

[Shri Sachindra Chaudhuri]

The only real departure is in the matter of setting up an appellate tribunal. In respect of that, we have mentioned in the financial memorandum as to what would be the financial implications thereof, though the point made by Shri Kamath is perfectly correct that the particular clauses in the Bill which refer to this have not been mentioned. If it is contended that because of this the Bill should not be introduced today, I would say that the House has got the right to condone a mere irregularity and not an illegality. I would, therefore, request the House to condone that irregularity and allow the Bill to be introduced. If it is not acceptable....

Shri Maurya (Aligarh): Let us hear the Law Minister.

Mr. Speaker: The first was that a Bill involving expenditure shall be accompanied by a financial memorandum which shall invite particular attention to the clauses involving expenditure. That has not been done. My difficulty is that there is no discretion also left with the Speaker so far as this provision is concerned. There is a proviso that in case the clauses involving expenditure are not printed in thick type, the Speaker can permit the Minister concerned to bring such clauses to the notice of the House. But here it is something else. If the Law Minister or others can help.... (*Interruptions*). Order, order. I do not find any escape out of this rule.

Shri Daji (Indore): Why should you be anxious for escape ?

Mr. Speaker: I would request the Minister to make up the deficiency and then bring forward the Bill tomorrow.

Shri Hari Vishnu Kamath: Thank you.

Shri Tyagi (Dehra Dun): The officer in charge in the Ministry must be taken to task. We are ashamed of it.

The Minister of Law (Shri G. S. Pathak): It is not my Ministry.

13.04 hrs.

**MOTION RE: FIFTY-FIFTH REPORT
OF THE PUBLIC ACCOUNTS
COMMITTEE**

Mr. Speaker: Shri Surendranath Dwivedy has to move the motion starting in his name. If I may be permitted, I may just say a few words in the beginning so far as this is concerned.

This is an extraordinary step that we have taken because during the last so many years since independence we have not discussed any report of the Public Accounts Committee. This is the first time we are discussing it; I am talking of the period since independence; in the pre-independence days, it might have been discussed.

Shri S. M. Banerjee (Kanpur): We are much more democratic.

Mr. Speaker: As I said, no report has been discussed since independence. My predecessor as well as myself have laid down, whenever there was an occasion for it, that the report of the Public Accounts Committee which contains so many matters should not be discussed, but a specific issue over which there is divergence of opinion between the Committee and a Minister can certainly be brought before the House and discussed. The House has got that authority, not that it hasn't. The authority is ultimately with the House and it can discuss, but it should be confined to a specific issue, because if the reports are to be discussed, they contain so many things, the discussion would not be specific, many members would refer to different things and there would be rather a confused discussion which might not enable us to come to a definite decision.

Therefore, in the case of the 55th Report, I have allowed a discussion because this is pertaining to a specific issue and not to other things. That arose out of the 50th Report of the Committee. The 55th Report relates only to one issue and not to others.

Therefore, I have allowed that to be discussed.

The 50th Report of course contains many other things also. What we are discussing is the 55th Report. Therefore, nothing should be brought from the 50th Report that is not referred to in the report we are going to discuss (Interruptions). Where the 55th Report makes a reference to the 50th Report, that can be referred to but not other things in the 50th Report.

श्री मधु लिमये (मुंबेर) : उदाहरण के लिये भी नहीं ?

Shri Daji (Indore): We can use the 50th Report as we can use any other report of the Committee.

Mr. Speaker: It is the 55th Report we are discussing. It has made certain remarks, observations and comments; complimentary or uncomplimentary, they are there. The discussion should be confined to those observations, accusations or comments of the Committee; no new accusations, fresh blame or other things should be brought into that.

Shri S. M. Banerjee: What is this? Kindly explain to us.

श्री मधु लिमये : इसका मतलब समझ में नहीं आया ।

Mr. Speaker: The most important thing that I have to bring to the notice of the House is that the PAC is a House in miniature. Its decisions should be respected and its dignity enhanced. There all parties work together in team-spirit and no note of dissent is appended nor allowed. They work in the interest of the nation and of the House on behalf of the House.

Now, certain substitute motions have been tabled from both sides. If these motions and amendments are allowed, there would be great divergence of opinion and the Report of the Committee would be criticised; either they would be complimenting the Committee or criticising it, which

would not be desirable for the future smooth functioning of the PAC.

Shri Raghunath Singh (Varanasi): Correct.

Mr. Speaker: We might take the conclusions of the Committee as they are; the observations the Committee have made might be accepted on all sides, and then what consequences should follow may be discussed, rather than the merits or the reasoning of what the PAC have given.

Shri Ranga (Chittoor): Therefore, the 50th Report also comes in.

Shri Nambiar (Tiruchirapalli): It can be upheld.

Mr. Speaker: If at this moment we go into those details, there would be divergent views, reasoning, argument or other things on what the Committee have done; that would divide the Members of different parties in the PAC in future deliberations. Therefore, that danger also must be avoided.

In the end, I might make an appeal, because I have those substitute motions and observations might be made as the Members want, but the substitute motions may not kindly be moved, so that there might be no divergence of opinion. I would expect all Members to see to that because that would be a very dangerous precedent if we just now allow these substitute motions to be moved.

Shri S. M. Banerjee: We fully appreciate not your ruling but your advice to us.

Mr. Speaker: It is no ruling, it is for the House to decide.

Shri S. M. Banerjee: I agree that this particular report, the 55th Report is being discussed in a very extraordinary manner. Generally the House never discusses these reports.

About the substitute motions 1 to 5, after all, we have not said anything about the report as such, we have

(M.)

[Shri S. M. Banerjee]

simply appreciated their work. In a substitute motion appreciating the work of the Public Accounts Committee or its Chairman.....

Mr. Speaker: If after my request and appeal, the House wants....

Some hon. Member: No, no....

Shri Raghunath Singh: No substitute motion, no amendment.

श्री मधु लिमये : ऐसा कैसे हो सकता है ।

Mr. Speaker: I think it would be advisable for this side also to accept my advice.

Shri S. M. Banerjee: Kindly hear me. My contention is only this. I fully agree with you that we should not move any substitute motion commenting on the report of the Public Accounts Committee, but what are our substitute motions?—that this House having considered the report, recommends to the Government that a commission should be appointed. But the substitute motion of Shri K. C. Pant is:

"This House having considered the 55th Report of Public Accounts Committee notes with satisfaction Government's decision to appoint a high-level committee...."

We do not know. It is anticipatory. So, I feel that we shall be failing in our duty if, even after discussion, we cannot recommend to the Government that a high powered committee should be appointed.

Mr. Speaker: There is no need to make this particular substitute motion. Even conceding that it may not be harmful today, if a precedent is created, it would be harmful for the future. Therefore, we have to safeguard, guard against those contingencies.

श्री मधु लिमये : अध्यक्ष महोदय, इस प्रस्ताव के बारे में आपने अपील की है और उस पर गम्भीरता से विचार करना हमारा कर्ज भी हो जाता है। लेकिन एक बात मैं आपके सामने रखना चाहता हूँ कि 17 मई से इस रपट को लेकर जो घटनायें इस सदन में हुई हैं। 17 मई को पहले सुबह-अध्यक्ष साहब का वक्तव्य आया कि वह उस समय इसके मंत्री नहीं थे, फिर 18 मई को उनका दूसरा वक्तव्य आया, जिसमें....

श्री त्यागी (देहरादून) : भ्रान्त एं प्वाइंट फ़ॉर ऑर्डर....

श्री मधु लिमये : मैं प्रोसीजर के बारे में कह रहा हूँ, हल्ला क्यों कर रहे हैं।

Shri Raghunath Singh: He is speaking on merits.

अध्यक्ष महोदय : इस वक्त मैं किसी चीज के लिए कि यह आ सकेगा, या नहीं आ सकेगा कोई राय नहीं दूंगा। मैंने एक जनरल अपील आपके सामने रखी है, जब बहस चलेगी तब देखा जायेगा

श्री मधु लिमये : मैं एक स्पष्टीकरण चाहता हूँ ।

अध्यक्ष महोदय : यह स्पष्टीकरण की बात नहीं है ।

श्री मधु लिमये : यदि आपकी यह राय है कि इस प्रस्ताव पर बहस करना हमारी परम्परा के खिलाफ है और उस पर इस तरह की तरमोम लाना, संशोधन लाना, यह भी अनुचित होगा तो मैं आपकी मारकत प्रधान मंत्री जी और सदन के नेता को बिनती करूंगा कि पब्लिक एकाउन्ट्स कमेटी दोबारा अपनी राय देने के पश्चात् और अपने हमारे प्रिविलेज मोशन पर जो अपनी राय दी है, क्या उसके पश्चात् प्रधान मंत्री जी यह घोषणा करने को तैयार है कि श्रीचित्य का भंग हुआ है। इतना तो कम से कम कह दें और मंत्री महोदय को इस्तीफा देने को कहें। तब मैं यह मानने के लिए तैयार

इ कि इस प्रस्ताव पर बहस न हो और संशोधन भी वापस लेने को तैयार हूँ। इस का जवाब, अध्यक्ष महोदय, जरूर माना चाहिए।

अध्यक्ष महोदय : नहीं, इसकी जरूरत नहीं है।

Shri K. C. Pant (Naini Tal): As you know, one of the substitute motions stands in my name. I have listened to you with great attention and respect. I assure you that I have no desire to add to your difficulties in the rather delicate and difficult situation to which you have referred yourself. We on this side of the House fully share your anxiety to uphold the prestige of the Public Accounts Committee, and I am sure in fact both sides of the House are united on this.

Since you feel that no substitute motion of any kind should be moved, I bow to your wisdom and hasten to offer to withdraw any substitute motion, if other substitute motions are also withdrawn.

This is not a question of petty party politics.

Shri Ranga: When you were speaking to us, was he able to prepare the text already? Are we to understand that he has known what you were going to say, and therefore he has come prepared with the reply? We do not understand this.

Mr. Speaker: Never had I any idea. This is beside the point.

Shri K. C. Pant: May I be allowed to continue?

I appreciate the gravity of your remarks and the difficulty in which the House found itself, and it was in a spirit of helpfulness that I was making the suggestion.

You were also pleased to refer to the scope of the discussion, and I would like to assure you on behalf of

this side of the House that we shall try to respect both the spirit and the letter of the confines of the discussion which you have laid down here. Thank you.

Shri Harish Chandra Mathur (Jalore): I want to limit my observations only to one point, and that is about the substitute motions. I think he has said that he withdraws. I think the question of withdrawal will come only after the motion has been moved as a matter of fact.

An hon. Member: He has offered.

Shri Harish Chandra Mathur: I appreciate that. What I venture to submit is that this particular issue cannot be considered on party lines at all.

Your approach should be as much acceptable to the Opposition as to this side. If it is not acceptable to the Opposition, there is no use our saying anything on this particular issue.

The Public Accounts Committee is regarded both by the Opposition as well as by this side as a body of this House, representing this House, and it must be respected. We never want to create any precedents which will hazard the functioning of the Public Accounts Committee in an independent manner. That is the anxiety, and your observations, I am sure, came only out of that anxiety, and if that anxiety is understood, I think the Opposition as well as this side will be one on this. This is a point on which we have got to be of one mind.

I think these motions mean that if at this time we say that we approve the action of the Public Accounts Committee, it also implies that sometimes we may not approve of it. What I mean to say is that we should automatically consider, it should be taken for granted, that whatever has been said by the Public Accounts Committee is not in question. Let that thing be understood.

Shri S. M. Banerjee: That is very clear.

Shri Harish Chandra Mathur: Whatever observations are made by the Public Accounts Committee are not in question, and therefore let it stay at that high level. That is exactly my submission. Let us not say we approve or disapprove. If we do it, we will be creating difficulties for ourselves.

What I am anxious is that if we bring the Public Accounts Committee into controversy somehow, that would be the most dangerous thing, because this will also reflect and react in a very dangerous manner . . .

श्री मधु सिन्घे अध्यक्ष महोदय,
यह तो मंचिन चौधरी को सुबहप्यम लाये
कस्टोवर्सी में ।

Shri Harish Chandra Mathur: . . . on the composition of the Public Accounts Committee next time. Then there would be an effort made to see that the Public Accounts Committee is packed with such persons who are controllable, that the Public Accounts Committee should also have certain people from the Opposition who would be amenable.

I think we must maintain that the Public Accounts Committee is an absolutely independent body, and nothing should be done to that. The Opposition will lose nothing as a matter of fact. Mr. Pant was withdrawing his motion, and also others, because the Public Accounts Committee is not to be brought into controversy. I am not concerned with any other matter except that the Public Accounts Committee should not be brought into controversy. Once we say we approve, next time we can say, somebody can say, we disapprove. Therefore, let us consider this; it is no good until and unless it is acceptable to the Members of the Opposition. I do hope that they have an anxiety to keep the Public Accounts Committee at the highest level. I think it is only in

that context that we have got to see that we do not bring the Public Accounts Committee into controversy.

Shri H. N. Mukerjee (Calcutta Central): I am befuddled by the sudden expression of fear and anxiety that Members of this House from whichever side are perhaps likely to reflect upon the PAC. There is not remotest symptom or suggestion in that direction. On the contrary, whatever notices of substitute motions were given wanted to applaud the action of the PAC. What I do not understand is this. PAC produce reports which become public documents. Normally our practice is that we do not discuss them. But that does not mean to say that we shall never in future discuss them. And if we discuss them, God help us if we have to disapprove something done by a committee of ourselves, that sort of thing is never likely to happen as far as we can foresee. We have a right to discuss this matter certainly in this Parliament just as it is the right of the public to know the reports presented by the Public Accounts Committee; it is also something which we cannot take away. The reports of the Public Accounts Committee are before the public, public discussion is going on in relation to certain observations made in the Public Accounts Committee report, beyond which this discussion is not going to go. Members of Parliament are entitled, I submit, to express themselves and if in the process of expressing themselves they do happen to say certain things which militate against the party in power, we should not be inhibited from doing so and it should never be misconstrued as a reflection upon the Public Accounts Committee which we respect at a non-party level. We are absolutely unanimous in regard to the position of the Public Accounts Committee. I do not conceive of any situation wherein the Public Accounts Committee or the House wanted to work in a different way than the conventions today warrant. Therefore, without the slightest suggestion of disrespect for the Public

Accounts Committee, this House can discuss the Public Accounts Committee report which also is a public document communicated to the country about which editorials continue to be written in the newspapers and about which this House is going to have discussion. Just starting a kind of scare about something which might or might not be said from one side or the other, we are inhibiting ourselves in a manner which appears to be particularly confounding. Merely by mentioning something we are raising some suspicions. When we saw Mr. Pant reading out of some typed script or something like that, naturally we thought that the thing was not quite as simple as it appeared to be. I am sorry to say so; normally we do not have the slightest intention of saying this . . . (*Interruptions.*)

Shri Bhagwat Jha Azad (Bhagalpur): The typed script is mostly from that side; not from this side.

Shri H. N. Mukerjee: There was this rigmarole about the Public Accounts Committee being a wonderful instrument. We know it is a wonderful instrument; we cherish the Public Accounts Committee; none of us ever hinted a word or a suggestion in regard to the Public Accounts Committee to bring it into disrepute. On the contrary we have congratulated the Public Accounts Committee for having enabled the House and the country to have knowledge in regard to certain goings on. If those goings on are not to be discussed . . . (*Interruptions.*)

Mr. Speaker: Mr. Dwivedy may move his motion; I do not allow any further speeches . . . (*Interruptions.*)

Shri Khadilkar (Khed): I want to make an observation as this is a matter of procedure. As you said, rightly, after freedom for the first time the Public Accounts Committee report is being discussed. There is no provision laid down for discussion. It is not an ordinary motion. When there is no procedure, we refer back to the British parliamentary practice. Here when the Public Accounts Com-

mittee report is brought before the House, usually the motion is moved by the Chairman and the Finance Minister replies to the debate. Here unfortunately, the Opposition Members had given this motion and so naturally there are fears . . . (*Interruptions.*) that a slant will be given to the discussion. What Prof. Mukerjee has said is very good so far as it goes but will the law or relevancy be adhered to in practice? You were good enough to lay down a very healthy practice and procedure for future guidance and we should follow that . . .

Shri Ramanathan Chettiar (Karur): On a point of order.

Mr. Speaker: No point of order arises now.

Shri Ramanathan Chettiar: The hon. Member is under a misapprehension. In the House of Commons the chairman of the Public Accounts Committee is the leader of the Opposition, or a Member of the Opposition.

Shri Khadilkar: So, Sir, it is the responsibility of every Member of the House. The main observations and conclusions are before the House. No partisan attitude should be brought in. Whatever observations, they must be detached and objective. I would also appeal that the reply must come from the Finance Minister because it would be a healthy practice.

Shri A. C. Guha (Barasat): Sir, I have not been able to follow clearly the direction you have given to this House regarding the substitute motions. There are five motions. If they are introduced or moved, the House would vote on them; if one of them is to be accepted, the others would be rejected and so it will be creating a very bad precedent. The decision of the Chair should be that there should be no substantive or substitute motion; the only motion should be that the Public Accounts Committee Report should be discussed. That is the procedure followed in UK. In very special circumstances, we have taken up this discussion. I beg of you, Sir, not to allow any sub-

[Shri A. C. Guha]

stitute motions to be moved as this would mean voting and that the House would be divided on the merits or demerits of the Public Accounts Committee report. This would hamper the working of the Public Accounts Committee and the Estimates Committee.

Dr. M. S. Aney (Nagpur): You have made certain preliminary remarks and then said that the House should decide whether the motions should be considered or not. I want you to ascertain the sense of the House whether the motions should be discussed or not and at that stage, you may announce that there should be no substitute motion at all.

The Minister of Parliamentary Affairs and Communications (Shri Satya Narayan Sinha): If I can make an appeal to you and to the House after all that has fallen from the lips of my friends, I may say this. In the House of Commons, whenever the Public Accounts Committee motion is discussed, no substitute motion is allowed; that is my information. In this case, I would appeal to you therefore either to give a ruling straightaway whether a substitute motion should be allowed; if you are not in a position to do so, we request you to leave it to the House, because we do not want to create a bad precedent which may not be desirable for the future of democracy in this country.

श्री मधु लिखदे : आप जो क्विज के बारे में सुनना पड़ेगा ।

Shri Hari Vishnu Kamath (Hoshernagabad): I thought he wanted to be helpful but the statement made by the Leader of the House is certainly not so. Now, Sir, we realise that the advice given by you to the House is motivated by the highest considerations for upholding and promoting the status, dignity and prestige of the Public Accounts Committee and you rightly said it is the House itself in

miniature. I do hope that the action the House will take today will not in any case be considered as a precedent for the future and every issue, whether it is about the Public Accounts Committee or the Estimates Committee or any other Committee, will be judged on its own merits. That is number one.

My next point is this. As a matter of fact, we were also impelled by the same consideration when we gave notice of the substitute motion—all of us. I have said in my substitute motion that "This House places on record its appreciation of the service rendered by the Committee in the national interest, and to maintain the highest standards of integrity in administration". I have suggested in that substitute motion that a Commission of Inquiry be appointed. That is all that I have said. You might perhaps take objection to the latter part of this motion. But may I plead with you and request you to consider whether it is not a fact that large numbers of people outside, the public, have reason to believe today that the strong recommendations made by the Public Accounts Committee in its 50th Report, which will not be discussed today, are sought to be ignored by the Government, by the party in power. Let us have an assurance on that point that the Government accept the recommendations made by the Public Accounts Committee, and let the Government, appoint a high-level enquiry body to enquire into the whole sordid deal with which that report deals. (*Interruption*). The 55th report does not mention any inquiry. Let the Minister make a statement that he accept the 50th report. (*Interruption*).

Mr. Speaker: Order, order. I am not going to say whether this substitute motion should be allowed or not. I will leave it to the House; let the House decide what it likes to do.

Several hon. Members rose—

Mr. Speaker: Order, order. Let Shri Surendranath Dwivedy move his motion.

Shri Hari Vishnu Kamath: Let the Minister make a statement.

Shri Surendranath Dwivedy (Kendrapara): When he makes a statement on the basis of the report of the Public Accounts Committee—the 50th Report—we will discuss that also here. You cannot ban us from discussing that and you cannot say that we should not refer to that. (Interruption).

Mr. Speaker: One Member of the party holds that view and another Member.. (Interruption).

Shri Hari Vishnu Kamath: I never said; let them say it immediately. (Interruption).

Shri Harish Chandra Mathur: There seems to be a misunderstanding. I should like to say that in this very House on the 12th, it has been stated in terms of the requirements of the 50th report the Government has already decided to appoint a Committee. It has been stated. It has been stated by Shri T. N. Singh on the 12th, and further it was clarified by the Speaker. (Interruption). Will you permit me to clarify the position, Sir? We do not want to scuttle any motions and procedures. They have already promised an enquiry. What is the type of enquiry? May I point out that in the 50th report they have suggested that there should be a judge, that there should be a representative of the Comptroller and Auditor-General and the Chairman of the UPSC. It is all there. The question does not arise at all.

श्री मधु लिमये : मेरा एक व्यवस्था का प्रश्न है ।

अध्यक्ष महोदय : प्रश्न प्रायः चलने दीजिये ।

श्री मधु लिमये : श्रापने जन कदो है कि . . .

Mr. Speaker: Let him move his motion and we shall see the point as it arises.

Shri Surendranath Dwivedy: I beg to move:

“That the Fifty-fifth Report of the Public Accounts Committee on the statement made on the 18th May, 1966, in the House by the Minister of Food, Agriculture, Community Development and Co-operation relating to para 4.128 of the Fiftieth Report of the said Committee, presented to the House on the 5th August, 1966, be taken into consideration.”

Sir, I do not want to go into the question about the advisability of this discussion, but in the beginning, I want to make it very clear that although not after Independence but before Independence, in the year 1944, there was not only a discussion of the PAC report in the then Central Legislative Assembly, and an amendment was also accepted.

In this motion, about this particular matter, I want to draw the attention of the House to a pre-Independence message given by our President. The President stated:

“We are not willing or able to take action against anti-social elements. An honest and firm Government should be energetic in the matter of putting down corruption. It should try to remove deceit, and falsehood, intrigue and pusillanimity.”

If you go into the details connected with subject-matter of the discussion today, you will be convinced and anybody in this House will also be convinced that it is nothing but deceit, falsehood, intrigue and corruption, at the highest level and it also shows how anti-social elements in this country have spread their tentacles even over the administrative apparatus and how, with the active help, assistance and collaboration of Ministers, Secretaries and officers, they are changing the policy

[Shri Surendranath Dwivedy]

of this Government according to their convenience. When I say this and while discussing this motion, I also agree with you and other friends that we are not discussing this to malign anybody; it is not an indictment against the Government. This is being discussed for upholding the very right of this Parliament.

What has been the Government's attitude to the PAC reports? It is very well known to you that there are several reports, pointing out lapses and irregularities on a number of occasions, but the Government has not taken any serious notice of them. I think that when we are discussing this, I must repeat, as you have rightly said, that the PAC after all is a miniature Parliament and its decision should be binding on the Government because it is a decision of the House. To go or not to accept its decision is flouting the decision of the House itself.

You know very well how in the 1950s, there was the Jeep scandal story and how many times the PAC came out with its report in which Shri T. N. Singh played a very active part. Ultimately, what happened? The Government closed the matter. They announced on 30th September, 1955 that the matter is closed. The principal person concerned was shielded and he was appointed as Minister on 3rd February, 1956. He had to go for other reasons later, but this person was shielded from the very beginning. This was in 1956, and now after 10 years we are discussing an affair which, according to me, is a sordid deal. If one has the time to scrutinise and see the entire thing, one would find that the Sirajuddin affair or the Mundhra affair pales into insignificance. Given time I shall be able to prove and show to this House how through the patronage of some dishonest political leaders, not only Aminchand Pyarelal group of firms have amassed vast wealth and property but hundreds and crores of

Government money have been squandered and looted. It is nothing but daylight, legalised, robbery of public money and property.

I am not going into the other details, but one matter is already in the news; the question of appointment of an inquiry, etc. In this connection, I would like to know whether this enquiry will also include the conduct of the Minister of Food and Agriculture who is involved in the 50th report as well. But so far as I am concerned, I feel that the report of the PAC so far as this particular Minister is concerned, is full and complete. Whatever he has to say in defence he has placed before the PAC and before the House, and the PAC has taken a very unusual step of hearing him also. The PAC has come out with its report. It has not believed his story. The PAC has not accepted his arguments and the PAC has said that they will not modify their earlier recommendation.

Now, I would like this Government to tell us, why this double standard, if a Central Minister is involved in this affair? You know very well that once there was a definite allegation, and the Auditor-General came out with the Audit Report, that two Ministers—the Chief Minister of Orissa and another—have made a trade of Rs. 2 crores. It was Pandit Jawaharlal Nehru who said that this will go to the PAC and the PAC is a supreme body.

Shri Tyagi: How is this relevant here? (*Interruption*).

Shri Surendranath Dwivedy: Unnecessary interruptions should not be made.

Mr. Speaker: Order, order.

Shri M. L. Dwivedi (Hamirpur): Only relevant matters should be discussed now.

Mr. Speaker: I would request hon. members to confine themselves today to those things that are here. But

the other side also should not object, because in regard to those things that have already been brought on the floor of the House and are on record how can I shut them out?

Shri Bhagwat Jha Azad: On a point of order. Sir. You have said in the beginning of the debate that only whatever is mentioned in the 55th report will be referred to and no further allegations will be made. That is on record. (Interruptions).

श्री श्रीर्य (अलीगढ़): अध्यक्ष महोदय, सिमिली ऑर नोटकर का क्या होगा ?

Shri Bhagwat Jha Azad: I want to be heard. If they do not want to hear me, I will not hear them. (Interruptions). If I am not allowed to speak, Mr. Dwivedy also will not be allowed to speak.

श्री श्रीर्य: अध्यक्ष महोदय, माननीय सदस्य ने यह क्या कहा है ? (Interruptions)

Mr. Speaker: One member at a time. When he is speaking, others should hear him. That is all that has been said.

Shri Tridib Kumar Chaudhuri (Berhampur): Mr. Azad has said that Shri Dwivedy will not be allowed to speak.....

Shri Bhagwat Jha Azad: If I am not allowed to speak.

Shri Tridib Kumar Chaudhuri: Is he the arbiter of the House to decide that? (Interruptions).

श्री रामेश्वरानन्द (करनाल): इसने आपत्ति करने की क्या बात है ? जो चोरी करते हैं, उन सबको बिलकुल नंगा किया जाएगा । (Interruptions).

Mr. Speaker: Everyone shall sit down. Swamiji also should sit down.

स्वामी जी भी बैठ जायें ।

श्री रामेश्वरानन्द: वह क्यों चिल्लाते हैं ?

श्री भागवत झा झाजाब: तुम क्यों चिल्लाते हो ? * *

श्री रामेश्वरानन्द: (Interruption)

Mr. Speaker: I would not allow such language to be used here. Those members are not fit to remain here who use such language. The House should take special notice that the level is deteriorating every day. Certain things have been said. Members degrade themselves and degrade the House as well. Such members are not fit to remain as members of the House, who use such language.

Shri J. B. Kripalani (Amroha): May I submit to both sides that they might be heard patiently and there should be no interference except by you in the speech of any member?

श्री क० ना० तिवारी (बगहा)

मान ए पायंट प्राक आर्डर, सर । स्वामी जी ने जो ** बर्ड कहा है, क्या वह रिकार्ड पर रहेगा ? उस को एक्सपंज कर दिया जाये ।

Mr. Speaker: I am not hearing any points of order. There are no points of order; they are only obstructing the proceedings. (Interruptions).

Shri Bhagwat Jha Azad: If he has used the word ** I do not raise it as a point of order. Let it be on the record and let the country know what type of members are there.

श्री श्रीर्य: यह भी रिकार्ड पर रहे कि माननीय सदस्य ने कहा है ** हम ने सुना है । हमने प्राक् घोष करने के लिये तैयार हैं कि उन्होंने ये शब्द बड़े हैं । स्वामी जी के अपवाद करने में पहले, स्वामी जी के मुझे होने से पहले, माननीय सदस्य ने कहा * * ।

[श्री मौर्य]

मैं भ्रान्त श्रावण कह सकता हूँ। जो मेम्बरज नजदीक बैठे हुए हैं, आप उन से पूछ लीजिए। मैं ने सुना है।

Shri Bhagwat Jha Abad: He is absolutely wrong. I never said it. I cannot say this word.

श्री प्रकाशवीर शास्त्री (बिजनौर) : अध्यक्ष महोदय, जो स्टोनोग्राफर यहाँ पर लिख रहे हैं, आप उन के रिकार्ड को देख लीजिए कि उन्होंने श्री भागवत झा झाजाद के ये शब्द नोट किए हैं * * और तब स्वामी जी ने ये शब्द कहे हैं।

Shri Bhagwat Jha Azad: If it is on record that I have said** I am not fit to be here, I have not said it. I can never say it. (Interruptions).

अध्यक्ष महोदय : अगर यह कहा गया है, तो यह दोनों तरफ से नाज़ेबा और नामु-नासिब है। मैं रिकार्ड को देखूंगा। अगर ये शब्द हुए, तो मैं दोनों को निकाल दूंगा।

Shri Bhagwat Jha Azad: My point of order is....

