that not enough basis for proceeding against Mr. Malhotra? But the prosecution officials elected to prosecute him on the basis of another FIR, which had attracted the very sarcastic comment from the higher court that the case was made in such a way as to collapse before the court! A most dishonest thing happened in this manner.

Why did the case fail? The most important point to note is that police did not challan properly; the police did not frame the charges properly; the police did not put up the case before the court properly. That was the reason why the case failed. Therefore I say that it is the most dishonest way of dealing with the matter.

There are so many loopholes left in the case. The most important one to which I am going to draw your attention is this. It was said by the trying officer that there would be an opportunity for hearing Mr. Malhotra; during the course of the trial of Nagarwala he is going to be cross-examined. That trial is not going to come about now. That trial related to Mr. Nagarwala. When will we have an opportunity of hearing Mr. Malhotra about the whole story? There are so many points essentially of a legal nature, which could not be cut short. Even so, I have to accept the limitation of time.

Why has the government not thought it fit to prosecute Shri Malhotra so far? The plea cannot be taken that Shri Malhotra's case does not stand judicial scrutiny. The plea could not be taken because the case was dishonestly proceeded with, the case was not properly processed. I ask you, if there is a sabotage by an official in the Secretariat and if the police does not take cognizance of it, would the Government of India sit supine? Is the Government of India so helpless as not to take action against an official? If an official wants to blow up the Secretariat, would you depend completely on the police? Now, if we are not that helpless in this matter, then the government should have found a way of prosecuting the chief culprit

in this matter, Shri Malhotra. But the government has not thought it fit to do that. Here is a person who has breached all possible laws in the banking system, and yet he is flourishing quite well. So, there is a case for a commission of inquiry. Without a commission of inquiry the doubts in the minds of the people are not going to be cleared. Since there have been so many loopholes left in the matter, since this case has not been processed properly, since the Government of India has lent itself to the charge that it has stakes in truth not coming out in the matter, since the Government of India has lent itself to the charge that it has pressurized the police and the magistracy in this matter, there is a clear moral obligation cast upon the Government of India to institute a commission of inquiry under the Commission of Inquiry Act. Then alone the public mind can be clear about it.

SHRI C. M. STEPHEN (Muvattupuzha) : Mr. Chairman, Sir, I consider it really a good turning point that at the fag end of the present session of Parliament this discussion has come up.

SHRI S. A. SHAMIM : Much worse is yet to come; the poster issue.

SHRI C. M. STEPHEN : Parliament has disposed of serious business, has passed momentous Bills and now we are in a mood to take a little rest and at that time it is only proper, and in a way welcome, that these matters are raised, one today and another put up for tomorrow. I was listening, if I may so claim, with a considerable measure of open mind to the speeches that were being made by the spokesmen on the other side. Apart from my capacity as Congressman, as a Member of Parliament I really wonder if I could find out some material which would prick at least my conscience in the back, as a part of the ruling party. But I must confess to a feeling that nothing new has really come out.

SHRI S. A. SHAMIM : That is the tragedy.

SHRI C. M. STEPHEN : I do not want this running commentary. Now, we are dealing with a really serious matter.

SHRI K. D. MALAVIYA (Domaria-ganj) : They are not serious.

SHRI C. M. STEPHEN : In the opposition also, not all but those who took the initiative in the matter, concede that it is a serious matter. So, I would appeal to them that they must have the fairness to keep an open mind to hear whatever is attempted to be said from here, if the effort is to find out the truth and not merely to malign the ruling party.

Now what has come out here ? I was relieved to hear responsible leaders from the other side, Shri Manoharan, Shri Jagannath-rao Joshi and Shri Mukerjee coming out with statements that they do not have any allegation against the Prime Minister of India. There is the statement of Shri Nagarwala stating clearly, you may call it a declaration before his death that he has absolutely nothing to say against the Prime Minister and she is not involved in this.

SHRI S. A. SHAMIM : But the Prime Minister needs Shri Nagarwala's certificate !

SHRI C. M. STEPHEN : I am quoting the Opposition member. But there are two solitary exceptions. One is Mr. Jyotirmoy Bosu. Certainly, we will not be surprised at any statement that he may make. Mr. Jyotirmoy Bosu made out a statement that there is a skeleton in the cupboard and he implied by that that the Prime Minister is involved.

There is another Member, Mr. Shyam-nandan Mishra, characterising the whole thing as irresponsible. He made a statement which I may be permitted to say is more irresponsible than anything I have ever heard. He made a statement that the Congress party is involved in that. I am not surprised, because I know the mental background in which he is.....(Interruptions) He is desperate now; he has lost his balance.....(Interruptions)

SHRI K. MANOHARAN : On a point of order, Sir. I want to know what is the mental background of Mr. Shyamnandan Mishra.

SHRI C. M. STEPHEN : I have no time.

I do make an appeal to you. The whole argument of Mr. Shyamnandan Mishra came from one background, saying that the police is bad, the judiciary is bad, the State Bank is bad, the Prime Minister is liable to any sort of corruption and the ruling party is bad. That is the start of Mr. Shyamnandan Mishra. I am happy that other Members have not started on that assumption. I appeal to the elected Members of Parliament, even though they are in the Opposition, to accept one thing. We had an election. The people have given their verdict. The people have sent certain people to Parliament. There is a judiciary under which we are functioning; there is a police under which we are living; there is the nationalised bank which is controlling the finances of this country. Unless we are prepared to assume, until otherwise proved, that these are good, we will not be able to carry on in this country. Let me appeal to you—I am arguing my case—assume for argument's sake that these are fair. Let us proceed on that basis.

Now, what is the case before us ? two individuals are before us, Mr. Malhotra and Mr. Nagarwala. Let us see what they are. We are spending so much time of Parliament on that. Let us see what they are. Mr. Malhotra just takes out Rs. 60 lakhs, walks out, goes to a particular place, he meets somebody and hands over the money to him, and he is told, "You go to such and such place. You will find the Prime Minister and you will get a receipt." That is what he is told. This man takes out the money, hands it over to a person whom he is seeing for the first time, not against a receipt. He changes his car, gets away and he finds that the Prime Minister is not there. He is told, she is in the Parliament; he goes to find the Prime Minister; he is not able to meet her. Then, he understands that there was no such instruction. This is the statement he has given. Here is Mr. Malhotra. Either he is a knave or he is a fool. That is the position we are finding before us.

