

Shri A. P. Jain: We wanted to hear it!

Shri Hanumanthaiya: Secondly, she said she has no knowledge of the accounts of the Bharat Sevak Samaj, and having said that, how can she go on defending that there is no middle-man's profit and so on?

Mr. Speaker: Shri Jain, your neighbour, has said that he wanted to hear it.

Shri A. P. Jain: Yes, Sir.

Mr. Speaker: Next question.

Dr. Sushila Nayar: I think the hon. Member has completely misunderstood SHRDLU HAT understood what I said.

Mr. Speaker: Next question.

Bird and Co.

*375. { **Shri S. M. Banerjee:**
Shri Surendranath
Dwivedy:

Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 455 on the 5th March, 1964 and state:

(a) whether investigations into the affairs of Bird & Co., for alleged violation of Foreign Exchange Regulation Act have since been completed; and

(b) if not, the reason for the delay?

The Minister of Planning (Shri B. R. Bhagat): (a) No, Sir.

(b) In respect of the cases initiated by the Calcutta Custom House, the firm has moved the High Court at Calcutta and the matter is *sub-judice*. However, in respect of the cases with the Directorate of Enforcement, adjudication proceedings have already been initiated and these cases are likely to be finalised soon.

Shri S. M. Banerjee: In reply to a previous question in the month of March, 1964, the hon. Minister stated that show-cause notice under the Sea Customs Act and the Foreign Exchange Regulation Act had been

issued and that further investigations were also progressing. He has now practically repeated the same reply, with the exception that the firm has gone to the High Court in regard to the customs case. I would like to know why they were not prosecuted before and why they were allowed to move the High Court, and why this period of six months or eight months was given to them.

Mr. Speaker: The question as to how they were allowed to move the High Court would look strange. The question should not be in that form. What he means to ask is, why there was so much delay caused so that they had enough time and so on.

Shri S. M. Banerjee: You remember that it was raised for the first time on the 12th December, 1963.

Shri B. R. Bhagat: As you rightly pointed out, anybody has the fundamental right to go to the court and it was not because....

Mr. Speaker: The objection was that the Government were slow and they had enough time to think over it.

Shri B. R. Bhagat: That is what I am going to say: that it has no relation to the time element. The show cause notice was heard and the case was complicated and big, and they wanted some time. It was given. When the case was fixed for personal hearing, it was at that stage of hearing that they raised the question of jurisdiction; they doubt that this is a valid jurisdiction, adjudication proceeding, and they wanted to go to the court. They subsequently went to the court and the High Court has stayed the proceedings. It has no time element; it is a question of law.

Shri S. M. Banerjee: The question was asked for the first time in the House on the 12th December, 1963, and we were told after asking so many questions—whether the Minister's son was there or not and all

questions and we did not get an answer—that every step would be taken when the cases are finalised at the earliest opportunity. I would like to know what concrete steps have been taken from December, 1963, till today to prosecute them either under the Foreign Exchange Regulation Act or any other Act, and why was there this delay?

Shri B. R. Bhagat: I am sorry, the hon. Member is not able to appreciate this fact that the proceedings in one case have been stayed by the High Court. In the other case, already we have said it is going to be finalised very soon. There is, therefore, no element of delay.

Shri S. M. Banerjee: Why is prosecution delayed? Why has it not been launched?

Mr. Speaker: He says that so far as one case is concerned . . .

Shri S. M. Banerjee: I have understood that.

Mr. Speaker: Then he need not raise that point.

Shri S. M. Banerjee: Why is the other case delayed—the case in respect of the Foreign Exchange Regulation Act.

Mr. Speaker: About that he said that already the Enforcement Directorate is proceeding with it.

Shri S. M. Banerjee: Why there is so much delay?

Shrimati Renu Chakravartty: What is the difficulty in the way of the Government to move expeditiously in the matter of the prosecution of these cases? I want to know the reason for the delay.

Shri B. R. Bhagat: In the first group of cases the court has stayed the proceedings.