श्री मधु लिमये : माननीय सदस्य का पार्यट आर्डर क्या है? वह किस बात को लेकर बोल रहे हैं?

Shri Bhagwat Jha Azad: Mr. Limaye has stood up hundreds of times on points of order and you have overruled him always. He should not grudge if once I stand up. (श्री मधु

लिमये : मैंने केवल एक बार कहा है।)

In the beginning you have said that this House is discussing the 55th report and no further allegations should be added to what has been mentioned in the report. Now Mr. Dwivedy has said that it is a fraud and so many other words that I can-

not remember. You can see the record. Are these words and allegations mentioned in the 55th report? Why are these personal allegations made when there is no mention about them in the reports? Is he not going beyond that?

Mr. Speaker: So far as the point of order is concerned, I do not think I need interfere at this moment, because in regard to the words he has used, he draws those conclusions from the observations that have been made.

The Prime Minister and Minister of Atomic Energy (Shrimati Indira Gandhi): No....

Mr. Speaker: I said, he is drawing those inferences. I did not say that the PAC has used those words or drawn those inferences. The PAC has made certain observations and he draws those inferences. I would appeal to the member who is on his legs that he should not go beyond the scope of the discussion, as I have already held.

Shri A. C. Guha: There is a danger. If he can draw those conclusions, other members can draw other conclusions also that would mean dividing the House on the P.A.C. report. My objection is not on the contents of the motion but on principle. (Interruptions).

Shri Satya Narayan Sinha: If you permit me, Sir, Mr. Kamath also had made some reference about this enquiry and my friend who has just....

Shri Surendranath Dwivedy: Is he intervening or what?

Mr. Speaker: At this stage, the Leader of the House wants to say something about what is happening..

Shri Surendranath Dwivedy: In the middle of my speech, he cannot say anything. After I finish, he might say. How can this be allowed, unless it is a point of order?

**Expunged as ordered by the Chair See also col. 6994.

Mr. Speaker: Then he might continue. He would kindly confine himself to the issues that are involved.

Shri Surendranath Dwivedy: I am entirely relevant to the issues.

Mr. Speaker: Please do not go out of the issues involved.

Shri Surendranath Dwivedy: I do not go out. We must give the highest regard to the recommendations of the PAC. Once we adopt this principle, whatever may be the recommendations anywhere else, if the PAC has finally taken a decision, that will be binding. In this matter, the PAC has made some recommendations about a particular Minister, which we are now discussing. Since the PAC's decision is of such importance, we must have the same standard applicable in all cases. Therefore, after the PAC has given its 55th report, there is no reason to refer it to any other body. The only thing I am concerned with it, it must be accepted and the recommendations must be implemented.

After reading the PAC report, I have come to the conclusion that the particular Minister has shown utter irresponsibility and indiscretion and has made an attempt to evade, confuse and mislead. It is very clear. I will not go further.

I will only quote what you had to say while rejecting the privilege motion:

"The whole affair, of course is an unfortunate episode. That I must admit in the very beginning. There have been errors committed. Lapses have occurred and so much of confusion is there that one regrets all that has happened. But I have not to decide whether the Minister should resign. That is for the Minister to decide or for the Prime Minister."

Mr. Speaker: There was a demand in the notice that the Minister should resign.

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Shri Surendranath Dwivedy: He has tried to confuse the House very much, as corroborated by what you have said. After this preliminary remark, any self-respecting person would have resigned and the Government should not have tolerated him even for a moment.

Mr. Speaker: I was only referring to the notice that had been given and the demand made in that notice.

श्री मधु सिमरे : जो रिकार्ड पर है, माननीय सदस्य उसी का उल्लेख कर रहे हैं। फिर एतराज क्यों ;

अध्यक्ष महोदय : मैं नहीं कर रहा हूँ।

Shri Surendranath Dwivedy: Sir, let me go on. It is being argued that there is no pecuniary benefit, there is no *mala fide* intention, after all it is an error of judgment. I want to point out to you, Sir, and to the House, even if there is no *mala fide* intention, even if it is an error of judgment on the part of the Minister, it is a case of irresponsibility, it is a mistake of a high order. He cannot afford to be irresponsible as any other citizen. I will quote, Justice Chagla, not Minister Chagla, as he was then:

"If the transaction is improper and unjustified, the constitutional responsibility is that of the Minister."

He further says emphatically:

"The Minister must take full responsibility for the acts of his subordinates. He cannot be permitted to say that his subordinates did not reflect his policy or acted contrary to his wishes and directions."

In this case, the Public Accounts Committee, after hearing Shri Subramaniam, has neither said that this is proper nor justifiable.

[Shri Surendranath Dwivedy.]

Another argument that is advanced is, after all, can a Minister not use his discretion? It is argued that he has done it in his direction. It is asked, can he not modify the order in his discretion? I accept that a Minister can modify an order, and he has done it on his ministerial discretion. But any modification of such an order must be acceptable to fair-minded people as just and proper. It is not only that justice must be done, as Justice Das put it in the Das Commission Report, but justice must appear to have been done. In this case, I feel it is a blunder, it is an indiscretion, it is a case of discretion used wrongly, and the Minister concerned has no business to continue in his office.

I will quote one instance—I do not want to go into the details. My hon. friends may remember the case of Mr. John Belcher, a junior minister in the British Cabinet when Mr. Attlee was the Prime Minister in 1948. He was having a junior post in the Board of Trade. Because of his association with unsocial elements he had to pay the price. His wife got a sewing machine from a concern which was connected with the Board of Trade. Minutes after the allegation was made in the Press, the whole machinery of the British Government went into action, tribunals were appointed and the Minister immediately resigned although there was no report of the Tribunal that he was in any way concerned with that firm or anything wrong was done. We must have some precedent, some tradition in this country.

The Minister says "I have a clear conscience, I am not going to resign". Probably, that day, when he signed this order, his conscience had cleared out and no conscience was left in him, as I shall presently point out. Why did the Minister, if his conscience was so clear, take so much of the time of the House, waste so much

time of the House, on the 17th and also on the 18th when he made his statement? He could have very clearly stated the entire position. Why did we again refer it back to the Public Accounts Committee and put them in an embarrassing position? So far as the Minister is concerned, the Minister has not told the truth. He has admitted it earlier. In his evidence—I do not know whether I have the time to go into all this, but it will not be denied because it is here in the evidence—he has stated when he passed the order he did not know about this firm, whereas there is a statement in which he says that he know about this firm when he passed this order in 1962. There were many things known about this firm and even in this House it had been raised several times. Even in the Eleventh and Twenty-Fourth Reports of the Public Accounts Committee, they have come out with strictures against this particular firm and what the Iron and Steel Controller and the Ministry concerned have done. In this House, in 1958, we discussed the report of the Estimates Committee, showing how the Hindustan Steel Limited, the Iron and Steel Controller and the Government are involved in these affairs, how these shady transactions are going on. All these things were known.

In his evidence, when he was asked when Mr. Jit Paul went to him whether there was any other person, his answer was: "I do not remember". When he was asked: "Was it your first meeting?" he replied: "Yes, I think so". These are his words. I am quoting from the evidence. If that is so, why was he hiding the facts. If he had mentioned this in the House, then the entire truth would have come out. The fact remains, that that was not the first time when Mr. Jit Paul met him. He had met him three or four times before. I maintain that he had met him three or four times regarding these matters of import and export of

iron and steel. Here is a letter—if you will permit me, I shall place it on the Table of the House—written by Shri Jit Paul. This is from 13, Alipore Road, Calcutta, 27, dated 25th January, 1963. It says:

“Dear Shri Subramaniam ji,

I take this opportunity to express my gratitude to you for very kindly sparing your time...”

Mr. Speaker: Is it the original or a copy?

Shri Surendranath Dwivedy: It is a copy. I certify it to be a true copy of the original. It says:

“I take this opportunity to express my gratitude to you for very kindly sparing your time and granting me a second interview on Monday.....” *(Interruptions).*

Let it be denied. This is a copy. I cannot get the original. I will certify it to be authentic.

Mr. Speaker: He will have to certify, according to my earlier decision, that he has seen the original himself and certify that it is a copy of that original that he has seen.

Shri Surendranath Dwivedy: I will certify that and place it on the Table of the House.

[Placed in Library, See No. LT-6896/66]

Shri Tyagi: Be sure that it is a true copy of the original.

Shri Surendranath Dwivedy: Shri Tyagi must know that I have not said a word in this House which is not corroborated by facts later on. What I am saying is this. This letter is dated 25th January, 1963 wherein he says:

“I take this opportunity to express my gratitude to you for very kindly sparing your time and granting me a second interview on Monday, the 31st December, 1962, to explain our

position in the matter of our claim against Messrs. Hindustan Steel Limited vis-a-vis.....Jit Paul”.

Therefore, he has met him several times. He knew about this all this time. The Minister has devoted more than a page in his evidence to say:

“After all, I grant interview to anybody who comes to me. Whenever one comes to me, how can I refuse an interview?”

I have here telegrams and letters to show how a retired IPS gentleman working in the Hindustan Steel, who wanted to see him during this period, was sending telegrams after telegrams seeking an interview with him and till 1964 he was not given time to meet him. But this particular gentleman, Jit Paul comes up suddenly and over-night he has been granted an interview, overnight the order was changed and all that happened. Therefore, it raises suspicion in the mind of everybody.

Now, I will proceed further. The Minister himself has admitted in his evidence that repeated letters, at least twice, were sent by the Iron and Steel Controller. They did not carry out his orders of 28th June, 1963 and the Iron and Steel Controller sent repeated enquiries. In the same context, when he was cross-examined by the Public Accounts Committee he himself has said: “Even now I could not say that it is free from suspicion”. This is when he wanted to amend the orders. He says: “it is not free from suspicion”. The question arises, if he had suspected this, if suspicion arose in his mind, did he enquire about it before he passed the orders? Did it arise in his mind that since the matter was of a suspicious nature, he should hold an enquiry? Did he hold an enquiry into this matter? Did he suspend the two officers involved in this? Who were the Steel Controllers? They were Shri Bam and Shri Banerjee, whose letters are there in this Public Accounts Committee's

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Report. They were hand-in-glove with this firm.

About the Iron and Steel Controller's Office this is what the Public Accounts Committee has said:

"It seems that the parties took the office of the Iron and Steel Controller for granted to issue them any licence whenever they required etc. etc."

Knowing fully well and these things, what was the Minister doing? The Minister has said:

"I knew something about this firm, and therefore my general attempt was to see that some discipline was restored in the iron and steel trade."

I do not want to go into those things. Again, he admits in the course of his evidence that there was a file in the Ministry concerning Messrs. Aminchand Pyarelal. After knowing this, how could he pass this order? Therefore, what can he say? So, he says that it was just to give a chance to somebody, there was no consideration.

14 hrs.

I will again quote Justice Chagla. I am making a distinction between Justice Chagla and Minister Chagla. Justice Chagla said in the Mundhra affairs:

"there was some driving force behind this drama and the Minister says that he did not supply that force."

What was the driving force which drove the Food Minister to pass an order within 48 hours, which is quite unusual? I, therefore, ask him to clarify whether before passing this order there was any telephone talk by him with any other Minister about this particular firm. Since this firm is in Jullundur and his predecessor was from Jullundur...

Shri D. C. Sharma (Gurdaspur): Sir, he is bringing in other Ministers.

Shri Surendranath Dwivedy: did he talk to him to know the antecedents, the past antecedents of this firm before revising his order? That would be the proper thing to do. Probably, Shri Subramaniam has done that with honest intentions. I would like to know from him whether between these dates—and these dates are very important—28th June and 22nd July, specially between 19th July and 22nd July, he recollects having had any telephone talk with Shri Swaran Singh, his predecessor, and whether this interview was arranged through Shri Swaran Singh.

Shri D. C. Sharma: Sir, the name of another Minister is brought in.

Mr. Speaker: So far as I have been able to understand, the reference to Shri Swaran Singh has not been in a critical sense so far. He was simply saying that since Shri Swaran Singh came from Jullundur, where the firm was situated, whether any enquiries were made of him.

Shri D. C. Sharma: What does it matter if he belongs to Jullundur. There are many others who belong to Jullundur.

Mr. Speaker: He is only saying that the Minister could have enquired from his predecessor whether he knew this firm and what sort of firm it was.

Shri Surendranath Dwivedy. To allay the suspicions of Professor Sharma I would further say that Shri Swaran Singh comes from Jullundur; this firm is also from Jullundur. Since 1952 the reputation, influence, name and fame of these two, Shri Swaran Singh and this particular firm, attained not only country-wide but international fame as well, and there must be reasons behind it. It must be known as to how it has happened.

Shri D. C. Sharma: The hon. Member is over-stepping his limits.

Mr. Speaker: I also feel that the hon. Member is over-stepping his limits. I would not allow the names of other Ministers to be brought in. This is beyond the scope of this discussion. I would not allow that. Now, impliedly he is saying that Shri Swaran Singh has a hand in it.

Shri Surendranath Dwivedy: If anybody challenges, I can prove it.

Mr. Speaker: No, I would not allow anything to be brought in here which implicates Shri Swaran Singh.

Shri D. C. Sharma: What does he mean by Shri Swaran Singh's name and fame?

Mr. Speaker: I too agree with Shri Sharma that the hon. Member has over-stepped his limits. This name should not be brought in.

Shri Surendranath Dwivedy: Shri Subramaniam has stated in his statement that all this happened in between 1957 and 1960 and that he came in April 1962. Now, when he passed this order, may I enquire of him whether it occurred to him to enquire whether within these years, 1957—1960, out of court, out of all limitations, two licences or permits, one for Rs. 2½ crores for stainless steel and another for Rs. 1.10 crores were issued to Messrs. Aminchand Pyarelal and Messrs. Ramkrishen Kulwant Rai? Ordinarily when permits are given by the Iron and Steel Controller the report is not sent to the Ministry. All and sundry need not go to the Ministry. But these parties were getting so much by the grant of these licences, especially for stainless steel which was so scarce and on which one could make crores of rupees is it not a fact that the Iron and Steel Controller sent this file to the Minister saying "I am sending the file, as the Minister desires" and the Private Secretary wrote in the file "The Minister has seen; thank you"? Was it there or not, I would like to know. Did it occur to him that when such commitments were there, not during his tenure but during the tenure of

his predecessor, he should take steps to find out the position?

Shri D. C. Sharma: So what?

Shri Surendranath Dwivedy: Why are you so touchy?

Mr. Speaker: The hon. Member has taken 30 minutes. He should now conclude.

Shri Surendranath Dwivedy: So much of time was taken up by the interruptions.

Mr. Speaker: It is part of the game.

Shri Surendranath Dwivedy: If you rule like that, no discussion can take place.

Shri Ranga: There were disturbances on which so much time was taken.

Shri Surendranath Dwivedy: If we have to challenge his honesty, if we have to attribute any motives, if we have to say that he has done something improper or unjustified, we must place certain facts before the House. So, I am asking, between 16th Nov. 1962 and 23rd July was there any communication from the any higher-up to him. Was there any communication from the ex-Chief Minister of Punjab Sardar Pratap Singh Kairon, to the Minister regarding this affair? Is it not a fact, I now put it to him, that he issued a DO Letter No. NE-Ind.7(24)/60, dated 29th March, 1963, in connection with the grant of import licences to Messrs. Aminchand Pyarelal group of industries? He wrote this letter and it has appeared in the correspondence that has been published as between this Minister and Sardar Pratap Singh Kairon, ex-Chief Minister of Punjab. What I want to say is this. This particular firm and this particular matter figured very prominently in the Das Commission Report. I have that report with me. It was made out by the petitioners before the Das Commission that one of the allegations against Sardar Pratap Singh Kairon was that through the help and assistance of this particular firm, by giving them licences and permits worth hundreds of crores of rupees, which were sold in the

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blackmarket, he made money. This letter has been found in the correspondence that has passed between the Steel Minister and Sardar Pratap Singh Kairon.

It is very clear that some higher influence has worked on the Minister and, therefore, he has been obliged to change this order. This is a fact which can never be denied in the face of facts that we have in our possession.

Then a specious argument was put forward that a sinner will also have a future. He has mentioned in his evidence that every sinner should also have a future. If the sinner should have future then the Minister who has sinned must go; there is no other alternative.

I would like to say that he made the plea that because he wanted some industries to grow, therefore, he relaxed the order to enable them to put up some industries. That is a big hoax which, I am sure, other Members will show by their arguments. I am not going into the details.

श्री मन्त्रु लिमये : यह तो नियम के अनुसार बोल रहे हैं ।

Shri Surendranath Dwivedy: I will again appeal to you, to the House and to the judicial sense of Justice Chagla what he has said in the Mundhra inquiry. This matter is no less than what happened in the Mundhra case—the same considerations, the same reasons, the same facts, the same impropriety and the same irresponsibility.

Shri D. C. Sharma: But Feroze Gandhi is not here.

Shri Surendranath Dwivedy: Justice Chagla there referred to the other aspect of the transaction which raises serious doubts as to its propriety and the haste with which it was effected." This is very appropriately the case here, the haste in which it was done. Between 20th and 22nd of July, the same night the order was passed and the Secretary goes on writing although

the order passed on the 28th June actually was not issued till 31st July and the Minister did not bother even for a moment whether his order had been carried out, whether that had been issued or not.

Therefore, whatever the Public Accounts Committee might have said regarding the Minister that it is still obscure, I think, so far as I am concerned, the House will agree that the obscurity now goes. It has come to light why this was done. These facts were not placed before the Public Accounts Committee.

You do not permit me to speak about the other things. I have much material and I have on time; but I want to make it clear to you and to the House in the interest of this nation, that I have in my possession many facts implicating ministers, secretaries and officers regarding a firm which, I maintain, has made hundreds of crores or more. There is a company, Ironside Limited, U.K. biggest buyers of manganese and iron ore, and it will be worth while to refer all letters that the Reserve Bank has with them to the Bank of England to find out what a fraud has been committed by this particular company. So far as that is concerned, recently in a case it has been shown, in the Bengal Co-operative Private Limited, controlled by one Onkar Jajoria. He has written a letter to George Cohen and Company, biggest firm in UK. This has been detected how this country's money was taken away by the firms and the country was cheated. The matter is under inquiry. Likewise, I would like that this should be inquired into so that the whole thing would be unearthed as to who were responsible. There is no doubt, the entire ministry, as I have said, and the officials are responsible for this.

So far as the Minister is concerned, the Public Accounts Committee's recommendation and decision is final and irrevocable. If this House wants

to maintain the traditions of parliamentary democracy, it must accept it as final. Here is no question, regarding this particular matter, of any inquiry. Other matters may go to the inquiry as has been suggested by the Fiftieth Report. A thorough probe should be held. When you hold the inquiry, it will be again necessary that the ministers concerned should be included and the ministers should resign, the officers concerned should be suspended and all business dealings with this particular group of firms should be suspended. Then alone the inquiry would be worth while. But let this House give all honour and credit to our P.A.C. We have all parties in it; we have elected them. They are our representatives and they have done this thankless job as our representatives and on our behalf. We accept them as such and, therefore, Government should also accept. There should be no hesitation; there should be no prevarication. It should not be sent to a legal authority. Who is the legal authority to go into the decision of a parliamentary committee, consisting of all parties? They have come to this finding after the good assistance of the Auditor General. The Public Accounts Committee comes into the picture or confines itself only to the audit remarks. One does not know what further material is there. So far as this minister is concerned, in one in the sea of the material he has been found guilty. If any conscience is left with him, he should not put anybody in embarrassment and should resign immediately. This matter should not go to a judicial inquiry. It should be taken as final and he should resign and other matters should go for a thorough probe.

Shri D. C. Sharma: I want to submit very respectfully that I have listened very respectfully to the speech of the hon. Member and he has said that other ministers, secretaries and officers are involved. He has extended very much the scope of this debate. He has cast the net wider than you and we expected him to cast. How are those

ministers, secretaries and officers whom he has held guilty, if I can use that word, by implication or insinuation, to be judged here? I think, it is something which is not right and proper.

Mr. Speaker: What he said was that the conclusions of the Fifty-fifth Report should not go to any judicial body but, as was recommended by the PAC, a high-power commission or commission of inquiry or something might be appointed to go into a thorough probe. He also endorses that, that that might be done.

Motion moved:

"That the Fifty-fifth Report of the Public Accounts Committee on the statement made on the 18th May, 1966, in the House by the Minister of Food, Agriculture, Community Development and Co-operation relating to para 4.123 of the Fiftieth Report of the said Committee, presented to the House on the 5th August, 1966, be taken into consideration."

Time allotted is 5 hours to be finished this very day. That is the decision. We may have to sit late to finish it and conclude it but not carry it over.

Again, we come to the question of time-limit.

Shri Daji: That will be judged by you.

Mr. Speaker: 15 minutes each?

Shri Ranga: I cannot very well do in 15 minutes.

Shri Warrior (Trichur): If one person has got sufficient facts to present for 30 minutes, he must be given time.

Shri Daji: You can judge for yourself.

Shri Warrior: If I have 15 minutes and I repeat the very same thing, what is the use of it?

Shri Daji: At least 20 minutes.

Mr. Speaker: If some hon. Member is making new points, certainly he will be given some time. So, 15 minutes normally.....

Shri Ranga: I cannot take part in the debate. I am the only person who has got to speak for my party and I can not place myself at the mercy of 15 minutes.

Mr. Speaker: Shri Ranga should at least listen to me.

Shri Ranga: He has made this suggestion and at the same time you are repeating it.

Mr. Speaker: 15 minutes would be in the ordinary course, but if some hon. Member is making out new points, I have already said....

Shri Ranga: That leaves so much discretion. The other day I was making a speech on the non-official Resolution moved by Shri Surendranath Dwivedy and if you were to consult your records, you will find how I was treated by the Chair then. I do not want to place myself at the mercy of the Chair.

Mr. Speaker: That he has to place himself. I cannot help it.

About the substitute motions, I will again repeat my request, though again demands are being made, that it would not be worth while or advisable to press them, to move them and have a division on them. That would not be good also. I therefore entreat that Members should reconsider it and not press it.

Shri S. M. Banerjee: You should also consider our point of view.

Shri Hari Vishnu Kamath: Members may at present be permitted to move them and depending upon the response of the Government, later on after the discussion is over and if the Leader of the House accepts the commission of inquiry, we may with draw—not now but after the discussion is over.

Shri Tyagi: In this connection, about these substitute motions, may I

submit one thing? In 1933, in the Central Assembly, the people's representatives insisted on having a discussion on the Public Accounts Committee Report and the decision given by the Chair was like this:

"In this particular case, the Chair might explain to the hon. Members that the usual parliamentary practice, when a motion to take into consideration the Public Accounts Report is made, is that no question is put after discussion. The motion that the Report of the Public Accounts Committee be taken into consideration is simply made with a view to giving an opportunity to the House to have a full and thorough discussion on the points arising out of the Report of the Public Accounts Committee."

I want to submit only one word more. As Chairman, I have seen the Public Accounts Committee decisions. They all rise above party considerations, they take decisions on matters of public money involved and there are no party affiliations in the Public Accounts Committee. Their unanimous reports are there. If, in this House, voting is to take place on party lines, that will embarrass those who have once voted on one side and then go to vote on party lines. Therefore, in the interest of those Members, I would request you to rule that there will be no substitute motions and putting the question to the House.

Some hon. Members rose—

Mr. Speaker: No discussion should be carried on in this matter.

Dr. L. M. Singhvi (Jodhpur): I would very briefly submit to you that the Opposition might be permitted to reconsider this matter of putting substitute motions or putting the question after the discussion because it is equally in the interest of the Opposition as it is in the interest of the Congress Party to preserve the position that the P.A.C. occupies today. If it

is subjected to the vagaries of political decisions, either today or tomorrow, it is possible that the force of the Public Accounts Committee and its observations would be drained of its vitality and of its unquestionable character. I think, in this view of the matter, in view of the discussion that has taken place already and in view of the hope that we still entertain that the Government would respond in an appropriate manner to the discussion in the House, the substitute motions should not be put to vote, though they may be moved at this stage.

Shri Satya Narayan Sinha rose—

Mr. Speaker: The Leader of the House wants to say something.

The Minister of Railways (Shri S. K. Patil): May I submit one thing before that is made? I do not take part in these discussions and, therefore, I am not killing the time of the House.

Sir, you have limited the scope of the discussion of this motion. It only refers to the 55th Report of the Public Accounts Committee. Now, what my hon. friend, Mr. Kamath is asking is to make a statement on something that arises out of the 50th Report of the Public Accounts Committee. I want a clarification from you that when that is made and the Government attitude is known, that should not be taken up again on the ground that that motion is made during this debate and, therefore anybody is entitled to refer to it. That will go far beyond the scope of the discussion of the 55th Report which you have already laid down. It was pointed out that such a commitment was made by the Steel Minister on the 12th. At the end of the discussion, even the Prime Minister would be pleased to say if it is so. But, if it is not, if it is going to be that because that statement is made, therefore, that again becomes a point in order for discussion, then that, according to your previous decision, is going far beyond the scope of this particular discussion.

Mr. Speaker: It would be better if it is made at the end then.

Shri Satya Narayan Sinha: As you like, Sir, I am in your hands.

Mr. Speaker: If the House wants, I can ask him to make that statement at the end.

Shri Hari Vishnu Kamath: Substitute motions may be allowed to be moved now and depending upon the response later we can consider their withdrawal.

Mr. Speaker: The scope of the discussion has been prescribed, limited, confined and defined also. Therefore, the simple moving of the substitute motions would not make any difference in that.

Shri Hem Barua (Kauhati): When you allow a discussion on a particular subject, it is not good to set a precedent for narrowing its scope.

Mr. Speaker: That is done. I am clear in my mind that I must have done it, and I have done it. There is no going back on that.

Provisionally, I will allow then to be moved. But the ultimate decision will lie with the House.

Shri Tyagi: The House may decide in advance in what way it will discuss the Public Accounts Committee's Report.

Mr. Speaker: Now, I am really in this predicament, I am not clear in my mind, whether really at this moment I can ask the House to throw out the substitute motions. I must be sure before I can bar them out. Of course, the ultimate decision lies with the House, whether to accept it or to reject it. But whether at this moment the House can exercise any discretion, I am doubtful of that. Therefore, I am not taking that course. Tentatively, I allow these substitute motions to be moved.

श्री मधु लिये : मोर्जण पढ़ी जाण ।

श्री यश महोदय : कोई जरूरत नहीं है ।

Shri Parashar (Shivpuri): Sir, you have not finally admitted these substitute motions. You have said that they are moved tentatively. Kindly allow me to say a few words.

Sir, it is a special occasion and, therefore, a special procedure will have to be adopted. Once you admit the motion, it will be impossible for you as well as for the House to bar any discussion about that. Therefore, it should be clearly understood at the beginning that the discussion will be confined only to the motion and not to the substitute motions. And if this discussion is not to extend to the substitute motions, then what is the use of moving them. Therefore, under the guise of only moving them, this should not be taken as a liberty later on to say anything about them.

Mr. Speaker: No liberty would be taken in that respect. The scope of the discussion has been prescribed and all are agreed on that. That has been agreed to by the House. There is no going back on that.

Shri Hem Barua: May I submit that corruption is the worst form of violence? (*Interruption*). You are trying to narrow down the scope of the discussion on this.

Mr. Speaker: That I have done.

Shri Madhu Limaye: I beg to move:

That for the original motion, the following be substituted, namely:—

"This House, having taken into consideration the 55th report of the Public Accounts Committee, thanks the Public Accounts Committee and its Chairman for the splendid work they have done and expresses its approval of the Report." (1)

Shri S. M. Banerjee: I beg to move:

That for the original motion, the following be substituted, namely:—

"This House, having considered the 55th report of the Public Accounts Committee recommends to Government that a Commission

headed by a Supreme Court Judge be appointed to investigate into the whole deal." (2)

Shri Daji: I beg to move:

That for the original motion, the following be substituted, namely:—

"This House having considered the 55th Report of the Public Accounts Committee records the appreciation of the work of the Committee and recommends that a Commission of Inquiry under the Commission of Inquiry Act, headed by a Supreme Court Judge be appointed, to investigate and report about the Barter deals referred to in the 50th Report of the Public Accounts Committee and the orders passed about the blacklisting of the firms of the group of M/s. Aminchand Pvarcal and into the working of all the companies of that Group."

Shri Hari Vishnu Kamath: I beg to move:

That for the original motion, the following be substituted, namely:—

"This House, having taken into consideration the 55th Report of the Public Accounts Committee, places on record its appreciation of the service rendered by the Committee in the nation's interest, and to maintain the highest standards of integrity in administration: The House urges Government to appoint immediately a Commission of Inquiry under the Commissions of Inquiry Act, 1952 to inquire into the whole affair." (4).

Shri K. C. Pant: I beg to move:

That for the original motion, the following be substituted, namely:—

"This House having considered the 55th Report of Public Accounts Committee notes with satisfaction Government's decision to appoint a high-level Committee to enquire into all

the matters referred to in the 50th Report of the Public Accounts Committee some of which have been further commented upon in the 55th Report, and endorses Government's stand." (5)

Shri S. M. Banerjee; Sir, I rise on a point of order.

This substitute motion of Shri K. C. Pant cannot be moved.

Mr. Speaker: That I will see. This is subject to its admissibility.

Shri S. M. Banerjee: This cannot be moved even.

