

**SHRI S. M. BANERJEE (Kanpur) :** The Minister of External Affairs should make a statement in the House on his visit to the Soviet Union. He has made a statement outside. We are very happy he had a talk with the Press. But let him make a statement here also.

**SHRI JYOTIRMOY BOSU :** If you had permitted me, you would have been happy to here what I have to say,

**MR. SPEAKER :** If I relax the rule, I will have to allow others also. He can write to me. I will convey it to him.

12-52 hrs.

### ELECTION TO COMMITTEE

CENTRAL ADVISORY COMMITTEE FOR  
NATIONAL CADET CORPS

**THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) :** I beg to move :

“That in pursuance of sub-section (1) of section 12 of the National Cadet Corps Act, 1948, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Central Advisory Committee for the National Cadet Corps for a term of one year commencing from the 33rd June 1972, subject to the other provisions of the said Act and the Rules made thereunder”,  
**MR. SPEAKER :** The question is ;

“That in pursuance of sub-section (1) of section 12 of the National Cadet Corps Act, 1948, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Central Advisory Committee for the National Cadet Corps for a term of one year commencing from the 23rd June 1972, subject to the other provisions of the said Act and the Rules made thereunder”

*The motion was adopted*

**SHRI S. M. BANERJEE (Kanpur) :** They will have both the seats.

**श्री अटल बिहारी वाजपेयी (खालियर) :**  
एक इधर मिलनी चाहिए ।

**MR. SPEAKER :** If you give me full powers of nomination instead of election, I will nominate both from your side.

**SHRI ATAL BIHARI VAJPAYEE :**  
Only one.

**MR. SPEAKER :** I am in a mood to give both to you.

### MATTER UNDER RULE 377

REPORTED STATEMENT OF GOVERNMENT  
COUNSEL BEFORE TAKRU COMMISSION  
REGARDING 65TH REPORT OF  
COMMITTEE ON PUBLIC UNDERTAKINGS

**SHRI INDRAJIT GUPTA (Alipore) :** I am thankful to you for giving me permission to raise a matter which is, in my opinion, of extreme importance, because it affects the privileges of Parliament. Since it pertains to one of the Committees of Parliament, that is to say, the Committee on Public Undertakings, I wish to bring this to the notice of the House and crave your indulgence to briefly explain what is the importance of this matter.

I had asked for permission to raise it under rule 22. You have kindly allowed me to raise it under rule 377. Nevertheless I do hold that it is a matter of privilege and I hope the House will consider it a matter to be remitted to the Committee of Privileges.

The matter refers to a report appearing in the press on the 2nd of April. It has appeared in *the Patriot* as well as in *the Hindustan Standard* of Calcutta. The two reports are identical. A slightly more appreciated report has appeared in some of the other leading dailies of the capital.

The matter referred to is the proceedings which are going on at present before the Takru Commission which, as you know, is known as the Pipeline Enquiry Commission, in which the Indian Oil Company and two of its foreign contractors are involved. This relevant report of 2nd April states as follows : I quote :—“The Petroleum Mini-

stray's counsel J. B. Dadachandji and Ram Punjwani, opposed the application,"—there was an application from the other side asking for some modification in the terms of reference, that is not relevant just now,—“stating that all issues raised by the PUC had been included in the terms of reference. They argued that the Commission should pay no heed to the feelings and comments expressed in the report.” For instance, “the PUC's charge that instead of holding the officials responsible for lapses, the Government had made persistent efforts to slur over their dereliction of duty and that a departmental enquiry should be held against them was a finale on an emotional note and no action had been recommended.”

This report in the press appeared, as I said on the 2nd April. On the 3rd April, the Commission was sitting as usual. It is a public enquiry. The members of the public are free to attend it. I am a member of a committee which has been set up—a National Committee for assisting this enquiry. Some observers on behalf of this committee are also attending that enquiry. The press is there.

On the 3rd, that is, the day after this report appeared, it is found that though both these lawyers of the Petroleum Ministry were present on the 3rd, none of them protested against this newspaper report, nobody mentioned it and nobody protested against it and nobody contradicted it, I would like to point out that during these prolonged proceedings which are going on we usually have found that the accused parties, that is to say, the foreign collaborators BECHTEL and SNAM—the IOC, the Petroleum Ministry and Mr P. R. Naik have never missed any opportunity to contradict what they considered to be even the slightest error which may have crept into the newspaper reports. But on the 3rd April they did not raise any question about it or mention anything about this.

