

[श्री लखन लाल कपूर]

पड़ा हुआ है उसमें कोई भी विकास कार्य नहीं हुआ है। इस स्टेशन का विकास कार्य तो बहुत पहले ही हो जाना चाहिए था लेकिन वह नहीं हुआ। इसके फलस्वरूप वहां बहुत ही दिक्कतें उपस्थित होती हैं। न तो वहां पर रसेन्जर्स के ठहरने की जगह है और न यात्रियों को स्टेशन पर गाड़ी बदलने की कोई सुविधा है। उस स्टेशन को भारत का सबसे गन्दा स्टेशन कहा जा सकता है। मैं समझता हूँ भारत में कटिहार से अधिक गन्दा कोई दूसरा स्टेशन नहीं होगा। इसका कारण यह है कि वह स्टेशन इतना बिजी है, वहां पर इननी गाड़ियां आती-जाती हैं और इतने यात्री चलते हैं कि सफाई करने का मौका ही नहीं मिलता है। इसलिए उस स्टेशन का विकास बहुत ही आवश्यक है।

तीसरी बात यह है कि बरोनी जाने-आने के लिए गंगा के ऊपर ब्राडगज का राजेन्द्र पुल बना हुआ है। यह पुल सन् 57/58 में बना था। उसपर सिग्नल लाइन है लेकिन उस पर ट्राफिक बहुत बढ़ गया है।

**अध्यक्ष महोदय :** आप कल जारी रखेंगे। अब हाफ एन आवर डिस्कशन होगा।

17.30 hrs.

#### HALF-AN-HOUR DISCUSSION

#### CAPITAL STRUCTURE OF 'BASUMATI'

**SHRI JYOTIRMOY BASU** (Diamond Harbour): Sir, mudslinging on progressive newspapers like *Patriot* and persons with unimpeachable background like Mrs. Aruna Asaf Ali who have struggled for the people has started.

Here is the inside of another kind of paper today—*Basumati*,—with plenty of money which would not satisfy the tax authorities about the source: fake share transfers have

been alleged; shady deals on newsprint quota have been alleged. At the outset, I may say that I have nothing against the employees of *Basumati*, those especially those who worked as free journalists who have very little freedom, and a large proportion of whom worked during the mid-term poll under severe duress, and whose editorials were taken away, snatched and destroyed by the owners.

Sir, I charge the Government of allowing knowingly and delaying the enquiry, delaying the findings out of the accounts of income-tax, company law matters by the Newsprint Controller and even the CBI. I charge the Government of shielding the misdeeds, corruption, illegalities and delay of the CBI enquiry which started in May, 1968. It is now more than a year and three months.

Recently, I had put an unstarred question No. 2421. This was my question:

"Whether the Government of India's attention has been drawn to a report published in *Darpan* of the 20th March, 1969, containing allegations of corruption against a former Law Minister of the Central Government" etc.

This is the reply of the hon. P.M.:—

"Government's attention was drawn to the report in *Darpan* ... Investigations are in progress, into certain allegations involving a former Law Minister, which came to the notice of the CBI in connection with the 'Basumati' case. The results of the investigations, which are likely to take time, are awaited."

When is the enquiry going to be completed? I would like to know that. The enquiry started in May, 1968, and still, they are lingering, over it.

A Calcutta weekly, '*Darpan*' one of the most widely circulated, in its

issue dated 28th March, 1969, said that an ex-Union Law Minister and an eminent Congress leader is now in serious trouble. The alleged charges against him, a former Law Minister, are that while he was Law Minister during 1960-1963, he had earned and invested large sums of black money in business concerns in Bengal under false names. Outstanding of these business concerns is the newspaper named *Basumati*. Besides this, there is the *Lok Sevak* newspaper, and the National Publicity Forum, and the Metropolitan Finance Corporation. Both the later are fake organisations. The former Minister has invested Rs. 18 lakhs in *Basumati* and in others amounts totalling to about Rs. 25 lakhs.

AN HON. MEMBER: Who is that Law Minister?