Mr. Speaker: I will see that. (*Interruptions*). Order, order. I am saying again and again that subject to its admissibility, I allow it.

Shri S. M. Banerjee: Even at this stage it cannot be moved.

Shri Vasudevan Nair (Ambalazhazha): Since there is a reference to the 50th Report in that substitute motion, Members may speak on the 50th Report.

Mr. Speaker: I will not allow that.

Shri Hari Vishnu Kamath: If this is moved, we will speak on the 50th Report also . . . (*Interruptions*.)

Shri S. M. Banerjee: Kindly bear with me just for half a minute. My submission is only this. This substitute motion of Shri K. C. Pant makes a mention of the 50th Report. If you allow this to be moved, there are two things, firstly, that this will entail a full discussion on the 50th Report and the second thing is this that it says about the Government's decision to appoint a high-level Committee to enquire into all the matters when no such decision has been taken. This is utter stupidity.

Mr. Speaker: I will consider that also.

श्री प्रकाशबीर शास्त्री अध्यक्ष महोदय, जैसा कि श्री बनर्जी ने अभी कहा है, माननीय सदस्य, श्री कृष्णचन्द्र पन्त, का संशोधन इस दृष्टि से श्रायित है कि गवर्नमेंट ने अपनी ओर से अभी कोई निर्णय नहीं लिया है। दूसरे, श्री कृष्णचन्द्र पन्त ने अपने संशोधन में कहा है : "यह सभा, लोक-लेखा समिति के 55वें प्रतिवेदन पर विचार करने के पश्चात्, लोक-लेखा समिति के 50वें प्रतिवेदन में उल्लिखित उन सभी मामलों का, जिन में से कुछ का उल्लेख 55वें प्रतिवेदन में भी किया गया है, जांच करने के लिए . . ." आदि। मैं निवेदन करना चाहता हूँ कि "उन सभी मामलों" में केवल स्ट्रीट मिनिस्ट्री ही नहीं आयेगी बल्कि समिति के 50वें प्रतिवेदन में कांसर्स मिनिस्ट्री भी आयेगी और सरकार को उस की भी जांच करानी पड़ेगी। इसलिए, उन का यह संशोधन निरस्त नहीं है।

Shri Hari Vishnu Kamath: There seems to have been some sort of collusion between the Treasury Benches and Mr. Pant because he anticipated, perhaps he was told, that Government's decision would be coming earlier in the day and, therefore, the decision is referred to in his motion. And then also the 50th Report . . .

Mr. Speaker: Order, order. We shall see these objections and then decide.

Mr. Daji.

Shri Daji: I rise to indict Mr. Subramaniam for acting without adequate reasons and for reasons which are far from *bona fide*, leading to condoning of felonious acts, using discretion indiscreetly with carelessness which can be called culpable carelessness, showing lack of competent judgment. I further indict him for incredible credibility about the deliberate delays in the office of the Iron & Steel Controller amounting to, in the words to Justice Chagla, acquiescence in the dereliction of the officers. I further indict him for prevarications to cover up his tracks and to attempt

[Shri Daji.]

at circumventing the functions of the PAC.

14.23 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

My indictment is based on the 55th Report of the PAC, which has only reiterated its findings in the 50th Report.

Before I come to the main points, a hurried look at the entire background is called for.

The first order in these transactions was passed on the 16th November, 1962 by Mr. Subramaniam himself. Please note that, so that, when we later on discuss his forgiveness to the sinner, we must know that he knew the nature of the sin. When he passed that order, in the notes Mr. Subramaniam has noted that this group of firms has been trying to hoodwink the Government and, therefore, they should be blacklisted. Then certainly irregular transactions regarding the disposal of imported rounds came to the notice of the Department for which the Secretary put up a note saying that two years' suspension of business by Iron and Steel Controller would meet the requirements of the case. On this Mr. Subramaniam has said, 'No'; he disagreed and then wrote that it should be a general order, so that the other government departments and institutions also do not deal with these firms. It is this order, which has been held to be specific, complete and final, that was communicated by the Secretary in clear and categorical terms, in terms given on page 4 of the PAC's report, to the Iron and Steel Controller. The terms of the order are:

"The matter has been examined and it has been decided that business dealings should be suspended with M/s. Surendra Overseas and its associated concerns for a period of two years with immediate effect. A general order may please be issued immediately

under the black-listing code, so that other Government Departments and Government Institutions may also not deal with these firms for a period specified above. A copy of the order may please be sent to me as soon as it is issued."

Mark the word 'immediately' in "A general order may please be issued immediately under the black-listing code, so that other Government Departments . . .".

When these orders were conveyed to the Iron and Steel Controller's office, there were back references. The first back reference was on 6th July and the query was whether this order should apply to all the concerns of the group or only to the trading concerns and whether industrial concerns also should be included or not. The matter was again examined and on the 12th July, another order was passed reiterating the old order but exempting only two rolling mills of the group. Thereafter, a second back reference was made on 17th July by the same office, by the Iron and Steel Controller, saying that the Transport Ministry should be consulted because one concern, namely, Apeejay Lines, was a transport line. This letter of 17th July has been very sharply noted by the PAC. It has said that this letter should, in the normal course, have reached the office of the Secretary and the Minister on 18th or 19th, but somehow it did not reach. In between, Mr. Jit Paul met the Minister which led to the revision of the order of 23rd June and this revision of the order virtually restored the status quo as it existed on 16th November 1963. This is a very fast resume so that when we deal with the matter in question, we may know the background of it.

Then I think I need not take much of the time of the House in going into the background of the companies with which we are dealing. The Public Accounts Committee, in its Annexure, has given a list of offences starting

from 1954 when it was first blacklisted and how subsequently when the blacklisting was relaxed, the company again and again went on defaulting taking advantage of that, taking special favour, to the tune of lakhs and lakhs of rupees. For example, I will point out one pointed transaction to the House in which the company benefited to the tune of Rs. 15 lakhs. When the steel prices in the internal market had fallen, it was still allowed the same old price which had been contracted long back and for which they had defaulted. First of all there was a contract and secondly there was a default. When the steel price fell in the international market; then the default was condoned and the contract was again revalidated and the price was the old price. In this one transaction alone, there was a loss to the tune of Rs. 15 lakhs. This is in the 34th Report of the Committee. I am pointing out only one transaction because I have no time to go into all the transactions. It will suffice to say that the record is a record of shameful partiality, favours shown, gross illegalities, irregularities and smuggling condoned—smuggling condoned—corrupt collusion of officers of Iron and Steel Controller and the Ministry, directives of the Finance Ministry and the Steel Ministry circumvented and flouted and exchequer defrauded. The Committee has remarked that they were given almost a free run of the land with complete impunity; they took the Iron and Steel Controller's office and the Ministry for granted. Here is a picture not of a Board trying to build our country in our own way, whether I may like free enterprise or not; but here is a picture of corrupt, blooded and bleeding free enterprise, capitalist enterprise in this naked form. It is only sometimes that we in this House and the country get a peep behind the silken robes of the private sector. When we see the picture, it is the worst in the public sector. Even Mr. Masani will bear me out. It was with such fraudulent Companies that the Minister was dealing. This must be kept in mind.

Over a period of six years, they were given import licences for Rs. 29 crores. It was Rs. 29 crores. Suddenly in 1959 their quota in the total export-import trade rose from 9 per cent to 60 per cent of all the licences issued; whereas in 1958-59 their quota was only 9 per cent, in 1959 their quota rose to 60 per cent of all the licences issued—almost a monopoly, virtually monopoly. It was with these firms that the Minister was dealing. We must, therefore, realise this background. It was in this background that the matter came up for those imported rounds missing. The Minister rightly took the stand that mere suspension of business of iron and steel would not do and that it should be blacklisted for all government departments because limited blacklisting had been practised in 1954—Kaka Sahib Gadgil's was the first order—and it had failed to give any effect. Therefore, the Minister's second order was the proper order. But then, what happened? Then, some things happened, some things which are inexplicable, according to me, some things, the reasons for which are obscure, according to the Public Accounts Committee, and the Minister charged his order. The Public Accounts Committee had only remarked:

"The Sub-committee are unable to understand the circumstances under which the Minister changed his previous orders."

Why did the Minister change his orders? The secretary to the Ministry was asked a pointed question:

"Why did the Minister change the orders?"

The secretary's reply on record is:

"I cannot answer what made the Minister to do so."

In the face of this, I submit that there was no alternative for the Public Accounts Committee but to come to this conclusion, and in this conclusion

[Shri Daji]

also, 'the Public Accounts Committee, if it has erred, has rightly erred on the side of leniency. The committee's only remarks are:

"We are unable to understand."

Shri C. Subramaniam comes and says that he is surprised at this finding of the Public Accounts Committee. He is surprised. I have dealt with the question of surprise in detail, and the Hon. Speaker has also said that surprise meant a reprobation of the committee. So, I do not want to repeat it. But I might recall an English humour. A professor of English literature was one day caught red-handed by his wife, while he was kissing the maid. Thereupon the wife said, 'John, I am surprised.' But like all irate professors of English he turned round and said 'Mary, how is it, that even after fifteen years of association with me, you still speak incorrect English? You are shocked; I am surprised.' It was in this context that Shri C. Subramaniam was surprised. Caught by the Public Accounts Committee in the stance of a clandestine kiss with this firm of Aminchand Pyarelals, Shri C. Subramaniam says that he is surprised. Yes, he was surprised; so is the nation and so is this House shocked at the frivolous way in which Ministers can deal with their files and condone the action of such swindlers.

I submit that Shri C. Subramaniam has tried to present the wrong end of the picture to us. The approach should not be whether the action was *mala fide* or not. That is the burden of Shri C. Subramaniam's song in the House and before the Public Accounts Committee. The approach should be whether the action was *bona fide*. It has nowhere been held that a Minister is free of guilt till positive *mala fides* are proved. No one caught Shri T. T. Krishnamachari red-handed taking a bribe from Mr. Mundhra, nor was Shri H. M. Patel caught red-handed while taking a bribe from Mundhra and yet both had to go. They had to go not because they had taken bribe

but because their action showed undue haste and acquiescence in certain shady deals and transactions and improperly. Therefore, my submission is that the approach of the House and of the Government should be not whether Shri C. Subramaniam's action is *mala fide* or not but whether it is *bona fide*. Here, I submit that after his having first over-ruled the secretary's suggestion of a limited black-lising order, having first passed the order, an all-covering order and having then changed this order, the burden lies squarely on Shri C. Subramaniam to justify the change of order, and it is not for me to show that the change was not justified. This approach must be borne in mind, because it was he who had insisted upon a wider order, and it was again he who within a matter of days changed his order. When such quick work is there, when such fast work is there, fast in the very proper English sense of the word, a little too fast, when such too fast orders are there, the burden is on the Minister, and the House should consider whether the Minister has discharged that burden. Shri C. Subramaniam has advanced two reasons.

Dr. M. S. Aney: Does my hon. friend want to maintain that the absence of *bona fide* should be taken as *mala fide*?

Shri Daji: If the circumstances are such that the *bona fides* of the actions are shrouded in doubts, then they are tantamount to *mala fide* actions.

Shri C. Subramaniam has put forward two explanations or two reasons, and I shall examine each of them separately. The first of these two explanations is the Transport Ministry's assessment. I am using Shri C. Subramaniam's own words. The Transport Ministry's assessment is the first reason. Jit Paul's apology is the second. But before I examine these two reasons, may I submit that Shri C. Subramaniam is not clear in his mind which of the two reasons

ultimately tilted the scale, or he is prevaricating? It is like Shri C. Subramaniam coming before the House like a criminal who can take contradictory, different and diversified stands and then rest content on the burden of proof not having been discharged by the prosecution and then say 'Give me the benefit of doubt'. I submit that this is not a criminal trial. Shri C. Subramaniam must squarely and convincingly spell out the reasons or else he falls.

When he first made a statement on the 18th May before this House, what was the tenor of that statement? The tenor of that statement was that the most important factor was the assessment of the Transport Ministry. It was not only that, but he tried to give an impression to the House that though Mr. Jit Paul had seen him and had tendered an apology to him, he was not in a mood and was not prepared to accept that apology. That was the tenor of Shri C. Subramaniam's that this is not a criminal trial. I shall read out from his own statement. He had stated:

"Meanwhile, on the 29th July, 1963, one of the representatives of this firm, Mr. Jit Paul, sought and had an interview with me. I took strong objection to the activities of his concerns and advised him . . .".

—mark the words 'I took strong objection to the activities of his concerns'—

" . . . and advised him that it would be better that his firm concentrated activity on productive industrial enterprises rather than on trade."

Why did he advise him in that manner? Did we appoint Shri C. Subramaniam as the Minister for Steel to advise private parties to start industrial activities or did we appoint him to guard our exchequer? Anyway, at least he took serious objection. Then, what did he do? He says:

"The representative apologised for what might have been mistakes on their part . . .".

Then, he quotes a letter from the firm. That letter is well known to the House and I need not take the time of the House in reading it out. Then, please note what statement he made before the House. He says:

'On full consideration, I decided that there was no case for conceding the request of the firm to be permitted to have dealings with the Iron and Steel Controller . . .'.
.

Mr. Deputy-Speaker: The hon. Member should try to conclude now.

Shri Daji: I have just begun my speech.

Mr. Deputy-Speaker: Let him try to finish.

Shri Daji: I am only trying to give the whole picture in a cogent way.

Shri Ranga: That was why I had warned my hon. friend that he should not place himself at the mercy of these people.

Shri Daji: He has clearly stated:

"On full consideration, I decided that there was no case for conceding the request . . .".

Then he has said:

'In view of the assessment of the Transport Ministry, however . . .—mark the word 'however'—

" . . . I decided to reconsider . . .".

On full consideration, Shri C. Subramaniam decided not to concede, but however, in view of the assessment of the Transport Ministry, he decided to reconsider. He says:

"In view of the assessment of the Transport Ministry, however, I decided to reconsider the decision in regard to application of the suspension order to dealings with other Ministries."

So, the first version is the apology by the firm, and the second is the assess-

[Shri Daji]

ment of the Transport Ministry. First, the letter from the firm is quoted and it is said that he took strong objection to a consideration of the matter and he thought that it was not proper to accede to the request in that letter, but, however, in view of the assessment of the Transport Ministry, he decided to revise the order in its applicability to other Ministries; this was what he stated in his statement before the House. It was not only that, but he further said:

'I would like to reiterate that it should be remembered that it was I who initiated proceedings against the concern and suspended all transactions between my Ministry and the concern.'

He wants, therefore, to take further credit. It was not only that, but he then went before the Public Accounts Committee and made some statement. Now, there is a difference between appearing before the Public Accounts Committee and appearing here. Here, he can make a statement based on sentiments and get away with it. But before the Public Accounts Committee he had to face a cross-examination. There, he entirely shifted his stand.

Shri C. Subramaniam said before the Public Accounts Committee as follows:

"There were reasons in my opinion for reconsidering it... It is in that connection that the letter dated July 22nd written by one of the directors of the company is important... Therefore, it is on the basis of this that I took a decision, as they say, every sinner has a future because he frankly admitted the failings he had committed and also gave the assurance of good conduct in the future... Therefore, this is the basis for the variation of that order. So, it cannot be said there was no reason for this variation."

This was his statement before the Public Accounts Committee, when he appeared before them. Here, the entire basis is shifted from the assessment of the Ministry to the letter. I am examining the two reasons given by Shri C. Subramaniam in order to show how he has been prevericating between these two reasons themselves. Let me now examine the first reason in detail, namely the assessment made by the Transport Ministry.

Mr. Deputy-Speaker: The hon. Member should try to conclude now. He has already taken about 20 minutes.

Shri Daji: I cannot help it. If justice has to be done to my points, I must be given some more time. I am taking the points one by one, and I am not taking even a single minute more than is necessary; I am not using adjectives at all but I am only analyzing the conduct of the Minister. I shall take another 15 minutes.

Mr. Deputy-Speaker: Then, he will be cutting into the time of the other Members.

Shri Daji: I cannot do justice to this in such a short time.

Mr. Deputy-Speaker: He has already taken about 20 minutes.

Shri Daji: I cannot help it.

What is the assessment? No letter. Only a telephone call from a Deputy Secretary in the Iron and Steel Ministry to another Deputy Secretary in the Transport Ministry. 'Hello, what do you know of Apeejay Ltd?' 'It is a very very good firm'. That is all. Do you mean to say that Shri Subramaniam relied upon such a vague, nebulous, incoherent assessment of the Transport Ministry?

An hon. Member: Nothing in writing?

Shri Daji: No, only a telephone conversation. The noting by the Deputy

Secretary of his Ministry is that he had a talk with the Deputy Secretary in the other Ministry.

Now, supposing the Transport Ministry gave a clear clearance to Apeejay Ltd., a transport company, I would like to put one question. What relevance has the clearance by the Transport Ministry of one company to changing an order from suspension of dealings with all departments of Government to one confining the suspension to the Iron and Steel Controller's organisation? Is there any nexus between the two, is there any logical connection between the two? The Public Accounts Committee have very cleverly mentioned this and said 'We have never questioned the exemption of Apeejay Ltd. What we question is the exemption of all departments'. How could the assessment of the Transport Ministry be at all relevant to variation of orders from all government departments only the Iron and Steel Controller's office? That cannot be explained.

Again, I will draw attention to the culpable, care-less remark of Shri Subramaniam and his department. Apeejay is not only a shipping line. It is itself an importer, a defaulting importer against which an inquiry by SPE is pending, against which defalcation charges are pending, a firm which had been blacklisted, against which there is a charge of smuggling—this is Apeejay Limited. And to exempt this firm, he relied upon the assessment of the Transport Ministry and in the process he exempted from the suspension all firms of the entire group in respect of all departments. Is there any nexus? Is this a valid reason? Therefore, I say this reason need not be gone into. It can be dismissed. There might be another set of reasons.

Then the apology. What is this apology? I would like to quote from the letter of Shri Jit Paul, because it is very illuminating:

"I appreciate your remark that some of my transactions in the 1440(al) LS—8

Trade in the past have not been to your satisfaction. I admit that there have been mistakes..."—

Smuggling is a mistake! Fraud is a mistake!—This is the apology. And this Shri Subramaniam regards as a full apology, of a firm charged with smuggling, charged with defalcation, a firm which not only fooled the Department of Iron and Steel Controller but was caught red-handed, having made a declaration of a lesser number of bales going out but the bales being discovered on surprise checking, a firm which was guilty of a criminal action. All this is dismissed as mistakes.

And what are the 'mistakes on my part'?

"But they were mostly due to the circumstances then prevailing—"

Did Shri Subramaniam ask Shri Jit Paul what were the circumstances? Were the circumstances a favourable Minister or favourable Secretary or a favourable Iron and Steel Controller? Or were these the circumstances, that during that time 'I could do as I wanted'. Surely this letter of apology is a great slur on his Ministry, a slur on the Government. They have accepted this as a letter of apology.

Then, if this apology is important, why was the fact of this apology not mentioned in the first hearing by the Secretary before the Committee, because this apology had been discussed by Shri Subramaniam with the Secretary? The Secretary had noted on the same page. I referred to it when I mentioned about it last time. The Secretary was giving evidence before the Committee. When the Committee asked him about it, he said, 'I do not know'. Why was this apology completely absent from the evidence? Why was this apology under-played by Shri Subramaniam himself before the House on the 18th May? Why this misdirection, this prevarication on Shri Subramaniam's part. When the Committee asked Shri Subramaniam whe-

[SHRI DAJI]

ther someone else was present at the interview with Shri Jit Paul, he should have said 'No'. But he says, 'I do not remember'. The Committee was not asking whether a chaprasi was present. The purport of the question was whether some important person was present. I would have asked whether a Chief Minister was present, whether a Cabinet colleague was present, whether an influential member of the Party was present. Was the presence of anyone else then so inconsequential that Shri Subramaniam forgot about it or was it so consequential that he could not say 'No'? This is a suspicious fact surrounding this circumstance.

This is not all. He was further asked a very important question by the Committee. 'Did it not strike you when Shri Jit Paul came to you, as to why he came to you and how he came to know that such an order was considered, because this is a confidential order?' What does Shri Subramaniam say? Look at his arrogance before the Committee:

"I did not cross-examine him on that point".

If I am a Minister and if a man comes to me for such a purpose, the first question I wou'd put to him is, 'How did you come to know that a black-listing order is in contemplation?' He did not ask any such question to the representative of a firm which had defaulted before, but he straightway tells the Committee:

"I did not cross-examine him on that point".

This is his arrogance before the Committee.

Lastly, why did he accept the apology? Now I come to the reason given by Shri Subramaniam for accepting the apology. He says 'Every sinner has a future'. Did Shri Subramaniam know that while 'every sinner has a future', this was not his first sin? Was he not aware of his own order of 16th it?

November against this firm? Was he oblivious of the recommendation of the PAC in their 34th Report? Was he not aware of the smuggling charge against the firm, the criminal action of the firm and defalcation of HSL. The Committee put him this question whether he had not passed an order on the 16th November against this firm as it had been hoodwinking Government, and Shri Subramaniam had the check to tell the Committee, 'I do not know whether anything against him existed'.

I therefore submit that this apology cannot be the reason. And he did not stop there. Shri Subramaniam has treaded on most dangerous paths. He gives advice to the Committee. The Committee should consider not whether there was justification for the reconsideration of the order but only whether there were reasons for me, in my opinion, to reconsider it'. Then he says, 'It cannot be said that there were no reasons for the variation'.

I submit this is truncating the Public Accounts Committee. The Committee was well within its powers to examine the justification of the reasons. Supposing Shri Subramaniam had gone before the Committee and said, 'I reconsidered the order because a Cabinet colleague of mine got one lakh of rupees as election fund from him', does he really mean that that reason could not be examined by the Committee? Does he mean to suggest that if he had said before the Committee, 'A Chief Minister had recommended it. Therefore, I had to do it', the Committee could not go into it? Does he, again, mean to say that if he had deposed before the Committee that 'he got a crore of rupees as election fund and therefore he reconsidered the order, the Committee is precluded from going into it? Does he mean to contend that the Committee is perverted from looking into the sufficiency or otherwise of the reason?

Now, what is the culpability about Because of his reconsideration of

the order, this firm continued on the rampage. Let him read the latest report of the Public Undertaking Committee which details how this firm has cheated the ONGC in a pipe deal concluded after this order. Let Shri Satya Narayan Sinha take note that this firm has invaded his Post and Telegraph Department. Let Shri Chavan note from para 26 of the 1966 Audit Report that this company has invaded the Defence Department. Let the Oil Ministry take note that the ONGC has been cheated by this firm.

This is the result of this re-consideration of the order of total suspension of dealings. If 'sinners' have a future, then this will be the future which they will try to exploit. This is criminal culpability.

15 hrs.

Therefore, this criminal culpability cannot be excused, this callousness cannot be condoned, this well-established sin cannot be pardoned. If the Minister used his discretion, he has used it in an indiscreet manner, he has shown complete lack of competent judgment, he has displayed complete lack of background information which shows that at the relevant he forget that he had passed an earlier order on the firm, and thinks this is the first time he is passing an order; if all this happens as a result of which the sweat and toil of our poor people from whom we collect money is misused and if fortunes are allowed to be amassed by such swindlers and then if they are still to continue, I say India is not a land free for financial swindlers, nor should the Government be turned into a swindlers' den. If such incompetent, grossly incompetent Ministers who condone irregularities are allowed to rule our country, the conclusion will be that not only the swindlers are swindling, but the Government, or the Minister concerned, is conniving at it acquiescing in it. It is with this indictment that I charge. Therefore, I say the circumstances surrounding the decision reveal the utmost credibility, culpable carelessness,

naivete, indiscretion, irresponsibility and a total lack of competent judgment which casts a doubt on the *bona fides* of the action. The action is shrouded in such doubts that such action I refuse to say is a *bona fide* action, and must be held to be *mala fide* in law. There is something called *mala fide* in law. It may not be *mala fide* in fact, but it is *mala fide* in law. This action is an action *mala fide* in law, and not only Mr. Subramaniam but the whole, entire Government should resign out of propriety, it may be reconstituted without him, but such a scandal cannot be forgiven.

Aminchand Pyrelal was given Rs. 29 crores, but this very Public Accounts Committee has revealed that more than Rs.5 crores have been wasted on export promotion of art silk. The aspect of the matter we have all missed in this furore of Aminchand Pyrelal. Rs. 5 crores have been lost in an export promotion scheme on art silk. That also has to be examined. If such scandals are to be stopped, it should be stopped when we come across one. May be out of 100 cases we catch one, but in that one case strong action is called for, because whether it is *mala fide* in fact or not, *mala fide* in law has been more than proved.

Shri K. C. Pant:

I beg to move substitute motion standing in my name:

That for the original motion, the following be substituted, namely:—

"This House having considered the 55th Report of Public Accounts Committee notes with satisfaction Government's decision to appoint a high-level Committee to enquire into all the matters referred to in the 50th Report of the Public Accounts Committee some which have been further commented upon in the 55th Report and endorses Government's stand."

I would have been frankly much happier if the observations of the Speaker had evoked response from all sides of the House and all the substitute motions have been withdrawn.

[SHRI Y. B. CHAVAN]

However, since the others have not been withdrawn, I have no option but to move my substitute motion also.

Shri Hari Vishnu Kamath: On a point of order. I have scanned the motion standing in his name. If I understood the Speaker aright, when we raised objections on this side of the House, the Speaker said he would consider very carefully the admissibility of the motions.

An hon. Members: Why are you intervening?

Shri Hari Vishnu Kamath: Why are you intervening? I am raising a point of order. He will decide that. Keep quiet.

The speaker said that he would consider the admissibility of the motion before it could be moved. And the point raised was on two counts. We found fault with this motion on two counts, it is defective on two grounds. One is it anticipates—I do not know, it is his own party's Government. I know, he might know what is going on inside the Government—some decision by Government.

Mr. Deputy-Speaker: All that has been said.

Shri S. M. Banerjee: No, Sir, he has not given a ruling.

Shri Hari Vishnu Kamath: You were not listening, you were not attentive, perhaps.

Mr. Deputy-Speaker: He will give a ruling.

Shri Hari Vishnu Kamath: We give notice here that if he moves that motion, we will take the opportunity to speak on the 50th report of the PAC; take notice, take note, do not stop us from speaking on the 50th Report.

Mr. Deputy-Speaker: He will give the decision.

Shri Hari Vishnu Kamath: I am sorry you are not understanding my point. You cannot stop Members. Have you read the motion? Please read it.

Mr. Deputy-Speaker: He has said all that. He will give a decision later.

Shri Hari Vishnu Kamath: The point is he has moved his motion.

Mr. Deputy-Speaker: Admissibility of the motion will be considered later.

Shri Hari Vishnu Kamath: Once he has moved it, as you know under the rules, you are conversant with the rules of procedure of the House, everything that is said in the motion will be open for discussion. The 50th Report of the PAC referred to in the motion will be open to the House for discussion. You cannot stop us.

Mr. Deputy-Speaker: He need not refer to the amendment.

Shri S. K. Patil: I do not want to intervene, but if I remember, when these various motions were mentioned in the morning, the Speaker had not given the ruling. He said it was very difficult for him to rule one way or the other. He made an exhortation to the movers of motions that they should withdraw. Ultimately he said that the motions are there, I will take a decision later on. That does not preclude a Member from making a speech and referring to a motion. It is not moved or anything. That will await the final decision of the Speaker. Shri Pant was the first to get up and make a statement that he was prepared to withdraw his motion if others were going to withdraw. I think, therefore, this type of a thing does not arise. It should be left to the Speaker.

Shri Hari Vishnu Kamath: The 50th Report will be discussed, that is all. I am happy it is moved, because we will have the opportunity to discuss the 50th Report as well.

Mr. Deputy-Speaker: Order, order.

Shri Hari Vishnu Kamath: What do you mean by "Order, order"; what is this "Order, "order"?

Mr. Deputy-Speaker: The Speaker has said that he will give a decision later whether it is in order or not. So, Mr. Pant will speak on the main motion.

Shri S. M. Banerjee: I rise on a point of order.

Shri Hari Vishnu Kamath: I am glad it is being moved, but you will have to permit the Members to speak on the 50th Report to which the motion refers, that is all I say.

Mr. Deputy-Speaker: He will not speak on the 50th Report.

Shri Hari Vishnu Kamath: How can you stop?

Mr. Deputy-Speaker: He will not speak on the amendment also, he will speak on the main motion.

Shri Bhagwat Jha Azad: Does it mean that no other substitute motion will be moved?

Mr. Deputy-Speaker: All those have been moved, including Mr. Pant, but whether it is in order or not, the Speaker will consider and give a ruling later.

Shri S. M. Banerjee: I rise on a point of order on the business of the House, under rule 376 (2).

In the morning, when the question of substitute motions came, the Speaker gave his advice to us.

Mr. Deputy-Speaker: The House did not accept the advice.

Shri S. M. Banerjee: Kindly hear me.