Look at the other man, Mr. Nagarwala. Mr. Jyotirmoy Bosu was arguing about Mr. Nagarwala. When I heard him, I was wondering whether a Daniel has come to judgment. Mr. Jyotirmoy Bosu takes out the statement given by Mr. Nagarwala and he reads it out. Who is this Mr. Nagarwala ? That is the picture that is before us ? That man waits at

a particular place, takes Rs. 60 lakhs—these are admitted facts—and coolly leaves away. He keeps a revolver, an unlicensed revolver, with him—he had got to be prosecuted. Anyway, he is a fellow who keeps a revolver with him. I do not carry a revolver; most of us don't. But here is a non-violent fellow, absolutely a paragon of virtue; he has got to keep a revolver with him; he takes the money and goes away. And that man is there, and that is the man who has admitted that he is a criminal; no doubt about it; misappropriation has been committed; money had been whisked away; money has been recovered from him; he had kept a fire-arm and had no glorious precedents, although Mr. Bosu finds him a man of glorious precedents, may be, comparable to his own...*(Interruption)* He fought in the army. Mr. Bosu also has got that past, I am told...*(Interruption)* As against a party for which the people gave their verdict, as against the party which is in control of the government of this country, as against a party which is regulating the destiny of the nation, whether you want it or not, as against a judiciary, as against the State Bank of India which is controlling the finances of the country, merely because there was a fool on the one side and a confirmed criminal, by admission, on the other side...*(Interruption)* it was said, 'Here is Nagarwala; prosecute him; and Government must quit'. That is what Mr. Mishra says. Why? Mr. Nagarwala took away Rs. 60 lakhs and therefore Government must quit; Mr. Nagarwala took away Rs. 60 lakhs and therefore judiciary must be liquidated; Mr. Nagarwala took away Rs. 60 lakhs and therefore the Chairman of the State Bank of India should go? What has the Chairman of the State Bank of India to do with this? May I say this? At 12:30 this incident took place. Within five minutes, the Deputy Chief Cashier lodged a complaint with the Parliament Street Police Station saying that this had taken place...*(Interruption)*

SHRI JYOTIRMOY BOSU : On a point of order. The incident took place at 12:30, and the complaint was lodged at 4:30 p. m. What were you doing for four hours?
(Interruption)

SHRI C. M. STEPHEN : My friend is misinformed or he is prejudicially informed. What happened was that the Chief Cashier took away the money. Two people, together

went to the strong room and collected the money. Entry was made there. But the Deputy Chief Cashier must be accounted to by this man, but he does not do; he says he would return the voucher and walks out. The records show that the moment Mr. Malhotra walked out, the Deputy Chief Cashier lodged a complaint with the police...

SOME HON. MEMBERS : No, no.

SHRI C. M. STEPHEN : The records will bear it out. This miserable police about which Mr. Mishra was saying...*(Interruption)*

SHRI S. A. SHAMIM : On a point of order...

MR. CHAIRMAN : Please sit down.

SHRI S. A. SHAMIM : You cannot stop a member from raising a point of order...

MR. CHAIRMAN : You need not tell me; please sit down...*(Interruption)*

SHRI C. T. DHANDAPANI (Dharampuram) : The Deputy Chief Cashier or any employee of the State Bank cannot directly go to the Police Station. They can only go to the Agent.

SHRI C. M. STEPHEN : Now, there is another question. There was an attack against the police. What has happened here? Rs. 60 lakhs were whisked away for whatever reason. Within six hours' time, the money was recovered; the entire money was recovered in six hours' time. This goes to the credit of the police...*(Interruption)*

SHRI PILOO MODY : I think, he has got the Home Ministry's file with him.

SHRI C. M. STEPHEN : This is my file.

SHRI PILOO MODY : Let me see it.

SHRI C. M. STEPHEN : This is my file.

MR. CHAIRMAN : Kindly take your seat.

SHRI PILOO MODY : It is a Ministry's file. Let me see it please.

SHRI C. M. STEPHEN : I am coming to it.

Therefore, the Government have done what they should. Prosecutions were launched against the people who were found to be criminals. Disciplinary action was taken against persons against whom action had to be taken. The lost money was recovered and the Bank has not lost any money. Proceedings were started and there is nothing which remains there.

The only thing that remains there is two criminals. One criminal admitted to be a criminal and something has happened to him. That was the only thing. May I ask with all respect— is this a matter for this Parliament to debate about? What has happened about this? Let us know. Absolutely nothing. This has been explained already. There is nothing that remains to be explained further. One more thing, I am finished.

Now, the purpose is absolutely clear. When Mr. Jyotirmoy Bosu took up this issue, the purpose is certainly clear. I am not questioning the motives of the other friends because they have not attributed any political motives whereas Mr. Jyotirmoy Bosu did it. Why? Let me ask you. My learned friend who spoke before me has explained it away. I do not want to labour further on that. I can understand anything but for the Marxist Communist Party spokesman to come out with a statement which betrays his moral indignation and charging corruption and inefficiency in the administration, I cannot understand, because the record of the Marxist Communist Party is there before us. I come from a State where the Marxist Communist Party was in power... (*Interruptions*) I want to explain the political implications about it. Let anybody do anything. But, they are now charging us with inefficiency, and Mr. Jyotirmoy Bosu, with corruption and the rest of it.

SHRI PILOO MODY : On a point of order, Sir. Mr. Stephen seems to be labouring under the impression that this is a personal battle between him and his Party and Mr. Jyotirmoy Bosu. I would like to make

it clear that we all of us in the Opposition charge him with the same thing.

SHRI C. M. STEPHEN : There is a distinction. There was no allegation from Mr. Manoharan... (*Interruptions*)

SHRI PILOO MODY : Sir, the file has disappeared. I made a charge earlier that it was the Ministry's file. That file has disappeared. I suggest that you insist that that file be laid on the Table of the House... (*Interruptions*)

SHRI C. M. STEPHEN : Will you control this House or not, Sir?... (*Interruptions*)

SHRI PILOO MODY : Where did that file go?

SHRI C. M. STEPHEN : To Mr. Mody's house.

SHRI PILOO MODY : I want to know where that file has gone.

SHRI RAJ BAHADUR : He is wasting the time of the House.

SHRI PILOO MODY : I made a charge here that he was using the Ministry's file and all of a sudden, the Ministry's file has disappeared.

SHRI C. M. STEPHEN : I was not using any Ministry's file. It was my file which I was using. I was not using any Ministry's file.

Now, let me conclude...

SHRI PILOO MODY : I made the charge that there was a file over here, which has deliberately been spirited away by fellow-conspirators sitting around him. (*Interruptions*)

SHRI S. A. SHAMIM : Shri Amrit Nahata is going away with that file and he is going out of the House.

SHRI C. M. STEPHEN : It is a serious allegation which has been made. I am not liable to show my papers to anyone. I have

got my property and I need not show it to anybody. (*Interruptions*).

MR. CHAIRMAN : No Member is allowed to peep into the files of private Members.

Now, Shri C. M. Stephen may sit down.

SHRI C. M. STEPHEN : Let me conclude my speech with just one sentence...

SHRI PILOO MODY : You may please quote the rule under which that is not allowed.

SHRI S. A. SHAMIM : Sir, Members have seen Shri Amrit Nahata leaving the House, carrying that file. (*Interruptions*)

MR. CHAIRMAN : If hon. Members have any suspicion that the hon. Member who was speaking had been using Governmental files, there is a procedure for it, and they can adopt that procedure. But let them not disturb him now.

SHRI ATAL BIHARI VAJPAYEE (Gwalior) : Where is that file ?

MR. CHAIRMAN : Hon. Members have to prove that he was using a governmental file. They can adopt the proper procedure. But let them not disturb him now.

SHRI C. M. STEPHEN : It was not a governmental file. I accept this challenge. Let me conclude now with just one more sentence. (*Interruptions*)

SHRI K. MANOHARAN : When Shri C. M. Stephen was speaking, my hon. friend Shri Piloo Mody had made a specific charge that the Home Ministry's file was being used by him...

SHRI PILOO MODY : Some Ministry's file, I do not know which Ministry's.

SHRI K. MANOHARAN : Within fifteen minutes that file had disappeared. I have seen the file and it has disappeared.

