

**Work done on Apta—Dasgaon Section of West Coast Railway during 1974-75**

\*206. SHRI SHANKARRAO SAVANT: Will the Minister of RAILWAYS be pleased to state:

(a) has any work been done on the Apta-Dasgaon section of the West Coast Railway during 1974-75; and

(b) if so, how much and at what cost?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) to (c). Final Location Survey between Apta and Dasgaon has been completed and the reports are under examination. The decision about the construction can be taken after the examination of the survey reports and subject to the availability of funds.

SHRI SHANKARRAO SAVANT: Sir, it is clear from the reply that practically no work has been done on this Section during 1974-75. My first question therefore is: Is it not true that an urgency certificate has been given for this work? If so, how this urgency is being respected and when will the work start?

SHRI BUTA SINGH: It is not true that no work has been done. The State Government took up this work as a drought relief measure and after this situation was over the State Government stopped the work. Some portion of the earth work has been done. The Government issued urgency certificate on the basis that the work will be done immediately after we are provided with the funds.

SHRI SHANKARRAO SAVANT: I want to know what work has been done by the railway administration and not by the State Government. Secondly, is it not a fact that it falls into backward area? If so, why this work has not been included in the list of work taken up in the backward areas?

SHRI BUTA SINGH: Sir, it is true that this work falls in the backward areas. The entire cost of this project is going to be to the tune of Rs. 300 crores. In addition to this project cost, about Rs. 14 crores will be required for rolling stock. Therefore, Sir, considering the magnitude of the amount, you will kindly agree with me that unless we are provided with funds, now can we start a project of such a nature.

**SHORT NOTICE QUESTION**

**Raids on Places of Former ruling Family of Jaipur**

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S. N. Q. 1. SHRI B. K. DASCHOWDHURY:

**SHRI S. M. BANERJEE:**

Will the Minister of FINANCE be pleased to state:

(a) whether there was any search conducted by the Income Tax Department in the premises of the Jaipur erstwhile Ruling family;

(b) if so, the details thereof; and

(c) the total values of goods found, after search by the Income Tax Department in the form of gold, cash, valuable diamonds and like-upodate?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):

(a) to (c). A statement is laid on the Table of the House.

**Statement**

On the basis of information that there had been large-scale evasion of taxes by the legal heirs of late H.H. Shri Sawai Man Singh, search operations under section 132 of the Income-tax Act, 1961, were started at Delhi and Jaipur on 11-2-1975 in the cases of Smt. Gayatri Devi, Shri Bhowani Singh, Shri Jai Singh, Shri Prithviraj Singh and other connected cases. The searches at Delhi were carried out at—

1. 33, Aurangzeb Road, New Delhi—residence of Smt. Gayatri Devi,
2. 3/13, Shanti Niketan, New Delhi—residence of Lt. Col. Bhowani Singh.

3. Residence of Smt. Padmini Devi, wife of Lt. Col. Bhowani Singh, both at 3/13, Shanti Niketan and 302/9, Halley Road, New Delhi.
4. M/s. S. M. S Private Ltd., F-2, Hauz Khas, New Delhi.
5. Office and residential premises of Shri V. K. Varma, Chartered Accountant, Delhi.

The searches at Delhi were concluded on 11-2-1975.

The searches at Jaipur were carried out at—

1. City Palace.
2. Rajmahal Palace—residence of Lt. Col. Bhowani Singh.
3. Moti Doongri Palace—residence of Smt. Gayatri Devi.
4. Residence of Shri Jai Singh, Sawai Pratap Singh Road.
5. Strong rooms in Jaigarh Fort.
6. Residence of Shri Harnath Singh, Controller of the Household of the erstwhile Royal Family, Sawai Pratap Singh Road.
7. Office of M/s. Mahram Purnamal Rawat and residential premises of the partners (firm of jewellers).

The searches at Jaipur are still continuing.