Shrimati Renu Chakravartty: I want to know at what stage, when it came up for prosecution, they checked it.

Mr. Speaker: Nobody has questioned so far about the first group which is before the High Court. Hon. Members are anxious to know about the second group of cases.

Shri B. R. Bhagat: I am coming to that. With regard to the second group of cases, according to law—we have to go by the law and not beyond the law—the adjudication is done by the Director of Enforcement under the Foreign Exchange Regulation Act. As soon as that adjudication is completed—it is going to be completed soon—it is for the Director of Enforcement to say whether fine is to be imposed or not or whether it is a fit case for prosecution. He can ask the Government to go ahead with the prosecution or he can go for prosecution in the court.

Shrimati Renu Chakravartty: Sir, my question has not been answered, What are the difficulties that come in the way of the Government taking expeditious steps for prosecution? If the adjudication takes one year, how much longer will it take for the prosecution?

Mr. Speaker: That he cannot help. His answer is that according to law the adjudication is to be done by the Director of Enforcement.

Shrimati Renu Chakravartty: Why has it taken one full year for adjudication?

Shri B. R. Bhagat: Which adjudication, on the second group?

Shri Ranga: First, second or the third one.

Shri S. M. Banerjee: You have understood it very well. You know what it is.

Mr. Speaker: Order, order. In this manner it should not be put.

Shri Ranga: Sir, a special question has been put. Why has it become difficult for the Minister to reply? The question is, in the second group of cases where the High Court's assistance was not invoked, why is it that

it has taken them so long to adjudicate and come to a decision? It is said that it has taken them more than a year.

Mr. Speaker: Do the hon. Members want to know why the Director of Enforcement has taken so much time?

Shrimati Renu Chakravartty: Yes.

Shri B. R. Bhagat: As I said, Sir, this case was a very complicated case.

Shri Daji: What is the complication? Is it because some big persons, some influential persons are involved?

Shri S. M. Banerjee: Minister's sons are involved.

Shri B. R. Bhagat: In spite of what the hon. Member may say or insinuate, I think those are not the facts. The facts will bear out when the adjudication will be completed. But there has been no unwarranted delay. He has done his best. It is because of the complex nature of the documents that it has taken so much time. A large number of documents are there. He has to go into all of them. Very soon, maybe in the course of a week or two, it will be completed.

Shri Hari Vishnu Kamath: By that time the bird may fly away.

Shri Hem Ba ua: May I know if it is a fact that some Indians in high places, either themselves in high places or connected with people in high places, are involved in this particular violation of foreign exchange regulation; if so, may we have the names of those Indians in high places or connected with persons in high places?

The Minister of Finance (Shri T. T. Krishnamachari): I do not know what the hon. Member means by 'high places'; I do not know whether he means high places in firms or in the commercial world. I am not aware of anybody in any high place who has brought in any influence to bear on the Government in regard to this

matter. May I tell the hon. Members that so far as I am concerned and my colleague here concerned, we would like to have this matter settled; we are not happy to come and answer questions in this House frequently about delays. But this is a case where a large number of documents have been seized. I saw, I think, day before yesterday, the officer who is doing the investigation. He mentioned to me that he wanted more staff and even space which he has not got for sorting out these documents. An enormous amount of documents have come into the hands of the investigating officer. It certainly took time for them to sort them out. In the meantime, one set of cases had to be, a sort of, kept in abeyance because of the matter having come up to the court. Then there is the other question, why there is no prosecution. Primarily it is for the Director of Enforcement to decide. In fact, I do not mind telling hon. Members that I had asked that question once as to why it is that there was no prosecution, when it came up last time, and that even though the revenue considerations are not very prominent there must be some prosecution. That is the feeling that I myself had. But it is primarily for the Director of Enforcement, who is in charge of the matter, to decide whether he thinks that prosecution should be launched or it should be dealt with according to the powers that he has and the particular person should be fined. I can give no assurance with regard to expediting the matter. It is not in my hands. It is in the hands of the people there. Government is equally interested in this matter coming to light and being disposed of. It gives us no pleasure to have to come time and again to this House and say, "The matter is under consideration". But, as hon. Members are aware, the parties try their best to see that the proceedings are delayed over which we really have no control.... (*interruption*).