I wrote to you on the 3rd, pointing out in my letter that these remarks made by the counsel amount to an utter contempt of a Committee of Parliament and is therefore derogatory to the dignity and prestige of Parliament itself. It means that the Petroleum Ministry is so resentful of the charges made by the PUC in its 66th report that it

does not hesitate to call upon a Commission of Enquiry to ignore the PUC's charges and attempts to ridicule them by describing them as based on emotion. For the moment, that is all I wish to say.

I would just, with your permission, quote the relevant paragraphs from the recommendation of the PUC which are being referred to as being something based on emotion and therefore not worthy of being taken into consideration.

MR SPEAKER: Was it presented to the House?

SHRI INDRAJIT GUPTA: Yes Sir. It is a famous report.

MR SPEAKER: On what date?

SHRI INDRAJIT GUPTA: In April, 1970.

MR SPEAKER: It was taken up when I was the Chairman. *(Interruption)*

SHRI G. VISWANATHAN (Wandiwash): And at that time he resigned,

SHRI INDRAJIT GUPTA: This is the 66th report which constitutes the basis of the whole Takru Commission of Enquiry, it was set up because of this report. I shall read out only one paragraph from their recommendations which you will kindly consider in the proper context as to whether it can be dismissed in the way in which the counsel of the Petroleum Ministry has sought to dismiss it.

“The Committee are distressed to find, after a careful examination of all the papers and other evidence on record that there have been serious lapses and dereliction of duty by the then officers of the Indian Refineries Limited and the Ministry in the discharge of their responsibilities in executing the pipeline project.”

“The Committee have pointed out several instances where the Managing Director exceeded the authority available to him. They have noted with regret that the Board of Management and the Ministry were not vigilant

[Shri Indrajit Gupta]

enough to check firmly and in time this excessive use of authority by them."

This is the ultimate concluding paragraph of the Committee's recommendations :

"The Committee also feel compelled to record their feeling...

this is the feeling to which they are objecting, and saying that it should not be given serious consideration...

" that, instead of holding the officers responsible for their lapses, there appears to have been a persistent effort to slur over their dereliction of duty and to fix the responsibility, though copious facts to substantiate such lapses have come on record. The Committee would, therefore, like the Government to take immediate steps to bring to book the guilty officers on the basis of the evidence that is already available. The least that could be done is to proceed departmentally without delay against the officers concerned under the relevant Government Servants Conduct Rules. The Committee feel that Government, in the large interests of the public sector, should not allow a feeling to go around that officers can commit such grave lapses and indulge in dereliction of duty with impunity and go unpunished "

According to the press report, the Counsel for the Petroleum Ministry has said that the Commission should pay no heed to the feelings and comments expressed in the Report. That refers to the paragraph which I have just quoted. And they say that the PUC's charge that instead of holding the officers responsible for their lapses, Government have made a persistent effort to slur over their dereliction of duty and that a departmental enquiry should be held against them, is merely a finale on an emotional note and no action has been recommended.

I submit that this is something which is really the height of effrontery. This Government and the PUC are both creatures of the same Constitution to which all of us owe allegiance, and here the Ministry of

Petroleum comes forward, through its Counsel, and seeks to ridicule and belittle this Report of the PUC, and urges upon the Chairman of the Enquiry Commission not to take it into consideration. I say they have no business to do this. They have exceeded their prerogatives and their rights, and this amounts to a definite breach of privilege of the Committee and, therefore, breach of privilege of Parliament. And I would request you to take this into consideration and forward it to the Committee of Privileges so that they may go further into the details of the matter.

श्री अटल बिहारी वाजपेयी (स्वानियर)  
अध्यक्ष महोदय श्री गुप्त जी ने कहा कि आपने उन्हें प्रिविलेज मोगन के रूप में मान ला उठाने की इजाजत नहीं दी है। 377 में तो जा एवाइंट आफ आडर नहीं है वह उठाया जा सकता है। लेकिन मैंने जा कुछ मुता ?

