

[English]

MR. SPEAKER : That is all.

[Translation]

SHRI KALI PRASAD PANDEY : He was not able to comprehend my first supplementary, that is why I put it again. The hon. Minister has stated in his reply that a number of congratulatory letters have been received from the small units. I would like to know whether it is a fact that the Chairman of the Federation of Plastic Industries had submitted a memorandum to the hon. Finance Minister, Shri Vishwanath Pratap Singh on 22.10.86 in view of the difficulties likely to be faced by the small units as a result of the notification issued on 17.9.1986 stating that the units would close down ?

[English]

SHRI JANARDHANA POOJARY : We have received the representation ; and hence these are the remedial measures that we have taken on 12.11.1986 i.e. in the month of November. Here, you should also congratulate us.

[Translation]

SHRI KALI PRASAD PANDEY : I am congratulating you, but you have stated that you are receiving congratulatory letters ; these are no congratulatory letters.

MR. SPEAKER : Hon. Members, I would like to tell you one thing. I have repeatedly stressed that supplementaries should not be reads they should be asked orally.

SHRI KALI PRASAD PANDEY : But we can note down the points.

MR. SPEAKER : You can note down the points, but reading like this is not allowed.

PROF. MADHU DANDAVATE : Let those who ask supplementaries by reading be made Ministers.

MR. SPEAKER : Then they can read.

[English]

SHRI HANNAN MOLLAH : This is a question regarding PVC compound. I want a clarification, viz. whether Finance Ministry has examined the adverse effect of PVC granules import, on the jute industry of our country—--if there is any adverse effect— and whether Government has any remedial measures to save the jute industry from this massive granules import. If so, what are those measures ?

SHRI JANARDHANA POOJARY : We have gone into all the aspects. According to our judgement, there is no effect on the jute industry. (Interruptions)

SHRI C. JANGA REDDY : No ; it is not correct.

SHRI SAIFUDDIN CHOWDHARY : How can he give this reply ? (Interruptions) There should be coordination. Mr. Shiv Shankar can give the reply. The Minister of Commerce is here. Sir, if you permit, he can give the reply. (Interruptions)

SHRI HANNAN MOLLAH : There is an acute shortage. How can the Minister deny it ? I do not understand it. (Interruptions)

SHRI JANARDHANA POOJARY : We are always open to correction ; and here, if you make out a case that there is any effect on the jute industry, we will definitely consider it.

Alleged malpractices in Certain Branches of Syndicate Bank

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*473. PROF. MADHU DANDAVATE:

SHRI VIJAY KUMAR MISHRA:

Will the Minister of FINANCE be pleased to state :

(a) whether Government have seen the press reports about alleged malpractices in various Branches of the Syndicate Bank ;

(b) if so, whether these allegations have been enquired into ; and

(c) the findings of the enquiry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A Statement is given below.

Statement

(a) to (c) From time to time newspaper reports come to the notice of Government which allege mal-practices or irregularities in Bank branches. Wherever appropriate, these are looked into and necessary action taken. In respect of Syndicate Bank, in recent months, some newspaper reports have appeared alleging malpractices in some individual cases. In two such cases reports were found to be correct and necessary disciplinary action has already been initiated. Two specific cases are under C.B.I. investigation, while other allegations as appropriate have been referred to RBI.

PROF. MADHU DANDAVATE : Since the hon. Minister has already admitted in the statement that some cases are referred to CBI, and some are referred to the Reserve Bank of India, it is clear that there is a *prima facie* case.

PROF. N.G. RANGA : What ?

PROF. MADHU DANDAVATE : There is nothing against you. It is about the Syndicate Bank.

I would like to know from the hon. Minister specifically : Is it a fact that in the Hazratganj branch of the Syndicate Bank at Lucknow, originally the bank building was located at one particular place at Hazrat Ganj and then it was shifted on 24th September 1985 to Vidhan Sabha Marg, that is to a place above the Bata Shoe Company. According to the Rent Control Act, the rent that is permissible is Rs. 175 per month whereas the bank has allowed to that landlord whose name is Mr. Bhargava a monthly rent of Rs. 23,500 with a further agreement that after five years there will be a further

increase of 25 per cent. Now this had appeared in *Jansatha* on 5th September, 1985. Further, is it a fact that some corrupt or irregular practice has taken place in giving a place for the bank training college ? In addition to that, at that very centre, according to this Report, is it a fact that in connection with supply of furniture and transfer of officers a lot of corruption is taking place and particularly * * * in connection with the supply of furniture a lot of malpractice has taken place ? I am going to read out a portion of the report which had appeared in the press.