Shri S. M. Banerjee: We ask for the names.

Shri Hem Barua: I have asked for the names of the persons involved in the matter.

Mr. Speaker: If the enquiry is going on by the Directorate, probably it will be found.... (Interruption).

Shri S. M. Banerjee: Shri Dange's name was announced. Everybody's name was announced in this House. Bird and Company is not bigger than Shri Dange. Why not the names be announced?

Shri Indrajit Gupta rose—

Mr. Speaker: Order, order. But after that long statement... (Interruption).

Shri T. T. Krishnamachari: I am not aware of any names. Therefore what is the use of asking me? If my knowledge is imperfect, it is imperfect even to satisfy the very desirable curiosity of hon. Members..... (Interruption).

Shri Daji: You are trying to screen them.

Shri T. T. Krishnamachari: I cannot sort of create names..... (Interruption).

Shri Daji: You know them..... (Interruption).

Mr. Speaker: Next question. Shri D. C. Sharma.

Shri S. M. Banerjee: They are shielding Bird and Company. You should protect us. (interruption).

Public Sector Projects

- *376. {
 Shri Yashpal Singh:
 Shri D. C. Sharma:
 Shri Bishanchand Singh:
 Shri Rameshwar Tantia:
 Shri Dhaon:
 Shri B. P. Yadava:
 Shri Indrajit Gupta:

Will the Minister of Planning be pleased to state:

(a) whether the State Governments have been asked to expedite the ex-

ecution of public sector industrial programmes; and

(b) if so the action taken by them in the matter?

The Minister of Planning (Shri B. R. Bhagat): (a) and (b). The progress of State Projects, including industrial projects, is periodically reviewed by the Ministries concerned and the Planning Commission and advice/assistance given in the speedy execution of the programmes.

श्री यशपाल सिंह : इसी आदर्शिय सदन में माननीय वित्त मंत्री ने यह फरमाया था कि अगर 450 करोड़ रु० का फायदा हमें इस क्षेत्र में न रहा, जो पब्लिक सेक्टर है उस में हम 450 करोड़ रु० न बचा सके, तो जो हमारी षडं फाइव इग्नर प्लान है वह कामगब नहीं हो सकेगी। मैं जानना चाहता हूँ अब तक सरकार कितना रुपया बचा सकी है।

श्री ब० रा० भगत : पहले तो यह जो सवाल है वह उन प्रोजेक्ट्स से ताल्लुक रखता है जो स्टेट गवर्नमेंट्स के मातहत हैं। इस लिये 450 करोड़ रु० जो देश के सारे पब्लिक सेक्टर का है और जो ज्यादा सेक्टर का है, इस पर लागू नहीं होता। जहाँ तक सवाल बचाने का है, अगर हम उन को ठीक समय पर चालू कर सकें और प्रोडक्शन में ला सकें और एकानामी और एफिशिएन्सी से चलायें, तो इस में ही सब से ज्यादा बचत होगी।

श्री यशपाल सिंह : मैं जानना चाहता हूँ कि सरकार के पास जो आज तक का आटु डेट अकाउंट है उस के मुताबिक क्या बतला सकती है कि अकेले स्टील में क्या बचत हुई।

अध्यक्ष महोदय : जो स्टेट गवर्नमेंट्स का पब्लिक सेक्टर है आप उस के बारे में पृष्ठते हैं या जो स्टेट गवर्नमेंट के पब्लिक सेक्टर के बारे में ?

श्री यशपाल सिंह : जो स्टेट गवर्नमेंट का पब्लिक सेक्टर है उसी के बारे में बतला : आज तक के अकाउंट के मुताबिक।