SHRI JYOTIRMOY BASU: I shall not say it without the Speaker's permission. Now, in 1960-61—*L'affair Basumati* is unique—the said gentleman bought the newspaper from its receiver for Rs. 3 lakhs through a broker, intermediary. A part of this sum was paid by Shanti Prasad Jain, and the rest by P. N. Talukdar through Hindustan Pilkinton Co. It is alleged that the reason behind Shri Jain's contribution was that in return the said Law Minister,—who was then the Law Minister—would award a favourable verdict for Bennett Coleman Co. at the time when the Government of India was contemplating to bring punitive measures against Bennett Coleman Co.

The funds came from elsewhere too, and *Basumati Private Ltd.*, came into being. In the paper, it was shown that shares worth Rs. 10 lakhs were sold and the remaining Rs. 8 lakhs was borrowed against machines which were mortgaged. It is worthwhile mentioning here that shareholders and creditors were all fake. No doubt, the people, the supposed shareholders and debtors, are there, but they

are all obedient followers of the said gentleman.

Now, in June, 1967, suddenly, overnight, the said gentleman sacked two of his directors and by document manipulation showed that a greater part of the shares have been transferred in his own and daughter's name. He also showed in pencil and paper that an organisation named National Publicity Forum has provided the money for the shareholders. The organisation had grown up during the Chinese aggression of 1962, with a view to promoting national integration. Whatever it is, what is difficult to understand is that, even though it was there in pencil and paper, a public organisation cannot remain unregistered and deal with money, although no bank balance or account existed and no money was received through money order or other approved sources. With these activities, the said gentleman has more or less acquired control of *Basumati*.

The money also came from Shri Aminchand Pyarelal, Shri P. N. Talukdar, Shri S. P. Jain, Shri Champa Poddar, Shri P. Saraogi, Shri N. K. Jalan, Shri Biju Patnaik and Shri G. P. Birla, son of Shri B. M. Birla. Shri Birla paid Rs. 4,100 per mensem because he created fake employees and showed salaries against them. So, he was paid this salary, after deduction of income-tax, and provident fund. I hope I have said something about finance.

Now I want to say something about the National Publicity Forum which, it says, collected lakhs of rupees through public donations. In reply to Starred Question No. 1581 dated 8.5.1969, which reads:

“(a) whether Government are aware of the formation of a National Publicity Forum in Calcutta at the time of Sino-Indian conflict;”

[Shri Jyotirmoy Basu]

the answer of the Government was "No, Sir." So, the reply of the Government is that they are not aware of it. Then, there is the newsprint scandal. The real circulation of *Basumati* is to the tune of 45,000 copies per day but inflated circulation of 1,50,000 was shown to the Press Registrar. This has been shown through false agents and by showing false consumption of duty paid white printing paper purchased locally. But all the suppliers of white printing paper have also denied any such supply or sale of white printing papers to *Basumati*. False suppliers are the medium through which money is drawn from the company every year to the extent of Rs. 5 lakhs to 6 lakhs.

Out of fear, suddenly it has been brought down the circulation figure from 1,20,000 copies to 60,000 copies per day. This has been done overnight after publishing notice in his paper that for want of newsprint they cannot supply more. Unless the paper is blacklisted immediately, they would continue to get more advertisement according to their previous inflated and fictitious circulation. The present circulation is only 45,000 to 46,000 copies per day against government newsprint quota for 60,000 copies.

The former Law Minister, being a Congressman, wrote to Shri K. K. Shah, for his help. I wish Shri K. K. Shah is here to hear what I say. I charge Shri K. K. Shah of trying to suppress the case and delay it as much as possible. Let him deny it, if he can. He has tried to suppress the entire matter, thereby giving shelter to a colleague of his.

And what was the Home Ministry doing all this time? The CBI was inquiring against *Basumati* recently, there was a Symposium of the CBI in Delhi and they invited the same gentleman to speak during the function! This is how CBI is functioning.

Then I come to company law. They are transgressing every provision of that law. In the minutes book of the proceedings of the meetings of the Board of Directors of *Basumati* Private Limited for the period from 18-1-1963 to 29.8.67, signatures on pages 82 in connection with the resolution of the Board of Directors' meeting held on 11-8-1967 and on page 84 in connection with the Board meeting held on 29.8.68 have to be questioned. As a matter of fact, it is alleged the person shown to have presided over the aforesaid two meetings on 11.8.1967 and 28.8.1967, to be more correct, neither has he presided nor has he attended any meeting at which the transfer of shares, as stated in the proceedings of the meeting of 11-8-1967, were effected.