[*Translation*]

“** The contract for the supply of furniture to the Bank has been given. In the name of ** In addition to this, Aminabad Branch of the Bank has also given him ..** .”

[*English*]

Is the case which was referred to the CBI or RBI same ? If it is not the same case, as I have pointed out to you an additional case, will you give us details about this case. Are there allegations correct as have been appeared in the Press ? What is your explanation for that ?

MR. SPEAKER : The name and the allegatory part will not form part of the question ; the rest can be answered.

PROF. MADHU DANDAVATE : You have allowed it.

MR. SPEAKER : The question I have allowed, but we cannot name others.

PROF. MADHU DANDAVATE : It had appeared in the Press.

(*Interruptions*)

KUMARI MAMATA BANERJEE :
Rose (*Interruptions*).

*Expunged as ordered by the Chair.

MR. SPEAKER : Why are you agitating ?

(*Interruptions*)

[*Translation*]

MR. SPEAKER : Mamataji, if you could remain silent, my job would be quite easy.

[*English*]

PROF. MADHU DANDAVATE : I have said nothing about West Bengal. Why should she feel disturbed ? (*Interruptions*)

MR. SPEAKER : Rule 353 reads as follows :

"No allegation of a defamatory or incriminatory nature shall be made by a member against any person unless the member has given previous intimation to the Speaker and also to the Minister concerned so that the Minister may be able to make an investigation into the matter for the purpose of a reply."

PROF. MADHU DANDAVATE : I have not made an allegation. My own feeling is that * * staff is the cleanest staff ; that is my contention. They are above corruption ; they are the cleanest in the country. I don't think they must have done that. But let him say whether they have done it or not.

MR. SPEAKER : We cannot farnouflage like that. But carry on this. (*Interruptions*)

PROF. MADHU DANDAVATE : But it is the report which says like that. Neither the editor. (*Interruptions*)

MR. SPEAKER : That is for the Press. It is for us. Press has got some freedom.

PROF. MADHU DANDAVATE :

I correct. (*Interruptions*)

MR. SPEAKER : Nothing.

(*Interruptions*)

MR. SPEAKER : If it is against the rules, I will not allow that. That is all right.

PROF. MADHU DANDAVATE : Let me correct it. I will drop those names, but* need not be expunged.

[*Translation*]

MR. SPEAKER : If it has been given to somebody, the inquiry will bring out the facts.

[*English*]

PROF. MADHU DANDAVATE : The words *

(*Interruptions*)

MR. SPEAKER : No, no nothing doing.

PROF. MADHU DANDAVATE : What is your ruling ? Have you expunged.

(*Interruptions*)

MR. SPEAKER : My ruling is that whatever the substance of your question and regarding enquiry against certain malpractices, they will constitute part of the question; and then he will enquire into it.

PROF. MADHU DANDAVATE : Now I have withdrawn the word 'names', not against individual but *

MR. SPEAKER : It is all right. Don't repeat it.

PROF. MADHU DANDAVATE : * * I donot know whether my translation is wrong. (*Interruptions*) * *

MR. SPEAKER : Don't repeat it ; don't hammer it. You are a seasoned Parliamentarian.

* Expunged as ordered by the Chair.

* Expunged as ordered by the Chair

SHRI JANARDHANA POOJARY :
Sir, if you kindly permit me to go through this Question, (a) Part :

“Whether Government have seen the press reports about alleged malpractices in various Branches of the Syndicate Bank ;”

So, Sir, in this country there are so many newspapers and so many press reports will come.

SHRI S. JAIPAL REDDY : And there is so much of corruption.

SHRI JANARDHANA POOJARY : I have made some attempt to get the reports. So, I am not in a position to tell Parliament today about all the press reports appearing in this country.