SHRI PILOO MODY : It was some file; whether it was the Home Ministry's file or

the Finance Ministry's file or the CID file, I do not care; but it was some Ministry's file.

MR. CHAIRMAN : Let me first dispose of Shri K. Manoharan's point of order.

SHRI G. VISWANATHAN (Wandiwash) : May I say something on the same point of order?

MR. CHAIRMAN : Let the hon. Member kindly take his seat. I have understood his point of order.

AN HON. MEMBER : The file has reached Shri K. R. Genesh by now.

MR. CHAIRMAN : A suspicion is lurking in the mind of some hon. Members, and they are therefore raising a point of order...

SHRI C. M. STEPHEN : Let me conclude my speech.

MR. CHAIRMAN : The hon. Member may kindly take his seat. Now, the hon. Minister. (*Interruptions*)

SHRI C. M. STEPHEN : I have been insulted in this House. I am demanding your protection. I am entitled to have it. I am not yielding. I have been called names.

MR. CHAIRMAN : Take your seat first.

SHRI C. M. STEPHEN : I have been insulted in this House by Shri Mody. I do not accept his charge. Unless you are prepared to extend mutual respect for each other, how can we carry on ?

MR. CHAIRMAN : Take your seat first. I have observed that there was something lurking in the mind of some Members; there was a suspicion. (*Interruption*) Take your seat. Mr. Mody says that it was a file from the Home Ministry, which was not a fact. The hon. Member has been denying it. Therefore, why do you want to accuse him that he was using a government file ? Kindly take your seat.

SHRI C. M. STEPHEN : Let me have my say.

MR. CHAIRMAN : Are you not satisfied with my explanation ? When I am taking your side, I am arguing out your case. you are not satisfied ?

SEVERAL HON. MEMBERS : *rose* —

AN HON. MEMBER : How can you argue his case ? (*Interruption*)

MR. CHAIRMAN : Kindly take your seats first. I was explaining his case, his view-point, and at the same time factually interpreting what happened in the House. Therefore, Mr. Mody, take your seat first.

SHRI JYOTIRMOY BOSU : Sir, Are you clear in what you have stated ?

MR. CHAIRMAN : I was explaining his own view-point.

SHRI SHYAMNANDAN MISHRA : Sir, on a point of order. (*Interruptions*)

MR. CHAIRMAN : Take your seats first, till I allow you to raise the point of order.

SHRI PILOO MODY : Can I make an explanation, Sir ?

MR. CHAIRMAN : Kindly listen to me first.

SHRI K. D. MALAVIYA : Will you please allow me to say a few words ?

MR. CHAIRMAN : I am not allowing anybody.

SHRI K. D. MALAVIYA : Will you please allow me to say a few words ?

MR. CHAIRMAN : Nobody is allowed.

SHRI C. M. STEPHEN : I feel insulted.

SHRI K. MANOHARAN : You have insulted the House.

MR. CHAIRMAN : I must explain the position. I was up trying to explain as he was in the midst of his sentence...

SHRI SAMAR GUHA : No, Sir. Let us know whether it was a slip of the tongue due to which you used that word... (*Interruptions*)

SHRI RAJ BAHADUR : They do not want to have the final reply; that is why they are creating trouble.

SHRI C. M. STEPHEN : I am on a personal explanation; kindly permit me to make a statement.

MR. CHAIRMAN : I shall call you later... (*Interruptions*) Whatever has gone on record, you can see and ask me questions and I shall answer.

SHRI JYOTIRMOY BOSU : Under rule 376, I am on my legs.

SHRI K. D. MALAVIYA : Hordes of them, about fifty of them stand up and disturb the functioning of the House, including Mr. Piloo Mody, you are not controlling them. Mr. Piloo Mody should not be allowed... (*Interruptions*)

MR. CHAIRMAN : The matter is closed. The hon. Minister.

SOME HON. MEMBERS : No.

SHRI K. D. MALAVIYA : He is becoming intolerable; he must be turned out of the House. There is a limit to it.

SHRI PILOO MODY : Please take care of him.

SHRI K. D. MALAVIYA : Mr. Chairman, you must ask Mr. Piloo Mody to get out of the House before we can take up any other business... (*Interruptions*)

18.55 hrs.

[MR. SPEAKER in the Chair]

MR. SPEAKER : I have not able to appreciate what is going on. After all, this Parliament is meant for discussion and decisions. There is so much shouting. I am very sorry. It reflects so badly on us. (*Interruptions*). You are excelling each other.

SHRI K. D. MALAVIYA : On a point of order, Sir. This Member of Parliament Mr. Piloo Mody, has been disturbing the normal proceedings of the House for about half an hour. He has been laying false accusations against hon. Members...

SOME HON MEMBERS : No, no. (Interruptions)

SHRI K. D. MALAVIYA : He has been doing a political crime. He must be asked to get out of the House. Otherwise, normal proceedings of the House cannot go on. We have been hearing and seeing the drama going on. He has been misbehaving and is spoiling the reputation of this House. (Interruptions). A promise should be taken from him that he will not misbehave in future.

MR. SPEAKER : Mr. Mody, kindly be cautious about your remarks (Interruptions)

SHRI SHYAMNADAN MISHRA : What has he done, Sir, to attract this comment from you ?

MR. SPEAKER : He keeps on passing remarks and retorts. Sometimes they are not to the members' liking. All I tell him is it is much better if he keeps quiet. If he wants to raise anything, he might get up and say it. (Interruptions). Mr. Bhandare has told me everything about it.

SHRI PILOO MODY : Sir, you have allowed him to malign me. I will not say anything.

MR. SPEAKER : I am just giving a friendly advice. A number of times I have advised you. If you want to raise anything, you better get up and say it. We are not in a position to judge, when you pass your remarks and retorts while sitting. Sometimes they are pleasant and sometimes they are offensive. You should be very cautious about passing such remarks.

19 hrs.

SHRI H. M. PATEL (Dhandhuka) : Mr. Speaker, Sir, I was really astonished and somewhat shocked at some of the remarks of the last speaker. He referred to Shri Nagarwala as a confirmed criminal. Is this not an improper thing to-day ? I am showing this as

an illustration of the spirit in which the ruling party is taking up this matter, which is of very great importance. This is a matter which ought to be gone into with an open mind, we have to see through and find out where the truth lies. A certain incident took place... (Interruptions) Our object in bringing forward this motion was clearly to get at the truth. For that an open mind is very necessary. That is why I started with this illustration about calling Shri Nagarwala a confirmed criminal when a trial was still to take place... (Interruptions).

I will now come to the withdrawal of Rs. 60 lakhs from the State Bank of India.. (Interruptions) I will be very brief and I will confine my remarks to one particular aspect of this matter. Right from the beginning the Finance Minister has sought to justify this or, if you like, explained it on the ground that the money was taken from the currency chest. The currency chest is nothing more than an ingenious device for transferring money from one place to another, or supplying funds from the particular office where the currency chest exists. There are big complicated procedures for drawing money from that, into which I will not go. Because, the currency chest is there for a particular purpose. When money goes into the currency chest, when notes are put into the currency chest, they cease to be in circulation; they are, as it were, withdrawn from circulation. The withdrawal from the currency chest calls for quite a complicated procedure an important procedure, where nothing can be done without certain things being put in writing and on record.