Coming back to newsprint, in reply to Unstarred Question No. 2622, dated 7-8-1969, Government stated:

"Enquiries have been instituted by CBI against *Basumati*, Bengali daily, and *Lokmanya*, Hindi daily, published from Calcutta. Their premises were searched.

(f) Reports from the CBI in both cases are awaited."

I think it is time this Kumbakarna Government woke up and took some action in these cases. I suggest that since the National Publicity Forum was raised out of public donation, according to the statement of the former Law Minister with the Income-tax Department, the Government should take over and appoint trustees to run the paper secondly, it should inquire into the sources of funds of all the shareholders who are holding shares in *Basumati*; thirdly, verify the share transfers and the minute books; fourthly, this newsprint scandal must be tackled at once, advertisements should be stopped and they should not be given any further.

Some of my hon. friends from behind have said, "Who is the Member?" The *Darpan* of 28th March,

1969 says, "Asoke Sen is in trouble with black money." Shri Asoke Sen is the person I have referred to.

MR. SPEAKER: Shri Mandal . . . He is absent. Shri Lobo Prabhu.

SHRI LOBO PRABHU (Udipi): I am very glad that my hon. friend, Shri Jyotirmoy Basu, linked the *Patriot* with the *Basumati* in the inquiry, which he is demanding.

SHRI JYOTIRMOY BASU: Chalk and cheese.

SHRI LOBO PRABHU: We have a feeling that both the Congress and the Communist Parties make use of party funds to support individual papers. There was a reply to a question in Rajya Sabha that Shrimati Aruna Asaf Ali had contributed Rs. 18 lakhs to the *Patriot*. We know something of the antecedents of Shrimati Asaf Ali. She is not in business; she is not a person with a privy purse; therefore, it is legitimate to inquire from where she acquired the Rs. 18 lakhs she contributed to the capital of the *Patriot*.

Similarly, there was a statement in some paper, I think it is of my hon. friend, Shri Pilo Mody, that for the *National Herald*, the Prime Minister obtained a sum of Rs. 1 lakh from some industrialist. This is a thing which we must deplore.

We are a democratic government. The press must be free. The press must not use the funds of parties.

SHRI RAMAVATAR SHASTRI (Patna): Like your press.

SHRI LOBO PRABHU: My good friends are making me remind them that they have the largest number of papers in this country and they have no funds at all which are visible. I was only confining myself to the *Patriot*. Now I would like to include all the Communist papers for an inquiry as to from where they get their funds.

SHRI JYOTIRMOY BASU: What about the *Basumati*?

SHRI S. M. BANERJEE (Kanpur): I can tell you that Shri Giri is leading.

SHRI LOBO PRABHU: Shri Giri is winning. You may expect some protection but I do not think as long as there is a free Parliament, you can escape from making charges against others without the same recoiling on you; otherwise, I would be little surprised that my hon. friend here comes and makes charges against a fellow-Member.

We owe each other some courtesy. It is said that dog does not eat dog. But here we have Members of Parliament accusing each other. I would like to say that if there are charges to be made, this is not the forum. When there is an inquiry being made by the CBI, I think, we are anticipating that inquiry and are indulging, as he himself said, in mudslinging which is not worthy of this House.

श्री रामावतार शास्त्री (पटना) : आज हमारे देश में जो समाचार पत्र हैं और खास तौर से जो यहाँ के बड़े बड़े इजारेदारों के हाथ में हैं और जो सबसे ऊँचे मकानों पर चढ़ कर बोलते हैं कि हम पत्रों की स्वाधीनता चाहते हैं, उनकी स्थिति अभी हम देख रहे हैं। वे रोज़ स्थिर स्वार्थ समर्थन करते हैं और आम जनता के हितों की उपेक्षा करते हैं।