MR SPEAKER I am going to make certain observations, and after that you can make your comments.

SHRI S M BENFRJFE (Kanpur) You have very kindly allowed it under rule 377, but the rule says,

"A member who wishes to bring to the notice of the House any matter which is not a point of order "

MR SPEAKER Does the Minister want to say something?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H R GOKHALE)  
Yes, I want to clarify the position.

श्री अटल बिहारी वाजपेयी : मुझे आपका है। मंत्री जी अभी कहा तस्वीर में आते हैं?

MR SPEAKER Let me listen to him.

श्री अटल बिहारी वाजपेयी : क्या फौक्स के बारे में कोई डिस्पूट है ?

MR SPEAKER . In my opinion, there is no dispute.

SHRI H R GOKHALE . On the facts, there is dispute.

**SHRI S M BANERJEE :** I move a motion here and now that it be referred to the Privileges Committee

**SHRI H R GOKHALE .** Much that the hon Member said would have some substance if the newspaper report to which reference was made was correct. But I want to make the position clear on the basis of the enquiries which I have made

It is true that two Counsel are appearing for the Ministry before the Takru Commission, and the two Counsel are Mr K V. Dadachandi and Mr Ram Panjwani. After this was brought to my notice by the hon Member, I have looked into the matter carefully. I have asked both the Counsel as to the facts in the matter

Both have stated that the newspaper report in question is wrong and distorted and that they never uttered the expressions imputed to them in the newspaper report or any expressions derogatory to the Committee on Public Undertakings

13-00 hrs

The whole question arose on the day of the hearing when the Commission was hearing an application by the National Committee and by Mr Arun Roy Chowdhury that the terms of reference were adequate and the parties were arguing on this question whether the terms of reference were adequate or not. The contention made by the counsel of the ministry before the Commission was that the terms of reference are wide enough to take all possible matters which are relatable to the recommendations made in the 66th Report of the Public Undertakings Committee. Therefore, the dispute was whether the terms of reference need further elaboration or as they are sufficient to take in all matters, I would submit that the counsel certainly had the right to interpret what was the recommendation contained in the 66th Report. The paragraph to which reference was made by the hon. member is certainly the relevant paragraph. There the word used is that they have a "feeling" etc. The argument before the Commission was that this was only a record of an impression which the

committee had formed, but this was not a positive finding or a recommendation, because it was argued, wherever the committee wanted to make a recommendation or a positive finding, they have specifically said so. But in this paragraph they have only recorded a feeling, which means it was not a recommendation or a finding but an impression which the committee had formed on the basis of the evidence placed before them. This was the only thing said before the Commission according to the two counsels.

Going back to the history of the enquiry, everywhere at every stage, it has been the position taken by us that the very basis of this enquiry are the findings made in the 66th report. The object with which this enquiry was set up was to find out whether the recommendations made in the 66th report can be justified on evidence after hearing all the parties or not. At no time had the Government taken up the position that the 66th report was irrelevant and should not be looked into and so on. Even in the written reply filed in answer to an application of Mr Arun Roy Chowdhury and the National Committee by one of the counsels appearing for the Government, the position taken was the same, viz., the basis of the whole enquiry is the 66th report of the Public Undertakings Committee. The difference was only this which part of it is the recommendation or finding and which part is merely recording an impression. Surely, the counsel had the right to argue this before the Commission. When I called both the counsels and asked for their clarification, both of them told me this. They have written to me also. Mr Panjwani has stated that the contention of the counsel of the ministry was that the terms of reference were wide and comprehensive enough to cover all the recommendations and suggestions of the committee and the PUC report is the basic document out of which the terms of reference have arisen and which has given rise to the Pipeline Inquiry Commission. Mr. Dadachandi also took up the same attitude. I would rather quote what he himself has written :

**SHRI ATAL BEHARI VAJPAYEE :** What is he reading? Is he reading from the record of the proceedings of the court?

**SHRI H.R. GOKHALE :** I have certainly a right to tell the House what Mr. Dadachandji has told me.

**SHRI ATAL BEHARI VAJPAYEE :** We are interested in knowing what the counsels told the court, not in what they told the minister. Is there any record of the proceedings of the court or not ?