Here it is said that the money was taken out of the chest, three persons were involved and all of them took oral instructions. Here you have Shri Malhotra, the chief Cashier. His Deputy Chief Cashier goes along to the Deputy Head Cashier and says Rs. 60 lakhs are wanted. Just on that, we are told by the Finance Minister, money is taken out of the currency chest. He has never at any stage explained this, even though this is an important point.

MR. SPEAKER : He should conclude now.

SHRI H. M. PATEL : Because I am at the tail end, it naturally appears that the whole thing is being prolonged by me.

[Shri H. M. Patel]

This is a most important point. The Finance Minister has been continuously emphasizing this question of currency chest. May I read out from the first statement made when the call Attention Notice was moved by Shri Piloo Mody in this House? This is what the Minister of State, Mr. K. R. Ganesh, had to say on the subject. He says :

"According to the officer-in-charge of cash and the Deputy Chief Cashier responsible for the withdrawal of cash from the currency chest who gave the above information, Shri Malhotra told them that the money was needed for making some large payment..."

As if on such a statement, anybody would ever be permitted to take out the money from the currency chest. This is totally wrong. The Finance Ministry had acquiesced in this. I use the word 'acquiesce' for this reason. When was this statement made? It was made on 26th May, 1971. To this day no further information has been vouchsafed to this House as to how exactly this happened.

The Finance Minister said on that occasion—I quote—

"I certainly agree that it is fantastic and unbelievable that an officer of long standing with more than 20 years of service should act in such a stupid manner."

It is not stupidity. It is nevertheless fantastic and unbelievable. Then, he goes on to say, "It is something more than that." He himself says, "But I do not want to express an opinion at this stage." Quite right. He should, certainly, not express an opinion till he obtains the facts.

What has the State Bank or the Reserve Bank done? All of them are involved in this. After one whole year, what has the State Bank done about these three persons? We are hearing about Mr. Malhotra. Why were others not suspended, the Deputy Head Cashier and the Deputy Chief Cashier? What is more, this information must have been given to the Agent. What action did he take? Has the Reserve Bank gone into

this further? What further instructions has the Finance Minister issued?

The Finance Minister later said, "What can one do? There are rules. We have examined the rules. They are perfect. It is only an individual who has certainly gone mad." It is not one individual who can take out money like this from the currency chest which is in the head-office of the State Bank. That is quite impossible. That cannot be done. That would not be done under any circumstances. There are many things in it.

What it suggests is clear. The currency chest idea was thought of because of the large amount involved. How else to find this large amount which can immediately be got at, not only immediately, but to be withdrawn on oral instructions from outside and oral instructions within the State Bank. The whole thing has to be done orally, and to find Rs. 60 lakhs in cash.

The first report of the police makes it very clear. What does the Deputy Chief Cashier say when he makes his statement to the police? He says, "I told the Head Cashier that the trunk contained money from which I have to pay." I do not know the exact words. The words are to that effect. He said that Rs. 60 lakhs from the trunk have to be taken out. That really means that the currency chest was just merely used as a receptacle for this trunk containing money which had to be kept there for some particular purpose. Whatever it may be. I am not interested in that. I am only interested in this that here, we have a nationalised institution, the State Bank. It operates with this degree of negligence, on their own admission. The Chairman of the State Bank says at the end of a year that Mr. so-and-so is under suspension. Maybe, no further departmental action is taken because the matter is *sub judice*.

Now, if you could act so quickly and so promptly insofar as Mr. Nagarwala was concerned, what prevented you from going ahead with the case against Mr. Malhotra? Why is it that you could not ask for some degree of expedition? Why has the Finance Minister not come to this House on his own saying

that in this deplorable instance, there is something that is highly discreditable, "I must tell you the progress of our enquiries made." That is what should have happened in any democracy which was functioning as a democracy, any Ministry which was functioning as a Ministry, responsible to this House. But because you think that the opposition is small you can ignore it. That should not be the right attitude.....(*Interruption*) I am only talking about attitude.....(*Interruption*) I am referring to this particular matter and I have no doubt that the Finance Minister will explain the things to our satisfaction. I am sure, he will find that the points that I have raised are certainly relevant; they are not irrelevant.

I do not wish to take the time of the House except to say that when something happens that is clearly wrong, then, surely, a thorough and detailed inquiry has to be made. The Minister of State in the Ministry of Finance himself said only a few days ago, when the question of some similar amount being carried away from Calcutta branch of a nationalised bank was raised, that they had been acting promptly, and he gave out considerable details of the inquiry made. But not even a fraction of that investigating mind has been applied to this case. Why? This is what baffles us. Undoubtedly, in normal circumstances, the Government appears to want to be alive to these issues because there have been other cases of defalcation and misappropriation. And these will go on happening. This was a case distinguishable from all others, and that is why it is of special importance. Everything that should never have happened happened has happened. Therefore, I would urge that the Finance Minister, now at least, gives us full information and accedes to our request for a Parliamentary inquiry.

SHRI C. M. STEPHEN : I wanted to offer a personal explanation. Shri R. D. Bhandare, when he was in the Chair, said that I would be called later. I want only two minutes. Something happened in your absence. I am saying this with a heart full of pain because I felt I had been insulted...

MR. SPEAKER : You can do it later.

SHRI C. M. STEPHEN : I must explain my position, Sir. Shri R. D. Bhandare said that I would be called.....

MR. SPEAKER : Yes.

SHRI C. M. STEPHEN : I am a person elected to Parliament. I claim, I have got my own record of public service. Every member brings his own files. I came here today. I was not scheduled for speaking today. In the course of discussion I was informed that my name was in the list. Some papers prepared by my party, I took from my colleague and they were with me I was consulting them and I was speaking. The question is this. Mr. Piloo Mody came out with a statement that I was having the Government files. I immediately repudiated it, held up the file and said that that was not a Government file; that was my file. (*Interruption*)

SOME HON. MEMBERS : No, no.

SHRI C. M. STEPHEN : Let me complete it, Sir. The question that I am raising is this. A member brings his papers. An allegation is made and the member repudiates it, A ruling was asked for and Mr. Bhandare who was in the Chair gave the ruling. It is not open to any body to peep into the papers another member is carrying (*Interruption*) Mr. Piloo Mody started peeping into my papers.

SHRI C. M. STEPHEN : The question I am raising is this. If the statement I made before the Bar of the House.....

SHRI SAMAR GUHA : On a point of order, Sir.

SHRI C. M. STEPHEN : I am on a point of order. I did not want to carry it on, I will do it in a minute.

I want to know it. The important question that arises out of this is : is it open to any Member of this House to look into the papers of another hon. Member and to say that the papers he is carrying are such and such and demand that the papers be circulated? If it is repudiated by the Member who carries the papers, is it open to the member to persist and to say that the statement made by the Member is not true, incorrect and is it open to carry on further investigation? If the statement I made before the Bar of this House is incorrect, I have committed a contempt of the House. On the other hand, if

[Shri C. M. Stephen]

the hon. Member has made allegations against me and has done something which is not permitted under the Rules, that is, prying into the papers of the other member and dancing about and looking into my papers and obstructing my speech, that member has committed a contempt of the House and he has committed a breach of privilege of the House. That is all what I want to say. The paper that I was carrying was not Government paper, it was my own paper.

SHRI P. K. DEO (Kalahandi) : This is a charge against Mr. Piloo Mody and he must refute it.