After his advice, we also considered the motion, then we argued, and then ultimately some people, including Mr. Tyagi, wanted that the decision should be left to the House. The Speaker in his wisdom did not agree to this, and when this motion of Mr. Dwivedy was moved and he concluded his speech, he actually asked us by name whether we were moving our motions, right from Mr. Madhu Limaye to Mr. K. C. Pant, because his is the last one. When Mr. Pant said he was moving it, I rose on a point of order

on two counts. One was that this deals with the 50th Report I would only request you to kindly read it. It reads:

"This House having considered the 55th Report of Public Accounts Committee notes with satisfaction Government's decision to appoint a high-level Committee to enquire into all the matters referred to in the 50th Report of the Public Accounts Committee some of which have been further commented upon in the 55th Report, and endorses Government's stand."

My objection to this is, my point of order is this. Members are precluded—I can quote the rule—from raising a matter which is of an anticipatory nature in an amendment or a substitute motion.

Mr. Deputy-Speaker: All these were heard by the Speaker.

Shri S. M. Banerjee: I will tell you what the Speaker said. He said he would consider the admissibility, whether it is admissible or not. I request you to kindly consider this.

He has said, "I beg to move, I wish to speak on my motion", if I correctly heard him. You can consult the record. If you have allowed him to move, then you cannot stop us, we shall discuss the 50th Report from top to bottom, and then anticipatory motions can also come, and our motions cannot be stopped. You should give a ruling on that.

Mr. Deputy-Speaker: The Speaker has heard all these arguments, and he has allowed all the amendments to be moved, but he has reserved his judgment whether it is in order or not. That will be done at a later stage, and he had also ruled the scope of the discussion, that the 50th Report will not be discussed.

Shri Hari Vishnu Kamath: It is all topsy turvy.

Mr. Deputy-Speaker: Mr. Pant will not refer to the 50th Report or his amendment, but will speak on the main motion.

Shri S. M. Banerjee: The Speaker is in the chamber, you give a ruling.

Mr. Deputy-Speaker: You will speak only on the main motion.

Shri Hari Vishnu Kamath: When motions have been moved, how can you stop Members from speaking on them? The Speaker never said that you could speak only on the main motion. I can challenge you here; let us get the record.

Shri S. M. Banerjee: How can you stop us? You cannot.

Shri Parashar: I hear the same thing what Mr. Kamath had heard. He cannot speak beyond the purport of the main resolution.

Shri K. C. Pant: Sir, I bow to your ruling and I shall confine myself to the 55th report and the main motion. However, there is one point which I would like to clarify with your permission. It has been said that this reference to the enquiry committee is wholly anticipatory. If the hon. Members had either paid attention to what Mr. Mathur said, they would have understood it was not Mr. T. N. Singh in the course of a debate in the House on the 12th August made clear Government's intention that a high level enquiry would be set up. Therefore, there is good ground for saying this; it is not wholly anticipatory. In the same context, Mr. Singh had explained in reply to a question that it would cover all aspects of the matter. I do not want to go more into this.

The 55th report of the PAC which is before the House gives evidence of the diligence, care, and thoroughness with which it has been prepared. This is in keeping with the high standards maintained by our praliamentary committees on one of which I too have the privilege to be a Member. Over the years the PAC and the Estimates Committee and, since its formation, the PUC have built up a reputation for alertness, dignity, tanatity and working hard without fear or favour. They work quietly outside the glare of publicity but this only serves to add to their effectiveness. In this particular case, the PAC has rendered a useful public service by pinpointing certain

areas of malfunctioning in certain departments and suggested that there was sufficient evidence to call for a high level enquiry to go into the whole matter. This is not a party matter. I submit again, and we on this side are as anxious as our friends opposite that nothing should be swept under the carpet. If there has been a lapse, the responsibility for that should be fixed and due punishment should be rated out to the guilty. In fact we are in a sense even more anxious than friends opposite that the government machinery should function as well as possible because while there may be some temporary embarrassment to the government and our party when the malfunctioning of certain government departments or individuals in the government are brought to light, in the long run people will judge us by the performance of government as a whole. It is wholly in our interest and in the interest of the country that a sharp watch be kept on the sprawling machinery of government and any defects in it be removed as soon as they are spotted. It is not in the making of mistakes that the country will judge us; people will judge us by the response of the Government when these mistakes are pointed out. In this instance, the Government has done the right and proper thing by accepting the PAC Recommendation to hold a high level enquiry to which I referred earlier. In the light of this decision, there is no need to go into the individual cases dealt with by the report. It is unnecessary and perhaps not quite proper as we'll in the sense that once it is known that all these matters will be enquired into thoroughly it is better not to pre-judge issues or prejudice their consideration in any way. It would be more purposeful and meaningful to discuss the findings of the enquiry committee when they become available.

It should be kept in mind that the PAC confines itself to the working of the governmental system and its failure if any. It examines government officers who are concerned with the

matters under discussion *ex-officio* and not the individuals who themselves took the decisions. The PAC is careful not to condemn individuals on the principle that no one is to be condemned without a hearing; it contents itself with recommending a further enquiry by an appropriate body which could where necessary probe into facts or take disciplinary or legal action against those who have failed in their duties.

This brings me to some of the larger issues thrown up by this discussion. First is the question of inter-relationship between this House, the PAC and the Government. Both the PAC and the Government are the creatures of Parliament. Membership of the PAC broadly reflects the various groups and shades of opinion here. Its recommendations are therefore entitled to full consideration and respect and healthy conventions of parliamentary democracy require that the Government should normally accept those recommendations. But I would, with all respect, remind those friends, who referred to this matter, that technically speaking the recommendations of the PAC, are not directions of the House and cannot therefore be held to be automatically binding on the executive. This is an important difference in principle. In other words, the final judgment on the implementation of the recommendations addressed to the Government has to be exercised by the Government. Then the question arises: how are differences between the Government and the PAC to be disposed of or resolved? Even when there are no differences how is the House take note of the reports? This was under discussion since morning and the Speaker dwelt on this point. The present practice is that the reports of these committees are commented upon during the debates on demands for grants; they are never discussed in the House. The right of Parliament to discuss these reports, as the Speaker pointed out, cannot be questioned. But the wisdom of holding such discussions is certainly open

to doubt. In mid 1950s when differences arose between the PAC and the Government some Members wanted to discuss the matter in the House and the Speaker, Shri Mavalankar observed:

"It is no use having a discussion, here and making speeches as that will not help the growth of parliamentary democracy. We must evolve a better method and procedure rather than mere discussion and rankerous statements and arguments made in the House."

There are other rulings in the same vein but I will not take the time of the House with them. So, he asked for a better procedure to be evolved. It is interesting to note that in the 52nd report of the PAC, that is a report that came after the 50th and before the 55th report, the sub-committee observed as follows: "the sub-committee desires that a healthy convention should be developed whereby if there is any difficulty in implementing a recommendation reiterated by the committee, the matter should be submitted to the Cabinet and its decision communicated to the committee." The point to note here is that even in case of divergence of opinion between the Government and the PAC, neither the Speaker, nor the PAC itself considers a discussion in the House as being desirable. It is even less desirable when the Government accepts a recommendation of the PAC to probe into a particular matter and here I would like to underline the fact that the Government has accepted the recommendation in this case and thus there is no disagreement.

If the object of the discussion is to get the House approve or disapprove the report, it runs into various difficulties. First and foremost, if it is in order for the House to approve the report, it follows that it is open to the House to reject it. This may be theoretically possible, but I am sure that no one here would like to leave any room for such a possibility to materialise. After all it should not be forgotten that the PAC functions as an

[Shri K. C. Pant]

expert, rather than a political body. The Party whip does not operate in the PAC as it does here. That is why the established practice since Independence is against discussing the PAC report in the House. This convention was repeatedly upheld by Shri Mavalankar and he said that if a situation arose in which discussion on the inevitable party lines exposes a PAC report to critical comments, it would not be proper. Even leaders of the Opposition like Shri Surendranath Dwivedy and Shrimati Renu Chakravarty pointed out at an earlier stage that it was against the present practice of the House to discuss PAC reports. You, in your wisdom had made an exception to day but I do hope that this would remain the solitary exception. For reasons I have just referred to at some length, discussions on PAC reports in the House are fraught with difficulties.

Another wider issue that has been thrown up is how should complaints against Ministers and officials be dealt with. It is necessary to evolve clear-cut procedures. It is as necessary to protect the innocent as to punish the guilty. Committed as we are to socialism, the role of the State in the life of the community will keep on increasing. The government apparatus is already large; it will get larger. Even today, we complain of inaction or slow action on the part of the Government machinery. Let us not give quarter to the dishonest, but let us at the same time be careful not to create an atmosphere in which no distinction is made between dishonesty and honest mistake. Otherwise, everyone in the administration will pass the buck and seek horizontal and vertical support. Let us accept that some decisions will be wrong. Some percentage of error is always there. The crucial question is, is it *bona fide* or *mala fide* error? The protection of the innocent should be as much the responsibility of this august House as the punishment of the guilty.

The Santhanam Committee has dealt with the question of dealing with complaints against Ministers and officials. The principles enunciated by this Committee have found a large measure of support on both sides of the House. It makes a distinction between the handling of complaints against Ministers and officials. It suggests one procedure for examining complaints against officials and another for examining complaints against Ministers. I am here concerned with the principle underlying the difference in procedures rather than their merits. While a civil servant is entitled to insist on the protection offered by his conduct rules and while he can continue to function until he is found guilty, a Minister cannot function under a cloud. This point has been made by friends opposite. But the point is, who is to decide? The going out of a Minister is something which the Prime Minister alone can decide. The judgment of the Prime Minister in this matter is crucial, and I think we can be quite sure that no Prime Minister of this country, or no Prime Minister under any democratic system, can afford to keep a Minister who has lost public confidence. But the decision rests with her and her alone so long as she continues to remain Prime Minister.

Here, I want to touch on the limited point as to whether or not a separate formal enquiry should be set up against Shri Subramaniam. I am not going into the evidence or the merits of any other aspect of the matter. Shri Subramaniam is perhaps guilty of overeagerness. But no one, as far as I know, has charged him with dishonesty or corruption. If anyone has such charges, the proper thing would be to send them to the Prime Minister in writing.

Shri Ranga: Why?

Shri K. C. Pant: Because that is what the Santhanam Committee has suggested. Nor do the facts, as they have come to us from the PAC, sug-

gest that his actions were *mala fide*. If there are any new facts, we will be glad to have them. But so far as the facts that have come to us from the PAC are concerned, they do not suggest that his actions were *mala fide*. Jit Paul's letter to the Minister, of which so much is sought to be made, only confirms this impression. Shri Subramaniam has a long record of distinguished public service behind him. He has been a Minister continuously for two decades now, and a controversial Minister at that. And yet, he has always enjoyed a high reputation for integrity.

श्री मधु लिमरे भ्रास हाई काट ने
उन के बारे में स्ट्रिक्चर ज्ञास किये हैं ।

Shri K. C. Pant: Today with the benefit of hindsight, it is perhaps possible to argue that he should have acted this way and not that way. Be that as it may, putting it at its worst, what the charges amount to is that he exercised his discretion wrongly. But that alone cannot justify the setting up of a formal enquiry against him.

Shri Dwivedy asked, if I remember aright, whether the enquiry committee that would be set up would cover the Minister. I think so far as I can see, any enquiry committee that is set up to go into all the transactions would cover any aspect that is thrown up, whoever is concerned, but it is essential that only the transactions are to be enquired into and not the individuals as such. In the light of all that I have said, I feel that no case has been made out for a separate formal enquiry into Shri Subramaniam's conduct, nor has the PAC suggested it. In the other case, the PAC has suggested it but in this case, it has not. That is the difference.

As I said earlier, so far as any Minister is concerned, the moment the Prime Minister is satisfied that a *prima facie* case exists for a specific formal probe, she should advise the Minister to go. But if she is not

satisfied, there the matter should ordinarily end. However, in this particular case, some extraordinary factors have complicated the case. Firstly there are the adverse comments of PAC. Secondly, the observations of the Speaker while giving his ruling on the privilege motion against the Minister; and finally, the very bad reputation of the firm involved in the transactions commented upon by the PAC. Because of these reasons, and also because the traditions of public life are involved, it would in my view be advisable for the Prime Minister to informally seek an opinion from some former judge on the propriety of the Minister's actions. It is my submission that such a course of action would meet the ends of justice as well as public propriety.

Justice also requires that proper action be taken against the firm which lies at the root of all the trouble. It seems to be forgotten in the hullabaloo about the Minister and the Secretary. We in the Committee on Public Undertakings, as has been referred to by Shri Daji, have also had occasion to pass strong strictures against this firm. The Government must deal with the firm sternly and speedily.

So far as the PAC report and the Government's decision on their recommendations are concerned, we on this side of the House have no reason to be dissatisfied with our contribution. Even ignoring the fact that the majority of Members in the PAC as well as its Chairman are from the Congress party, the House will recall that the Members of the Rajya Sabha who took it upon themselves to pursue this matter relentlessly were Congressmen. The Government which has respected the wishes of the PAC also happens to be a Congress Government.

This is a good example of the healthy functioning of the system of checks and balances in our structure.

[Shri K. C. Pant]

except that on the occasion, as far as I can remember, an official rather than a Minister became the target of attack. By and large, Parliament has maintained the tradition that those who cannot defend themselves should not be attacked. A sovereign body must be careful in nursing these traditions. However, the Government too must see to it that Members have other avenues to satisfy themselves in case there are complaints against individual officials.

Another tradition of Parliament is that charges should not be lightly brought and, since the floor is privileged, charges should not be brought by one Member against another without prior intimation. Of late, there have been several instances of the later, and the general tone of public life has suffered as a consequence.

Shri Namblar: All this was forgotten. Shri A. K. Gopalan was arrested. Wisdom is dawning on them at least now.

Shri K. C. Pant: I refuse to yield Sir. (Interruption). When will it dawn on him? Now, the other day, my hon. friend Shri Madhu Limaye brought up a privilege motion to protect the Speaker. From his remarks, it was clear that Shri Limaye did not have too much confidence in the *bona fides* of his informer. And yet, he chose to bring the matter before the House without preliminary confirmation. He is an able man, and an example to us in hard work and thoroughness and I have every respect for him. That is why I am surprised that he should not have thought of confirming the genuineness or even the existence of the document in which the Speaker's name allegedly figured, before raising the matter in the House.

श्री मधु लिमये : वह प्रिजिलीज मोशन
घमरीक सिंह के खिलाफ है ।

Shri K. C. Pant: The Speaker has given clear-cut rulings in this connection, and I shall quote them. One of them is as follows:

"The Member should take responsibility for whatever he says. It is not good enough if allegation which is made is proved to be unfounded, because the damage will already be done and the man concerned would unnecessarily be maligned.—Even if later the allegation is proved to be false, what damage has to be done is done. So it is not enough to say that if the allegation turns out to be wrong, it might be cancelled. Whatever a Member says here should be said only after he is fully satisfied himself that it is true and that he has sufficient reason to rely upon what he says. Till then he should not make a statement."

On another occasion, when Shri Mani Ram Bagri made an allegation that Prof. Humayun Kabir had made improper use of the service facilities at the National Physical Laboratory, the Speaker observed that a "Member must make sure what the contents of a particular document are before making allegations on the basis of it in the House."

There was a third occasion when the Speaker drew attention to the rulings given in the Lok Sabha debates of 1963 to the effect that "a Member who makes an allegation against any person should ensure about the correctness of the facts beforehand and should realise his responsibility as a Member."

The reason why I refer to this is not because I want to raise any controversy here, but because I honestly feel that the dignity of public workers is really indivisible. No matter which party they belong to, they tend to have a separate collective identity in the eyes of the people at large. In a democracy, we can only function with a certain minimum of mutual

confidence and mutual consideration for each other's dignity. Unless we observe certain restraints, there is every danger that the public image of the politician in this country will be damaged beyond repair. We, who have taken an oath to uphold the Constitution, owe it to ourselves and the country to see that this does not happen.

Shri Ranga: Sir, all this time I was wondering what has happened to the Cabinet. Was there no Cabinet at all when Mr. Subramaniam was going through this ordeal all these years, when he was passing orders, revising them and re-revising them and afterwards when he was being cross-examined before the PAC? What were his relations with the Cabinet and his Cabinet colleagues? We were asked to believe that at the instance of the Transport Ministry, he was obliged to resile from a part of the punishment he wanted to accord to that guilty firm. But were there no records as between the Transport Ministry and his Ministry? Did he have any talks with the Transport Minister himself? When he held such strong views as to differ from his own Secretary, when he insisted upon having his own way and refusing to accept his Secretary's advice to limiting this punishment for only two years, why is it he never thought of bringing this matter to the notice of the Cabinet, the Prime Minister and the Cabinet Secretariat?

What was the Cabinet Secretariat doing when he passed one order? Was it informed about it? Then a second order was passed. Was it informed about it? A third order was passed. Was it informed? Why is it that he was completely indifferent to the existence of such a thing as Cabinet Secretariat of such a person as the Prime Minister and of such an institution as the Cabinet? I am surprised how it was that at no stage during all these long discussions, the Cabinet was not brought into the picture at all. It is no good for anybody to try to make

Mr. Subramaniam the scapegoat. He was one of the Ministers, a strong Minister, a self-willed Minister, a self-opinionated Minister. Some of my friends believe that he was arrogant. also. I am not prepared to subscribe to that as a general proposition. But certainly he is a strong Minister. He was strong enough to disagree with his Secretary, which many of the Cabinet Ministers are not capable of and do not do unfortunately. He passed that order, which was a very good order. Why was it that that order was not passed earlier when his other colleagues, who still happen to be here as his colleagues, were in charge of that ministry over all these years? Why were they not doing anything? What was the Cabinet doing? Why was it sleeping, through successive Prime Ministers? This is a very important thing that has got to be discussed. My friend, Mr. Pant, the son of my very revered colleague and leader, asked us to look into all these questions of propriety and procedure. Certainly it is relevant to except the Prime Minister and the Cabinet and the ruling party of the country also to look into this matter from this standpoint. What were the relations between this Minister and his ministry? Some of our friends have already asked, why is it that he did not take to task that Iron and Steel Controller? Why did it not occur to him? Why should he have taken all these things for granted that anyhow these things are there as part of the practice; why bother? Why dismiss this man or suspend or punish the other fellow? Why should he take it for granted like that? He failed to wonder why Jit Paul had met him just about the time when the papers also reached him? Why? It is because according to me he felt it was not improper, because he has got too used to these improprieties and improper procedures and activities. The whole system of this Government in general, especially in regard to permits, controls and licences, is so full of these improprieties and irregularities that it did not strike him as any

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thing objectionable or unholy. But certainly he was upset by the manner in which this company had been allowed to commit all these improprieties and irregularities. Therefore, he mustered strength and courage and passed the order. It was after that that he developed cold feet.

15.35 hrs.

[SHRI S. L. SARAF in the Chair].

My hon. friend Mr. Pant wanted us to remember the exemplary public life my hon. friend, Shri Subramaniam, has had during the past 12 or 13 years as Minister. That is true. He is known as a strong Minister, headstrong also sometimes. But he is also known to be amenable to political influences. That is where his difficulty comes. Nobody has ever said to my knowledge that he is amenable to money. But he is amenable to political influences. I need not go into very many details. People know how he changed his views overnight in regard to Education in Madras. I know it for a fact that he changed his view in regard to cooperative farming between one meeting of the AICC at Hyderabad and another at Nagpur. I also know he changed his views in regard to controls when he was under the leadership of Rajaji and now when he has come to be under the leadership of these Prime Ministers. That is his weakness (*Interruptions*).

An hon. Member: You have changed parties.

Shri Indira Gandhi: He is not the only one to change his views.

Shri Ranga: Is it the Prime Minister who has dared to whisper this? If she has done it, I have my answer. Her father also made a similar charge against me. I differed from them and I had the moral courage to break away from their party and take all these risks. The risks were very great. If I had not dared them and left them,

would I have been defeated in the last general elections? That was the penalty I have paid for having dared her father. I dared them because I differed from them on principles and policies. That is exactly what my hon. friend has never been able to do. Nor was Jawaharlal Nehru able to do that. I do not wish to say what this lady is going to do in future. But I wish to remind her that the country is watching what she is going to do about her statement that the country is more important than the party and therefore she would always place the interests of the country first before the interests of the party. The future will decide whether she would be able to muster the necessary moral courage for that or she would go the way of her own father.

My hon. friend has shown this weakness. My fear is, he has shown that weakness once again in regard to this matter. Otherwise, he would not have got into this trouble at all. He was talking about his conscience. Is he quite sure—can anybody be quite sure—that our reading of the conscience is always correct? No less a man than Mahatma Gandhi had had to confess that what he thought to be the promptings of his conscience did not turn out to be his real conscience. He was great enough to confess that.

Therefore, I do not want my hon. friend to go on saying to himself with gumption that his conscience is clear. The question is on what side his conscience is clear? If it is that he thought of money, may be it was clear. If he thought of his own local interests, may be it was clear. But let him think of the political interest also which was behind the successive decisions that he was making and the atmosphere behind them. Some names were mentioned. One was the name of a dead man and another was the name of another colleague of his who is now in the Cabinet. Mention was made about this firm's ramifications among the politicians. I do not know whether

those ramifications were confined only to the Congress Party, only to the Members of Parliament here, only to the Congress Party at the Centre. To find out how influential this firm was, one need not have to go into all the details. Is it not enough that over seven years the Cabinet was kept asleep, the rest of the ministers were kept ignorant or indifferent or silent and only the ministers who had to deal with them were carrying on their own merry-go-round-show with this firm? That is why I am not prepared to exonerate my hon. friend.

But my trouble is this. Was this Minister alone responsible or was he being made, knowingly or unknowingly—my fear is some of them did not even know that they were going to place him in such a difficult position—a scapegoat? Was he being made use of by other ministers here as well as other ministers in the States, one or two other politicians, and this firm, all of them together, and in the end he became a scapegoat? But merely because some of us may think that he had become a scapegoat, that he had been made a scapegoat by some other interests who had much more to lose if he did not yield to them and much more to gain and if he yielded to them, merely because he had done this, are we to excuse him and the full Cabinet? It is rather surprising to me—all these four years I have been here during this Parliament when other ministers were being attacked and I have not found all these friends present on those occasions—to find, particularly, my hon. friend, Shri S. K. Patil present in the House, very active today, very much alive to the points of order and procedure of this House. Why is there this anxiety? Why did they not show this anxiety all these years in order to protect the reputation of Parliament, of the Cabinet and of the Prime Minister and also the Minister concerned in this particular Ministry and successive numbers of them? I charge them with the dereliction of their duty in regard to this country.

Is this the only firm? There was the Mundhra firm about which the Ex Chief Justice had written his judgment. There was also the T. T. Krishnamachari and Sons about which both the Houses are witness for such a long time. The President also was made aware of so many things about that firm. There are so many other tycoons the names of which I need not mention. They are known to them because they deal with them and all these tycoons are having their daily dealings with the Iron and Steel Controller and various other Controllers who have got to deal with all these favours that are being distributed in the name of the country through these permits, licences and quotas. All these people have got to be watched. Is this Government competent to watch them when they are dependent upon them for its finances at the time of elections? Apart from these firms, they themselves are having in the different States, one group of Congress fighting against the other with the result they are obliged to spend lakhs and lakhs of rupees on their elections. Therefore, they are not free agents. That is why I am not prepared to agree with the suggestion made by my hon. friend, Shri Pant, earlier by Shri Santanam and much earlier by Shri Jawaharlal Nehru, that whenever we have any quarrel, any complaint to make against any minister, we should first go to the Prime Minister. We know the high position that the Prime Minister has been able to fall from. All that came out when the CBI episode took place in this House. They appointed a Cabinet Sub-Committee on which the Ex-Chief Justice was also a member. When he was asked: "Is this the report?", he said: "I do not know. We have taken a vow". What vow did they take? They took a vow of secrecy. Therefore, he said, he could not say whether that was the report or that was not the report. But it came to be the report. That was the Cabinet Sub-Committee presided over by the Prime Minister. That is the degree of integrity that they have been able to display. Therefore, we cannot very well leave it to the Prime Minister, any Prime Minister, the kind of

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Prime Ministers that we have been having so long.

What shall we do? My hon. friend says, whenever these things happen, let us not give it to an outside body, let us make a private reference to a Supreme Court Judge or an ex-Supreme Court Judge. Would that be satisfactory? Should there not be a full-fledged Commission of Inquiry.

Shri K. N. Tiwary (Bagaha): Unless you are made the judge there will be no satisfaction for you.

Shri Ranga: Would you care for it? Did you care for the judgment passed against one of the ministers here by the Supreme Court? You have forgotten all about it and you have permitted that gentleman into your Cabinet. That is the sense of integrity which you have displayed. That is the degree of respect you have shown to the decision of the Supreme Court.

Therefore, there is no other solution, there is no other remedy for this kind of thing, but the resignation of this Cabinet. If they really mean to maintain a high sense of integrity, if they really wish to convince the people that they care for their interests, that they care for the sacredness of the oath they have taken here in this House and the oath that they have also taken before the President when they took their places in the Cabinet, they should resign.

Secondly, it is not enough that they resign. They should give up this system of controls. To the extent that they must have some control, some permits, some licences, some quotas, they should give up their control here from this Government and place it in charge of a quasi-judicial, completely non-political and independent Commission. Let it administer them. Then it would be easier for people like Shri Subramaniam, who are not amenable to money, to be able to run their administrative control through secretaries in a more effective, more sensible

and wiser manner. As long as they have gone on hugging to these controls, it would not be possible for them to call their souls their own, to say that their conscience is clear. It is impossible for them to keep their conscience clear. Even while the Ministers are asleep their secretaries are playing mischief with them, the controllers are playing mischief with them and so many other officers are playing mischief with them.

Shri Subramaniam said before the Committee that he was strong enough to control his secretaries. Where was his strength? In spite of all his strength, his secretary was able to turn him on his little finger by tickling some Deputy Secretary in the Transport Ministry and then again tickling various other people, the Controller of Iron and Steel and making what would appear to be innocent, mischievous references one after another and delaying implementation of his own order. He thought he was very powerful. Therefore, he said that it must be put into effect immediately. What immediacy was there over that one month? Why did he not enquire about it. Instead he was satisfied with his cabinet post like all his other friends. They must hang on to these posts, otherwise they cannot be happy. You should have a look at some of our friends who are out of office. How doleful they look! Therefore, they must keep on to it; otherwise, something more would go wrong with them. That disease has overtaken many of these people. Some time ago one of the friends who happens to be the President of the Congress party made a kind of suggestion that after ten years these people should vacate. He made an exception for himself, he made an exception for the Prime Minister, very advisedly. Now they have made an exception for the whole lot of them so that they can carry on. It is only because of that that these Secretaries and Controllers and all other people are able to make mincemeat of these Ministers and scuttle all proposals put forward by them.

When the committees go into their affairs we see what weaklings these people happen to be helpless people, incompetent people, incompetent not because they are ordinarily incompetent but incompetence borne out of their inordinate anxiety to hang on to their positions.

Shri Tyagi : Rhetorical.

Shri Ranga: Here is only one man who was mad enough, who was foolish enough and, according to me, honest enough, to resign from this Cabinet. I am sure there were several Ministers here who were not agreeable to this devaluation. But did they resign? When the qualms of conscience prick them, are they prepared to resign? There were many Ministers who did not like the Tashkent Agreement. But, did they resign? I made a suggestion that at least three months before the general elections the Ministers should resign. The Home Minister came out with a statement "we are here to defend democracy; therefore, we must stick to our positions". That is their judgement. I am sure that in their calmer moments they will be able to see that I am not, after all, wrong, that there is, what is known as, the national conscience and on the anvil of that national conscience it is not only poor Subramaniam—Subramaniam is only a scape-goat, according to me—even, if he has shown cold-feet, weakness, inexcusable weakness and incompetence,—it is the whole of the Cabinet that stands condemned.

Shri Heda (Nizamabad) : Mr Chairman, Sir, the reports of the Public Accounts Committee are not matters for any party consideration. They are reports given by the Committee elected by the entire House and, therefore, there should never be party considerations in dealing with those reports. I am saying this because the way today's discussion has taken place and the way a few Opposition members have spoken on the subject gives room to the feeling that this is not so. Therefore, I would like to reiterate the position and I for one would not speak on party

lines. I will take it as a national Problem and, from this angle alone, I will speak on this.

There are three other things the existence of which, or the knowledge of which, we have to bear in mind. Therefore, this debate gets a little complicated. First is the statement made by the present Steel Minister that, so far as the Fiftieth Report is concerned, there will be an inquiry, as proposed by the PAC. The subsequent supplementaries give ample room to feel that this matter will also be dealt with by that inquiry. The second knowledge that we have is that recently the Committee on Public Undertakings has also presented a Report, proposing an inquiry into three deals which relate to the same group, even though this particular deal is not one of them. As they are similar, Government are committed to order an inquiry into these deals also. As all these deals are inter-related and inter-linked, an inquiry into one deal will involve inquiry into other deals also, though it will not be to a fuller extent. The third knowledge that we have is that the Leader of the House was about to make a statement about an Inquiry Committee. Because of these committees that are coming, the debate at this juncture does not serve the full purpose. The debate, if at all it was necessary, should have come after the receipt of the reports of those committees. I am saying this because one of the members of the Opposition, Shri Daji, made a very pertinent point. He said that there is no question of proving *mala fide*, there is the question of proving *bona fide*.

Shri Daji: Lack of *bona fide*.