**MR. SPEAKER :** Let me listen to what he says about what they told the court.

**SHRI ATAL BEHARI VAJPAYEE :** We cannot go by what they told the minister. A court of inquiry has been set up and there must be a verbatim report of the proceedings before the court.

**MR. SPEAKER :** Do you think I cannot hear him ? I have to hear him.

**SHRI ATAL BEHARI VAJPAYEE :** This is irrelevant. The house has nothing to do with what they told the minister.

**MR. SPEAKER ;** I have to listen to him.

**SHRI H.R. GOKHALE :** What is relevant is what the lawyers told the court. My enquiry about what they told the court shows that they did not tell the court what is reported in the newspapers. They categorically denied it.

**MR. SPEAKER :** The newspapers are *Sunday Standard* and *Hindustan Times*.

**AN HON. MEMBER :** And also *Patriot*.

**MR. SPEAKER :** And yet they say that all the three papers are wrong and they are right ?

**SHRI H.R. GOKHALE :** The particular language employed by the newspapers as having been used by the two counsel, if proved, might give rise to some substance in the contention made by the hon. Member. The two counsel were specifically asked whether they have uttered those words. Both of them have categorically said that they have not used those words. Then they were asked what they have said. They have said that the basic foundation of the

whole enquiry before the Commission was the 6th Report. That has been the attitude of the government from the beginning. They have argued that the terms of reference are so wide that everything can be taken up and there is no necessity for further expanding the terms of reference. So, the words have not been uttered by them. Therefore, so far as the government is concerned, I would submit that government want a fullest possible enquiry to be made with reference to those matters which are referred to the Commission. It could never have been the attitude of the government to say that the PU Report should be brushed aside, or should not be looked at, or it is only an emotional finale of what they have said earlier. The only thing they have said was the interpretation of that particular paragraph, saying it is not a recommendation. It is for the court to decide whether it was a recommendation or not. That is all I have to submit. So, I would say that there is no basis for the complaint which the hon. Member has made.

**SHRI INDRAJIT GUPTA :** Apart from the other irrelevancies which the Minister has indulged in, the point at issue is that he is denying that the counsels have uttered these words which have appeared in the press report. That is all, and that is what we are concerned with. Naturally, one way of checking them would be to ask the Chairman of the Commission himself. It cannot be done by this House. That has to be done by a committee.

Secondly, if I may be permitted by you, Sir, I may say this. The source of the report appearing in the press is UNI. The UNI report has appeared in the press, including these words which are denied by the Minister. The representative of the UNI, Shri Mahendra Ved, was the gentleman who was attending the Commission of Inquiry. I will read out a letter which he has addressed on the 5th of April 1972 to the Chairman of the Commission. It says :

"Late in the afternoon yesterday, I was informed by the Secretary to the Commission. Mr. Israni, that Chairman had expressed a desire that I should contact him. I had, accordingly, rung up the Chairman immediately.

I was informed by the Chairman that some one had brought to the Commission's notice that the report of the Commission's proceedings appearing in *Patriot* dated April 2, 1972, contained 'wrong quotations'. The word 'finale' was specifically mentioned in this context.

I had informed the Chairman that the word 'finale' was used by Mr J B Dadachanji, Counsel for the Petroleum Ministry while making his submissions on 1st April. My notebook in which I had taken down the detailed proceedings, the following quotation was recorded 'regarding 12, only feelings have been expressed in a "finale" on an emotional note. No action recommended. It is outside the scope.'

The Chairman during our conversation was apparently satisfied that nothing was misquoted or quoted out of context.

I understand that Counsel for the Petroleum Ministry has filed a complaint in connection with the above. I shall be grateful if a copy of the same is furnished to me for my records and appropriate action.

This is the position as regards the correspondent. Now I would just say one thing more and conclude. In the reply of the Ministry of Petroleum and Chemicals, Government of India to the application dated 21st March 1972 of the National Committee and Shri Arun Roy Chowdhury for reconsideration of the terms of reference and their scope, which is a published document a copy of which I have with me, it is stated at page 7, para 18.

"The PUC Report merely records a feeling that a section of officers slurred over the illegal actions of the guilty officers who were involved in the two contracts. The word 'feeling' is significant. PUC has not formed an opinion. The PUC Report has not recommended to the Government to investigate and enquire into the slurring over by certain officers of Government/IRL/IOC".