SHRI SAMAR GUHA : My point of order is this. When one hon. Member was participating in the debate, it was seen that there was a file before him and it appeared that he was making reference to that file and from the way he was making reference to the file and from the way he was using the file, suspicion arose in his mind that this file is not a personal file but an official file. That Member immediately drew the attention of the Chairman and then certainly what happened? If any Member makes use of any file or makes any reference to any file or mention about it, is it not that other members can demand that he make a clear statement of the nature of the file and what it is? It is within our purview and privilege that even we can ask him to produce the file on the floor of the House. When this discussion was going on, suddenly it happened that another member immediately took the file and whisked it and sent it away. I want to know from him whether it is permissible for any hon. Member in this House to know what is that file if a file is used and if he wants that that file should be produced on the floor of the House, whether it is permissible...*(Interruptions)*

MR. SPEAKER : It seems the Chairman has already given his ruling on that.

SHRI SAMAR GUHA : I want to know your ruling.

MR. SPEAKER : I would like to know from Shri R. D. Bhandare whether he gave his ruling or made certain observations.

SHRI PILOO MODY : That cannot be discussed in the House.

SHRI R. D. BHANDARE : I would request you, Sir, to see the record and then you can ask me the question so that I can reply.

SHRI PILOO MODY : May I say...

MR. SPEAKER : Will Shri Piloo Mody sit down please? I have to deal with the other gentlemen before I deal with him.

The hon. Member has raised a very important point of order and I think it must be decided. I think the Chairman had already cleared this. If a Member quotes from a certain document...

SOME HON. MEMBERS : He was not quoting.

SHRI B. S. MURTHY (Amalapuram) : He did not quote. *(Interruptions)*

MR. SPEAKER : The Members are all mature people. What is this habit which they have developed? They are august Members of Parliament. What is this? Why are they so impatient and so irritable? Why should they appear to be such highly explosive material? I am very sorry that they do not listen to anything. It would have been much better if hon. Members would have used their abilities and their intelligence in refuting the arguments and fighting them on the basis of a very logical speech, but they suddenly get up and make noise. If a Member has not quoted from that but is just referring to that, I do not think that there is any dispute about it. If he quotes from that, the other Member can contest it. Otherwise, if he does not quote from that, the validity of the document cannot be questioned.

SHRI K. MANOHARAN : Do you mean to say, Sir, that any hon. Member can possess a Ministerial file?

MR. SPEAKER : I do not know where it is...

SHRI RAJ BAHADUR : I repudiate this. There was no Ministerial file with him. I must repudiate this.

SHRI P. K. DEO : The Ministers have taken an oath of secrecy, and they cannot pass on their files to private Members.

SHRI G. VISWANATHAN : It was a Ministerial file.

MR. SPEAKER : If he was not quoting, then it is a different matter. He might have been quoting from anything which may have been on his palm or a file or in his hand.

SHRI PILOO MODY : I very much regret that my hon. friend Shri C. M. Stephen brought this point up once again...

SHRI AMRIT NAHAHA (Barmer) : After your ruling, can he discuss it again ?

SHRI G. VISWANATHAN : He was the person who took away the file.

MR. SPEAKER : What is Shri Piloo Mody on ? Is he giving a personal explanation or is he raising a point of order ? Or is he saying something on the basis of what Shri C. M. Stephen has said ? If he is giving a personal explanation, then personal explanation on what ?

SHRI PILOO MODY : I have been accused of something. I must give you my end of the story. What is so strange about it ?

MR. SPEAKER : But his end is unending. That is the pity of it. The story must end somewhere.

SHRI PILOO MODY : It will end right here after I finish. I am sorry that Shri C. M. Stephen brought this matter up again. He was referring to a particular file .

SHRI C. M. STEPHEN : No.

SHRI PILOO MODY : He was referring to a particular file which incidentally was placed like the file which I have kept before me, and he was speaking from his

memory. All of a sudden, he said something which had not appeared in any single newspaper that I could recollect. I did not remember reading that particular bit of information anywhere. Just at that point, Shri Jyotirmoy Bosu got up on a point of order contesting the fact that Shri C. M. Stephen had just stated.

SHRI JYOTIRMOY BOSU : Very true.

SHRI PILOO MODY : While Shri Jyotirmoy Bosu was on his point of order, Shri C. M. Stephen all of a sudden goes and refers to that file, checking up whether he had made a mistake. That was my assumption...

SOME HON. MEMBERS : No, no.

SHRI C. M. STEPHEN : That is his assumption. (*Interruptions*)

SHRI PILOO MODY : I am saying that, that is my assumption.

MR. SPEAKER : I would like to tell all my young friends that they are now Members of Parliament and they should not consider themselves as too young. They should try to behave in a more mature manner. After all, why do they lose their patience ? After all, this is a Parliamentary forum where we talk to each other, and we discuss so many things and we arrive at conclusions.

SHRI PILOO MODY : As I said, it was my assumption that he was checking on the facts. Whether my assumption was correct or wrong is something that cannot be drowned by that noise. The fact of the matter is that when I saw Mr. Stephen do that, I started wondering that while when one makes a speech one has notes, and one has occasionally a speech written up, but one does not carry an entire file which looked like almost a case from which you refer to something that one is going to say. So, it made me suspicious and I felt that there was something that needed to be pointed out, which I did.

Thereafter, I am afraid Mr. Stephen lost his nerve. Instead of offering the file which I asked him to show me, he started hiding the

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file and holding it as fast as possible. I said, "May I see it?" and three people from the back jumped forward as if I was going to steal something. (*Interruptions*)

MR. SPEAKER : Why did you ask for his file ?

SHRI PILOO MODY : Thereafter, I pointed out to my friend on this side, please see the way in which Mr. Stephen is clutching his file. And the next moment, the file had been spirited away. I leave it to you to draw your own conclusion, Sir.

MR. SPEAKER : I think I should give the right to Members to ask for each other's file and I should be given the power to call for the file.

SHRI PILOO MODY : I am now discussing a particular subject, on a particular issue on a particular point. Members come with all manner of papers and books. But this was a very different sort of thing, and it is not to be generalised in this fashion.

MR. SPEAKER : I am sorry. Why should you ask for another Member's file, and make one embarrassed about it ? (*Interruptions*).

SHRI SAMAR GUHA : It was an official file.

MR. SPEAKER : That can be otherwise also. But it should not have been brought to the Speaker's notice; you must have settled it yourselves. Now, Mr. Dandavate, I am sorry. You are very much late.

SHRI PILOO MODY : I made that allegation that this was an official file but the Chair took no notice of it at all. What am I supposed to do ? Forget about it ?

MR. SPEAKER : If the hon. Member says it is not an official file and it is a private paper, what should be the rule ? Should I ask for a search of the paper ? (*Interruptions*).

SHRI PILOO MODY : We appreciate your difficulty just as we want you to appre-

ciate our difficulties. The matter may end here and the Minister can be called to reply to the debate.

MR. SPEAKER : Mr. Dandavate, you are very much late.

PROF. MADHU DANDAVATE (Rajapur) : Sir, I only want to make a submission. I do not want to speak. I would only like to point out that there are parties or groups who are in the habit of holding the House to ransom and they suffer while they speak. Even if I do not speak I will continue to suffer but I will not hold the House to ransom.

MR. SPEAKER : I quite agree with you. But your time has been taken up by this ransom.