PROF. MADHU DANDAVATE : Their clapping is ignorance. I am not able to tell him that they clap

(Interruptions)

SHRI JANARDHANA POOJARY : And we have got the highest regard for Parliamentarians like Mr. Madhu Dandavate and, as you stated, he is a seasoned Parliamentarian and ex-Minister, and if he is in my position, also whether he can find out all the reports appearing in the entire country, vernacular languages, English papers all the papers,—I do not think it is humanly possible.

(Interruptions)

MR. SPEAKER : It is all right. It is all right.

SHRI JANARDHANA POOJARY : Now he has brought out one case regarding one branch premises. I think he has brought out some facts and if he has got some more facts also, I will definitely ask the Reserve Bank to look into these matters and whenever, hon. Members bring allegations to our notice, we will not shirk our responsibility. We will see that the inquiry is done.

PROF. MADHU DANDAVATE : Only thing is note down the date *Janasatta* dated the 5th September, 1986.

MR. SPEAKER : You can send it to him.

PROF. MADHU DANDAVATE : And it is in Hindi. I can give you the English translation also.

Sir, why I am more keen is, in the newspapers there should be no aspersions cast on the Prime Minister's Secretariat officials and that is why it is very important.

Now my second supplementary is, is it a fact that the * bought fifty flats for his Bank and in consideration of this did he get a flat for his daughter at just a nominal cost and did the Chairman advance to *

(Interruptions)

MR. SPEAKER : No. I do not think it is correct. No Sir. You must give notice.

PROF. MADHU DANDAVATE : These are the reports that have come.

MR. SPEAKER : Professor Sahib : You must give us notice.

[Translation]

MR. SPEAKER : You will have to give notice for this, Professor.

[English]

PROF. MADHU DANDAVATE : It has never been done. On the floor the immunity is there. So long as I do not refer to any name, Sir...

(Interruptions)

SHRI P. R. KUMARAMANGALAM : On specific allegations he has to give notice. This type of supplementaries should not be allowed.

* expunged as ordered by the Chair.

MR. SPEAKER : Rule 41 says :

The right to ask a question is governed by the following conditions.

(*Interruptions*)

MR. SPEAKER : I am reading something gentlemen. Will you please take your seats. I can take care of myself. I do not need your help.

SHRI P. R. KUMARAMANGALAM : There are some norms and procedures.

MR. SPEAKER : I know. Why are you making *hallagulla* ?

(*Interruptions*)

MR. SPEAKER : Miss Mamata, what is this ? Miss Mamata Banerjee, will you take your seat and be silent ?

The rule says, —41 (2) (i) —

“it shall not bring in any name or statement not strictly necessary to make the question intelligible ;”

No such Member shall...(*Interruptions*)

PROF. MADHU DANDAVATE : Which name did I bring in ? There have been at different times different Chairmen.

MR. SPEAKER : Unless the Member has given previous notice to the Speaker.

PROF. MADHU DANDAVATE : I accept your ruling. Did I refer to any name ?

SHRI DINESH GOSWAMI : That is relevant to the question.

PROF. MADHU DANDAVATE : At different times there were different Chairmen.

MR. SPEAKER : I will help you to bring out all the facts. But let us go according to the rules.

PROF. MADHU DANDAVATE : I have not referred to any name. Your ruling is correct.

MR. SPEAKER : The rule says,

“it shall not contain arguments, inferences,...imputations, epithets or defamatory statements ;”

PROF. MADHU DANDAVATE : You can give the names if you want. I have not referred to any name.

MR. SPEAKER : No, Sir.

PROF. MADHU DANDAVATE : It is very wrong to criticise the Speaker. I may point out to you very humbly that you have rightly read the rule but you have wrongly interpreted it because I have not referred to any name.

MR. SPEAKER : You also imputed that I am wrongly interpreting it.

PROF. MADHU DANDAVATE : No, Sir. I have not referred to any name. That is what I am telling you. I am defending your ruling. I am saying that I have not referred to any name.

MR. SPEAKER : No, Sir. You have to go according to the rules and I have to go according to my humble judgement what I have stated.

PROF. MADHU DANDAVATE : All right. I will modify it without even naming the designation. Is it true that some official connected with the Syndicate Bank of India had actually bought fifty flats and in consideration of this, did one of those officials give a flat for his daughter at a nominal cost and further, is it a fact that some official of this particular bank gave a huge advance to * and got his son-in-law appointed in lieu of this huge advance that was made by some official ? I do not know who he was. Kindly tell, Sir.