Shri Heda : It is a very pertinent point. In this case, the Public Accounts Committee could not give its decision on the *bona fide*; neither could it give any opinion on the *mala fide*. So, what does it mean? It means that before the Public Accounts Committee there was not full data, adequate data, to deal with the matter fully. So, from this angle also, the Committee that is being proposed should have been al-

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lowed to go into it, its report should have been awaited and, after the report is received, we might, if necessary, hold this discussion here. It is no doubt true that a pressing demand was made for this debate and that is why this debate has come. All the same, to my mind, it is somewhat premature.

What were the forces that were prompting this debate? I do not blame the opposition alone for this debate. I know the climate in the country. Today the country is sick of many things, and one such thing is the growing corruption by the big business. The whole country is talking about it; of course, Congressmen are also talking about it; so also the Opposition. Therefore, they thought that here is some case where they could discuss that matter and highlight that aspect; whether it was a proper matter or not is besides the point.

I am glad that some aspects have been dealt with by Shri K. C. Pant and some other aspects by Shri Ranga. Among the various State Governments in our country there is one which has made a good name, and that is the Madras State Government. We rarely come across any story or allegation of corruption against the Madras Ministry. Among the State Governments, the Madras State Government has got a higher standard of conduct. I find that Shri Ranga is not here but I would like to assure him that these high standards were set by Shri C. Rajagopalachari, when he was the Chief Minister there. He expected and ensured that other Ministers also maintained those standards. Shri Subramaniam belongs to that cadre and he has come from that Ministry.

Another factor that we have to take note is this. This matter came for decision soon after he took charge. In fact, the earlier notings were done much earlier, not during his regime.

Shri Inder J. Malhotra (Jammu and Kashmir): Who did it?

Shri Heda: You know all that. I need not name him. My hon. friend can easily find it out. Why should I bring in other names? I am not blaming his predecessor either. What I am saying is that he gave this decision soon after he took charge. And what was the decision? In the noting two penalties were suggested, one by the Deputy Secretary and another by the Secretary. The Deputy Secretary had suggested more severe punishment and the Secretary less severe punishment.

16 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

It goes to the credit of Shri Subramaniam that he over-ruled the Secretary and gave the severe penalty.

Now, the question comes, and it has been made much about, that when he revised his earlier decision, at that time he decreased the quantum of the penalty. The point is that we have to understand these intricacies. One is blacklisting. Another is stopping the dealings by the department concerned and informing other departments that that department has stopped dealings with such-and-such firm, which means that the other departments may or may not also deal with that particular firm. The third is that only the particular department stops dealing for certain types.

The earlier noting was for a period of two years only. The second noting has got no limitation of the period. From this angle the second decision becomes more severe to which he has referred and much has been made out of it.

Shri Morarka (Jhunjhunu): It is just the opposite

Shri Heda: Therefore, I would again make the point that all the facts that were necessary for us to decide about a particular person, whether the judgement he took from time to time and after certain developments were right

or not, are not with us. For that the adequate data is not with us. It would have been better—I am not casting any aspersion; I have every respect for every Member of the Public Accounts Committee—had they taken some more time, gone into some more data and then brought out more facts to our light so that it would have been more possible for us to ponder over it.

What, after all, is the verdict of the Public Accounts Committee? The Public Accounts Committee says that the reasons for changing the earlier decision are obscure. Another factor that we have to bear in mind is—I say this because of my observation for the last decade and more—that when any matter comes before the Public Accounts Committee or the Estimates Committee, immediately the minister concerned is not informed. For a long time it is dealt with at the level of the Secretariat and only at the last moment it comes to him. In this case the strange thing has happened. The matter related to Shri Subramaniam as Steel Minister not to Shri T. N. Singh as Steel Minister and he was not informed at all. The Fiftieth Report was given without any reference to Shri Subramaniam. So, I think, the Government should take note of it and whenever in future any matter comes before these respective committees and some minister is involved in it, immediately that minister whatever position he may be holding at the moment should be informed and he should be given a fuller chance.

Another thing that happens is that, now it has come to the consideration of the nation, weight to these committees is not given that should have been given. Those who appear before them should come well prepared. In this very report and in earlier ones we find that officials come and give their evidence without having gone through the whole file. They think that as questions will be coming, they can refer to the file and will be replying adequately. Therefore this matter has come before us. I think, it is time that we

create a forum by which all the facts are brought to light and then, as Shri Daji has said, *bona fides* are established. I have no doubt, because of the past of Shri Subramaniam, *bona fides* will be established. The only question is that that forum is to be provided and I will look to the Leader of the House and to the Prime Minister to provide such a forum.

With these words I commend the motion.

श्री मधु लिनये : पहले जो मेरा जो वंकल्पिक प्रस्ताव है वह मैं सदन के सामने रखना चाहता हूँ। वह इस प्रकार है :

“This House, having taken into consideration the 55th report of the Public Accounts Committee, thanks the Public Accounts Committee and its Chairman for the splendid work they have done and expresses its approval of the Report.”

अब मेरा अपना भावग शुरू करने के पहले मुझको अध्यक्ष जी ने इजाजत दी है कि जो प्रश्न मैं पूछना चाहता था उस दिन प्राज्ञ अपने भाषण के दौरान में पूछूँ। इस लिए मैं उस वक्त जो इस्पति मंत्री थे श्री सुब्रह्मण्यम उन से और उस वक्त जो ट्रांसपोर्ट मंत्री थे श्री राज बहादुर जी उनसे सवाल पूछना चाहता हूँ। राज बहादुर जी को पहले मैंने नोटिस भी जबानी दिया है। श्री सुब्रह्मण्यम के बारे में मेरा प्रश्न इस प्रकार है :

Will the Minister please refer to the statement of 18th May, 1966 and the evidence given by him before the PAC and state:—

- (a) whether he is in a position to state categorically that the late Pratap Singh Kairon and Sardar Swaran Singh were not present at his meeting with Jit Paul on 20th July, 1963;
- (b) whether he is in a position to say that none beside himself and Jit Paul were present at that meeting; and

[श्री मधु लिमये]

- (c) what, according to him, were the implications of "the kind assurance of support in the industrial undertakings" of the Amin Chand Payarelal Group of firms, an assurance which the Minister has not so far denied having given in that fateful meeting?

यह प्रश्न में सुब्रह्मण्यम साहब से पूछा हुआ है। मेरा श्री राज बहादुर जी से यह प्रश्न है :

Will the Minister refer to Mr. Subramaniam's evidence at page 43 where Mr. Subramaniam speaks of the report from the Transport Ministry.....

इस बात की ओर किसी का ध्यान नहीं गया है कि मिश्र साहब कहते हैं कि यों ही ऐसे बात हुई है।

"I had a word with him".

श्री सुब्रह्मण्यम साहब ने पी० ए० सी० के सामने कहा है कि मुझ को ट्रांसपोर्ट मिनिस्ट्री से रिपोर्ट मिली। इसलिए मेरा प्रश्न है :

Will the Minister refer to Mr. Subramaniam's evidence at page 43 where Mr. Subramaniam speaks of "the report from the Transport Ministry on which he relied" and state whether any reference was made by the Steel Ministry to the Transport Ministry placing all the facts and background material about the Amin Chand Pyarelal's activity before the Transport Ministry; and

- (b) whether it was on the basis of this material that the Ministry sent its report or was it a casual conversation with the Secretary of the Transport Ministry;

- (c) if there was no such report but only a word from the Secretary, Ministry of Transport (Additional Secretary), will the Minister state whether it represented the considered views of the Ministry of Transport in regard to the Apeejay Shipping Line and its associate firms;

- (d) whether the Minister had received earlier complaints about the wastage of foreign exchange caused by the purchase of second-hand ships by this shipping line, their bad maintenance and their disposal as scrap at a fantastically low price;

- (e) if so, the action taken by the Government against the Company?

इन दो प्रश्नों का जवाब मुझे आशा है कि मंत्री महोदय अवश्य देंगे। अगर जवाब नहीं देंगे तो जो निष्कर्ष निकलना है वह सदन भी निकालेगा और जनता भी निकालेगी।

यह जो प्रश्न है जिस पर आज हम लोग चर्चा कर रहे हैं, उसकी पृष्ठभूमि क्या है? यह जो पी० ए० सी० की 50वीं और 55वीं रिपोर्ट है . . .

Shri Tyagi: On a point of order.

श्री मधु लिमये : मैं आपका प्वाण्ट ग्राफ आडर एंटीसिपेट करता हूँ। चूंकि पन्त जी का संशोधन आ गया है जिसमें 50वीं रिपोर्ट का उल्लेख है

श्री त्यागी : मैं वह नहीं कह रहा हूँ।

श्री मधु लिमये : मैं ने यह कारण बताया है कि श्री पन्त ने जो स्वानापत्र प्रस्ताव रखा है, उसमें 50वीं रिपोर्ट का उल्लेख है।

Mr. Deputy-Speaker: He should not refer to the 50th Report.

श्री मधु लिमये : श्री पन्त के स्थानापन्न प्रस्ताव में उसका उल्लेख है। क्या मैं श्री पन्त के प्रस्ताव पर नहीं बोल सकता हूँ ?

श्री त्यागी : उपाध्यक्ष महोदय, आप मेरा पायंट आफ़ ग्रांडर सुन लीजिये। बहस के बीच में कोई ऐसा सवाल करना, जिसकी बाबत कोई कागज पेश न हो और जिस से कोई . . .

श्री मधु लिमये : अध्यक्ष की अनुमति से कहा गया है।

श्री त्यागी : पहले मेरी बात को सुन लीजिये।

मैं बड़ी इज्जत के साथ अज्ञ करना चाहता हूँ कि मेरी राय में कोई ऐसा प्रश्न करना कायदे के खिलाफ़ पड़ता है, जिसमें कोई इनसिनुएशन हो या कोई मोटिव इम्प्यूट किया गया हो, जब तक कि आनरेबल मेम्बर के पास टेबल पर रखने के लिए कोई छपी हुई चीज या कागज न हो। माननीय सदस्य ने पूछा है कि फ़लां वक्त जो बातचीत हुई क्या उसमें करों साहब थे। हो सकता है कि वह हों। माननीय सदस्य जो कुछ कहते हैं, वह सच हो सकता है।

श्री मधु लिमये : मैं जानकारी मांग रहा हूँ।

श्री त्यागी : अगर माननीय सदस्य के पास कोई चीज होती, तो वह पूछ सकते थे कि फ़लां जगह जो कुछ कहा गया है, क्या वह ठीक नहीं है। तब तो ठीक था, लेकिन बिना किसी कारण यह सवाल करना ठीक नहीं होगा, क्योंकि :

"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;

Provided that the Speaker may at any time prohibit any member from making any such allegation if he is of opinion that such allegation is derogatory to the dignity of the House or that no public interest is served by making such allegation."

Mr. Deputy-Speaker: Mr. Tyagi. I am sorry, there is no point of order.

श्री मधु लिमये : उपाध्यक्ष महोदय धन्यवाद।

बैरमान व्यापार और पूंजा और भ्रष्टाचारी नीकरशाही और सरकार के गठबंधन से जो हमारे देश का सत्यानाश हुआ है उसकी पृष्ठभूमि में हम बहस कर रहे हैं। हमारे सामने बात आई कि इस्पात मंत्रालय के मंत्री ने इस्पात कंट्रोलर को चिट्ठी लिखी कि स्टील बार्टर के बारे में कुछ चुनी हुई फ़र्मों को जानकारी दी जाये। इन फ़र्मों को चुना गया। कोई पब्लिक नोटिस नहीं, कोई टेंडर नहीं, कुछ नहीं। क्या नतीजा हुआ ? नतीजा यह हुआ कि पहले श्रीमन्दीर प्यारेलाल गुट की कम्पनियों का इस्पात के आयात और निर्यात में क्रमशः 9 प्रतिशत और 12 प्रतिशत हिस्सा था, लेकिन जब सरकारी नियंत्रणों का उनके हक में इस्तेमाल हुआ और उन पर मेहरबानी दिखाई गई, तो एक ही साल में उनका हिस्सा 9 प्रतिशत से 59 प्रतिशत और 12 प्रतिशत से 60 प्रतिशत हो गया। आज सरकारी नियंत्रणों का इतना गलत इस्तेमाल होता है और कानून तोड़े जाते हैं। जो कानून तोड़ने वाले अधिकारी हैं, उनके लिए एक रास्ता खुला हुआ है और वह यह है कि अगर उनको निकाला जाता है, या अगर वे सेवमुनिवृत होते हैं या अगर वे हटते हैं, तो फिर उन्होंने जिनके साथ मुद्दबत की है कानून तोड़ कर और जिनको रियायतें दी है, ऐसी कम्पनियों में उनको नीकाया मिले पर है। हिन्दुस्तान स्टील में यह हुआ है, एकर

[श्री मधु लिमये]

इंडिया में यह हुआ है। जहाँ तक स्टील कंट्रोलर के दफ्तर का सम्बन्ध है, हमारे सामने सबूत आया है कि करीब करीब 45 या 46 बड़े अधिकारियों को इस प्रकार नौकरी मिल गई है। तो इस परिस्थिति को हमें मद्देनजर रखना चाहिए और श्री सुब्रह्मण्यम् ने जो किया है, उस पर सोच-विचार करना चाहिए।

जो बड़ी बात मैं आप के सामने संक्षेप में रखना चाहता हूँ, वह यह है कि 18 मई को श्री सुब्रह्मण्यम् ने जो वक्तव्य दिया, उसमें पहली बार उन्होंने, जीतपाल के साथ जो मुलाकात हुई थी और जीतपाल ने उनको जो पत्र लिखा था, उसका उल्लेख किया था। उससे पहले जब पब्लिक एकाउंट्स कमेटी ने श्री वांचू को पूछा था, तो उस वक्त पब्लिक एकाउंट्स कमेटी के ध्यान में इस बात को कभी नहीं लाया गया था कि जीतपाल नाम के व्यक्ति से मुलाकात हुई या उनकी कोई चिट्ठी आई थी, इसलिए पब्लिक एकाउंट्स कमेटी को इसका पता नहीं लगा। 18 मई को श्री सुब्रह्मण्यम् स्वयं गवाह के रूप में इस पत्र को और इस मुलाकात को ले आते हैं। जब वह खुद लाये हैं, तो उसके जो अर्थ और नतीजे हैं, उनसे मंत्री महोदय भाग नहीं सकते हैं। मैं मंत्री महोदय पर खुल्लम-खुल्ला आरोप लगाता हूँ कि उन्होंने जान-बूझ कर इस पत्र का हवाला देते हुए इसके प्रारम्भिक अनुच्छेदों को छिपाया है। मैं यह आरोप लगा रहा हूँ। इतना ही नहीं, उन्होंने सदन को यह बताने की कोशिश की कि श्रीमती चन्द्र प्यारेलाल कम्पनी के पार्टनर ने जो माफ़ीनामा दिया, केवल उसकी बदौलत वह बदले। उन्होंने कमेटी के सामने कहा है कि मैं इस पर स्ट्रेस देता हूँ, जोर देता हूँ, बल्कि मैं कहता हूँ कि उनके माफ़ीनामे से मेरे मन में परिवर्तन हुआ। मैं यह निवेदन करना चाहता हूँ कि पत्र के प्रारम्भिक दो अनुच्छेदों को, जिनमें 28 एंशर्स आफ सपोर्ट की बात है,

उन्होंने सदन के सामने इसलिए नहीं रखा कि अगर वे सदन के सामने रखे जाते, तो फिर सदन इस नतीजे पर पहुँचता कि यह माफ़ीनामा नहीं है, बल्कि मंत्री महोदय ने उनके ऊपर जो मेहरबानी की है, उसके लिए कृतज्ञ और एहसानमन्द हो कर वह उनको धन्यवाद और बधाई दे रहे हैं।

क्या कहा है उन्होंने अपने पत्र में?— यह कि हम लोग इतने नये नये उद्योग बना रहे हैं और उनकी लिस्ट दी गई है। जब मंत्री जी पब्लिक एकाउंट्स कमेटी के सामने गये, तो उन्होंने उसके बारे में कहा, "दि लिस्ट इज नाट वेरी इम्पोर्टेंट"। वह फ़हरिस्त महत्वपूर्ण क्यों नहीं है? वास्तव में यह फ़हरिस्त बहुत ही महत्वपूर्ण है। उसमें जिन उद्योगों का नाम लिया गया है, उनमें सबसे पहला नाम है काश्मीर सेरेमिक्स का। अभी अभी सभापति पद पर जो बैठे थे, श्री श्यामलाल सराफ़, जब वह मंत्री थे, तो उस वक्त यह योजना बनाई गई थी : 40 प्रतिशत सरकारी हिरसा, 40 प्रतिशत जीतपाल का हिस्सा और 20 प्रतिशत सार्वजनिक हिस्सा।

श्री श्यामलाल सराफ़ (जम्मू तथा काश्मीर) : सत्यपाल।

श्री मधु लिमये : दोनों एक ही हैं। खैर, सत्यपाल ने यह कहा कि 40 प्रतिशत उसका हिस्सा, 40 प्रतिशत सरकार का हिस्सा और 20 प्रतिशत सार्वजनिक हिस्सा होगा। बाद में नये मंत्री आ गये—दार साहब, तो परिवर्तन यह हुआ कि 39 प्रतिशत सरकार का हिस्सा और 51 प्रतिशत सत्यपाल का हिस्सा। 39 प्रतिशत हिस्सा होते हुए भी आठ डायरेक्टर्स में से केवल एक सरकार का था। मजे की बात यह है कि बोर्ड आफ़ डायरेक्टर्स की जो पहली बैठक हुई, उसमें जो एकाउंट्स लाये गये थे, उन पर मतभेद हुआ और सब कागज़ी लो सील लगाई गई।

[श्री मधु लिमये]

अपना विवेक इस्तेमाल करना चाहिए । यह कहने से काम नहीं चलेगा :

"After all, the Minister is to be guided by the office."

तो मैं यह कहना चाहता हूँ कि इस मामले में सिविल सर्वेंट्स की भी जिम्मेदारी है और मंत्री महोदय की भी जिम्मेदारी है । यह मामला नया नहीं है, बहुत पुराना है और इसलिए मैं किमी पर आरोप नहीं करता क्योंकि यहां पर अध्यक्ष महोदय ने अपना निर्णय दिया है लेकिन आप जरा तारीख याद रखिये कि यह जब मामला चल रहा था तो चार स्टील कंट्रोलर हो गये । एक नटेशन साहब, दूसरे वाम साहब, फिर बी० एन० बनर्जी और फिर एस० पी० मुबर्जी । मैं आरोप नहीं कर रहा हूँ । उस समय कौन कौन अधिकारी थे, उनके नाम रख रहा हूँ । इस्पत सचिव कौन कौन थे ? बूदलिंगम साहब और वांचू साहब और मंत्री कौन थे ? बहुत पुराने मंत्री का नाम तो छोड़ दीजिये, लेकिन सरदार स्वर्ण सिंह साहब मंत्री थे और बाद में सुब्रह्मण्यम साहब भी मंत्री हुए और यह मामला बहुत पुराना है । जोरान ने अपने पत्र में बहुत साफ लिखा है कि इन परिस्थितियों में मुझे ऐसा काम करना पड़ा, तो यह परिस्थितियां यह थीं कि जबकि यह वाम साहब, बनर्जी साहब यह सब स्टील कंट्रोलर थे और बूदलिंगम साहब, वांचू साहब, इस्पत सेक्रेटरी थे, बूदलिंगम साहब ने इस्पत सेक्रेटरी और सरदार स्वर्ण सिंह साहब इस्पत मंत्री थे, यह परिस्थिति है, विशेष परिस्थिति कि जिसमें उनसे गलतियां हो गईं । तो मैं यह निवेदन करूंगा कि सुब्रह्मण्यम साहब ने यह बो कहा है कि मेरे दफ्तर ने जो रखा उसी में गुप्तकी गाइड होना है, प्रभावित होना है, तो खुद उनका शुरू में जो काम था उसके विपरीत यह इनकी बात जाती है और यह छिपाने के लिए यह सब कर रहे हैं ।

अब मैं आरोप लगा रहा हूँ कि यह जो पब्लिक या स्टील कंट्रोलर, स्टील सेक्रेटरी

और स्टीलमिनिस्टर का इसके निर्माता नहीं हैं सुब्रह्मण्यम साहब, यह मैं मानता हूँ जिसको फ्राकटेक्ट आप कहते हैं—

He is not the architect of this conspiracy.

लेकिन 20 तारीख को जुलाई महीने में जिस दिन यह मुलाकात हो गई, यह इस पब्लिक में शामिल हो गये जो पहले से चला आ रहा था ... (घंटी बजने पर) वस इतने में हम जो खतम कर देंगे आप ?

Mr. Deputy-Speaker: The hon. Member has already taken twenty minutes.

श्री मधु लिमये : अध्यक्ष महोदय, दस मिनट तो दीजिये, जल्दी जल्दी बोलना जा रहा हूँ ।

उपाध्यक्ष महोदय : आप बीस मिनट बोल चुके हैं ।

श्री मधु लिमये : तो दूसरे तो 40-40 मिनट बोले हैं ।

Mr. Deputy-Speaker: He may try to conclude now.

श्री मधु लिमये : अध्यक्ष महोदय, मैं दस मिनट में खतम कर रहा हूँ ।

तो मैं यह निवेदन करना चाहता हूँ कि यह पत्र जो पहले से चला आ रहा था उसी सुब्रह्मण्यम साहब 20 जुलाई को सदस्य बनने से जो उसी के कारण उन्होंने अपना यह पत्र लिखा और इस समय की भी पब्लिक एसाउटिंग कमेटी में छिपाने की कोशिश की । जब मामला खुल गया तब जाकर जीतपाल के पत्र का और जीतपाल की भुलावात का हवाला सदन के सामने दिया और वह भी किस स्थिति में ? अध्यक्ष महोदय, सारी बात नहीं लाये । जैसा कि कहा कि माफीनामा लाने आये हैं, लेकिन यह माफी-

नामा का नहीं, यह तो आभार प्रदर्शन का पत्र है। इतने गन्दे कामों में जिसको वह इंडस्ट्रियल ग्रंडरटैकिंग कहते हैं, जरा हमारे बंडेकर ग्राह्य बैठे हैं, इसलिए मैं उनकी तस्ली के लिए कह देता हूँ कि मैं तो समाजवादी हूँ लेकिन स्पर्धा पर आधारित पूंजीवाद भी है कि जिसमें उद्योगशीलता है, विज्ञान की प्रगति का रास्ता खुलता है पैदावार बढ़ती है, खर्चा घटाया जाता है और उपभोक्ताओं के लिए दाम घटाने की बात है तो उम पूंजीवाद को भी कुछ समय के लिए मैं बर्दाश्त कर लूंगा। लेकिन यहाँ न गंधा है न घोड़ा है। आपके भूतपूर्व मंत्री ने समाजवाद की चादर तो बिछा दी लेकिन न समाजवाद आया न पूंजीवाद की जो अच्छाइयाँ हैं क्योंकि आखिरकार कार्ल मार्क्स ने भी तो कहा है न पूंजीवाद के बारे में कि पूंजीवाद ने भी एक ऐतिहासिक कार्य किया कि विज्ञान की प्रगति की, विज्ञान का इस्तेमाल खेती और कारखाने के सुधार के लिए किया, तो यह भी अगर मान लें कि पूंजीवाद यहाँ आता पैदावार बढ़ाने वाला, वैज्ञानिक प्रगति करने वाला, लोगों को तंत्र की, टेक्नीक की शिक्षा देने वाला तो उसको भी संघिकाल में, दरमियानी अरसे के लिए मैं बर्दाश्त करता, लेकिन हमें जो मिला है वह एक नियंत्रित अर्ध-व्यवस्था मिली है जिसमें यह नतीजे निकले हैं।

अब अन्त में मैं खतम कर रहा हूँ, श्रीमन्न्द प्यारे लाल के तीन कारनामे हैं और इस्पात मंत्रालय के द्वारा जो मेहरवानी की गई है उनके साथ, जो कि पब्लिक एकाउंट्स कमिटी के सामने भी नहीं आया है, उसके बारे में एक बड़ा अच्छा डाक्यूमेंट मिला है कि वह जब चाहते हैं, मांग करते हैं तो उनकी मियाद बढ़ायी जाती है। यह मेरे पास आयरन एंड स्टील कंट्रोलर का पत्र है जो उनकी एक फर्म ए० पी० जे० प्राइवेट लिमिटेड को लिखा गया है :

"As requested in our letter, the validity of the export licence is be-

ing extended to such and such period."

तो आपकी अनुमति से, यह बहुत फटा हुआ है, इसकी नकल बनाकर मैं दे दूंगा।

Mr. Deputy-Speaker: Is it the original or copy?

श्री मधु लिमये : हाँ, बिलकुल प्रोरिजनल है। आप देख लीजिये।

Mr. Deputy-Sperker: Is it the original or copy?

श्री मधु लिमये : हाँ, आप की सेवा में, आपकी खिदमत में मैं प्रस्तुत करता हूँ।

[Placed in Library. See No. LT-6939/66.]

तो अध्यक्ष महोदय, यह जो प्रमीचद प्यारे लाल की कंपनी है यह तो बड़ी बिचित्र है, अभी भारत बैरेल के मामले में इनके खिलाफ केस चला है और फनना हो चुका है और इन्होंने जो गन्दे काम किये हैं वह सफ दुनिया के सामने आये हैं। उसी तरह अध्यक्ष महोदय, यह तीन मामले हैं आपके सामने रखता हूँ। तफमील में नहीं जाता हूँ। एक यह है कि स्टील कंट्रोलर ने कम्पनी एलीअरेंस टर्म गलत ढंग से कानून तोड़कर इस कम्पनी को दिया। कस्टम ने यो स्वीकारा नहीं, उनके माल को उन्होंने बरबाद किया और स्पेशल पुलिस एस्टैब्लिशमेंट की तौर से इस मामले में जांच चल रही है। मैं जानना चाहता हूँ कि इसके बारे में मुकद्दाम्य साहब ने और दूसरे जो मंत्री रहे हैं उन्होंने अब तक क्या किया ?

Mr. Deputy-Speaker: The hon. Member has already taken 25 minutes. He may conclude now.

श्री मधु लिमये : दूसरा मामला बहुत ही गम्भीर है। यह तो विदेशों में जो चीजें आती हैं उसके बारे में आरोप है कि फोर्ज्ड क्रॉस बार्डर सर्टिफिकेट भी बनाये गये हैं, मियाद तो खत्म हो गई थी, मैं पढ़कर ही सुनाये देता हूँ :

"The importers managed somehow to obtain forged Cross Border

[श्री मधु लिमये]

Certificates from the country of supply certificates purporting to convey fraudulently that these goods had crossed the borders of the country of supply before the expiry of the licence issued by the authorities in this country. I understand that these goods have been confiscated by the Customs at these three ports...."

मतलब कलकत्ता, बम्बई और मद्रास ।

"and the total value is approximately Rs. 2 million."

तीसरा मामला यह है :

"The third case relates to the inquiry by the Central Bureau of Investigation into cheating of the Calcutta Port Commissioners to the tune of about Rs. 1 lakh by the Aminchand Pyarelal firms mentioned in the Report. Claims for refund of demurrage charges were made by these firms on false grounds."

मह तो तीन मामले हो गये हैं, लेकिन अभी खरम नहीं हुआ है । अगर इनके और-काले कारनामे आ जायें, तो इसमें क्या बुरी बात है ।

श्रीमंचन्द प्यारेलाल कम्पनी ने हिन्दुस्तान स्टील की ओर से 7,900 टन इस्पात मंगाया और सरकार के द्वारा उसको रिजैक्ट करवाया गया । यह इनका टैकनिक था, पहले माल मंगवाते हैं, फिर सरकारी अफसरों को रिश्वत और बूस खिला कर उससे कहलवाते हैं कि यह रिजैक्ट है, हमारे काम का नहीं है और स्टील कण्ट्रीलर का आर्डर निकलता है कि यह बहुत खराब माल है, आप खूले बाजार में बेच डालिये और फिर मजे से बेचते हैं, उससे पैसा आता है, कहां कहां जाता है पता नहीं । आप फिर कहेंगे कि आरोप लगाता है ।

उपाध्यक्ष महोदय, इन लोगों ने अकेले कलकत्ता शहर में, जिनका लड़ाई के पहले कोई अस्तित्व नहीं था, तीन करोड़ रुपये की

जायदाद (ग्रबन लैण्ड प्रोपर्टी) बनाई है । अभी इन्होंने एक प्लरिज रेस्टोरेन्ट लिया है, जिसके लिये पैसा स्विस् करेन्सी में, विदेशी मुद्रा में खर्च किया गया । कालेबाजार की विदेशी मुद्रा हम लोगों के पास कितनी है, इससे आप उसका अन्दाजा कर सकते हैं ।

इन्होंने एक पार्क होटल कलकत्ता शहर में बनाया है—एक करोड़ रुपये खर्च करके, लेकिन इस्पात और सीमेंट के लिये क्या कभी इनको परमिट मिला था? परमिट की इन लोगों को क्या जरूरत है, जब मन्त्री इनकी जेब में बैठे हैं, जब बंगाल सरकार के नहीं केन्द्र सरकार के मन्त्री इनकी जेब में हैं, तो इनको परमिट और लाइसेंस की क्या जरूरत है? आज इस होटल को लाइसेंस नहीं दिया जा रहा है, क्योंकि ये सरकारी कानून वगैरह तोड़ रहे हैं, यह मामला यदि यहां नहीं खोला जाता तो शायद पार्क होटल इस वक्त चालू हो जाता ।

एक और मामला नार्दन रेलवे का है, जिनको इनकी ओर से इस्पात का माल दिया गया था और वह रिजैक्ट किया गया, उसी तरह से जैसे मैंने हिन्दुस्तान स्टील का मामला बताया और उसको लेकर एक चौधरी नाम का अफसर इस वक्त सस्पेन्डेड है, उसकी जांच चल रही है । क्या क्या मामले इनके अध्यक्ष महोदय, आपको बताऊं ।

अन्त में मैं यह कहूंगा, मैं इस बात को यहां छेड़ता नहीं, लेकिन हमारे मित्र पन्त जी ने चूँकि उसका उल्लेख किया है, इसलिए कहना चाहता हूँ । उन्होंने मेरा गौरव भी बढ़ाया है, लेकिन साथ ही उन्होंने मुझ को कहा है कि आपने अध्यक्ष महोदय पर भी कोई आरोप लगाया है । अगर वह मेरे प्रिविलेज मोशन को ठीक तरह से पढ़ते या भाषण सुनता होता तो उनको पता चलता कि मैंने अध्यक्ष के खिलाफ कोई आरोप नहीं लगाया है । मैंने अमरीक सिंह के खिलाफ आरोप लगाया है

श्रीर अग्रर जीतपाल का कोई दस्तावेज है तो जीतपाल के खिलाफ लगाया है। यह सब मैंने किया है अध्यक्ष की इज्जत, प्रतिष्ठा, शान और शोभा के लिये। आप ऐसा न सोचिये, पंत जी, कि मैं कोई जिम्मेदार आदमी नहीं हूँ। मैंने सदन की प्रतिष्ठा को ऊंचा उठाने के लिये सोच-समझ कर यह प्रिविलेज मोशन दिया है।

अन्त में मैं यह कहना चाहता हूँ कि यहाँ पर कहा गया कि मैं प्रिविलेज मोशन के हथियार का दुरुपयोग कर रहा हूँ . . .