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : Mr. Speaker, Sir, I have been listening to the debate for the last three hours and a half. Some relevant points, and some which were otherwise, were also made in the course of the debate. I do not want to speak in a spirit of scoring a debating point. I think the most important point is to see that the facts of the case, as we see them, are put forth before the House. I wish I can convince and satisfy the Members of the Opposition but I am not sure about it because I do not know whether they have got an open mind on the question. But, if they have, certainly they should be convinced about it.

The main point is...(*Interruptions*)...I did not utter a word by way of interruption throughout the debate. So, I would certainly be entitled to be heard uninterrupted. Ultimately you have your own views and we will have our own opinions about it. The main point is that as far as this taking away of Rs. 60 lakhs from the State Bank of India is concerned, it was something very unprecedented and something very fantastic, as I said on the very first occasion when I had to speak about this thing. The question is, how the Government reacted to it, and what actions the Government are to take about it. This is the main point. I heard the speeches of Shri Bosu and other Members and the

type of adjectives they used—Shri Shyamnandan Mishra also spoke—they said there was stony silence, that Parliament was kept in the darkness and so on. Shri Shyamnandan Mishra, one of the great exponents of democratic institutions in the country, particularly of judiciary in the country, said that we were living in conditions where there was no judiciary, there was no respect for Parliament, no respect for anything; we were living in such society...

SHRI SHYAMNANDAN MISHRA :
...for State Bank.

SHRI YESHWANTRAO CHAVAN : ... for State Bank also, as if there was all chaos around, except that some good people were sitting only on the opposite benches.

On the very first day, when we were asked to make a Statement, the Government made a statement. The whole thing took place on the 24th of May 1971, after 12 o' clock but before 12:30 Malhotra took Rs. 60 lakhs out of the bank. After that what happened? It was said in the statement made by the Minister of State on the 26th, that Shri Malhotra took the money in a car and Shri Nagarwala and the money was transferred from that car to the taxi. In that taxi, according to him, Nagarwala disappeared with the money. Then he got suspicious and went to the Prime Minister's House and wanted to meet the Prime Minister when he was told that the Prime Minister was not likely to return for lunch. Then he came to Parliament House and met the officials from the Prime Minister's office; the Prime Minister was in Parliament.

Then he was told that no phone was made from the Prime Minister's side. That is what his statement is. When he made enquiries here, naturally he was taken to Parliament Police station; that was about 2:30 p. m. when the police first knew about the whole thing. Investigations started at 2:30. Hon. Member Shri Bosu was asking how it took four hours to lodge the first information report. It has to be given by a person who was entitled to complain and that was the Deputy Cashier who was supposed to take the receipt from the person who takes out the money. Naturally certain communi-

cations had to be established and he made his first complaint at 4 O' clock.

SHRI JYOTIRMOY BOSU : Very convincing.

SHRI SHYAMNANDAN MISHRA : Why did they go to Chanakyapuri police station?... (*Interruptions*). We cannot allow the points raised by us to be slurred over.

SHRI YESHWANTRAO CHAVAN : I am not arguing as the lawyer does; I am giving you facts; I do not want to answer your legal points. On that very day, when the investigation started at 2:30 p. m. by 10:30 p. m. Nagarwala was arrested and the money was taken possession of. In eight hours, the Government machinery not only took cognisance of the matter and acted very promptly but successfully dealt with the matter. I should like to quote what Mr. Jyotirmoy Bosu had to say about it; perhaps he has forgotten. He has given very handsome compliment to the Delhi police that day. I read from the debates on 26 May, 1971. He had something to say about what happened and he had some criticism of the Government, but before doing that he says :

"Before doing that I must agree with Mr. Chavan that the police have done a wonderful job because they have detected it immediately and we must appreciate it."

This is the appreciation that he has given !

Mr. H. M. Patel expressed his indignation about it. I certainly respect him. He was one of the experienced administrators and I can very well take his criticism as objective criticism. May I ask him, if he were in charge of the position, what else would he have done? We have the rule of law in this country. We have to leave the entire matter to the police investigation. The police investigation started immediately. They immediately found the money. They, according to them, found the culprit.

What happened next? I have got the sequence of events. Naturally, he was taken to the magistrate. He agreed to make a statement and he made a confession. Two

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points of view can be expressed about the confession. On the basis of the confession, he was first convicted. Then, he went in appeal to the higher court. The higher court set aside the conviction and remanded the case for retrial. At the same time, one must see that the judge has not given any opinion about the confession, whether it is true or not. He has not said it is not true.

SHRI K. MANOHARAN : Then, why did he set aside the conviction? Please explain that.

SHRI YESHWANTRAO CHAVAN : I have kept a copy of the judgment in the Parliament Library. You better read it. The judge said that he (Shri Nagarwala) was not given enough time and so it was necessary that the case should go back. He has specifically said, "I do not want to express any opinion as to whether it (Confession) was spontaneous, voluntary or not".

Some members referred to what Nagarwala had written to somebody or what he had said in interviews with them, etc. They may also be true; I do not want to suspect them because they are honourable gentlemen. But here is a statement which he has made before the judicial court which is supposed to be a confession, which is also on record. You cannot say there is only one side of the facts. There is also another side. As long as Nagarwala was not convicted, I was not prepared to call him a criminal. It would have been unfair. So, the fact is, there are two stories. One is what some members have said in regard to what Nagarwala has told them in interviews, in letters, etc. The other version is also there on record, which has not yet been proved to be involuntary and which is under judicial examination.

SHRI JYOTIRMOY BOSU : Have an enquiry.

SHRI YESHWANTRAO CHAVAN : Even after the enquiry, ultimately the enquiry commission says, "Go to the judicial court." Ultimately in this country the final decision is that of judicial courts. So, we have gone directly to the judicial court and the entire matter is before the court.

Some members asked as to why Malhotra was not proceeded against. On the very first day when Mr. Ganesh made a statement, he had said that Malhotra was suspended. Shri Joshi reminded me about it. I had no information and I wanted to know why he was not proceeded against. I was told immediately that he was being prosecuted under section 409 for breach of trust.

SHRI K. MANOHARAN : Within five minutes he was charge-sheeted and sentenced to five years.

SHRI YESHWANTRAO CHAVAN : That is a different matter.

SHRI K. MANOHARAN : But it is a relevant matter.

SHRI YESHWANTRAO CHAVAN : I do not want to express any opinion on that.

SHRI SHYAMNANDAN MISHRA : Shri Malhotra was exonerated under section 409.

SHRI YESHWANTRAO CHAVAN : Suppose tomorrow you are charged with a breach of section 409 and we place you before the court. If the judicial court discharges you, what can we do?

SHRI SHYAMNANDAN MISHRA : Our charge is that you are dishonest. Even in the higher court the prosecution was not done properly. That is the crux of the problem...*(Interruptions)*

SHRI YESHWANTRAO CHAVAN : It is not correct. Ultimately the court decided that he should be discharged. Even then, he is still continuing under suspension. Naturally, we have to think of taking departmental action.

SHRI SHYAMNANDAN MISHRA : Why not an inquiry into that?

SHRI YESHWANTRAO CHAVAN : An inquiry is a departmental inquiry. What

more do you want ? There are certain rules about that. Shri H. M. Patel should try to appreciate that. Shri Malhotra is an employee of a bank and there are certain rules about departmental enquiries. He is being proceeded against under the departmental rules. When the case is not proved in a court of law, he will have to be proceeded against departmentally. That is being done.

