

[Mr. Deputy-Speaker]

yesterday and 2 hours and 45 minutes now remain. Discussion on these clauses will continue upto 2-30 P.M. when the House will take up the Private Members' Business.

#### SUSPENSION OF A MEMBER

**Shri Kamath (Hoshangabad):** Sir, before we proceed with the debate, may I raise a point of order in regard to the procedure, which I appeal to you to decide in that liberal frame of mind which animated you yesterday morning.

**Mr. Deputy-Speaker:** Order, order.

**Shri Kamath:** I am on a point of order.

**Mr. Deputy-Speaker:** Order, order. I have heard him. The hon. Member wants to raise a point of order. Any point of order can be raised on a matter which is before the House. If anything has arisen now I am willing to consider the point of order and suspend further progress of the work. Whatever took place yesterday cannot be raised as a point of order today.

**Shri Kamath:** But you left the House yesterday. I wanted to raise it yesterday itself.

**Mr. Deputy-Speaker:** Order, order. Hon. Member will appreciate that immediately a point of order is raised, further business of the House must be stopped. The point of order has to be decided first and thereafter alone the work will have to go on. If the hon. Member has missed the bus he has missed it. He cannot raise it now. (Interruption by Shri Kamath).

**Mr. Deputy-Speaker:** I would not allow this kind of interruption from the hon. Member.

**Shri Kamath:** What you say is not laid down in the rules. It is the usual parliamentary procedure that a point of order can be raised at any time.

**Mr. Deputy-Speaker:** Order, order.

**Some Hon. Members:** Order, order. Sit down.

**Shri Kamath:** Who are you to say "Order, order"? He (the Deputy-Speaker) is there to maintain order.

**Mr. Deputy-Speaker:** Order, order.

**Shri Kamath:** Sir, you may say: "Order, order". I am in your hands. It is not for the Members to say that. Who are they to do that?

**Mr. Deputy-Speaker:** I will have to ask the hon. Member not to continue in this House if he continues to disturb the proceedings of the House.....

**Shri Kamath:** I am sorry, I have raised a point of order and you are not considering it.

**Mr. Deputy-Speaker:** The hon. Member must resume his seat when I am speaking.

**Shri Kamath:** I am sorry, I cannot resume my seat until you have heard my point.

**Mr. Deputy-Speaker:** If he cannot resume his seat he must go out.

**Shri Kamath:** I am going out, Sir. God bless you.

**Mr. Deputy-Speaker:** Very well. The House will now take up clauses 81 to 144.

**Shri Jhunjhunwala (Bhagalpur Central):** Mr. Deputy-Speaker,.....

**Shri Kamath:** This is fantastic nonsense.

**Mr. Deputy-Speaker:** I will have to name the hon. Member. He has used very unparliamentary language and has committed contempt of the Chair's position and dignity of the House. He said: "It is fantastic nonsense".

**Shri Kamath:** I did not say it with reference to the Chair, but with reference to the Members trying to keep order and shouting me down.

**Mr. Deputy-Speaker:** Order, order. Unless he unconditionally apologises for having made this statement "fantastic nonsense" and withdraws it....

**Shri Kamath:** I said it only with reference to Members calling me to order. You want me to apologise to the Members? Or is it to the Chair?

**Mr. Deputy-Speaker:** I wish to name him. I now say that for a week from today Shri Kamath shall not be entitled to come into this House.

**Shri Kamath:** Thank you, Sir. May God bless you for ever.

*(Shri Kamath then left the House)*

**Shri S. S. More (Sholapur):** Sir, may I bring to your notice that this proposal should be put to the House.

**Mr. Deputy-Speaker:** Yes; I agree. Formally I am putting the question to the House.

The question is:

"That in view of what Shri Kamath has said he be suspended from the service of the House for one week."