उपाध्यक्ष महोदय : अब इस को खरम कीजिये।

श्री मधु लिमये : उपाध्यक्ष महोदय, आप खुलासा करने के लिये मौका देते हैं मन्त्री महोदय को 357 के अन्दर, जो कि एक पवित्र प्रक्रिया मानी जाती है। 357 के अन्दर जब मन्त्री महोदय स्टेटमेंट देते हैं तो वह इतना पवित्र माना जाता है कि उस पर विवाद भी नहीं होता है और उसको जेन्टिलमेन्ज वर्ड माना जाता है। प्रोपयूमो ने भी इसी प्रक्रिया के अन्दर बयान दिया था कि क्रिस्टीन किलर से मेरा कोई सम्बन्ध नहीं है, हाउस आफ़ कामन्ज ने उसको माना . . . (व्यवधान) मेरा नहीं, प्रोपयूमो साहब की बात कर रहा हूँ। प्रोपयूमो साहब के उस बयान को माना गया, लेकिन जब वह गलत साबित हुआ, तो टोरी पार्टी की हकूमत थी, टोरी पार्टी के वह युद्ध मन्त्री थे, उन्हीं की पार्टी के मैकिलयोड साहब ने हिम्मत दिखलाई और अपने मन्त्री के खिलाफ वह अनादर का प्रस्ताव लाये और कहा कि यह गलत बात करता है झूठ बोल कर, इन्होंने सदन का अपमान किया है। यह हाउस आफ़ कामन्ज की परम्परा है, वह मन्त्री मण्डल से हट गये, हाउस आफ़ कामन्ज की सदस्यता तक उन्होंने छोड़ दी।

यह कोई दल का सवाल नहीं है, मैं आज अपने दल की तरफ से नहीं बोल रहा हूँ, मैं पब्लिक एकाउण्ट्स कमेटी की इज्जत के लिये और सदन की प्रतिष्ठा के लिये बोल रहा हूँ। विरोधी दल और सत्ताधारी दल को यह विवाद आज नहीं खड़ा करना चाहिये। आज पाटिल साहब बैठे हैं, इन्द्राजी बैठे हैं, क्या इन लोगों में मैकिलयोड साहब की सी हिम्मत है—यह कहने की कि मेरी पार्टी के मन्त्री ने जो पवित्र प्रक्रिया है, सैंक्रेड प्रोसीजर है, उसके मातहत गलत-बयानी की है। उनके खिलाफ यह कन्टेम्प्ट का प्रस्ताव मुझे क्यों लाना पड़ा, मैं समझता हूँ, उपाध्यक्ष महोदय, यह बड़े शर्म की बात है कि यह प्रस्ताव मधु लिमये को लाना पड़ा, यह प्रस्ताव लाना चाहिये था, श्री एस० के० पाटिल साहब को, सत्यनारायण साहब को या इन्दिरा जी को यह प्रस्ताव लाना चाहिये था। मैंने केवल अपने कर्तव्य को निभाया है, मैं विशेषाधिकार के प्रयोग का दुरुपयोग नहीं कर रहा हूँ। यहाँ मैं अन्त में कहना चाहता था।

Shri Khadilkar : Mr. Deputy-Speaker, for the last fortnight or so, while observing particularly the early part of our sittings, I have reached the conclusion that because of certain tolerant and flexible attitudes, the Opposition is trying to exploit all those procedural devices, be they call attention notices, be they adjournment motions or be it the of raising matters of privilege of the House. Democracy is a very delicate mechanism. Very objectively, from a distance, from a non-partisan angle, when I look at the proceedings of the House, I feel that great strain is being put on the democratic apparatus at the present juncture, obviously with a view to give a distorted image to the outside world about things that are happening here. This is most deprecable. Though Shri Limaye has disowned this attempt, I do feel that he has exceeded the limits in pressing his privilege motions in this House. That is my view and that view has been shared by many of my friends. from this side and the other side.

Some hon. Members: No, no.

Shri Khadilkar: Apart from this, unfortunately, the limits prescribed by the Speaker while discussing this Motion, have been completely transgressed.....

श्री मधु लिमये : यह तो आप आरोप लगा रहे हैं अछरक्ष महोदय पर ।

Shri Surendranath Dwivedy: This is a reflection on the Chair.

Shri Khadilkar: He had laid down certain limits. You have transgressed them.

Shri Surendranath Dwivedy: No. The Speaker was present when I was speaking.

Shri Khadilkar: Have some patience. What was said by the Speaker in terms of the motion has not been adhered to

Mr. Deputy-Speaker: I do not think anybody has transgressed the limit.

Shri Khadilkar: No, Sir. Excuse me. I say it and I am going to prove it. I want to prove it.

Shri Hari Vishnu Kamath: He should withdraw what he said. It is a reflection on the Chair (*Interruptions*).

Shri Surendranath Dwivedy: You cannot accuse the Speaker like that. There must be a limit.

Shri Khadilkar: I am accusing the Opposition.

Shri Surendranath Dwivedy: You are accusing the Chair. The Opposition was not guiding the proceedings of the House. The Speaker was guiding the House.

Shri Hari Vishnu Kamath: You please call him to order. You do not call him to order.

Shri Khadilkar: You have transgressed the limit. As I said, I am going to prove it.

Mr. Deputy-Speaker: You are not justified in making allegations like that.

Some hon. Members: He should withdraw.

Shri Khadilkar: You must listen to me. If I do not prove it to the hilt, I will withdraw.

The question is this: in this motion what is under discussion? The 55th Report of the PAC and one paragraph of the 50th Report.

Mr. Deputy-Speaker: Nobody has referred to the 50th Report only people have referred to the 55th Report.

Shri Khadilkar: The extent of the argument has covered such a wide ground, and the fundamental issue I am placing before you is this. The Public Accounts Committee is an all party body which functions judiciously and conclusions are drawn, and as the Speaker observed, it is a miniature Parliament, all parties are there. So when the Chair permits us to discuss the report of the Public Accounts Committee is it open to us to go beyond certain limits while arguing a case?

Again, I would like to remind the House that we are debating the 55th Report. In the 50th Report in their wisdom, the Public Accounts Committee thought there should be an enquiry. Here there are only two points. At one stage they have said that the explanation given by the Minister is obscure, it is not very clear as to why he made a change. Another thing is whether the order was final or it was a draft order. Only on these two points they can say whether it is obscure, why it is obscure etc.

Nobody is going to defend here Aminchand Pyarelal and his dealings. The question is: Was the hon. Minister in the discharge of his duties as a Minister blameworthy, was he activated or was he at any period acting in a manner in which he should not have acted? There are certain

things, but before touching that aspect I would like to place one other point before you for consideration.

Most of the speakers here have adopted a jurisdic attitude to the actions of the Minister. Is it justified, I would like to ask. Can you adopt a jurisdiction attitude to certain action of the Ministers....

Shri Daji: Why not?

Shri Khadilkar: while he is acting under certain pressures? Is it justified? (*Interruptions*).

Just listen, let me explain. When I used the word "pressure" they are jubilant, but they will not be so jubilant when I explain. Pressure of time is there.

Shri Daji: What is the pressure of time?

Shri Khadilkar: Certainly he has got to take quick decisions. Pressure of time is there. Then, he has got to look to all the aspects. In the present context of the Indian economy....

Shri Daji: What context?

Shri Khadilkar: . . . If production is suffering, he must consider; whether injustice is likely to be done, he must take that into consideration. Therefore I am not saying that every action done under pressure is justified, but I would like to plead with the Opposition that if you adopt a jurisdic approach to the doings of the Minister, you are not doing justice to the parliamentary or Government procedures as we have adopted it. This is my view whether you accept it or not.

Shri Daji: This is not the view of the PAC.

Shri Khadilkar: Those whose heads are little cool are bound to reflect quickly whether they can take a juristic attitude of judgment over the act of the Minister and pass some strictures on his conduct. Whether it is justified or not, that aspect should be considered.

There is another question. Mr. Subramaniam appeared before the

PAC. This is the evidence. Let us try to judge from the evidence what points he made. I have jotted down a few points. Do not just go with the impression that he was there to suppress the truth. Is it correct to say that? I am just reading out the appreciation of the evidence, I have culled out a few points here.

It was the Minister himself, Mr. Subramaniam, who brought on record the interview of Jit Pal. You must recognise this. It shows that there was nothing to hide in regard to the interview. If he had not mentioned it, you can see the evidence, at this stage in the PAC such a question would not have been raised. He himself brought forward this point on his own.

Shri Daji: Otherwise, how could he have done? That was the only explanation available.

Shri Khadilkar: The letter of Jit Pal says that the Minister had taken stern attitude and that he admonished Jit Pal. This shows the Ministers's clean position in regard to the interview. What has happened? Let us try to put things right. The Minister issued an order which has to be executed by the Iron and Steel Controller's organisation, with not a very good reputation. I do not want to say anything further. That organisation with headquarters at Calcutta has not a very high reputation. As soon as some order is given, the officers there send back queries. It is open for you to say: why did he not insist on execution? I am arguing the case as you have argued. But the queries are such that he needs to examine them further, whether production unit should be excluded or the shipping companies should be excluded. I admit that the leakage must have taken place in Calcutta. That was the source. Then the whole thing developed? You have to realise that it is the Secretary who is to issue the order according to the procedure. If somebody sends back an order saying that this order is difficult, it would affect production, etc. should the

[Shri Khadilkar]

Ministers sit tight on his order or should he reconsider that order? Mr. Dandekar is here; he has served as a high executive. I would put this question to him. What would he have done in such a situation? With a clean conscience anybody would say: all right, I will reconsider. Certain leakage must have taken place at the other end and the firm representative came and saw him. Then the question arises: is it proper for the minister to do so? There are some mistakes, I admit. In UK the ministers always record that such a decision had been changed on this ground. Unfortunately, that record is not here. I am arguing case in a non-partisan attitude.

Shri Daji: The reasons here could not have been recorded. They are obscure, dark and drab reasons.

Shri Khadilkar: In a situation like this, you have to take into consideration all these factors. The Minister is in Delhi; he issues an order to be implemented by some organisation in Calcutta which is not free from corruption. There is a leak. After that the Minister finds that there is some justification and changes the order. Can you attribute motives?

Shri Daji: What were the pressures you referred to?

Shri Khadilkar: Pressures are in your party and in every party.

Shri Daji: What were the pressures on Mr. Subramaniam which made him change that order. Tell the House.

Shri Khadilkar: The issue came up before the PAC. Our party majority was there but the issues were not decided at party level. They were decided independent of party views. You not given credit to the PAC which it really deserves in the 50th report? I am not referring to the whole thing; that paragraph is there, and therefore I am referring to it. If you go through it you will find that a thorough job has been made and that report will

certainly prompt the Government to take some action. That is a different matter. So, if you have given credit for the 50th report for impartiality, objectivity and non-partisan attitude, what prevents you from giving it the credit, the same credit, to the same body, when it has come with this conclusion before the House?

Shri Daji: What are the conclusions?

Shri Khadilkar: The conclusions are clear, they could not make up their mind as a body....

Shri Daji: The PAC has censured Shri Subramaniam by saying that there were obscure reasons. That is a polite way of saying it. Only polite language has been used by the PAC. Obscure reasons which cannot be told, which are secret reasons. That is the English meaning of "obscure reasons"

Shri Shinkre (Marmagoa): Anybody knows what is the meaning of "obscure reasons." Is the hon. Member trying to teach us grammar? What does he mean?

Shri Khadilkar: Please observe the grammar of decorum. Sit down. Now, about the second report, the 55th report. The Minister appeared before the Committee. He volunteered himself. Left to myself, I would have advised him not to do it. There was no necessity, but he volunteered himself. Now, only at two places there are remarks, which are not very complimentary, about the conduct of the Minister. Beyond that, there is nothing. I would like to know what this ballyhoo is about, which has been made on that side, about the 55th report and the conduct of the Minister. As the Speaker has said in the beginning, let us try to discuss the report at a non-partisan level. I may now recall the system in the British parliament. That is a good system which we should try to adopt. When the report of the Public Accounts Com-

mittee is under discussion, the only points which we have to consider are the administrative lapses and not the broad canvass of the whole national life which is brought in. Only the relevant points should be taken up and discussed. That is a very healthy convention. If you want to keep the prestige of the PAC, which richly deserves it, in this present context especially because they have earned a name—they are the watchdogs of Government's finances—and if this body is to function without party pulls and pressures from this side or that side, I would appeal to the Opposition and to every Member of the House to look at the report from this angle. Therefore, the 55th report which is under discussion, does not convict Shri Subramaniam of charges which have been levelled from that side. You can bring in Jit Paul; you can bring in Aminchand Pyarelal, and so many other firms, and so many other extraneous matters. But then, I would ask you, can you bring in these extraneous things as evidence to convict him? That would be injustice, and that will be doing injustice in a way indirectly through a vote of censure on the PAC. What the PAC has said is, "No further probe is called for."

Shri Daji: Read the report.

Shri Khadilkar: I have got the report.

Shri Daji: Then read the "obscure reasons." Read King's English.

Mr. Deputy-Speaker: Order, order.

Shri Khadilkar: I will conclude in a minute. I have been interrupted often. Therefore, my humble plea is this. If we accept the PAC as a competent forum of all parties representing both the Houses, and if we accept that their conclusions are very judiciously drawn up, I can tell you one thing. As a former member of the PAC and Chairman, I can tell you, 90 per cent of the recommendations of the PAC have been acted upon and imple-

mented by the Government. This is my experience for the two years I was there as a Member. Therefore, if the PAC in their wisdom says in one report that the whole gamut of these dealings must be gone into thoroughly and in the second report on one point it say, "We are not yet very much satisfied"—they could not make a recommendation to the effect "No, we certainly suspect him, we suspect his motives and a further probe is called for,"—if that is so, I do not think that in fairness, those hon. Members were fair to the PAC report and they were not fair when they levelled the accusations. It will have some propaganda value of course on the eve of the elections. I know it. That is the main thing. You can do a little damage to the general image of this party. But the image of Parliament and the image of Public Accounts Committee is much higher. Therefore, I would appeal to them, "Don't follow this path. Desist from it. Otherwise, this delicate apparatus of democracy will not survive in this country."

16.55 hrs.

[MR. SPEAKER in the Chair]

Shri Namblar: Sir, I am very sorry that a senior member like Mr. Khadilkar said that we have mooted out this question to create an atmosphere whereby we may gain on the eve of the elections. It is not so. We have done it in the larger interests of the nation, to see that this sort of robbery is not allowed by certain firms who are doing it as a matter of practice for several years.

I welcome this whole episode which brings to light so many other factors which otherwise we would have had no occasion to know. What is stated in para 4.128 of the 50th report of the Public Accounts Committee which is under discussion is that Mr. Subramaniam should not have issued that second order; that second order was not justified. What is the purport and meaning of the report.

[SHRI NAMBIAR]

I, do not wish to enter into the vicinities of the phraseology used by Mr. Subramaniam in his evidence before the Public Accounts Committee or in his further submissions here. I would point out that he has erred in several ways. His mistakes may be wanton or otherwise; but he must accept that they are mistakes.

Mr. Subramaniam, during his different versions, shifted the grounds which naturally led to suspicion about his conduct in the affair. He tried to pounce on the Public Accounts Committee for its observation made in the 50th report and belittled its effort. This has added to the suspicions. He rushed to the Public Accounts Committee to explain off the discrepancies, but failed. All this has strengthened the feeling in the country that Shri Subramaniam, being the Minister in charge during the period from November 1962 to July 1963 when the heavy financial losses to the exchequer arising out of the bilateral agreements entered into by Amin Chand Pyarelal and connected firms were disclosed, showed further leniency to these blacklisted firms. Nobody accuses Mr. Subramaniam for these barter deals because they were not done in his period. We will go to his predecessor for that and I hold that his predecessor Mr. Swaran Singh and some of the high officials of his ministry who were responsible for these deals cannot escape at all.

But having taken charge of the ministry in November 1962, he ought to have realised the full impact of the havoc and losses committed by his predecessor and the officials of the ministry in entering into the bilateral deals of Amin Chand Pyarelal and connected firms. Correctly he initiated action against them but at a stage after orders were passed to blacklist all these firms for the heavy losses incurred, why did he go back on his order of 28th June 1963 to blacklist Amin Chand Pyarelal and connected firms? What made him dilute that

order? That is the crux of the problem.

My friend, Mr. Khadilkar, said that there were no strictures against Mr. Subramaniam. Let us see the wording of the report:

"The sub-committee are unable to understand the circumstances under which the minister changed his previous orders so soon that the business with Messrs. Amin Chand Pyarelal group of firms should not be communicated to other Government Departments."

It is clear that he changed his stand so soon and the reasons have to be given by him. In all fairness, it is his duty to enlighten us about the reasons. The reasons, as stated by him, are not satisfactory, because the various circumstances under which he changed the order are now well-known to the hon. members.

17 hrs.

Sir, Messrs. Aminchand Pyarelal companies are well known, having failed to carry out the previous commitments ever since 1954. As they are well known to his Ministry, why should they be relied upon by the Minister? During the course of one year of his tenure, by July 1963, by the time when he issued these modified orders, he might have had occasions to study this company. Again he believes Mr. Jit Paul, one of the representatives of this firm, when he sought an interview with him on 20th July, 1963. Knowing that some action was being contemplated against this firm, and as it leaked out from his Ministry, as one of the hon. Members has already said, he should have suspected these people coming to him on that particular date. When the whole thing leaked out, he should have enquired as to how it leaked out and an enquiry should have been conducted into that. Instead of doing that he conceded to the representations made by Mr. Jit Baul on 20th July.

On 23rd July, only three days after his interview, Shri Subramaniam modified the order, modifying the previous one nullifying its effects. Is an undertaking given by Aminchand Pyarelal and Company worth anything considering the background of their past behaviour? Are we to understand that Shri Subramaniam is so naive as to believe such an undertaking? It is here that the public has a genuine and reasonable doubt about the conduct of Shri Subramaniam. Therefore, in his own personal interest and for the benefit of a fair enquiry it is all the more necessary that he should step down from the office. Public Accounts Committee has rightly raised the doubt, as is now shared by the entire Opposition and the public.

Therefore, my first demand is that Shri Subramaniam should resign and clear the way and create the atmosphere for a thorough probe into the affair of his then Ministry and that of his predecessor Shri Swaran Singh under whom the entire deals were finalised at a great loss to the exchequer. His predecessor's conduct is equally suspicious, so far as I am concerned—I do not know about others—and in all fairness he should come forward to clear his own self from the blemish by stepping down along with Shri Subramaniam. I do not demand the resignation of the entire Cabinet. At least these two Ministers who are directly connected with the affair should step down in their own interest and in the interest of the nation. I have no personal grouses against them. If there is some chance, after clearing the charges against them, I would like Shri Subramaniam and Shri Swaran Singh to come back and do their work. But, unfortunately, there is so much cloud in their behaviour during their period of office and there is so much of dirt in the office of the Iron and Steel Controller and the Steel Ministry relating to this period, with which they themselves will agree, that they must clear all that.

One is delighted at the hard work put by the Public Accounts Committee. It was mentioned at the very beginning that during these discussions there may be some criticism against the Public Accounts Committee and its activities. Here we are proud that we have got such an efficient Public Accounts Committee.

Shri D. C. Sharma: Sir, I rise to a point of order. There is no mention of Shri Swaran Singh in the report of the Public Accounts Committee. Why is the hon. Member referring to Shri Swaran Singh and saying that he should also resign along with Shri Subramaniam?

Mr. Speaker: I said in the morning that we should not go beyond the 55th Report. He should not refer to periods that are not covered by that report.

Shri Nambiar: What is the background under which Shri Subramaniam changed his orders?

Mr. Speaker: No, . . . , we have decided that in the morning. I will not allow that.

Shri Nambiar: A series of action took place.

Mr. Speaker: No, I will not allow him to mention all those things.

Shri Nambiar: Sir, in his own interest and for the benefit of the country I am mentioning this. If he is not prepared to resign, I leave it to him.

Mr. Speaker: I have to decide whether it is relevant here.

Shri Nambiar: Sir, we are proud that we have got such a good Public Accounts Committee. Now the point is, how the whole truth will come out and how justice can be meted out. A thorough probe should be conducted into the whole affair and in that connection I have to draw attention to certain facts that are behind this episode. I will now draw attention to the facts behind the episode. You

will notice that Aminchand Pyarelal and their associates were blacklisted from 4th August, 1954 to 29th January, 1957 by the Works, Housing and Supply Ministry, Surendra Overseas from 26th October, 1956 to 29th January, 1957 by the same Ministry; International Sanitary Engineering were blacklisted from 15th August, 1954 to 29th January, 1957, by WHS Ministry; India Engineering Works were blacklisted from 4th August, 1957 to 29th January, 1957. The records are already with the Government. The fact of blacklisting has been circulated to all the Ministries. How could it be possible for the Iron & Steel Ministry to enter into a barter agreement with such a firm after the new scheme was introduced in 1959? That barter scheme deals with imports and exports. It says that imports would be allowed to the extent to which exports are made; rather, both must be equal. This proposal was mooted in 1959 when Shri Subramaniam was not there as Steel Minister. Another Minister, his predecessor in office, was responsible for this. When these firms were already blacklisted and the records are available to the Government, how could this barter scheme which was a new scheme, be entrusted with such firms. That is the issue.

Here we will find that the actions of the Steel Ministry, Iron and Steel Controller and other concerned officials are all irregular. Mention has already been made as to how these firms were under-invoicing and indulging in all sorts of malpractices. They were cheating even the customs and this was made known to us. That being so, how could the Minister who is responsible and who is acting, as he says, in the larger interest and on certain convictions, allow such a slip to take place? Are we to take it that these two Ministers, the former Minister . . .

Mr. Speaker: Again, he is referring to him.

Shri Nambiar: He was there at that time as Minister and he created the atmosphere in which Shri Subramaniam had to function. As we know, Shri Subramaniam went to that Ministry in April, 1962. When he went to the Ministry was it not necessary for him to go into the past dealings? After all, he has come to the conclusion, as per his order of November, 1962, only a few months after his taking charge, that he should blacklist these firms. So, he knew their antecedents. Should we not expect from him to inquire into the past deals of this firm before passing any order? He should have done that and I think we are fully justified in expecting an answer to that question.

Therefore, our contention is that he has not followed it up; he has given it up at a particular stage and he had watered it down. That is the accusation that we are making. It is not a question of getting some cheap publicity, or blaming the Government, on the eve of the elections. When there is such serious misbehaviour by all these firms right from 1954, are we to shut our eyes on them and say that everything was done correctly by these firms? Therefore, the intentions of the opposition parties should not be misunderstood; they should be properly understood.

In this background, is it not right and proper on our part to demand of Shri Subramaniam and Shri Swaran Singh to clear the clouds that have already gathered around the horizon? The clouds are there, whether we mention it or not. They are there for the whole country to see in the Fiftieth Report. We can always quote the facts given in the Report which nobody can dispute.

Therefore, we say that a full probe is required. But that probe is not forthcoming. The probe must be proper and fair. It must be conducted, as suggested by the Public Accounts Committee, by the Chief Justice of a

High Court or the Judge of a Supreme Court, assisted by the representatives of the Comptroller and Auditor-General and such other officials as are necessary.

Such a probe must follow only after the resignation of the concerned ministers; otherwise, we have got every reasonable doubt that these ministers, who are already in office, would have the opportunity to throttle or circumscribe or narrow down the activities of the probe. That is our fear. This is genuine. Past history has shown that such things are possible. Therefore we submit, let them step down, clear the way and clear the atmosphere, let the probe come and in that probe let them come out successful with flying colours if they are innocent. We will have all the gladness to receive them back amidst us unscathed. We have no objection. Here we are not attempting to do any harm to them, to their reputation or to the reputation of the Congress, but now the reputation of the Congress as a party and the ministers themselves has suffered very much in this country. It is up to them to clear this bad reputation and come forward and face the facts after resigning from the Ministry. It is not a very big thing for Shri Subramaniam or Shri Swaran Singh, as far as I can understand, because they are political men of long-standing and to them this is nothing. They can write it on a quarter sheet of paper and throw it and face the inquiry and come out unscathed. That must be the sportsmanship with which they must come forward.

Shri G. N. Dixit (Etawah): Mr. Speaker, Sir, I congratulate the Chairman and Members of the Public Accounts Committee for having done a good job of their work without fear or favour in public interest. I have functioned as Chairman of the Joint Committee on Offices of Profit for five years under your nomination and my Committee's work is very limited, only to see that Members do not disqualify themselves by accepting offices of profit, but here is a Public Accounts

Committee which has to watch the public accounts of the whole nation. Therefore the congratulations are still double-fold, hundred-fold.

So far as this report is concerned, I have examined the report and all the connected papers. I have also examined all relevant law and I feel that at one point a very important thing has escaped the attention of the Committee and on account of that escape the entire report suffers from that escape. That is that there is a code mentioned here, the Standardisation Code, and it is mentioned that sub-clause (5) of that Code has been referred to by the Steel Controller. It is in the letter of the second back reference as they say. This Code was a very important piece of document and the Committee and the officials also must have examined that Code and seen whether in the light of that Code, the order which is now the impugned order, the so-called black listing Order, was in violation of the powers of the Steel Minister or not. With little knowledge of that Code I may say that the blacklisting order of the Minister, the first order and not the background order—there is one background order which is called the first order; that is the order in which on the basis of a contractual break between the Government and that contractor it has been decided by the Government that they will give no further contract; I am not talking of that background order of November, 1962 but I am talking of the order of July wherein the Minister has ordered Blacklisting under that Code, it was in violation of the powers of the Minister. He could not pass that order without the concurrence of other ministries—in two clauses without the concurrence of the Home Ministry and in two clauses that of the administrative ministry. The fifth was not applicable. If he could not pass that order, was not the Secretary, Shri Wanchoo, right to make the correct recommendation under the Code and was not the Steel Controller right to make that back reference that nothing should be done against the law? My hon. friends

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some of them here, are entitled to break law, are entitled to act against Rules in this House, but officials have their duty to act according to law, according to rules made from time to time. I think, it is not proper to condemn people who are not sitting here and who are not represented here. I think, the Committee should have considered the code and I still appeal to you, if you think that this is a point which deserves serious consideration, this code must be examined and seen by you and by the Committee.

My submission is this, What is there against Mr. Subramaniam? The Committee has not charged Mr. Subramaniam of *mala fides*. There is a talk about his statement also. I have examined all his statement and the questions put to Mr. Subramaniam. At the best, the Members have charged him only for acting under the influence of the Secretary or acting under the influence of the earlier Steel Minister. I ask: Are you not conversant that every Member of this House approaches for public causes one Minister or the other? I also ask: Is it not the duty of the Secretary to advise his Minister persistently to do the right thing? If the Secretary advised the Minister again to do something, which he had earlier advised in his note, what was wrong—assuming that were correct; I do not know whether this is correct or not—even then there was no case of *mala fides*. Neither in the questions put in the Committee nor in this House, any Member has charged Mr. Subramaniam of any misconduct. There being no charge of misconduct, what is there to be sent for an inquiry? I can not understand this.

There is only one thing against Mr. Subramaniam, that he chose to go into the witness box that he chose to be his own lawyer and that he chose to be his own witness. When, in the beginning of 1930s, I came to Bar, my senior advised me on'y two things; that is, as a lawyer, never be your own lawyer and as a lawyer, never be a

witness. I may tell you that I have always seen, whenever a lawyer has tried to be a witness...