SHRI JYOTIRMOY BOSU : Why are you afraid of facing an inquiry ?

SHRI YESHWANTRAO CHAVAN : When so many questions are asked at the same time, it is difficult to reply to all of them.

SHRI SHYAMNANDAN MISHRA : Why was he not arrested on the same day when he had whisked away Rs. 60 lakhs ?

SHRI YESHWANTRAO CHAVAN : He was arrested on the 29th.

SHRI SHYAMNANDAN MISHRA : After so many days.

SHRI YESHWANTRAO CHAVAN : I do not know why he was not arrested on the same day. But the point to be considered is whether ultimately he was arrested or not.

Then about the enquiry, a departmental enquiry was initiated...*(Interruptions)* There is no question of any commission of inquiry...*(Interruptions)*.

SHRI SHYAMNANDAN MISHRA : We cannot be satisfied with anything less than a commission...*(Interruptions)*

अध्यक्ष महोदय : मैं आप से कहना चाहता हूँ कि वह आपको सुनते रहे तो आप क्यों नहीं उन को बोलने देते ?

श्री श्याम नन्दन मिश्र : कमीशन आफ एन्क्वायरी का जवाब दें कि क्यों नहीं करना चाहते ?

अध्यक्ष महोदय : आप उनको इट्रप्ट मत कीजिए, जो वह बोलेंगे वह बोलने दीजिए ।

श्री श्याम नन्दन मिश्र : मल्होत्रा जो 60 लाख रुपये निकाल कर ले गया उसको क्यों

नहीं उसी दिन अरेस्ट किया ? यह क्या बात है ? क्यों नहीं उसको उसी दिन अरेस्ट किया ?

On the very first day he should have been arrested.

MR. SPEAKER : You are interpreting it.

SHRI YESHWANTRAO CHAVAN : Naturally, they were mostly concerned about the money and the investigation about the money. First of all, naturally, with the disappearance of the money the police investigations was concentrated on recovering the money. Naturally, the question of investigation and prosecuting Shri Malhotra had some sort of lower priority than Shri Nagarwala under those circumstances. It is very clear from what they did. But the question is whether the police did it or not. They did it; they arrested him and prosecuted him.

The question is why he was not impleaded with Shri Nagarwala. Shri Nagarwala himself made an application to the judicial magistrate, which was dismissed. He went in appeal to the Sessions Judge, which was dismissed. He went to Delhi High Court, which also dismissed it. What can we do about it ? He was not impleaded because the judicial view was that they were two separate cases because the facts were quite different. Therefore, he was not impleaded.

Now may I ask this House one question in all seriousness ? Having referred the matter to the proper investigation, having referred the matter for the proper judicial proceedings, what was this government expected to do ?

SHRI SHYAMNANDAN MISHRA : No, we are not satisfied.

SHRI YESHWANTRAO CHAVAN : If you are not satisfied, I am satisfied. It is not a question of whether you are satisfied or not, but whether I am satisfied or not. We are running the government not to your satisfaction; we are running the government to the people's satisfaction...*(Interruptions)* We are supposed to run the government to the

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satisfaction of the people and not of Shri Mishra... (*Interruptions*)

Then, Sir, one Member said that the Government has lost reputation. I have great respect for Mr. H. N. Mukerjee. I certainly respect him and regard him as one of the senior Members of this House. I do not know what has happened to him recently. He said that the Government's reputation has completely been compromised. I wonder if the result of the 1972 elections is the proof of acceptance of the reputation of the Government of India or the rejection of it. (*Interruptions*). If you do not want to listen to my reply, I cannot help it. (*Interruptions*) Now, Sir, they are in a mood to walk out. They do not want to listen to my reply which is convincing to them. Are you afraid of arguments? (*Interruptions*)

SHRI SHYAMNANDAN MISHRA : No. We are afraid of the lack of integrity on the part of the Government. (*Interruptions*)

SHRI K. MANOHARAN : I want to ask Mr. Chavan whether he is prepared for a parliamentary enquiry or not.

SHRI YESHWANTRAO CHAVAN : No (*Interruptions*)

Some hon. Members then left the House.

MR. SPEAKER : Order, order.

SHRI YESHWANTRAO CHAVAN : Sir, even if they have left the House, I will have to complete my reply. Because they are afraid of being convinced, they have left the House.

Shri Manoharan asked me a few questions. I think, it is much better if I reply to these questions. They have asked me some questions. I do not want to create an impression that there is nothing to be answered. As a matter of fact, I have answered these questions two or three times in this House, once in the month of May...

MR. SPEAKER : You should make the position very clear. Irrespective of the fact that they have walked out, your reply should

be complete. I am so sorry, if this is the way of working of parliamentary democracy that, when your turn comes to reply, they walk out.

SHRI YESHWANTRAO CHAVAN : They constantly asked one question—to whom the money belongs. I think, it is much better to educate some of the hon. Members about it. Unfortunately they are absent. Possibly, they can read my speech in a printed form tomorrow.

I have explained the whole procedure many times. I would like to repeat it here. They asked me, to whom does the money belong. The money in the currency chest, really speaking, belongs to the Reserve Bank of India and it is held by the State Bank of India on behalf of the Reserve Bank of India. As long as the money is in the currency chest, it is the Reserve Bank of India's money. The moment it is withdrawn for circulation, then it becomes the currency in the real sense and then, it belongs to the State Bank of India or any other Bank which carries it.

Now, this money belonged to the Reserve Bank of India. On that day, the opening balance was more than Rs. 4 crores. That day, the currency chest was opened; the room was opened, I think, nine times on that day and at one time that Rs. 60 lakhs were taken out. The question is, how it is opened. It is opened by no persons. One is the officer-in-charge of cash and the other is Chief cashier himself who in this case was Mr. Malhotra. He also had a right to delegate his power to someone, who can deputise for him; that is, the other man, his deputy. The currency chest has got double locks. Unless, the two people open it, it cannot be opened. And both of them were present. They entered the room, withdrew the money or deposited the money as the case may be, and they entered the amount in the register there. Both of them signed. In this case, as I said, the whole matter, really speaking, centres round the behaviour of Mr. Malhotra when he withdrew the money. The whole mystery is built around that. Certainly, the man has acted, as I have said, in a very strange manner and that, really speaking, has created the

whole story. Unfortunately, Mr. Nagarwala died; unfortunately the police officer who investigated the case died. Some hon. Members had also tried to integrate these things into the episode. The man died in an accident in Mathura and I do not know how it can be linked with this. Even, for that matter, you may want to hold some persons sitting on the benches here responsible ! God help those who made those suggestions ! This was the money that was withdrawn. Mr. Malhotra himself realised in a couple of hours time that he was being duped. He went to the Prime Minister's house, the Prime Minister's office, then he realised that he had been duped. He was the first man to come and give the information. But by the manner in which he withdrew the money, he had certainly not observed the rules. As far as the rules are concerned, I have gone into them myself; I have asked the Reserve Bank to go into those rules. As far as the rules are concerned, there is nothing wrong about it. What do you do when you give authority to a person and that person himself misbehaves ? Mr. Speaker we have given you all the authority. I am sure you would not do such a thing. But in case you do it, what is the remedy for it ? If somebody says that there is a mystery and, therefore, appoint a Parliamentary Inquiry Committee, how do I answer that ? Certainly, he was prosecuted and he was discharged by the court. Certainly the whole thing is not at the end of it and it is being further inquired into.