कल या परसों के अखबारों में एक खबर निकली है कि भूतपूर्व वित्त मंत्री श्री मोरार जी देसाई ने बेदिएट और लिक् के ऊपर कोई इनक्वायरी का आदेश दिया था। किसी भी पत्र के बारे में इनक्वायरी हो इस से मेरा कोई मतभेद नहीं है। लेकिन मैं जानना चाहता हूँ कि क्या किसी तरह की जांच की बात 'बसुमति' के बारे में भी उन्होंने कभी की थी और अगर नहीं की थी क्या इसका कारण यह है कि 'बसुमति' का संचालन सिंडीकेट और इस तरह के स्थिर स्वार्थ वाले और जनता के दुश्मन करते हैं।

[श्री रामावतार शास्त्री]

मुझे मालुम हुआ है कि पहले उस पत्र की पूंजी बहुत कम थी और भूतपूर्व ला मिनिस्टर के जमाने में उसकी पूंजी बहुत ज्यादा बढ़ गई है। अभी हमने लोकपाल और लोकायुक्त बिल पास किया है क्या उनके जरिये इस बारे में एंक्वायरी कराई जायेगी ?

क्या उस अखबार को एक तन्हा आदमी के हाथ से ले कर — वह तन्हा व्यक्ति भूतपूर्व ला मिनिस्टर हैं—सरकार उसका प्रबन्ध उस अखबार के डोनर्स को देने के लिए तैयार हैं, जिनका बहुत पैसा लगा हुआ है, ताकि वे प्रबन्धक जनता की मर्जी और आवश्यकता के मुतालिक और देश की हवा को देखते हुए अपनी नीति निर्धारित कर सकें ?

SHRI S. M. BANERJEE: I would only like to know, at this stage, since an inquiry is going on, when this inquiry is likely to be completed and whether this inquiry will be confined only to the newspaper or to any personal charges levelled against an honourable Member of this House and whether he will be given an opportunity to defend himself either before a court of law or a commission. I would like to know whether the hon. Member will also be given an opportunity to defend himself before the C.B.I. or the S.P.E. or whatever the agency is.

MR. SPEAKER: Sir A. K. Sen.

SHRI A. K. SEN (Calcutta-North West): Mr. Speaker, Sir, I quite anticipated the irresponsible and reckless statement which has been made. Since my name has been brought into it, it is necessary for me...

श्री रामावतार शास्त्री: अध्यक्ष महोदय माननीय सदस्य को कैसे मौका मिल गया ? उन्होंने तो अपना नाम नहीं दिया। आज तक तो यह परम्परा नहीं थी।

SHRI A. K. SEN: I have a right.

MR. SPEAKER: He wrote to me that if his name is mentioned, he should be given an opportunity to explain. I think, it is quite proper.

SHRI S. M. BANERJEE: On a point of order, Sir. I am not opposed to his speaking at all. He has every right. But there is a procedure...

MR. SPEAKER: I have allowed him. His name has been mentioned. He is an honourable member of this House. I have allowed him.

SHRI S. M. BANERJEE: Kindly hear me.

SHRI JYOTIRMOY BASU: I have a point of order.

MR. SPEAKER: If his name is specifically mentioned, then as a special case, I can give him a few minutes to Explain. His name has been mentioned. He is sitting in the House. I have allowed him to explain.

SHRI S. M. BANERJEE: I am only inviting your kind attention to the procedure of the House. Otherwise, you will be in difficulty, not I.

MR. SPEAKER: There is no question of procedure here. His name has been specifically mentioned. Even as a special case, I can give him time for personal explanation also.

SHRI JYOTIRMOY BASU: On a point of order, Sir.

SHRI A. K. SEN: You have already given the ruling, Sir,

SHRI JYOTIRMOY BASU: Under Direction 115.

MR. SPEAKER: You will find in this House, in the past, when all the Members were not present and if the personal name of some hon. Member was involved, the Chair had given an opportunity for personal explanation.

SHRI JYOTIRMOY BASU: I quote Direction 115.

SHRI A. K. SEN: He does not want to hear the truth.

MR. SPEAKER: In his very face, you are mentioning his name and saying something and I do not give him a chance to explain? This is very unfair.