*The motion was adopted.*

**Mr. Deputy-Speaker:** Shri Kamath will have to keep out for a week.

**Shri U. M. Trivedi (Chittor):** Can I make one suggestion? Shri Kamath used the words "fantastic nonsense" with reference to what Shri A. M. Thomas said for ridiculing him. (Shri A. M. Thomas: Myself?) He never used the words "fantastic nonsense" with reference to the Chair. We are with you in this respect; but, there is some misunderstanding and you may take it from us that there is a very serious misunderstanding on this question. What Shri Kamath said was entirely with reference to what Shri A. M. Thomas told him.....

**Shri A. M. Thomas (Ernakulam):** Sir, I do not know why my name is being dragged in. I said nothing.

**Shri U. M. Trivedi:** Shri Kamath is a respectable man and his explana-

tion must be sought. One thing more *(Interruption)*.

**Mr. Deputy-Speaker:** Order, order.

**Shri Punnoose (Alleppey):** I want to make a submission.

**Shri U. M. Trivedi:** Sir, you are a lawyer. Cool-headedly you ask him to whom these remarks were addressed. We will join with you in asking him to go out if he has made any reference to the Chair. That opportunity must be given to him.

**Mr. Deputy-Speaker:** I have heard and every hon. Member in this House has heard him use these words.

**Shri Punnoose:** I have to make a submission.

**Mr. Deputy-Speaker:** I am not going to allow any further submission regarding this. Everyone of us has heard the provocative language which Shri Kamath used. When I called him to order he refused to sit down. He said he won't obey the Chair. He went on making observations in a manner not fitting with the dignity of the House. He said that my ruling was not right and so on. Ultimately he used the words "fantastic nonsense". I cannot understand what it meant. It may be, as an hon. Member has now pointed out. I even told him that he is not right, but he used the language and went on doing so in a very provocative manner which is opposed to the dignity of the House. It is no good any hon. Member trying to justify what he did. As a matter of fact, it was very provocative. He did so, not caring anything for this House or for the dignity of this House. It is open to any hon. Member to differ from the Chair regarding its rulings. But, he has to submit to it first. He never submitted to it. He kept on interrupting in a provocative manner. When I asked him to sit down he refused to do so. He flouted the ruling of the Chair. In spite of this behaviour I put up with him for some time. An attack on the Chair is something which I cannot tolerate. It was all directed against the Chair

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and the dignity of the House as has been revealed by the manner in which he behaved. I ought to have asked him to go out even earlier. I put up with it for 3 or 4 minutes. I do not see anything wrong in what I have already ruled.

**Dr. Rama Rao (Kakinada):** Sir, on a point of order. If my memory is correct—I have not got the rules here before me—naming a Member must be on the proposal of the Leader of the House.

**Shri Punnoose rose —**

**Mr. Deputy-Speaker:** Is it on a point of order?

**Shri Punnoose:** Yes. I think naming of a Member has to follow a motion being raised. You always advise us to be calm and cool and proceed slowly. Here, I say we are proceeding in rather undue haste. The Member may be called and he may be asked to give an explanation. If he persists we can take very strong action. I am not pleading for Shri Kamath. I am sure you will look into the matter more seriously.

**Shri M. S. Gurupadaswamy (Mysore):** Sir, you asked Shri Kamath to go out of the House in the first instance. Afterwards you revised that ruling and said that he should be out of the House for one week. The provocation seems to be due to his using the expression "fantastic nonsense". I wish to point out here that he used that expression not with reference to the Chair but with reference to some of the Members who were making noise and disturbing him when he was leaving.

**Some Hon. Members:** No, no.

**Shri U. M. Trivedi:** The Members were ridiculing him and he said it with reference to that.

**Mr. Deputy-Speaker:** We have heard the same remarks and the same submission already.

I have heard sufficiently about this matter. There won't be any more discussion about this matter. Now, Shri Jhunjhunwala.

**Dr. Rama Rao:** Sir, you did not reply to my point of order.

**Mr. Deputy-Speaker:** I have already given my ruling that there is no point of order. The motion was put to the House and then it was carried by the House.