This is their own written document. It was when Mr Dadachanji was elaborating this and making his oral submission before the Commission that he was reported to have made these observations which have appeared in the papers. This is circumstantial evidence and there is the evidence of the representative of the UNI. What remains is the evidence of the Chairman of the Commission. I do not know if he maintains an independent stenographic record or not.

That has to be checked from him. But I would submit that all these matters as they stand can only be gone into by Privileges Committee. I would request you to give your serious consideration to this matter.

SHRI K MANOHARAN (Madras North) : I support the contention made by Shri Indrajit Gupta (*Interruptions*).

SHRI JYOTIRMOY BOSU (Diamond Harbour) : It is dangerous for us to sit in judgment on his issue (*Interruptions*).

MR SPFAKFR : Order, order. You are making suggestions without listening to me. That is the pity of it. You want to go on speaking, you do not want to listen to me.

श्री अटल बिहारी वाजपेयी : विधि मंत्री ने जो कुछ कहा वह आपने मुन लिया। वकीलों ने विधि मंत्री को क्या कहा, इसके आधार पर यह हाउम फॅमला नहीं कर सकता।

अध्यक्ष महोदय : लीडर आफ ए पार्टी खड़ा रहे तो मे बैठ जाता हू।

श्री अटल बिहारी वाजपेयी आप कुछ कहते नहीं।

अध्यक्ष महोदय : यह आपका ब्याल है। आप कहने ही नहीं दे रहे हैं। एक सैकिंड का बक्त नहीं देते हैं। एक खत्म नहीं होता, दूसरा शुरू कर देता है।

Shri Indrajit Gupta has in a very lucid manner explained the whole position to me. Actually, I was of this opinion, and I am still of this opinion, that it should go to

[Mr. Speaker]

the Privileges Committee. (*Interruptions*) Listen to me please. You keep on speaking the whole day and, when the Speaker gets an opportunity to speak, you do not allow a moment to him.

Besides Shri Indrajit Gupta's observations, I had examined this point a bit earlier. There is a lot of background to this question. If there were no contradictions brought by the Minister, I would have straightway admitted it under Rule 222. I am going to admit it. But before doing that, we have a convention which we have been following very faithfully all this time and all these years that whenever a newspaper report is contradicted and there is a dispute about the veracity or the truth about the newspaper report, we refer that to the paper concerned and invite their comment..

I am very happy that Indrajit Gupta had quoted the report of the UNI Correspondent. But for the sake of formality or convention, I advise Shri Indrajit Gupta that for the present, he should come under Rule 377, for a day or so, or three days, till I receive the comments from the newspaper concerned and, after that, I will admit it as a privilege motion. We have to complete this formality. There is nothing wrong about it. We have been following it...(*Interruptions*) Kindly suppress your oratory for a short time.

SHRI S. M. BANERJEE : This is a privilege motion, not against the press..... (*Interruptions*)

MR SPEAKER : Of course, we have to observe this. We want to have their comments. I fail to understand how all the three newspapers could be wrong and only the Counsel could be correct. That is the reason. We have to listen to them. These are distinguished Counsels. They should have at least the basic knowledge of the privileges and rights of this House. I am sitting here as the custodian of the privileges and rights of this House.

I have not relished what was said by them. They are taking shelter under certain words, that it was the feeling. The report,

as it appears, is that all of them who were members of the Committee made these observations under emotional stresses. I happened to be the Chairman of the Committee on Public Undertakings before I took over as Speaker, and this matter was taken over by them. I very well remember. At least I do not count myself as an emotional Chairman; and the members of the Committee were also not emotional. Mr. Gokhale, I never acted with emotion so far as the decisions of the Committee were concerned. I remember, there were no emotional members on the Committee. We were advised by the Auditor-General, we were advised by the other audit officers; the Heads of Departments normally attended; our own officers attended; and after a lot of discussion and consideration, we came to certain conclusions and those conclusions were cast in a very polite language. But that does not mean that, if we expressed in a fine language, in a very cultural language, you could relegate it to the position of "feelings". This is an august committee of the House. All these committees represent the whole House and they have the same privileges, the same protection, as the House itself, and if the Minister or anybody else belonging to this House starts like other bureaucrats protecting the Department and accepting the interpretations like this, of course, that will be a very sad day. We expect you and other Ministers also to be on our side, on the side of the House, rather than on their side. If such a big thing as had happened in 'pipeline' were just to be covered like this, I cannot express my feelings how pained I was to go through what happened in 'pipeline' case. After all, it was the Committee's duty to point out certain deficiencies, whatever had happened, and if the observations of the Committee were to be treated so lightly and if the sovereignty of the House were to be subjected to the whims of the bureaucrats, God help us! So, what I am proposing to do is that I will have the version from those papers—(*Interruptions*) I must follow the convention; we have to get it...(*Interruptions*).