SHRI JYOTIRMOY BASU: Direction 115 says:

'any member wishing to to point out any mistake or inaccuracy in a statement . . . . .

MR. SPEAKER: His name is mentioned. He is an honourable Member of this House. He is sitting and listening to you. I am giving an opportunity to him to explain.

SHRI JYOTIRMOY BASU: It is a summary procedure now.

SHRI A. K. SEN: This started when the hon. Member, after the election, made a statement which he has not been able to substantiate that I had published in collusion with the Governor of West Bengal a forged letter through *Basumati* to lakhs of people. I had given notice of a breach of privilege and asked him to prove the charge. He has not favoured us with a single proof yet. Now let me tell you the facts about *Basumati*. This is the latest Bengali paper. Every house in Bengal knows about it. Every Bengali knows about it. It was started with a message of Thakur Ramkrishna. (*Interruption*) I know you will laugh; laugh to yourself. His Mantram is printed every day on the top of the editorial. His message was that Swamiji will spread his message through mission.

SHRI JYOTIRMOY BASU: Ramakrishna did not do blackmarketing in newsprint.

SHRI A. K. SEN: I shall again give notice and he will have to prove the other thing.

His message was that Upendranath Mukherjee would spread his message through books and papers. So, Sanskrit texts, religious books and nationalist books were made available to every Bengali house. Unfortunately, as it happens, when the last owner

died in 1948, his daughters started quarrelling among themselves. The matter went to the court and a Receiver was appointed. The whole thing came to a stop. In the year 1962, counsels engaged for different parties, including the late Solicitor-General, Sanyal, and some of the leading lawyers of Calcutta, some of whom are shareholders and not fake people, like Shri Sunil Roy Chowdhury, came to me and said, 'This institution must be saved; 400 employees will be unemployed; and this is a Bengali institution which you alone can save.' I took up the responsibility, raised money, sold shares, and a company was formed. Ordinarily, as you know, when a thing is to be built up, lot of losses are incurred. . . . .

MR. SPEAKER: He will be very brief.

SHRI A. K. SEN: These are very serious charges. I will be very brief.

What happened was, at that time I was a Minister; apart from raising money and other things, I could not look after the day-to-day affairs of the company. In 1967, it appeared that there were certain irregularities committed by some of the directors who were removed and who have been going to Mr. Basu and giving him all the news as a result of which . . . . (*Interruptions*)

SHRI JYOTIRMOY BASU: Why did they search the premises?

SHRI A. K. SEN: One of the allegations made was this. We have a circulation, let us say, of one lakh; the newsprint allocated was only for about 40,000; wherefrom was the other 60,000 got? That was the allegation and not that the newsprint given was sold in black-market. He does not know; he has not seen it. The hon. Minister is here and he will enlighten us. The charge was: 'The quota given is only for 40,000; wherefrom are they getting the remaining 60,000?' I do not know; I was in Delhi; whoever was in charge was getting in the market the printing paper. According to

[Shri A. K. Sen]

the hon. Member and various others, the information was lodged with the Department and they referred to the CBI. They say that the purchase of white print has not been proved. That is their allegation. Whether it has been proved or not is a different matter. (Interruptions) Stop it.

SHRI JYOTIRMOY BASU: We object to it. (Interruption). What right have you to say this. . . (Interruption). He should withdraw that. Unless he withdraws that, we cannot proceed. He said, 'Shut up'.

SHRI A. K. SEN: I agree, I should not have said. . . .

SHRI JYOTIRMOY BASU: Behave yourself in future. . . .

SHRI A. K. SEN: I agree, I should not have lost by temper. I usually don't; I should not have lost my temper.

Now, Sir, what happened? An inquiry is going on. In the meantime these two Directors were removed and they found a champion in Mr. Basu. (Interruptions) There is no allegation against me. The allegations were against those people.

SHRI JYOTIRMOY BASU. On a point of order, Sir. This detailed report came in the month of March. Why has nothing been done?

SHRI A. K. SEN: It may be the bible of the hon Member. It is not my bible. The hon Member says that the shareholders and the donors are fake people. It is easy for anyone to verify and it is not for me. In this country charges are judged by courts of law and not by Members of Parliament. After it goes to the court of law, it will be proved whether the charges are correct or not. Now the point is they never said inside the House to enjoy the immunity of the House. They would not wait for the inquiry. They will come here and start putting questions.