Shri D. C. Sharma: A lawyer never makes a speech unless he is paid for it.

Shri G. N. Dixit: I was submitting that the only thing which can be attributed against Mr. Subramaniam is that he committed an error in crossing this code of conduct of a lawyer. He has been a lawyer; I have read from his statement that he has been a lawyer. Naturally he has bungled as a witness. Even the tallest lawyer of the country like Mr. Pathak, if he were to go into the witness box, he may also bungle. In that context, I say, I brush aside this statement of Mr. Subramaniam. I may tell you one incident which happened to me. The late Pandit Govind Ballabh Pant directed me to appear in an election petition case in 1953. I made it a winning case. My client was a lawyer and a Member of the U.P. Assembly. For two days, he bungled because he was a simple man then I saw he was sorry and he thought he was losing the case, I argued, "My client may be a fool or a simpleton but he is not a fraud." (*Interruption*) I am not saying anything about the hon. Minister.

Now my submission is this. With these two things...

Mr. Speaker: Lawyers, when they come here, should speak as members; they should forget that they are lawyers.

Shri G. N. Dixit: I shall keep that in mind. Now what is this? A report has been made by the Committee for inquiry into the lapses; the lapses are categorised. Now those lapses can be inquired into by the Vigilance Commission. The Vigilance Commission has as its Chairman a retired judge of the High Court, a very eminent judge, and it can take such assistance as it desires.

As regards the question of the Minister, my hon. friends, Mr. Pant and one other have made a certain suggestion. Unfortunately I do not agree with it for the simple reason that an inquiry can be held only under the Commission of Inquiries Act and the Commission of Inquiries Act lays down that when there is something to be inquired into, an inquiry will be made. Now what is there to be inquired into here? The Secretary has made a statement that he did not influence the Minister. The Minister has made a statement that he was not guided by the Secretary. The only person, from whom an enquiry has to be made is Mr. Swaran Singh; Mr. Swaran Singh is the only person from whom an enquiry is to be made on this allegation, whether Mr. Subramaniam acted under the influence of the Secretary or not, and the Prime Minister is the proper person to make that enquiry. (*Interruptions*)

Now, as I said, what is there to be inquired? Unless there is some point to be inquired into on the facts and data before the House, no inquiry is to be made; no inquiry is to be made just for the fun of it or because the Opposition, in the interest of their elections, wants an inquiry to be made. There will not be any end to these demands for inquiries: one inquiry against somebody, the second inquiry against Mr. Swaran Singh, the third inquiry against Mr. Asoka Mehta, the fourth inquiry against Mr. S. K. Patil and the fifth inquiry against the Madam Prime Minister. There is going to be no end to these inquiries. The point that I am making is that the demand for the inquiry is *mala fide*; it is made by the Opposition keeping the elections in view; as you said in the House, all sorts of privilege motions and other motions are being brought one after another. The intention is *mala fide*: the intention is to bring down the Government and it is not done in public interest. Therefore, I say that there is no case for an inquiry to be instituted under the Commission of Inquiries Act.

Another suggestion was made by one of my hon. friends that the Prime Minister should consult some retired High Court judge. I say that we have got such eminent lawyers, top lawyers, as Mr. Pathak and Mr. Sachindra Chaudhuri in the Cabinet and then a retired High Court judge of the eminence of Mr. Chagla is here; I may tell the House that Mr. Gajendragadkar was junior to Mr. Chagla and Mr. Sarkar is junior to Mr. Gajendragadkar. Why should Mr. Chagla not be consulted? Why cannot Mr. Pathak or Mr. Chaudhuri be consulted in this matter? In fact, there is no provision for consultation from any outside agency. (*Interruptions*). With all my respects to the late Prime Minister, Mr. Lal Bahadur Shastri, may I say that last time when there was a dispute on the question of law, on the question of propriety, whether consultation should be made with an outside judge or not, I was of the view that Mr. T. T. Krishnamachari was perfectly justified in saying there should be no consultation from outside judges, there is no provision for such a consultation; there is no provision for this in law. There is a provision for an inquiry to be instituted under the Commission of Inquiries Act, but here there is no case for an inquiry to be made under the Commission of Inquiries Act. There is no case for consultation from an outside agency. When persons like Mr. Chagla, the ex-Chief Justice of Bombay High Court, Mr. Pathak and Mr. Chaudhuri—such eminent jurists and top lawyers of the country—are in the Cabinet, there is no necessity for an enquiry from outside. Then, we the Members of the Congress Party have elected our Prime Minister and placed all our faith in that Prime Minister. It is for the Prime Minister to discharge her responsibility by taking a decision in the matter.

Finally, I would say one thing more and it is this. The Constitution only makes one provision in regard to Ministers and it is that there shall be a Council of Ministers and that the Ministers shall be appointed by the

[Shri G. N. Dixit]

President on the advice of the Prime Minister and shall stay in office during the pleasure of the President. This august House is the highest legislative body in this country. But the Constitution has laid down the scope of the legislature, the executive and the judiciary separately. The Supreme Court is final in the matter of the judiciary. The President is the top executive acting on the advice of the Ministers. This House or this Parliament is the top legislative body. That being the position, the Prime Minister is acting as the adviser to the President and has independence in that respect, and this House should not coerce her in any way or pass a resolution in derogation of that.

Shri Tridib Kumar Chaudhuri: It has been suggested by some Members of the Congress Party that the 55th Report of the Public Accounts Committee has passed no strictures against Shri C. Subramaniam. If that were really so either with regard to the 50th report or with regard to the 55th report, then there would not have been any meaning in Shri C. Subramaniam coming before this House on the 18th May, stunned to the quick as he was, and making a lengthy statement before it trying to explain away the remarks about himself made by the Public Accounts Committee in their 50th report in para 4.128. It is very clear that whatever may have been the language, cautious and guarded language, in which the committee couched their remarks, it was nothing but an implied condemnation of the decision taken by the Minister. In the 55th report, in spite of the Minister's explanation before this House, in spite of the Minister's evidence before the Committee which he had given on his own accord, the committee have come to the conclusion that they have found no reason why the views already expressed by them require any modification.

The Minister of Food, Agriculture, Community Development and Co-operation (Shri C. Subramaniam): That was before my examination.

Shri Tridib Kumar Chaudhuri: In the previous paragraph, namely para 1.37 of the 55th report, the committee have clearly indicated the implications of the decision that Shri C. Subramaniam took. That paragraph is just a two-sentence paragraph which I am reading wherein they have stated that:

"It is obvious that the revision of the orders made on 23rd July, 1963, meant in effect, that no action whatsoever, was taken against this group of firms in this case as the earlier order of suspension was still in operation. This indicates that 'full consideration' was not given at the time of revising the orders."

The firms referred to here are the group of firms Aminchand Pyarelal and others. This means that the committee have stated in plain language that the Minister by letting off this firm of Aminchand Pyarelal's without any kind of punishment or without exacting from them any kind of penalty for their lapses had just exonerated them more or less, so to say. That is the gravamen of the charge against the Minister.

But I for one would not like to take a scapegoat of Shri C. Subramaniam personally. He is a victim of a whole set of vicious circumstances and here, as was pointed out by our colleague, Shri Madhu Limaye, who played a leading role in bringing this matter before this House, it is the system which has to be condemned; the system is one of collusion between corrupt politicians, corrupt ministers, corrupt officials, corrupt government departments and business firms.

We are precluded by your ruling to refer to the various things discussed in the 50th Report of the Public Accounts Committee. Still it is a public document and I can only commend to all Members of the House the other parts of the document for their perusal.

nal, those other parts which do not refer to the Department of Iron and Steel. It is a fact that not only the Department of Iron and Steel, but the Department of Commerce also has been indicted. If you read that report, it is such a horrible appalling document and the facts that have been churned up by this debate on this report are so strikingly and obnoxious that I think it would even put the keeper of the historical Augean stable to shame.

It has been remarked in some place in the 50th Report that this group of firms Aminchand Peareylal, and not only this group of firms, but other firms are also mentioned—took the Department of Iron and Steel for granted. In this 55th Report also, if we read the other paragraphs which do not relate to the Minister himself, we shall find that the Committee itself has taken exception to the way in which the Secretary of the Department, the Iron and Steel Controller, the Deputy Controller and all such people show an extraordinary degree of solicitude in letting off this firm.

What is the background of the Aminchand Peareylal group of firms? About 20 or 21 concerns, this group of firms started business one year after independence in 1948, and along with 18 years of Congress rule, the firms not only the Aminchand Peareylal group but many other mushroom firms—when Shri Asoka Mehta was on this side of the House, when he had not crossed the floor in the previous Parliament, you remember we first heard of the newly emerging Mundhra group—have come up as the financial carpet-baggers of the post-independence period, people who have just flourished on the backing of the Government, who have wormed their way into all departments of the administration, wherever there is any opportunity of making quick money, cheap money by flouting laws, by fraudulent dealings, by all kinds of illegal deals.

By your ruling, we are precluded from referring to the 50th Report.

But over page of it makes reference to these things. Unless this whole system goes, unless the Government can take a solemn resolve that they will do away with this system, resignation of one Mr. Subramaniam or of any other Minister will not do. The Government has to make a firm declaration that from this day onward they will take note of all the strictures that have been passed not only by the 50th report of the PAC not only by the 55th report, but by all other similar committees and they shall put an end to the circumstances that gave rise to those strictures. What about the strictures passed by the Public Undertakings Committee about the working of the same department i.e., the Department of Iron and Steel. I make that appeal not so much to the Government, because I think it is the Government which stands in the dock today; I am very sorry to say that it is the leadership of Mrs. Gandhi as Prime Minister that stands in the dock today before the bar of public opinion today to answer the charges of the present indictment. It is not the question of one Mr. poor Subramaniam or Swaran Singh. It is this system, this vicious system of collusion that has grown up in the course of the last 18 years that is under indictment. I appeal to the patriotism and sense of decency of the Congress Party, to the patriotic genius of the Congress Party. Will they be able to do it? I know there are men inside the Congress Party who feel intensely about these things. Otherwise we would not have been the sort of reports of the committees that we have before us. But still when it comes to the Government taking decisions on the recommendations of these Committees, on the Reports of these committees, we know how the Government party reacts. When they take a decision as a party we know how they feel about it. We have heard Shri K. C. Pant, he says, after all we have to remember that the recommendations of the PAC are merely advisory suggestions which the Government are not always bound to accept.

(M.)

[Shri Tridib Kumar Chaudhuri]

The other day the public Undertakings Committee submitted their report, and in that report they expressed their extreme dissatisfaction about the scant regard which is paid by various Government departments and the Ministries concerned about the recommendations; in many cases these recommendations are not carried out in time, are not heeded to, and the system that has grown up to which I was referring goes on flourishing merrily. That is the way that the Government takes a decision on the PAC recommendations.

As yet we do not know whether you would hold the substitute motions that have been moved by this side or the other side are in order. But speaking for myself, I would even be prepared to accept the substitute motion of Mr. Pant. Let there be an enquiry in terms of the recommendations of the 50th report of the PAC, let there be an enquiry by a three-man high power committee, it should not be a high level Committee but a high powered committee, whose decisions should be binding upon the Government. That committee should go not only into the case of any dereliction from the path of rectitude by Mr. Subramaniam or Swaran Singh, but the whole set of officers, the Secretaries, Joint Secretaries, Controllers, Deputy Controllers, all these people. I ask every Hon'ble Member to read between the lines of the report. It is so very open that after eighteen years of independence these high officials—it is not merely clerks or some class three officials—who did these things. The whole set of Controllers, Joint Controllers, Import and Export Controllers, Directors, Secretaries, and joint secretaries—these people are thick in collusion with these newly rich capitalist firms that have flourished in the post-independence period. Their collusion with these dishonest businessmen has corrupted the people who occupy the treasury benches, whether the present set of ministers or any

previous set of ministers; they are all guilty men. I again make an appeal not to the Government, not so much to the Prime Minister; I appeal to the patriotic genius and public spirit of the Congress party. I believe that even now there is enough of patriotism left in the Congress party and if the Congress party rises to the occasion, then perhaps this 18 years of accumulation of filth, corruption, bribery and nepotism may yet be swept away. Otherwise, God help us.

The Minister of External Affairs (Shri Swaran Singh): Mr. Speaker, I have sought your permission to explain something which has been said personally about me by some hon. Members directly and by others indirectly and I will confine myself only to the relevant part namely, that relevant to the 55th report. The question was posed very cleverly by Mr. Madhu Limaye; with a view to escape his own responsibility he framed the questions thus: whether then Jit Pal one of the partners of the firm sought an interview with Mr. Subramaniam, I was present with the representative of the firm. When somebody pointed out that he was making an insinuation, he said: I am only seeking information. I would like to give that information. Unfortunately Mr. Limaye is not here. There was absolutely no basis for his framing the question in the manner he did. It is amazing he should have repeated that question when my colleague Mr. Subramaniam categorically stated in the PAC where the question was put whether any of his colleagues ever approached him or went with that partner to Mr. Subramaniam, that it was absolutely incorrect and no colleague of his had ever approached him or had intervened on behalf of that firm. It is unfortunate that Mr. Madhu Limaye should have thought it fit to repeat it again although it came from him in the form of a question for eliciting information. I strongly repudiate that. It is an insinuation which is entirely incorrect. I am sorry he should have made such an insinuation. I left this Ministry in 1962 and

many colleagues in Parliament here have now sought to raise several points some directly and some indirectly concerning me, some whispering sort of campaign has been afoot. I would like to say that no such thing was every suggested, when I was in charge of it from 1957 to 62. 4½ years later they are unearthing all that and that shows that this was timed when all this mudslinging goes on. I take full responsibility for whatever happened in the Steel Ministry from 1957 to 1962. I do not claim infallibility; I might have passed incorrect orders or hasty orders and as a Minister I am responsible for them, if they are wrong or hasty. It pains me most to find that irresponsible statements and insinuations are made against the person of the Minister without taking adequate steps to verify the correctness of these and it has become the fashion here under the garb of privilege to hurl all these insinuations which I strongly repudiate.

Shri Morarka: Mr. Speaker, Sir, I am grateful to you and to the House for the very kind words that hon. Members had to say about the functioning of the Public Accounts Committee. It is really heartening to see the reception that this Committee's reports have received.

I have ventured to speak and take a few minutes of the House because there are few things which I feel only a Member of the PAC can say. One point which I wanted to make clear and remove the misgivings in the House is that so far as this Committee is concerned, it gets the fullest co-operation from the Government in the form of receiving information. There have been occasions when our Committee has asked for the most confidential information and even though the officers have hesitated, the Ministers, when it was brought to their notice, have hastened to supply the information including some confidential reports or files to the Chairman and to the Committee.

Secondly, about the recommendations of our Committee, the hon. Member, Shri Khadilkar, who has just spoken, said that about 90 per cent of the recommendations are accepted. I would go a little further than that and say that almost 95 to 98 per cent of the recommendations are accepted by the Government, and the Government gives all the due consideration that the recommendations of the Committee deserve. But then, there is something wrong with our system: even though all the recommendations are accepted and are implemented, yet, year after year, you would find that the same type of mistakes are being repeated and the same type of loss is incurred in respect of the public money. (*Interruption*).

To give you an example, take this very case which is under consideration. More than 15 years have passed since this party came on the scene. During these 15 years, the Committee is left with the impression that this party had played very sharp tricks on the Government; they have taken very unfair advantage from the Government and the officers. During this period of 15 years, what happened. Five Cabinet Ministers changed; four Secretaries changed; five Iron and Steel Controllers changed. There have been occasions when this firm was put on the black list for not less than three or four times. If you take the Public Accounts Committee's reference to the performance of this firm, this firm was mentioned for nine times. Then there have been innumerable occasions when its offices, etc. have been raided by the SPE and searched. In spite of that, it required the Public Accounts Committee and this Parliament to take up this matter and to bring all these things to the notice of the people.

The hon. Minister of External Affairs Shri Swaran Singh, just now said that he left the Ministry four and a half years ago. It is quite true it is not possible for the Minister to know all the orders or to see all the things but then the general view is that some firms are getting very unfair

[Shri Swaran Singh]

advantage of the Government, that they are prospering, and every time they get away with whatever they do. Take the example of customs, the example of export promotion; the example of industrial licences. All these things are there. But I will not go into the details, because our Committee has recommended that another Committee should be appointed, and when that Committee comes into existence, I am sure it will do the needful.

While I welcome the decision of the Government whole-heartedly for the appointment of a Committee of Enquiry I must say one thing. The persons whom this Committee is going to deal with are very powerful people. The Jit Pal group, the Ramkishan Kulwantrai group, the Khemchand Rajkumar group plus many others are very powerful people, and they have got friends everywhere. My request to the hon. Prime Minister is that when they appoint the Committee, it must ensure that they have in their Committee people who cannot be approached by anyone. Otherwise, the very purpose of this Committee and the desire on the part of the Government to have a clean stable would be defeated.

Our reports are unanimous as well as anonymous. They are unanimous in the sense that all the members agree with the ultimate findings. We never have a minute of dissent or difference of opinion. Even if we have to spend one day more, we rather spend it and iron out the difference. They are anonymous in the sense that as far as possible, we do not mention the names of any officer or minister in the report. These are healthy traditions which have been well laid down.

Our reports are always restrained and on the side of moderation. These particular reports have received a lot of public attention. So far as other reports which have been equally important from the point of view of public finance and safeguarding public

revenue are concerned, if at all they suffer from anything, they only suffer from moderation and restraint.

In England, from 1961, they have started discussing the PAC reports every year. One day in a year is given for that. At that time, they do not discuss a particular report. Any report or all the reports of the PAC are discussed. The motion is moved by the Chairman himself and whosoever want to take part in the discussion, they do so. They do not discuss the findings of the committee. They try to discuss the follow-up action on the reports and try to plead with the Government as to why there is any delay or how that follow-up action should be taken. It is made very clear in the very beginning that a debate on that occasion is not a confrontation between the opposition and the ruling party, but it is well laid down that it is a confrontation between the House of Commons on the one hand and the executive wing of the Government on the other. In the same way, here also this report is not a party affair at all. It has not been discussed on a party basis. I am only sorry for some of the remarks made by Mr. Dixit, who had unfortunately an inadequate appreciation of the findings of our committee. I would illustrate this with reference to only one point. He said that if a minister passes an order blacklisting a firm, he has to consult all other ministries. Without consulting them, he cannot pass it.

Shri G. N. Dixit: I said in two clauses it required the concurrence of the Home Ministry and in two clauses it required the concurrence of administrative ministry.

Shri Morarka: I may assure him that our committee has gone into every word of the blacklisting code for three days before we came to this finding. The difference between blacklisting and banning is this. If a

firm is blacklisted, no department of the Government is permitted to deal with that firm. If there is an order banning dealings with a firm, it is open to the other departments of the Government to deal with or not to deal with that firm. An order of banning is not a mandatory order. But an order of blacklisting is a mandatory order. Once a firm is blacklisted, for that period during which the firm is so blacklisted, no department of the Government is permitted to deal with that firm. In any case, I thought there was no dispute about the facts. All the facts are admitted. The wording of that order is admitted. The minister himself, who appeared before us, said that it was his intention and he had reduced the rigour of the order. I do not know why Mr. Dixit has unnecessarily laboured on that point.

Sir, before I sit down, I would like to mention only one thing, that the Public Accounts Committee wants to express publicly its thanks to the Auditor-General, from whom we received considerable assistance, and also the Secretariat of the Lok Sabha without whose such able assistance our work could not have been so fruitful.

Shri G. N. Dixit: Sir, Shri Morarka has referred to my speech, and on that point I only want to say this much, that what I said was that the Minister's black-listing order was in violation of the provisions of the code. I have looked into those provisions. I would request Shri Morarka to look into them, examining them and then he will be of the same view. I will discuss it with him and then he will agree with me.

श्री हुकम चन्द कछवाय (देवास) :
प्रध्यक्ष महोदय, इस विषय पर बोलते हुए माननीय सदस्य, श्री खडिलकर ने कहा कि इस प्रस्ताव को सदन में लाने के पीछे विरोधी पक्ष का मूल उद्देश्य चुनाव में लाभ उठाना है। मैं उन से यह पूछना चाहता हूँ कि क्या वह

संबाई को दबा कर चुनाव में उम्मा लाभ उठाना चाहते हैं।

श्री मुब्रह्मय्यम् को मैं कहना चाहता हूँ कि उनको एक नई परम्परा डालनी चाहिए। जब पब्लिक एकाउंट्स कमेटी ने श्री देगमुय के विषय में कुछ लिखा था और उन पर आरोप लगाये थे, तो उन्होंने इस्तीफा दे दिया। जब भारत सेवक समाज पर कुछ आरोप लगाये गये, तो श्री नन्दा ने उसके चेयरमैन के पद से इस्तीफा दे दिया, हालाँकि उन्होंने कोई गबन नहीं किया था। उस प्रालोचना के बाद श्री नन्दा ने उस पद पर रहना अच्छा नहीं समझा। अगर उस परम्परा का पालन करते हुए श्री मुब्रह्मय्यम् भी इस्तीफा दे देते, तो अच्छा होता, लेकिन उन्होंने तो अपनी सीट पर चिपके रहने की परम्परा डाली है। अगर वह प्रारम्भ में ही अपने पद से इस्तीफा दे देते, तो इनके तथ्य सामने न आ पाते। इस दृष्टि से यह अच्छा ही दुम्रा है।

Shri K. C. Sharma (Sardhana): He can discuss the report; not the Minister.

श्री हुकम चन्द कछवाय : मंत्री महोदय ने जांच समिति बनाने के बारे में कहा है। वह तो होना ही चाहिए। परन्तु उनके इस पद पर रहते हुए इस बारे में जांच नहीं होनी चाहिए। उनका पहले इस्तीफा देना चाहिए और फिर इस विषय में जांच होनी चाहिए। जिन मंत्रियों के कारण देश और जनता के धन की हानि हुई है, उनसे वह सारे का सारा धन वसूल करना चाहिए। उनको वही सजा मिलनी चाहिए, जो कि देशद्रोही को मिलनी चाहिए। पब्लिक एकाउंट्स कमेटी की रिपोर्ट पर अमल करते हुए उन मंत्रियों को अपने पद से इस्तीफा दे देना चाहिए, जिन पर आरोप लगाये गये हैं।

The Minister of Information and Broadcasting (Shri Raj Bahadur):
Sir, Shri Madhu Limaye had ad-

(M.)

[Shri Raj Bahadur]

dressed two questions to me. I just want to say a word about them. In reply to his question about the statement made by Shri Subramaniam before the P. A. C. I have to refer to Shri Subramaniam's statement of 1-8-66 in which he had reproduced verbatim the relevant noting on the file of the Steel Ministry, I may say that that substantially states the position correctly and I have nothing to add.

श्री राजु लियरे : मेरे प्रश्न का जवाब दीजिये, नहीं तो कहिये कि मुझे जवाब नहीं देना है। वह नोट तो मैंने पढ़ा है। मैंने दूसरा ही प्रश्न पूछा है।

Shri Raj Bahadur: Sir, I have to reply in my own words, in my own language. I have said, that whatever has been stated in this relevant noting reproduced verbatim in the statement of Shri Subramaniam states the position correctly. So far as the other questions about complaints against the Apejay Shipping company is concerned, so far as I know, there might be some complaints, but I am not aware of them at the present moment.

18 hrs.

Shri C. Subramaniam: Mr. Speaker, Sir, at the outset I should express my unhappiness that I should have been the cause for this discussion and the setting up of new precedents. It has been a matter of considerable pain to me personally. But, that apart, I would like to place before this House a few facts. Even with regard to the 55th Report, I thought in your ruling on the privilege motion you had brought out the relevant aspects. The 55th Report contains two chapters. I thought the Chairman would, in all fairness, refer to that. The first chapter was finalised before my examination and it is there. The word "obscure" is used and various other words are used. After my examination, as far as the reasons for changing the order are concerned, they have taken note of the two reasons I had given

and have also stated that I have agreed that on the facts available to them at the time of the Fiftieth Report they were justified in making those remarks, and, as was expected of them, they have not given whether those reasons, were good, bad or indifferent; that is a different thing altogether, and that is what the House is discussing now.

After I took over in April 1962, I, in my own way, tried to bring about a new orientation in steel control. I am sure the House is aware that in September 1962 I appointed what is known as the K. N. Raj Committee and their recommendations were implemented on 29-2-64. I made a statement before Parliament on 2-6-64. If that report of the Committee is read, and also my statement before Parliament, I am sure members would realise a new pattern was set up in the steel control so that all those abuses could be reduced to the minimum. While it was not possible for us to de-control all items, we went as far as possible and set up, what is now known as the Joint Plan Committee for the purpose of planning the production and distribution with regard to a majority of the items. Only in respect of items which were in short supply, particularly flat products and other critical items, we retained the control, and even there we tried to reduce the abuses, as far as possible. Therefore, as somebody was pointing out, I in my own way tried to change the system and bring about a new order. It is not only changing of the system that is important. I also attached importance to bringing about new attitudes among those who are dealing with iron and steel. It is with that aspect I passed various orders.

There has naturally been some comment with regard to the toning down of an order. The only thing I would like to place before the House is this. This is a matter which happened three or four years back and, therefore, it is only on recollection that I would be able to say what happened, apart from what is appearing in

the records. The records cannot go wrong. My recollections or my memory may sometimes get adjusted to what is suitable for me but, as far as records are concerned, they cannot go wrong. Therefore, my whole approach to the examination of this problem is to look into the records and see whether there were sufficient reasons or not.

What is important is on the 20th I have seen a representative of the firm and on the 22nd the gist of the interview is reduced to writing and it has been sent to me. Now, the point for consideration is this, whether anything improper happened during this interview, as is being hinted at. If that were so, the easiest thing for me to do is not to talk about that meeting at all. On the other hand, I took it on record, the endorsements of that meeting. I wanted this to come into the records. That itself shows that it was not my intention to hide this interview. On the other hand, I wanted this to go on record, and it is there.

Another aspect I would like to place before the House is this. I think Shri Madhu Limaye put that question about my assurances with regard to future undertakings.

Apart from my recollection, if you go through the Report, the stand I have taken is that instead of indulging itself in speculation trade and all those things, it is better to have legitimate production programme and in that—naturally in any legitimate activity—Government would be prepared to help anybody. It is from that point of view that that statement was made and that is there.

If you go through the second part of the letter, I do not want to be reading it again, the attitude which I have taken with reference to this firm would show that if there was anything improper or any improper pressure to which I was yielding, certainly I could not have taken the attitude I

had taken in that interview. It is brought out in that letter, their assurance that they would keep to the highest standards which I had indicated to them. If I was succumbing to some improper pressure, they should have been aware of it because they should have been the parties to have it. Then could I take that attitude when I talked to them that you had misbehaved, caused annoyance to me, and should keep to standards? This is the thing which you will have to bear in mind.

As to whether I was justified in changing that order or not, as I have already stated, it is a question, as far as I was concerned to see that action was taken not only to change the system but to make the individuals also to change their attitude. If I saw a change in the attitude, as was exhibited in the letter written to me, is it wrong that I take an attitude that here are people who had all along been misbehaving but who accept the mistake and would see that hereafter they would behave properly? It is not as if they can run away from that; I can watch that also. Under those circumstances, if I bring down the rigour of the order to a certain extent—might be my vanity might have been tickled by their falling flat and saying, "Hereafter we are prepared to behave properly"; that apart—I respectfully submit that there is nothing wrong in it. After all, as has been pointed out by somebody, as far as trade is concerned, it is mainly the steel trade that they have got and as far as the steel trade is concerned, I still had the hold and I had not changed the order. Therefore it is from that point of view that I would like the House to consider it.

I agree, somebody else might come to a different view; perhaps, I myself in a different atmosphere might also have taken a different view.

Shri Ranga: In a different atmosphere.

Shri C. Subramaniam: I am saying about the mental attitude; therefore, the hon. Member just need not catch a phrase and try to exploit it.

Therefore that is the point which will have to be taken into consideration. If under these circumstances I changed the rigour of the order, can there be any *mala fides* involved in it?

I am grateful to all the hon. Members that whatever else they might have said they did not attribute *mala fides* in the sense that I took money or that there was any other improper thing.

Sir, I have been a minister for nearly 15 years now and in my own way I have tried to present to the country a clean record of service. It is not that I claim perfection. Who can claim perfection? I do not claim perfection, but I have endeavoured to the extent possible to present a clean record to the country. I am not prepared to say that I would not have erred here and there, but on the whole I can claim that I have presented a clean record in the service of the country not only after freedom but even before freedom also for the attainment of freedom. That is the only claim I make, but in spite of that if the House takes a different view, I know, I have to bow to the view of the House because I attach great importance to what Members think, not only Members on my side but what Members on the other side think. I can assure the hon. Members that I attach great importance to them because once my *bona fides* are doubted even by the Opposition, certainly I cannot function as a minister. I do realise it. Therefore I attach great importance as far as my *bona fides* are concerned, I do not mind political attacks against me, but if my *bona fides* are attacked, naturally to that extent I am weakened with reference to my functioning as a

minister. I am quite well aware of it. I will not ignore that aspect, I would like to say.