* Expunged as ordered by the Chair.

MR. SPEAKER : I do not know, I will have to look into it. This is all allegatory...

(Interruptions)

PROF. MADHU DANDAVATE : Sir, what is objectionable in it ?

MR. SPEAKER : Professor Sahib, it is allegatory. You can ask a question...

(Interruptions)

PROF. MADHU DANDAVATE : Sir, in the past, in this very House in relation to the CBI report, names of so many industrialists without mentioning their names...
(Interruptions)

MR. SPEAKER : If somebody has violated the rules, how should I violate them ? I am not going to violate, Sir.

PROF. MADHU DANDAVATE : Please listen to me. Is it a fact that some official of the Syndicate Bank...
(Interruptions)

MR. SPEAKER : If malpractices have taken place, then an inquiry should be conducted and whosoever is found guilty, must be brought to book. That I can...

(Interruptions)

PROF. MADHU DANDAVATE : I object to this, Sir. Kindly let me convey my objection to this. I am not using any name, I say is it a fact that some official of the Syndicate Bank actually advanced huge a loan in great consideration and got his son-in-law appointed. I do not know who he is. I am not naming him. I am not giving his designation. He is some unknown entity in that bank.

MR. SPEAKER : You can bring out the malpractices

(Interruptions)

PROF. MADHU DANDAVATE : He has given such a huge advance and in lieu of that, got his son-in-law appointed
(Interruptions)

MR. SPEAKER : Will you like to answer that question ? I will see to it.

SHRI JANARDHANA POOJARY : Sir, we will not spare any person and if the hon. Member gives me a notice
(Interruptions)

MR. SPEAKER : Yes. Not only notice, he can give the information also. You can give me the information

PROF. MADHU DANDAVATE : Sir, I do not want to waste my time. I have given the notice. Kindly take this as a notice. Why do you trouble me and get yourself into trouble ? This is the notice. Can there be a better notice than what I said on the floor of the House ? That is the highest summons that is given to you.

[Translation]

SHRI BALKAVI BAIRAGI : You complete the legal formalities, he will automatically be entrapped.

PROF. MADHU DANDAVATE : I have never been entrapped and I shall never be entrapped in my life.

SHRI BALKAVI BAIRAGI : If you do not complete the legal formalities, it means you want to get him scot free legally.

(Interruptions)

[English]

MR. SPEAKER : Look here. We have got the rules here. The conventions are there : "Speaker thereupon observed....."

(Interruption)

PROF. MADHU DANDAVATE : Sir, on the floor of the House so much corruption has been exposed *(Interruption)*

MR. SPEAKER : Does not matter. We should do it. No problem in that. But I have to go according to the rules. I am not trying to shield any corruption. Why should we shield it ? Is there any reason for shielding a corruption ?

PROF. MADHU DANDAVATE : Sir, in fact, he has already said that he will inquire (*Interruption*).

MR. SPEAKER : If you had given me an advance notice, I would have allowed you to do it

(*Interruption*)

PROF. MADHU DANDAVATE : You are unnecessarily getting disturbed. I have neither mentioned the name....(*Interruption*)

MR. SPEAKER : No, Sir, I am not. I am reading : "The Speaker thereupon observed that the Member shall not level wild and vague and unsubstantiated allegations and that allegation should be specific and the Speaker should be informed in advance." My only difficulty is that if you had given me any prior notice, I would have allowed you to put it. If you had substantiated, I would have allowed

(*Interruption*)

PROF. MADHU DANDAVATE : Sir, this House, in general terms, has discussed corruption of officers, corruption of Ministers without naming them (*Interruption*).

MR. SPEAKER : I will not bar you from putting it. It is only a question of procedure. That is all. If you had given me a prior notice, I would have allowed you. This was Bhagwat Jha Ji your question long time back. The observations made are regarding yours

(*Interruption*)

PROF. MADHU DANDAVATE : It is only when names are to be attributed, prior notice is to be given. I won't surrender my right and freedom. We will never do it in future. Unless the names are involved. I will never give a notice, Sir. That is the general right to discuss the matter in a general way without naming any one. Once I accept your ruling, Members should be surrendering the right which they have got before convention.

