

through this Rozgar and Garibi Hatao plans.

SOME HON. MEMBERS: Rs. 2,500 crores.

PROF. N. G. RANGA: All this money is coming but it is not enough. We need several time more money. That money has got to be raised. That will be raised once the panchayats come into existence. Right now because peasants have been voiceless, the mazdoors have been disabled from using their votes, in an effective manner, we have been able to get away with it and this Finance Minister goes to sleep so far as the villagers are concerned. Here after it would not be possible. The Central Government has to work on its toes. The State Governments have got to be on their good behaviour. Otherwise when the next elections comes they will be thrown out and, that is why, I welcome these Bills. That is why, I congratulate the Prime Minister. That is why, I congratulate my fellow Members here. That is why. I congratulate the people.

I am extremely sorry for the opposition.

MR. SPEAKER: Let us have lunch now and come refreshed at 2 O' Clock.

12.59 hrs.

The Lok Sabha then adjourned for Lunch till Fourteen of the Clock.

14.03 hrs.

The Lok Sabha re-assembled after Lunch at three minutes past Fourteen of the Clock

[MR. DEPUTY-SPEAKER *in the Chair*]

MR. DEPUTY-SPEAKER: Shri P. Chidambaram to make a statement.

STATEMENT RE: FOURTH, FIFTH, SIXTH, INTERIM REPORTS AND FINAL REPORT OF KUDAL COMMISSION OF INQUIRY SET UP TO INQUIRE INTO THE AFFAIRS OF GANDHI PEACE FOUNDATION AND CONNECTED ORGANISATIONS

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): Sir, The Lok Sabha passed a Resolution on 28th August, 1981, recommending that any action to tarnish the name of Mahatma Gandhi be taken serious note of and that the acts and activities including publications, sources and mis-use of funds of the Gandhi Peace Foundation, Gandhi Smarak Nidhi and All India Sarva Seva Sangh be inquired into by a Commission on inquiry. A Commission headed by Mr. Justice P.D. Kudal was accordingly set up on 17th February, 1982 under the Commission of Inquiry Act, 1952.

2. The Commission was required to complete its inquiries and report to the Central Government within a period of six months. The work however took much longer than anticipated and the life of the Commission was extended from time to time till 31st January, 1987 when its task were completed.

3. The Commission submitted Six Interim Reports and a Final Report. The 1st, 2nd and 3rd Interim Reports of the Commission, alongwith a Memorandum of Action Taken on each report have already been placed on the Table of the Lok Sabha on 4th December, 1985 and 7th May, 1986 respectively. The 4th, 5th, 6th Interim Reports and Final Report of the Commission alongwith Memorandum of Action Taken are now placed on the Table of the House.

4th Interim Report

The 4th Interim Report of the Kudal

[Sh. P. Chidambaram]

Commission was submitted to the Government on 16th December, 1985. This report covered 25 cases. Out of the 25 cases, 12 cases are non-actionable and 13 cases are actionable. The four main organisation involved in the cases looked into by the Commission are Gandhi Peace Foundation, AVARD, Gandhi Smarak Nidhi and All India Sarva Seva Sangh. The total sum involved in this report is approximately Rs. 1.36 crores plus US \$ 2,50,000. The amount involved in the cases which have been dropped is approximately Rs. 10.38 lakhs. The money involved in the actionable cases is approximately Rs. 1.26 crores. The prominent individuals against whom the Commission has given its findings are:- Shri L.C. Jain, Former Chairman, All India Handicrafts Board and Shri George Fernandes, the then Minister of Industry. One of the organisations being investigated by the Commission, the Kerala Gandhi Smarak Nidhi, obtained stay orders from the Kerala High Court against further action in the matter. The stay was vacated on 4th August, 1987. It is only subsequently that the consultation with other Ministries was done and assessment of the action to be taken was made.

5th Interim Report

The 5th Interim Report of the Commission was submitted to the Government on 11th June, 1986. The Commission gave its findings in 29 cases in this report. Out of 29 cases, 20 cases are found non-actionable and are therefore recommended to be dropped. 9 cases are actionable. The total sum involved in this report is approximately Rs. 21.70 lakhs. The amount involved in the non-actionable cases is approximately Rs. 12.91 lakhs. The actionable cases involved an amount approximately Rs. 8.79 lakhs. The four major organisations involved in the cases are Gandhi Peace Foundation, AVARD, Gandhi Smarak Nidhi and All India Sarva Seva Sangh. The prominent individuals against whom the Commission has given its findings are:-

Late Shri Dhanik Lal Mandel, Chairman, Madhubani

Zila, Samagra Vikas Sansthan and Former Minister of State in the Ministry of Home Affairs.

SHRI SYED SHAHABUDDIN (Kishanganj): He is very much above.

SHRI P. CHIDAMBARAM: I am sorry; I apologise .

Dr. Razia Ahmed, Secretary, Gandhi Smarak

Sangralaya Samiti;

S/Shri Sadiq Ali, Chairman & Holding Trustee;

Som Dutt Vedalankar, Holding Trustee;

R.R. Diwakar, Holding Trustee

K.S. Radhakrishna, Treasurer

B.R. Nanda, Member, Governing Body

M.V. Desai, Member, Governing Body

Dr. Usha Mehta, Member, Governing Body

Dr. Bimal Prasad, Member, Governing Body

Devi Prasad, Member, Governing Body.