**Shri K. K. Basu (Diamond Harbour):** May I request you to consider a point of mine? Well, it is a very serious matter and we are all agreed that it has been an insult to the Chair. Unfortunately the Member has been sent back. I feel that your decision could have been to the effect that he should be away for a day. In the meantime, he may apologise. Because, on your request that he should withdraw, he definitely said that 'I am willing to apologise to you but not to the other Members'. I think you will fully appreciate it, and I should say that it has been his normal temper. So, I would make a request that he may be asked to leave the House for today, and, in the meantime, if he is given an opportunity to amend his conduct, he may apologise. It is only reasonable I request you to consider this position. All of us want that the dignity of the Chair should be protected by every Member of the House.

**Shri M. S. Gurupadaswamy:** He never used the expression 'fantastic nonsense' against the Chair.

**Mr. Deputy-Speaker:** I have heard the hon. Members on this point more than once. As regards the suggestion by Shri Basu, I have no objection. I have nothing vindictive against any hon. Member. I am only sorry that the proceedings of the House have been disturbed. The proceedings of the House ought not to be disturbed. I have also found that this is not the first time. I asked the Member to leave the House. He persisted and ultimately I said I would have to

name him. And yet he persisted. It is not in the spirit that he should not be in the House that I said he must withdraw. I would be the last person to deny any hon. Member the privilege of being in this House. If, as Shri Basu says, he is willing to make amends, I will consider it.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** May I say, Sir, that I welcome what you have been pleased to observe? Naturally, it is for you, occupying this high office, to keep and preserve order and the dignity of the House and every hon. Member should try to maintain that dignity and observe any direction that you give. You have been pleased to say, as I understand you, that in the event of the hon. Member who has been asked to withdraw expressing his regret, you will be pleased to consider the matter afresh. May I say, Sir, with all respect, that that is a very correct attitude to take, and I am sure the dignity of the House also will be maintained thereby. If there is an apology—an expression of regret—then you should be pleased to consider the matter afresh.

**Shri M. S. Gurupadaswamy:**  
Apology for what?

**Mr. Deputy-Speaker:** Shri Jhunjhunwala will please resume his speech.

COMPANIES BILL.—contd.

Clauses 81 to 144

**Shri Jhunjhunwala (Bhagalpur Central):** My amendment, as I was submitting yesterday, is No. 396 to clause 110. There are various elements involved in this clause. I do not dispute the salutary principle behind the power given to the managing agent for refusing the transfer of shares without giving any reasons. The only thing which I want is that this power is not arbitrarily and capriciously exercised by the managing agent to the detriment of the shareholder.

The second thing is that the managing agents have not had this power up till now. What the shareholders had to do was to go to the court and to prove the *mala fides* of the managing agents. It was very difficult for the shareholders to prove the *mala fides* of the managing agents and it took them years and years in order to get their case decided. So, Government have taken back the power in their hands and the Government wants that the shareholders should come to the Government for redress of their grievances against the refusal by the managing agents to transfer the shares. My hon. friend Shri Tulsidas is very uncompromising, knowing full well how the people are being put to trouble in going to the court and that the case takes years and years. By going to the courts, the people have to spend a lot of money, but still Shri Tulsidas insists and he wants that the Government should not have this power but the court should have that power. You can see the attitude of the managing agents. We have to examine the new provision which has been introduced in this clause. Instead of the court, the Government has got that power now. Now, let us see how the shareholder gets redress and how his hardships are minimised. I shall take into consideration three elements. One is that the managing agent's power to refuse transfer without giving reasons is not disputed. If the managing agents were to refuse transfer they can do so. I do not dispute that. But before doing that, they should come to the Government and give their reasons saying that "these are the reasons on which we want to refuse the transfer of shares". If, on reading all the reasons, the Government finds that they have got sufficient grounds for refusing the transfer of shares, the Government should call the other party—the shareholders—and ask them whether they have got to say anything. After hearing the shareholders, if the Government finds that the refusal to the transfer of shares is all right, then the matter ends there. But, under the clause as it stands, what will happen