MR. SPEAKER : I do not bar you. Neither I will ask you to refrain from certain things which you think right and you are helping to eradicate corruption. I will try to help you. The only question is procedure angle. That is all.

(*Interruptions*)

MR. SPEAKER : Otherwise I would have allowed you. No problem.

PROF. MADHU DANDAVATE : Where some officials are responsible.

(*Interruptions*)

SHRI S. JAIPAL REDDY : No rule has been violated.

MR. SPEAKER : How can you say ? This is my judgement. I have to go according to the Constitution, my judgement. So simple it is. I do not want to discuss with you.

PROF. MADHU DANDAVATE : We discussed the Food Corporation of India and the corruption involved.

MR. SPEAKER : Madhuji, I did not object to that. I only said about the procedure and rules and all that. I will allow you....

PROF. MADHU DANDAVATE : If I had to mention the name, then only I have to give notice.

MR. SPEAKER : You could have done it and I would have allowed. No problem.

PROF. MADHU DANDAVATE : Anyway, I will see you in your Chamber.

MR. SPEAKER : You are always welcome.

PROF. MADHU DANDAVATE : Always you invite me. But this time I invite you. I will see you in your Chamber.

MR. SPEAKER : You are welcome.

SHRI K. S. RAO : Banking Industry particularly after nationalisation have got a very key role in the transformation of society. Present provision, of Banking Regulation Act do not provide adequate punishment for the people who are involved in these frauds. Will the Hon. Minister think in terms of bringing any amendment to the Act so that particularly those people who are involved in such big frauds are categorically punished under that Section.

[*Translation*]

SHRI V. TULSIRAM : Why are you interrupting ? It causes harm to none else but you.

[*English*]

SHRI JANARDHANA POOJARY : There are sufficient provisions in the Indian Penal Code and also there are other Acts, to punish these people who commit frauds. We have taken action also. They are convicted in the court of law. What we do today, we are detecting the cases and efforts are made to detect them and prosecute them also. We are trying to get conviction. Not only that the houses of the those officials who are responsible for frauds are also raided.

SHRI DINESH GOSWAMI : The hon. Minister in his reply has stated that in respect of the Syndicate Bank in recent months some newspaper reports have appeared regarding malpractice. I would like to know in the light of his answer whether this malpractice also includes taking on lease houses at exorbitant rates disproportionate to the rate to which the person is entitled.

SHRI JANARDHANA POOJARY : Malpractice includes this also.

(*Interruptions*)

SHRI DINESH GOSWAMI : I am asking a specific question. Whether this case includes the case of malpractice or not. I want a straight answer.

SHRI JANARDHANA POOJARY : I am just bringing to your notice that 'malpractice' includes the point which you

have raised. Which are the malpractices in any of the particular branches of the Syndicate Bank, if you bring to my notice definite things with all the particulars and you can substantiate it also, we will take action.

(*Interruptions*)

PROF. MADHU DANDAVATE : Which are the cases in CBI & RBI, I think he could have mentioned that.

MR. SPEAKER : Please.

**Proposals to Establishing Spinning Mills
in Orissa**

*475. **SHRI CHINTAMANI JENA :** Will the Minister of TEXTILES be pleased to state :

(a) whether Government of Orissa has forwarded certain proposals to the Centre for establishing spinning mills in Orissa ;

(b) if so, the details thereof ; and

(c) when these proposals were sent and the reasons for delay in their clearance ?

**THE DEPUTY MINISTER IN THE
MINISTRY OF TEXTILES (SHRI
S. KRISHNA KUMAR) :** (a) There are no proposals from Government of Orissa for establishing cotton spinning mills in Orissa pending at present.

(b) and (c) Do not arise.

SHRI CHINTAMANI JENA : Sir, may I know when the State Government of Orissa had submitted such proposals to the Centre. How many such proposals have been cleared up ? What are the conditions of establishing such spinning mills in the State ?

SHRI S. KRISHNA KUMAR : Sir, augmentation of capacity as well as certain of new capacity in the spinning segment of the textile sector is governed by the industrial policy guidelines of 19th March 1985. As an offshoot of the textile policy which allows the creation of additional capacity is allowed subject to the industrial policy guidelines.