Then, another question was put by Shri Madhu Limaye whether Sardar Pratap Singh Kairon was present. I wish I am in a position to give a categorical answer with reference to this. This question was put in the form of a short notice question, I think, also. As a matter of fact, I can say as far as my colleague, Shri Swaran Singh, is concerned, that he never used to visit my house except on some formal occasions; therefore, I can categorically say about him that he was not there. As far as Kairon is concerned, he used to come and see me. Whether in this connection he came and saw me or not, I tried to go through all the records, I tried to get some clue, but I am sorry to say that I have not been able to get any clue. As far as my recollection goes, I am not able to recollect whether he was present or not. That is the only thing I would say. Even if he were present—it is not as if cases are not brought to my notice by others; hon. Members bring various cases to my notice; my colleagues bring cases to my notice—does that mean political pressure? Whatever it might be, I do not want to drag dead men into the picture, they can neither corroborate nor contradict, I take the full responsibility for the orders I have passed and, therefore, if I have gone wrong, I will have to pay the penalty for that. But I do claim that I have not done anything wrong in this case. That is all I can put before the House. Therefore, it is from that point of view that I would like even the Opposition Members to look at it. It is not, in any way, intending to show extenuating circumstances that I place this before the House. Still as a Minister responsible to this House, as a Minister who has to function in this House with the Opposition and with my own Party, I think, I should place these facts before the House and I am sure, not that they should accept what I have said, they would also give some consideration to the points which I have placed

before the House. I know Mr. Daji is very angry or somebody else is very angry. But that is completely different. I would only appeal to them to give some thought to the point of view which I have placed before them and if they think there is something in that also, I would only appeal to them to give some weight to it in making judgment as far as I am concerned.

Shrimati Indira Gandhi: Mr. Speaker, Sir, I have not very much more to say because most of the points have been met. I should like to express my deep appreciation of the guidance which you have given to this debate. It is because of that I feel hon. Members have used a considerable restraint and this has not been the mud-slinging session which we had expected, and for that I am grateful to you and also to the hon. Members opposite.

I should like to assure the House and, I think, I have done so on previous occasions also, that I am second to none in supporting the view that all those who are guilty or corrupt should be punished for their actions. I assure the House that I shall not give protection to any such people. But, at the same time, I do have the responsibility to see that there is no sort of witch-hunting or general allegations which lead to a situation where the administration is paralysed.

I am referring now not only to the remarks that were made about Ministers but even what was earlier said about our civil servants and officials. They are not in the House to defend themselves. Yet they do bear a heavy responsibility in the Government of the country. It is possible that some of them may not be upto standard; it is possible that some of them may be corrupt or incompetent. But, I think the sort of sweeping generalisations, as are sometimes made from the Opposition Benches, are unfortunate and far from cleaning up the service. I think they do a great deal of harm because this only results in delays which lead again to greater corruption and complications.

Shri Hari Vishnu Kamath: Read the Das Commission's Report.

Shrimati Indira Gandhi: By and large, I think our administrative service has a high reputation not only in our country but also in the view of experts who come and look at it from abroad. So, I would only say that we do not want to do anything which would create a feeling of uncertainty or uneasiness in them and reduce their effectiveness because, as I said earlier, much depends on their functioning. At the same time, I would repeat what I said earlier that wherever there is anything wrong, it has to be cleaned up. I do not want wrong-doing. I do want to look under the carpet and see what is wrong, not only what is wrong on the top but also what is wrong inside.

Some hon. Members said something about the system. I agree there also that the system is responsible for a great deal; that is not as it should be. But this is something that cannot unfortunately be cleaned with one sweep. You have to look at all these things in detail and one by one. Unfortunately general remarks like those made receive so much publicity here and abroad that again action does not become easier but is made more difficult.

For the PAC we have the highest respect I had told you some time ago of the Government's decision to have the Inquiry Committee as recommended in the PAC's report. At that time it was somehow felt that we should not make this announcement and, therefore, we did not say anything about it. Later—I think it was on the 12th August—the Minister of Iron and Steel conveyed this decision in writing to the Chairman of the Public Accounts Committee. This Committee will go into all matters and when their findings are before me, I shall certainly see that appropriate action on the basis of the Committee's recommendations is taken. More than that, the House will obviously not expect me to say at this stage and indeed it will be contrary to the accepted propriety to do so.

[Shrimati Indira Gandhi]

There is sometimes a tendency to jump to conclusions that, because some matters are before the Committee of Inquiry, the people concerned are necessarily guilty. It is perhaps this kind of presumption that creates resistance to inquiry but, as I said, we have taken the decision.

Now it is significant that the 55th Report does not contain any recommendation for any specific action; I do not think it casts any doubt about the *bona fides* of my colleague, Mr. Subramaniam. He has explained the position in the House on several occasions and you, Mr. Speaker, were yourself pleased to rule that he had not committed any breach of privilege. I was impressed by the fact that many Opposition speakers, who were severely critical, did not suggest any dishonourable motives for the Minister's revision of his order. Judgment in such matters, as he himself has said, is necessarily subjective in character and it is possible that the reasons for such a judgment may seem obscure after a lapse of time.

In the light of what I have said, I hope that all hon. members will agree to withdraw the various substitute motions.

There is one thing which I forgot to mention; it is that the ban which Mr. Subramaniam had placed continues on this firm. When it was extended to cover other areas with which this firm is concerned, the firm has gone to court and a stay order on Government has been issued.

Shri Surendranath Dwivedy: Apprehensions of members that the discussion would lead to unsatisfactory situation, I think, have been removed after the discussion that we have had. It has served a very useful purpose; different points of view have been placed before the House. I am very grateful especially to the Ministers who intervened and placed their points of view. But I cannot understand the statement that the Prime Minister has

made. In the name of, as she calls it, 'witch-hunting', they always try to shield the corrupt ministers, officials and corruption. I would have been happy if she had made a forthright announcement here that they accept the recommendation and the Committee that is going to be proposed would be a Committee under the Commission of Inquiry Act; a public inquiry would be held and all those matters that have been emphasized by every speaker and all that comes in connection with these deals would be inquired into by the Commission. We would also have been very happy if she could have indicated the names of the persons who would hold this inquiry, because the chairman of the Public Accounts Committee himself has pointed out that this company and the persons who are connected with it are very powerful, and, therefore, Government must be very careful in selecting the persons. So, it would have been better if the names of the persons who would hold the inquiry could also have been given to us.

Shri C. Subramaniam has explained himself. I do not want to go into the details again. But the two specific points which I had made still remain. There is no reply to them. My first point was whether any letter was received—I had quoted the number and the date—in regard to these deals from Shri Pratap Singh Kairon which was mentioned in connection with the Das Commission inquiry. He has remained silent on that. I thought that he would have searched his files and would have told us that there was no such letter, but that has not been stated.

Again, look at the change of the order. It is not so innocent. He takes some credit for the order of November, 1962. Why did that happen? The occasion arose because Ramakrishna Kulwant Rai had committed some action and some irregularities. If you go through these reports, you will find one very significant thing in regard to the changes that have been made as a

result of the changes in the orders. A list has been given at page 90 of the 50th report of the companies belonging to the Aminchand Pyarelal Group, who have been suspended, banned or black-listed for different periods; but you will find that in that list, the name of Ramakrishna Kulwant Rai does not appear. That means that during that period when there was a general ban or suspension or blacklisting, that firm had continued to have the same business of import, export etc. with the support of the Steel Ministry and the Iron and Steel Controller.

As regards the offence that Shri C. Subramaniam has committed, whether he has done anything *mala fide*, whether he has derived any pecuniary benefit out of it and so on, I have made my point very clear. But the fact remains that the effect of the order has been that these malpractices have continued and this group of industries has been given these facilities to continue their business as they were doing it before. This, I think, has been a great blunder. More than the question whether it is *bona fide* or not, I think there is no excuse so far as this act of his is concerned. I think he will really be establishing a good tradition in this country, and it will be a lesson to his officers and it will be a lesson to all in this country for future Ministers, if because of this mistake of his, he quits office.

Lastly, I would like the House to remember one thing, and that is about the Santhanam Committee's recommendations. Why are all these things taking place in this country? Why are we bringing these things to notice? It is no pleasure for us to bring these matters to the notice of the House. The Prime Minister was concerned over the fact that whatever was said here was published all over the world. After all, we are all doing things openly. So, why should Government be afraid of it? Even worse things have been published. Why are they afraid of the misdeeds of the administration being publicised or exposed? I think they ought to be exposed. What

is there to hide and conceal about them? How can these things be concealed? We can never conceal them but by exposing them in Parliament which is a forum available for that purpose, I think we are establishing a good tradition showing to the world how democracy should correct these mistakes. So, it is no good concealing these things. It has happened, and it has happened in such a manner that today large numbers of our countrymen feel that this Government is completely under the influence of and working under a pressure from big business, corrupt officials etc.

The Home Ministry under the leadership of the late Shri Lal Bahadur Shastri had appointed the Santhanam Committee. If those recommendations had been accepted, I may tell you that there would have been no occasion for such things to occur.

There is one particular recommendation of the Santhanam Committee which I would like to bring to the notice of the House. I do not wish to go into details but I shall read out only the recommendation which reads thus:

"Nothing but a total ban on all donations by corporate bodies to political parties will clear the atmosphere."

As a result of this discussion, if Government decide that by law, they will ban all donations by corporate bodies to political parties, no matter whether it is the Congress or Swatantra parties, then I think some purpose will be served by this Motion. I hope Government will accept it.

Mr. Speaker: May I again repeat my request that now that the whole debate is over, the purpose has been served, the consequences would follow, we might not pursue those substitute motions?

Shri Hari Vishnu Kamath: Before that, may I seek a clarification from the Prime Minister, that is, whether in

[Shri Hari Vishnu Kamath]

response to the proposal made by my hon. colleague, Shri Dwivedy, Government accept our demand for a Commission of Inquiry which will be a public inquiry? If Government accept that, we will certainly consider that request?

Shri Ranga: Unless it is a Commission of Inquiry, it will be rendered nugatory and useless.

Shri Hari Vishnu Kamath: A public inquiry.

Shrimati Indra Gandhi: I assure the House that the personnel of the Committee will be of the kind which will give confidence to the House.

श्री हुक्म खन्व कछवाय क्या मंत्री
महोदय पद पर बने रहेंगे ।

Mr. Speaker: Is the Prime Minister in a position to say at this moment whether that would be a Commission of Inquiry?

Shri Hari Vishnu Kamath: And a public inquiry?

Shrimati Indra Gandhi: No. . . .
(Interruptions).

Shri Hari Vishnu Kamath: It is a shameful stand they are taking, an unworthy stand. Guilty conscience.

Mr. Speaker: I am not concerned with that.

Shri Surendranath Dwivedy: Why is she afraid of a Commission of Inquiry?

Shri Hari Vishnu Kamath: Her father had done it before in the case of the Mundhra deal. Let her emulate his example.

Shrimati Indra Gandhi: I am not afraid of anything, but as I said, we have accepted the recommendation of the PAC in their report.

Shri Surendranath Dwivedy: This must be spelt out.

Shri Ranga: The PAC had to work under pressure . . . (Interruptions). I am using the word calculatedly and advisedly. You remember we had taken objection to the Minister appearing before the PAC. Then the Minister said that he did not wish to exercise any pressure. Therefore I had that word in mind. I cannot forget it.

I have also been Chairman of the Public Accounts Committee. I know under what circumstances the Public Accounts Committee makes its recommendations. But now it is not the province of the Public Accounts Committee any longer. This House has taken possession of this problem and is seized of this question. We have discussed it for a whole day and therefore, we must be satisfied that what the Government want to do would be a satisfactory thing. Earlier, under different auspices, they thought a Committee would be enough. But now that is not enough. We want a Commission of Inquiry under the Commission of Inquiry Act with the legal right to summon and examine witnesses.

Shri H. N. Mukerjee: I take it it is the unanimous view of the Opposition that the matter should be gone into by a Commission of Inquiry and if Government has the slightest interest in behaving properly on this issue, it must accept it.

अध्यक्ष महोदय: श्री वनर्जी ।

श्री मधु सिमये : पहले मेरा है ।

अध्यक्ष महोदय : मैं ने श्री वनर्जी को बुलाया है, आपको श्री सुर्गा ।

Shri S. M. Banerjee: I would like to mention here what we want. My substitute motion says:

"This House, having considered the 55th Report of the Public Ac-

counts Committee recommends to Government that a Commission headed by a Supreme Court Judge be appointed to investigate into the whole deal".

We want a Commission to be constituted under the Commission of Inquiry Act with a Supreme Court Judge to be associated with it. We have made this suggestion only because we want to defend our glorious tradition in the past. There was only a memorandum against Shri T. T. Krishnamathari and he resigned. We should have an inquiry commission, we will press for it.

श्री मधु लिमये : अध्यक्ष महोदय, आपने कहा था कि आप मुझे बुलायेंगे ।

अध्यक्ष महोदय : किस चीज पर आप बोलना चाहते हैं ?

श्री मधु लिमये : अभी जो प्रधान मंत्री जी ने श्री सुब्रह्मण्यम् साहब ने हम को अपील की है . . .

अध्यक्ष महोदय : उसके ऊपर जो रिएक्शन था अपोजीशन ने बता दिया है ।

श्री मधु लिमये : ऐसा कैसे हो सकता है ? मैं अपने प्रस्ताव को प्रेस करता हूँ ।

Mr. Speaker: Mr. Limaye's substitute motion.

Shri A. C. Guha: May I say a word? I think the first issue to be decided is whether any substantive motion should be moved.

Mr. Speaker: I have to put the question now. If they do not agree, what can I do?

Shri Raghunath Singh: There should be no substitute motion.

Shri A. C. Guha: I want to know whether any substantive motion on the PAC report should be allowed or not.

Mr. Speaker: It is not my sphere.

Shri Tyagi: It is the sphere of the House.

Shri A. C. Guha: Let a convention be established with the consent of the House. And you can give definite directive or ruling on this.

Mr. Speaker: Can Mr. Dixit point out any rule?

Shri Tyagi: It is the privilege of the House. . . . (Interruptions).

Mr. Speaker: I am putting those that would be in order; others I will disallow, why should he be impatient?

Shri Tyagi: It is the privilege of the House to formulate rules about its procedure. I propose in connection with the discussions of any report of the PAC there should be no amendment or no proposals, it should be only discussed.

Shri Raghunath Singh: Not only PAC, of any other parliamentary committee.

Shri A. C. Guha: That was your advice.

Shri Madhu Limaye: On a point of order.

Shri G. M. Dixit: You should decide the admissibility of the motions. (Interruptions).

Mr. Speaker: All must sit down first.

Shri Tyagi: In all humility I beg to submit before the House that difficulties will arise because the PAC or the Estimates Committee are elected by the single transferrable vote; if their unanimous recommendations are discussed here and there is division, the question will arise whether there should be loyalty to the Committee or to the respective parties. That will be most embarrassing. I therefore suggest that we might introduce a rule that whenever such committee's re-

[Shri Tyagi]

commendations are discussed, there will be no motion on that.

Shri Raghunath Singh: That was your suggestion also in the beginning.

Shri G. N. Dixit: I submit you were pleased to observe that you would decide the admissibility of these substitute motions. My submission is this, that you in your wisdom have allowed the discussion of this Committee's report. There is no rule, but you have got power and in the exercise of that power, as a very special case, for the first time, as you said, after freedom, you have allowed this discussion. Therefore, it is entirely up to you to restrict either the discussion as you restricted or the substitute motions or the voting, and therefore, really speaking, it is entirely your job, your duty, your charge to take a decision on the point of admissibility, and not of the House, and therefore I submit it will be creating a good tradition if you take a decision.

Shri Raghunath Singh: The House should formulate a rule according to your suggestion that no parliamentary committee's report should be discussed here. They are elected by parliament, and it will be a vote of no confidence against them.

श्री मधु लिमये : मेरा एक व्यवस्था का प्रश्न है। विनती करने का जैसा प्रधान मंत्री जी को श्री सुब्रह्मण्यम साहब को अधिकार है उससे ज्यादा अधिकार आपको है। आपने विनती की है।

अध्यक्ष महोदय : आप बोल चुके हैं।

श्री मधु लिमये : मैं प्वाइंट ऑफ ऑर्डर पर बोल रहा हूँ। यह हमारा जो वैकल्पिक प्रस्ताव है, जो सबस्टीट्यूट मोशन है, यह पेश हो चुका है। यह नियमों के अन्तर्गत है। अब क्वेश्चन भी आप पुट कर रहे थे। उसके सम्बन्ध में जो नियम हैं उनकी प्रोत्साहन में आपका ध्यान दिलाना चाहता हूँ * * *

अध्यक्ष महोदय : जब मैं पुट करने जा रहा था तब माननीय सदस्यों ने आपत्तियाँ उठाईं

श्री मधु लिमये : आप क्वेश्चन पुट करेंगे तो मैं बैठ जाऊंगा।

Shri Dandekar (Gonda): Sir, I agree with Mr. Tyagi that reports of the PAC ought never to be the subject of approval or disapproval; it would be a dreadful thing if they, too, become matters of approval or disapproval, or matters of party politics; the rat will then go right down into these Committees. The consequences would be very serious. I, therefore, submit that it should not be the subject of voting.

Shri Nambiar: I may submit that this unfortunate thing can be avoided provided from the other side they accept the commission of enquiry, a public enquiry under the Commission of Enquiry Act. Then, the Opposition is prepared to withdraw all these amendments and substitute motions. That is the only way.

Shri H. N. Mukerjee: Mr. Nambiar was absolutely right in suggesting that if only the response from the Government was anything like that, we would never have pressed for the substitute motion. The fact remains that this is the most extra-ordinary discussion which you have permitted because of an extra-ordinary situation having arisen and that having taken place, we have to make up our mind and because the Government side had provoked us and has refused to offer a Commission of Enquiry, we are driven to this position. It is no good quoting the British precedent in part; it is no good believing in your saying: heads I win, tails you lose. The PAC in UK is headed by a member of the opposition while in this country they have never followed that kind of precedent. When it is to their advantage they want to take the British precedent that the PAC report could never be

discussed except in a particular way. Since we have discussed this matter and since there are certain rights inherent in Parliament and we have taken notice of it and as Mr. Ranga said a little while ago we are in possession of this matter, it has gone beyond the PAC and the House has also made it clear in substitute motions categorically that we are entirely behind it and applaud the report of the PAC; there is not the slightest suggestion of disrespect to the PAC. It is only because of our indignation at Government's trying to shield and whitewash people who have perhaps made very indecent gains in this matter, it is only because of that we are driven into asking for a vote on the substitute motion.

Shri A. C. Guha: Repeatedly, it was decided by the Speaker that there should not be any discussion about reports of the PAC or of the Estimates Committee. I would like to recall here a relevant quotation from a speech by Shri Ayyangar while he was Speaker. In the course of his address, he said:

"If after the presentation of the report a discussion is allowed on the report, a minister who may not see eye to eye with the committee will gather support on the general principles, on political grounds and on such an issue being raised in an acute form the usefulness of the report will be nullified."

A discussion has been held and it is only that the report may be discussed. But if you allow any vote to be taken on any substitute motion, the House will be divided. It is a report of the House; there cannot be any division of the House on its own report; there cannot be any vote or any substitute motion. That should be as a basic principle and not conditions demanded by the Members and agreed to by the Government. . . . (*Interruptions*).

Shri S. K. Patil: Mr. Speaker, this particular amendment the contents of

which were read out just now applauds and approves what the PAC has done. Imagine, Mr. Speaker, if this amendment is voted down, it means that we are casting a slur on the working of the PAC.

Shri Madhu Limaye: Why vote it down?

Shri S. K. Patil: You have to listen . . . It will cast a slur on those who voted against that proposition because we have no choice. It has always been held in our legislatures that approval carries with it also the chance for disapproval, if it gets defeated. Therefore, when we have made a suggestion, it is not on the merits whether the report is good or bad. If we start the practice of approving a report, it also means that there may be some who may disapprove of that report also. . . . (*Interruptions*.) I do not take your opinion. The substitute motion is in a different category; there are other substitute motions that have been raised. The actual motion here says that we applaud and approve of that report. If you put it to vote and if it is voted down, it would mean that those who have voted it down have no respect for the decision of the PAC. Therefore, whatever might be the conditions, you will be bound to hold that this amendment is strictly out of order. (*Interruption*).

An hon. Member: What is the assurance?

Shri S. K. Patil: Assurance has nothing to do with this motion.

श्री मधु लिमये : अध्यक्ष महोदय, पायंट प्राक़ वॉर्डर है। क्या पी० ए० सी० की रिपोर्ट कोई पार्टी मूटर है ?

Dr. M. S. Aney: The rules say that the motion on the PAC report will not be voted upon at all. The particular motion before the House will certainly give rise to the possibility of another opposite motion being

[Dr. M. S. Aney]

brought here. So, that should not be taken into consideration. Let the report of the PAC be taken as final and it should not be put to the vote at all.

श्री मधु लिमये : अध्यक्ष महोदय, यह प्रस्ताव है और प्रस्ताव सम्बन्धी जितने नियम हैं, वे लागू होते हैं। अगर ये चाहते हैं कि इन नियमों में इस वक्त के लिए परिवर्तन किया जाये, तो इनके सामने एक ही प्रक्रिया है, जिसका मैं डट कर विरोध करूंगा। वह प्रक्रिया है नियम 388 के अन्तर्गत सर्वोपेक्षित आंक रूल्ज़। और कोई रास्ता नहीं है। अगर ये ऐसा करना चाहते हैं, तो इसको प्राजादी है। ये बहुमत के द्वारा ऐसा कर सकते हैं, लेकिन अगर मैं अकेला भी रहूँ तो भी मैं इसका विरोध करूंगा।

मैं आप का ध्यान नियम 388 की ओर खींचना चाहता हूँ, जो इस प्रकार है :

"388. Suspension of rules: Any member may, with the consent of the Speaker, move that any rule may be suspended in its application to a particular motion before the House and if the motion is carried the rule in question shall be suspended for the time being."

यदि यह नहीं होता है, तो आप को रूल 364 और 365 के अनुसार काम करना पड़ेगा, जो इस प्रकार है :

"364. A matter requiring the decision of the House shall be decided by means of a question put by the Speaker on a motion made by a member.

365. When a motion has been made the Speaker shall propose the question for consideration, and put it to the decision of the House. . . ."

आप इसी तरह हैं। आप को इन नियमों के अनुसार काम करना होगा, अन्यथा रूल 388 के अतिरिक्त और कोई रास्ता नहीं है।

Shri Shivaji Rao S. Deshmukh (Parbhani): Sir, before you call upon the Minister, I have to make a point. The discussion on this motion started at 1.35. The time allotted was five hours. Those five hours are over. So, unless the House extends the time allotted to it, nothing more can be done now.

श्री मधु लिमये : क्वेश्चन पुट हो गया है। अब क्लोजर वगैरह नहीं आ सकता है।

Shri Satya Narayan Sinha: With your permission, Sir, I would like to refer to my appeal and the request which I had made earlier when this discussion started.

My hon. friend, Shri Patil, has explained what difficulties and piquant situations would be created if the substitute motion is put to vote. As some of our friends said, in an extraordinary situation, you have allowed this motion to be discussed and we agreed to that. It should not go further.

I would appeal to the House to consider this matter dispassionately. If this precedent is established, in future it will create a lot of difficulties. Therefore, we have to weigh the two. I would, therefore, request you to suspend Rule 342 so that the House may be entitled to decide whether or not the substitute motion should be adopted.

I beg to move:

"That Rule 342 of the Rules of Procedure and Conduct of Business in Lok Sabha in its application to the substitute motions moved today to Shri Surendranath Dwivedy's motion regarding the Fifty-fifth Report of the Public Accounts Committee, be suspended."

श्री प्रकाशवीर शतबी : अध्यक्ष महोदय, मैं आप के द्वारा प्र. एन. मंत्री जी से इस देश के जनतंत्र की रक्षा के नाम पर एक अपील

करना चाहता हूँ। जैसा कि श्री त्यागी और डा० अणे ने कहा है, यह बात बिल्कुल सत्य है कि पब्लिक एकाउंट्स कमेटी की रिपोर्ट पर इस सदन में किसी प्रकार के मतदान के द्वारा हम एक बड़ी शलत परम्परा का श्रीगणेश करेंगे। अगर प्रधान मंत्री जी इस धर्म-संकट से बचना चाहती हैं और जनतंत्र को इस धर्म-संकट से बचाना चाहती हैं, तो उसका एक ही उपाय है। लोगों के मन में यह सन्देह व्याप्त होता जा रहा है कि चूँकि और कई धर्म-संशोधन आयोग एन्वयरी में फँसे, इसलिए उन को बचाने के लिए कमीशन आफ एन्वयरी को स्वीकार नहीं किया जा रहा है। इसलिए यदि प्रधान मंत्री जी साहस का परिचय देते हुए कमीशन आफ एन्वयरी को मांग को स्वीकार कर लें, तो देश और सरकार दोनों धर्म-संकट से बच जायेंगे।

Shri Nambiar: That will solve the problem.

Mr. Speaker: This has been said so many times; it is for the Government.

Shri S. M. Banerjee: On a point of order, Sir. Since a motion is likely to be moved either by the Leader of the House or a member of the ruling party suspending the rule, before you consider that, I would invite your kind attention to rule 384:

"A matter requiring the decision of the House shall be decided by means of a question put by the Speaker on a motion made by a member."

I am afraid it is too late now. That question has been put. I would appeal to you. Kindly consult the record. I would appeal to your sense of impartiality and justice. Suspension of the rule will mean the rape of democracy in this House.

Mr. Speaker: I did propose the question, but that cannot be called as putting the question. Now, if a

motion has been made for the suspension of the rule, I have to attend to it.

The question is:

"That Rule 342 of the Rules of Procedure. . . ."

Shri Daji: Before that you must put the motion first.

श्री मधु लिनये : सस्पेंशन के प्रस्ताव पर बहस होनी चाहिए।

Mr. Speaker: The question is:

"That Rule 342 of the Rules of Procedure and Conduct of Business in Lok Sabha in its application to the substitute motions moved today to Shri Surendranath Dwivedy's motion regarding the Fifty-fifth Report of the Public Accounts Committee, be suspended."

Shri Daji: We will speak on this.

Shri Hari Vishnu Kamath: This motion has come without notice and it should be held over till tomorrow. We want to have a discussion on it.

Mr. Speaker: It is not necessary for suspension of a rule. Those in favour will say 'Aye'.

Several hon. Members: 'Aye'.

Mr. Speaker: Those against will say 'No'.

Some hon. Members: No.

Mr. Speaker: The 'Ayes' have it.

Some hon. Members: The 'Noes' have it.

Mr. Speaker: Let the lobbies be cleared. The Lobbies have been cleared.

[Mr. Speaker]

I will put the motion to the House. The question is:

"That Rule 342 of the Rules of Procedure and Conduct of Business in Lok Sabha in its application to the substitute motions moved today, to Shri Surendranath Dwivedy's motion regarding the Fifty-fifth Report of the Public Accounts Committee, be suspended."

Those in favour may say 'Aye'.

Several hon. Members: Aye

Mr Speaker: Those against may say 'No'.

There is none against now.

I think the Ayes have it. The Ayes have it; the Ayes have it. The motion is carried.

The motion was adopted.

Shri Satya Narayan Sinha: Sir, I move:

"That no substitute motion moved today to Shri Surendranath Dwivedy's motion regarding the Fifty-fifth Report of the Public Accounts Committee, be put to the vote of the House."

Shri N. Dandekar: Sir, there may be one substitute motion which I may want to be put to the vote of the House. I would like to know what the motions are which are not to be put to the House.

Shri Tyagi: I want to further suggest that the Committee for Rule-making may be entrusted with the task of looking into this issue.

Mr. Speaker: The motion now put is that no substitute motion should be put to the House. One is by Shri Madhu Limaye about approval, second one by Shri Banerjee that a Commission headed by a Supreme Court Judge be appointed, the third one is by Daji about enquiry, a fourth one by Shri Kamath urging upon the Government to appoint immediately a Commission of enquiry, and a fifth one by Shri Pant about which you have already heard, about approval of

Government's action, which also I did not admit.

Shri N. Dandekar: What is the way to deal fairly with this matter will it be put one by one so that I can express my opinion on each of them?

Mr. Speaker: None of them is to be put.

Shri N. Dandekar: If I want to express my opinion favourably in any one case by giving my vote as a Member of the House.....

Mr. Speaker: The motion is that all these substitute motions to the motion for consideration of the PAC Report should not be put.

That is all that we are voting upon now.

The question is:

"That no substitute motion moved today, to Shri Surendranath Dwivedy's motion regarding the Fifty-fifth Report of the Public Accounts Committee, be put to the vote of the House."

Those in favour may say 'Aye'.

Several hon. Members: Aye.

Mr. Speaker: Those against will say 'No'.

I think the Ayes have it. The Ayes have it; the Ayes have it. The motion is carried.

The motion was adopted

Mr. Speaker: The House will now take up the Calling Attention Notice. Shri Nanda.

18.56 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE—Contd.

REPORTED COMPLAINT OF CHIEF MINISTER OF JAMMU AND KASHMIR STATE AGAINST CENTRAL GOVERNMENT

The Minister of Home Affairs (Shri Nanda): Sir, Government's attention was drawn to reports in the Press of an