SHRI S. M. BANERJEE : They did not make the charge. Let us move a privilege motion against the Press... (*Interruptions*)

**SHRI ATAL BIHARI VAJPAYEE :**  
Let the Committee find out.

**MR SPEAKER :** I have made my observations. I pass on to the next item. (*Interruptions*) I am sending for the comments of the papers. I will take it up again after I have received the comments from the papers.

**श्री अटल बिहारी वाजपेयी :** कमीशन का भी रिकार्ड भंगया जाए। बकीलो ने कमिशन के सामने क्या कहा यह भी हमारे सामने आ जाना चाहिये।

**अध्यक्ष महोदय :** कमिशन का रिकार्ड तो तब देखें अगर मेरे मन में कोई शक हो कि नहीं कहा।

**श्री अटल बिहारी वाजपेयी :** पेपर से मागने का क्या मतलब है ?

**SHRI JYOTIRMOY BOSU :** What is this procedure, Sir ?

**SHRI INDRAJIT GUPTA :** This onerous task of sifting of the evidence and finding it out cannot be done by you or by this House.

**MR SPEAKER :** I am not going to sift the record. When the comments come, I will put them before the House and I will go by your decision (*Interruptions*)

**SHRI S M. BANERJEE :** I rise on a point of order.

**श्री अटल बिहारी वाजपेयी :** आप अखबार की बात कह रहे हैं। अखबार वाले कहेंगे कि यू एन आई ने उनको मैसैज दिया और उसको उन्होंने छपा यू एन आई का कहना यह है कि यह बात बकीलो ने वहाँ कमिशन के सामने कही। सबाल यह है कि यह बात कही या नहीं कही। यह तो कमिशन के रिकार्ड को देखने से ही पता लग सकता है। मैं नहीं समझता हूँ कि समाचार पत्र इस में आपको क्या स्पष्टीकरण दे सकते हैं। आप मंत्री महोदय से कहें कि कमीशन के सामने जो भी

प्रोसीडिंज हुई, जो भी कार्यवाही हुई, उस की एक प्रति आप को दे दें, ताकि आप पता लगा लें कि क्या कहा गया है, क्या नहीं कहा गया है।

**SHRI JYOTIRMOY BOSU :** In case they do not maintain verbatim report of the proceedings, it is very dangerous for us (*Interruptions*) Why are you placing on our shoulders the responsibility of sitting in judgement, at your own command, over this (*Interruptions*)

**SHRI INDRAJIT GUPTA :** It will be unnecessarily time-consuming if you go through the papers because it is an Agency report, it is not a report from the correspondent of a particular paper. Only UNI has reported it, nobody else

**MR SPEAKER :** I am going to have it direct from the UNI

**SHRI ATAL BIHARI VAJPAYEE .**  
And also from the Commission

**SHRI S M BANERJEE .** The UNI report has been published in many newspapers, some of which might have been correct, some may not (*Interruptions*)

**MR. SPEAKER :** No, no. I am not going to allow anything more.

**SHRI S M. BANERJEE** Kindly hear us. After all, the proceedings of the House are governed under some Rules. Under what rule

**MR. SPEAKER :** No, please. Next item—Mr. Gokhale.

**SHRI JYOTIRMOY BOSU .** Again Mr. Gokhale;

13.22 hours

ADMINISTRATORS-GENERAL (AMENDMENT) BILL, 1972,

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM & CHEMICALS (SHRI H. R. GOKHALE) : Sir, I beg to move

“That the Bill further to amend the Administrators-General Act, 1963,