**Outcome of the searches at Delhi:**

No. 33, Aurangzeb Road: At the time of search of No. 33, Aurangzeb Road, New Delhi, it was found that Lt. Col. Bhowani Singh and his brother Shri Jai Singh were staying there. From Lt. Col. Bhowani Singh, the following foreign currency, U.S. Dollars travellers cheques, were seized:—

British Pounds . . . . .	76
Italian Liras . . . . .	3000
U.S. Dollars . . . . .	120
Swiss Francs . . . . .	30
U.S. Dollars Travellers Cheques . . . . .	220

In addition, Indian Currency of Rs. 25,000 found was seized since there was no proper explanation for its source. Apart from this, a key which appears to belong to a Bank locker in Rome has been seized from him along with a cheque book of the Bank account in his name in the Chase Manhattan Bank in U.S.A. The Enforcement Directorate were informed and are making necessary enquiries.

At 3/13, Shanti Niketan: From Smt. Padmini Devi, wife of Lt. Col. Bhowani Singh, jewellery worth Rs. 9 lakhs approximately, fixed deposits worth Rs. 3 lakhs approximately and silver utensils worth Rs. 67,000 were seized. (Silver utensils were seized at No. 302/9, Halley Road).

Bank Lockers: During the search at Moti Doongri Palace at Jaipur—residence of Smt. Gayatri Devi—the search party came across a bank locker key and on the basis of this information the bank locker standing in her name in the State Bank of India, Connaught Place, New Delhi, has been sealed. Three locker keys were found at the residence of Lt. Col. Bhowani Singh at 3/13, Shanti Niketan and although the locker keys were stated to belong to some other persons, they were seized and the corresponding lockers sealed as the explanation that the keys belong to other persons was not acceptable unless and until after the contents of the lockers were verified. One of these three lockers which stood in the name of the late Smt. Indra Devi, mother of Smt. Padmini Devi, was opened but did not contain anything. The other two lockers stand in the name of one Pragnya Kumari Rajput. Further investigations show that Smt. Pragnya Kumari Rajput is none other than Smt. Padmini Devi, wife of Lt. Col. Bhowani Singh.

Shri V. K. Varma, the Chartered Accountant, has recently been appointed as a Tax Adviser by Lt. Col. Bhowani Singh and others. His residence and office premises were also

searched in the course of which certain files relating to the members of the former Ruling family of Jaipur were seized for scrutiny. During the course of this search two bank locker keys came to the notice of the search party. These lockers were opened and were found to contain jewellery worth approximately Rs. 50,000 and cash of Rs. 15,000. These have been put back in the lockers and resealed pending further enquiries.

**Outcome of the searches at Jaipur:**

**City Palace Jaipur:** At the rear of the City Palace Museum there are certain rooms known as 'Kapat Dwar' which was reputed to contain the treasure of the former Ruling family of Jaipur. The keys to 'Kapat Dwar' which were stated to be in the possession of Lt. Col. Bhowani Singh at Delhi were taken by his brother Shri Jai Singh and made available to the search party on 13-2-1975. The 'Kapat Dwar' consists of a large number of rooms containing various costly items such as silver utensils, gold utensils and some jewellery, cutlery, crockery, wearing apparel etc. The search party has been continuously on the job of inventorising the various costly and precious articles and most of this work has been completed. The items, however, have to be valued. Gold utensils weighing approximately one quintal and silver utensils, silver photo frames etc. weighing nearly 50 quintals have been inventorised. The valuation of all these inventorised items is yet to be undertaken. Notices U/s 132(3) of the Income-tax Act have been served on the parties.

**Rajmahal Palace residence of Lt. Col. Bhowani Singh:**

A large quantity of diamond studded jewellery and jewellery made out of emeralds and rubies have been found, which appear to be very valuable. These have been inventorised and put in safe custody in one of the strong rooms, the keys of which are in the possession of the Department. The strong rooms have also been seal-

ed. The jewellery is still to be valued. In one of the strong rooms dynastic regalia of the Jaipur family have been stored. It would appear that all the dynastic regalia is not at one place and the search party has requested Lt. Col. Bhowani Singh and Shri Jai Singh to account for the same. Notices U/s 132(3) of Income Tax Act have been served on the parties.