6th Interim Report

The 6th Interim Report of the Commission was submitted to the Government on 30th October, 1986. The Commission have its findings in 33 cases. Out of 33 cases, 13 cases are found non-actionable and therefore recommended to be dropped. 20 cases are found actionable. The total amount of funds involved in the cases covered by this Report is approximately Rs. 5.53 crores. The amount involved in non-actionable cases is approximately Rs. 38.60 lakhs. The ac-

tionable cases involved an amount of Rs. 5.154 crores approximately. The major organisations involved in the cases covered by this Report and Gandhi Peace Foundation AVARD, Gandhi Smarak Nidhi and All India Sarva Seva Sangh. The notable individuals against whom Commission has given its findings are as below:-

Shri K.S. Radhakrishana, Secretary,
Gandhi Peace Foundation;

Shri B.G. Verghese, (ex-Editor, Indian
Express)

Shri A.C. Sen, Vice-President, AVARD;

Shri Prakash Singh Badal, President,
PADI and Ex-Minister of Agriculture.

Final Report

The Final Report of the Commission covering 29 cases was submitted to the Government on 29th January, 1987. Out of 29 cases, 13 cases are recommended to be dropped and 16 cases are found actionable. The total sum involved in this report is approximately Rs. 1190 crores. The amount involved in the non-actionable cases is Rs. 61.67 lakhs. The amount involved in the actionable cases is Rs. 1.29 crores. The Commission had also made general suggestions/observations contained in Chapter VI regarding the functioning of the voluntary agencies and the remedial action to be taken. The remedial action to be taken have been referred to Ministry of Law & Justice for advice/comments. The prominent individual against whom the Commission has given its findings in this Report is Shri K.S. Radhakrishna.

It will be seen from the reports that the Commission has indicted four organisations time and again for major financial misconduct and irregularities. These are Gandhi Peace Foundation, AVARD, Gandhi Smarak Nidhi and All India Sarva Seva Sangh. All these organisations which were public insti-

tutions to serve society in the best Gandhian tradition became instruments for self serving individuals for political and financial advantage working quite often against national interest. The 'Akhil Bhartiya Sarva Seva Sangh' became the fountain-head of three major organisations namely (i) Gandhi Smarak Nidhi (GSN) (ii) Association of Voluntary Agencies for Rural Development (AVARD) and (iii) Gandhi Peace Foundation (GPF). The word 'All India' was subsequently dropped during 1949 and it assumed the shortened name of Sarva Seva Sangh. Its base of operation is Sevagram in Maharashtra.

Further action will be taken according to the action-taken memorandum placed. (*Interruptions*)

MR. DEPUTY SPEAKER: You give notice. We will take up afterwards. (*Interruptions*)... You give proper notice, we will take up. On the Statement I cannot allow any discussion or any observation. If you are particular about discussing this, you give notice, it will be considered.

SHRI SHANTARAM NAIK (Panaji):
When Members in the other House can ask questions, why cannot we ask questions here?

MR. DEPUTY SPEAKER: We are now taking further consideration of the Constitution Amendment Bills.

(*Interruptions*)

MR. DEPUTY SPEAKER: Nothing is going on record.

(*Interruptions*)*

SHRI AJAY MUSHRAN (Jabalpur): I am on a point of order, Sir.

MR. DEPUTY SPEAKER: What is your point of order?

SHRI AJAY MUSHRAN: My point of order is, the Hon. Minister has just given some excerpts from the Commission's Report which has been put on the table of the House. These charges are grave. A prima-facie case exists. I think it should have been in fitness of things that the Minister himself should have offered that there should be a discussion in the House. We have already given notice.

MR. DEPUTY SPEAKER: The Minister cannot say that. Only you have to demand. If you want to demand and take it up for discussion, you give proper notice, it will be taken up.

SHRI AJAY MUSHRAN: We have given notice.

SHRI SHANTARAM NAIK: Earlier in the case of Bofors, time used to be fixed than and there. Why cannot you do it now also? *(Interruptions)*

MR. DEPUTY SPEAKER: Don't you feel that the Constitution Amendments are more important than this? Please take your seat...

(Interruptions)..

MR. DEPUTY SPEAKER: Don't Disturb.

SHRI AJAY MUSHRAN: With your vast experience it does not take much time to decide whether there should be a discussion or not.

MR. DEPUTY SPEAKER: I told you, you give notice.

SHRI AJAY MUSHRAN: You decide it now.

MR. DEPUTY SPEAKER: I cannot do it now.

(Interruptions)

MR. DEPUTY SPEAKER: Shri R.S.

Sparrow to speak on the Constitution Amendment Bills.

(Interruptions)

14.14 hrs.

CONSTITUTION (SIXTYFOURTH
AMENDMENT) BILL
AND
CONSTITUTION (SIXTYFIFTH AMEND-
MENT) BILL—*CONTD*

[English]

MR. DEPUTY SPEAKER: The House shall now take up further discussion on Constitution Amendment Bills.

Shri R.S. Sparrow to speak.

SHRI R.S. SPARROW (Jullundur): Hon. Deputy Speaker Sir, I feel privileged to say a few words on this very line type of two Bills that have been brought in by the hon. Prime Minister and the Government of India.

This is one big point for the people of India to congratulate themselves on this particular issue. I qualify it by saying that this is the realism type of old dream of Mahatma Gandhi that is now after a long time being interpreted in its correct shape and form. There are 7,77,000 villages in India. 80% plus people are living in huts, hamlets, villages, sub-urban group of towns and cities. It affects their province. It affects their uplift. If this is not the right direction, there could not be any other right direction in which India could move. Incidentally, this is something which runs in consonance with our Constitution. The very first page of the Constitution—the Preamble—speaks about democracy, socialism and secularism. This is the real base and this is the real organ, from which these three things will flower into right shape and fragrance, when these two Bills—Acts—are implemented in spirit and goodwill. This is going to come up from the masses. Don't we ever think that those people do not under-