Now I am saying that the Lokpal would be there. I shall be very happy

if any allegation against me is put before the Lokpal. I am making this offer to Mr. Ahmed. Every one knows what is happening. The hon. Member says everybody is a fake shareholder. Very well. He says that the Government has been favouring because of this allegation. The Income-tax Department Inspectors have been going to every share-holder's house and every donor's house, verifying. Is this a favour? Respectable people have told me "What is this? We paid you the money. Then what is happening? Why should we be subjected to this?" They are making the inquiry. I wonder if there is any other paper which has been subjected to this. Many other parties have started papers with donations received. Nobody has been subjected to this. We have not levelled charges. Names of 'Patriot' and others have been mentioned here by Mr. Basu. I have not mentioned them. I am not in the habit of making charges which I have not verified. If the inquiry proceedings are concluded, I have no doubt that none of the allegations made here will be proved.

The Company Law Department was served with this question as to where from the shareholders got the money. The Company Law Department has nothing to do with this. If anybody is concerned with this, I suppose it is the Income-tax Department and I have no doubt that they are going into it and they will be perfectly satisfied about it. Unfortunately for Mr. Basu this would be decided not by Mr. Basu but by the court and tribunals as to whether there is any liability for income-tax or not. It is no use saying that thousands of people have contributed their small savings.

I told Mr. K. K. Shah 'If you want any facts, send for me.' I have been the Chairman from 1st September, 1967. My grievance against the Department is that they never asked for any information from me. Mr. Basu told the *Basumati* reporter a few days ago that we shall soon have to pack up.

**SHRI JYOTIRMOY BASU:** That is an absolute, unmixed lie. I have never told any reporter. I am asking him to produce that reporter before me.

**SHRI A. K. SEN:** Sir, in this country a man's guilt is judged by the court and a person can only be convicted by the court and not by individual members by threat. I challenge the hon. Members here and the hon. Minister here to prove a single irregularity during my management. I have been the Chairman since 1st September, 1967. Not a single charge has been brought to my notice.

**SHRI JYOTIRMOY BASU:** May I lay this on the Table of the House; Sir?

**MR. SPEAKER:** You have quoted from it already. That is there.

18 hrs.

**THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED):** Mr. Speaker, Sir,

This discussion has arisen out of certain replies which were given to questions tabled by the hon. Member and I had been able to study the questions and the replies given by us and I can say that whatever information was sought by the hon. Member was supplied by us to him and I do not know why this discussion has been raised.

**SHRI JYOTIRMOY BASU:** To make you move.

**SHRI F. A. AHMED:** Many things have been raised about certain matters which are not the subjects of discussion here and I would also not like to deal with extraneous matters which have been raised in the course of this discussion. What I would like to point out is this, that on the basis of certain

allegations, the matter is under investigation by the Income-tax Department, with the assistance of the C.B.I. First of all, it concerns a different Ministry altogether.

But, apart from this, when the matter is under investigation and all that is possible is being done, it would not be proper for me to say one thing or the other either in favour of one argument or the other argument and I think I should not like to say something which is likely to prejudice this Inquiry or Investigation.

We have also, under the Company Law, started taking action and conducting investigation under Section 209. But unfortunately some of the books are with the Income-tax Department. It is not possible for us to complete that investigation and it is very difficult for me to say at this stage how the matter lies, when the matter is being investigated. I think the hon. Member would have no reasons whatsoever to become so agitated and make all kinds of statements which are not relevant to the issue regarding this question.

**SHRI JYOTIRMOY BASU:** When do you propose to complete the inquiry?

**SHRI F. A. AHMED:** This matter is with the Finance Ministry. Under the Finance Ministry, the Income-tax Department with the assistance of the C.B.I. is making the inquiry.

**MR. SPEAKER:** The House now stands adjourned to meet at 11 A.M. tomorrow.

18.3 hrs.

[The Lok Sabha then adjourned till Eleven of the Clock on Thursday, August 21, 1969/Sravana 30, 1891 (Saka).]