Mr. Mishra made a reference to a letter of Chairman, State Bank of India. and said that the man should be pushed out. Shri Mishra wrote to him a letter. The Chairman, State Bank is quite a busy man; he moves about the whole country. He had rather delayed the reply but, certainly, he replied to him and apologised for the delay. But at the same time he said that the matter has been replied to in Parliament. He had also read in the newspapers that this matter had been allowed by the Speaker to be raised in Parliament. Therefore, he has said in the reply to Shri Mishra that it would be presumptuous for him to go into the details of the matter. It is a very polite and apologetic letter from the Chairman of the State Bank of India. And here is a Member of Parliament who says that only because he wrote that letter, that "rude letter", he should be pushed out. Some of the people

here behave like Sultans and that too, in the name of democracy they want to do that. They tried to make many indirect suggestions. I am glad that some of the Members had got the wisdom to get up and say that they were not making any allegation against the Prime Minister. I am very glad about it. It is very good. Even Mr. Nagarwala said that he had nothing to say against the Prime Minister. He always threatened to disclose something, but unfortunately he did not disclose anything. Possibly, he had nothing to disclose; may be that is a possibility. The whole matter is that this question is being kept alive and is being tried to be kept alive because it is politically motivated. Taking away Rs. 60 lakhs is certainly an important matter which we are going into. We will certainly see how this happened; we will have to see that. But there is nothing like fraud on democracy, fraud on the Bank or fraud on the people; nothing like that. Everything is open; nothing is concealed. Every part of it is either before the judiciary or before Parliament. I would like to know what is it that we have tried to conceal. Naturally, when sometimes matters come before the judicial courts, Rules of the House direct us that we should not discuss matters which are *sub judice*. Not that we do not want to disclose matters here, but when the rules do not permit us to disclose the matters here, we can not disclose the matters here. We have to say that the matter is still *sub judice*. But when the matters are discussed, I have given all the facts. I am prepared to give all the facts which are still necessary for these people to know about.

The hon. Member said that the judicial procedures are not followed or some judicial officers were promoted. May I give a very interesting information ? The Additional Sessions Judge who set aside the conviction of Mr. Nagarwala was promoted a Judge of the Delhi High Court. Can you say that this was done to protect Mr. Nagarwala ? The only person who was promoted is that person who set aside the conviction of Mr. Nagarwala. This is a fact. So, to unnecessarily try to create an impression that everything is wrong, that the judiciary is wrong, that the executive is wrong, that the Parliament is wrong and that everything is wrong—I will say that there is nothing wrong with the country, the wrong is in the persons who

[Shri Yeshwantrao Chavan]

think that there is something wrong about it. This is one thing.

Mr. Manoharan asked the question about Mr. Malhotra and what is his present status. I have explained. His present status is that he is still under suspension. Though the case is discharged, departmental proceedings are going against him.

I have answered the question as to under what authority Mr. Malhotra kept the money. Malhotra does not keep the money. Money has been kept by the State Bank of India on behalf of the Reserve Bank. He is one of the persons who were authorised to withdraw the money.

He asked me another question—what prevented the Prime Minister to make a statement? Where was the necessity for the Prime Minister to make a statement? We are the Ministers in charge here. We are making statements, we are making statements on behalf of the Government. Is it necessary for the Prime Minister to bother about it because some people go on making cheap charges against her? It is this behaviour of some of the Opposition Parties which, really speaking, has exposed them to the people and the way they are going about. People have innate faith in the integrity of their leader, people have innate faith in the Prime Minister's integrity and ability. This sort of cheap allegations do not help them, the country or the Opposition. So, I would request them to be very careful about it and try to refrain from making political charges which they always bring in some sort of allegations.

I would like to say that the behaviour of the Government in this particular matter has been absolutely upright. I have no hesitation to say we have been completely upright in this matter. We are not trying to conceal anything. We are trying to take every right step and we will continue to take every right step to uphold the law of this country in order to keep up the honour of this country because we want this country to progress and we want to have this atmosphere of integrity not only to survive in this country but to be strengthened. This is my only reply to these very baseless charges that were made.

SHRI INDRAJIT GUPTA (Alipore) : May I ask one question, just on a matter of fact? As far as you have been able to ascertain by whatever investigations you have done uptill now, why as this Malhotra stated, why has he gone after this incident, hunting about the Prime Minister? His version is that he got a telephonic call which he thought was the from Prime Minister, but we do not know whether it is a fact or not. We have only his word for it and subsequently, you say in your statement also that after he found out that he might have been duped, he went to the Prime Minister's house and then he came round to the Parliament House and so on. If this is correct, then he was under the impression that the Prime Minister or somebody on behalf of the Prime Minister had given him some instructions. What is the mystery, which we cannot understand, honestly?

SHRI YESHWANTRAO CHAVAN . I cannot explain it because this man's behaviour is completely irrational. I did say it. Even now I am saying it. You want me to give a rational explanation about the irrational and irregular behaviour of a person? It is very difficult for me. I cannot explain it.

SHRI INDRAJIT GUPTA : It is more than one year.

SHRI YESHWANTRAO CHAVAN : One year, because this case was before the Judicial Magistrate. When the case is before the Judicial Magistrate, the Departmental inquiry could not be undertaken. Now, when the whole matter is enquired into, naturally he will be asked to submit his explanation and he will have to explain and we will certainly take a note of it. There is no doubt this man—I used a very strong term. I don't want to use that again—but certainly he behaved in an irrational and irregular manner. He gave an irrational explanation. I cannot understand the way a person who was such a responsible person in charge of so much money, the way he behaved. Certainly it cannot be explained. He will have to explain or suffer the consequences.

SHRI K. BALADHANDAYUTHAM (Coimbatore) : Were Government in the habit

of drawing money like that in the past ? Otherwise, how can they lay the blame on him ?

SHRI YESHWANTRAO CHAVAN :
Not at all, I may tell the House categorically that Government never draw money like that.

20 00 hrs

MR. SPEAKER : I am very happy about one thing. The Opposition was demanding a discussion on this subject. This was given on the last occasion also; that was again allowed and a few questions were allowed and there was also a calling-attention notice which was allowed. Only two hours had been fixed for this discussion, but now we have finished it in four hours.

On all such important matters, the only difficulty is that when we allow such discussions, instead of a smooth discussion by reasoning and by logical explanations, the whole atmosphere is spoilt by shouting and similar demonstrations, which is not in the interests of democracy. We do everything here; they said that they wanted a discussion in the interests of democracy, but if they do not listen and they do not allow the other

person to explain, then what is to be done ? After all, it is because of the big majority that the ruling party has, that this discussion was allowed and the Opposition could have it for the first time, then for a second time and then for the third time also. Simply because the Opposition was not in large numbers, we thought that they might not be stifled, and therefore, the discussion was allowed. So, it was their duty to have sat here and listened to the hon. Minister, whether it was to their liking or not. When the other side listened to them with all the exhibition of their tempers and excitement and irritation, they should also have stayed here. That is my very humble submission. When we allow such discussions, it is just for explaining the position to the people and not for show of temper and exhibition of irritability.

I am very happy that this matter is finally discussed again, and I hope that this Parliament will not require any further discussion on this.

20 02 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, May 31, 1972, Jyaishta 10, 1894 (Saka).