**Residence of Shri Jai Singh:** A substantial amount of jewellery and cash were found. Notice U/s 132(3) of the Income-tax Act has been served on the parties. The valuation of the jewellery is in progress.

**Moti Doongri Palace—residence of Smt. Gayatri Devi:** There are two strong rooms in this palace, one on the ground floor (Strong Room No. I) of the palace itself and the other in an out house (Strong Room No. II). In one of the cupboards in strong room No. I, a large number of keys were found in sealed packets. Two of these keys were found to belong to two strong rooms in the basement of the Ram Bagh Palace Hotel. One of these strong rooms yielded 550 tolas of primary gold, one diamond studded 'Tiara' and one 3-tiered diamond necklace. Order U/s 132(3) has been served on all the concerned parties including the Manager of the Hotel. The items of jewellery found are made out of old fashion diamonds. These have been valued at Rs. 2.9 lakhs approx. This does not include the primary gold found there.

The search is still in progress at Moti Doongri Palace. On 19-2-75 in strong room No. I, the Intelligence Wing officials located a concealed chamber in the flooring. When this was opened, the search party found a huge quantity of gold mohars, gold coins, gold bricks of foreign origin and smaller gold slabs. The Gold Control Authorities were informed. They associated their officers with the search. The below mentioned gold and silver mohars, sovereigns, primary and foreign marked gold were recovered:

	Weight
Gold Mohars . . . . .	541.690 Kgs.
Sovereigns . . . . .	8.580 Kgs.
<i>Primary Gold</i>	
(i) with foreign marks like U.S.A. Assay & Rand Refineries . . . . .	279.872 Kgs.
(ii) Other gold including 4 bars with markings "Sawai Madho Samvat 1962" . . . . .	17.943 Kgs.
Silver Mohars . . . . .	19.876 Kgs.

Some primary gold and 5 gold paper weights and Agar Batti Stands lying in the cupboards of the same strong room weighing in all 8.363 kgs. were also recovered on 24/25-2-75. The total gold so found came to 856.448 kgs.

Since it *prima facie* appeared that no declaration was filed by anyone relating to the above gold, all the above mentioned gold and silver mohars, primary gold and gold paper weights were seized under the provisions of Gold Control Act.

The valuation of jewellery found in strong rooms I and II has been completed except for three items. It comes to Rs. 39.27 lakhs approx. This valuation does not include the value of gold coins found.

During the course of search at Moti Doongri Palace officers came across some evidence that Smt. Gayatri Devi has a bank account in Switzerland. Necessary enquiries in regard to this account are being made.

Jaigarh Fort: The search party has located a strong room in the Jaigarh Fort and sealed the same. They had also succeeded in securing two keys to the Godrej door from the hereditary kiledars and the master key had been seized from Rajmahal Palace. On 17-2-1975, the search party opened strong room in the Jaigarh Fort in the presence of witnesses and the two kiledars. (Historically Jaigarh Fort was the place where the family treasure used to be stored in the times of the former Rulers. However, when the strong room was

opened, it was seen that most of the treasure had been removed from there. Only silver articles weighing about two quintals, some quantities of corals and Jado Pieces were found. Nearly 3000 weapons consisting mainly of fire arms were found in a room which appeared to be the armoury. All the contents were left in the strong room and re-sealed pending evaluation by approved valuers.

Documents: In addition to the gold, jewellery and other valuables, incriminating documents have been seized from various places. These are being examined.

Necessary action in respect of the assets which have not been disclosed in various statutory returns filed before the Department will be taken according to law. Preliminary assessment of the materials discovered in the course of the search leads to the conclusion that there has been very heavy concealment of income/wealth by the members of the family. Also, there is *prima facie* clear evidence of violation of the Gold Control Act. Interrogation of the members of the family and the other persons connected with the affairs of the family is in progress.

SHRI S. M. BANERJEE: Sir, this statement consists of five pages. I have read it. I think, I should be given some time to frame the question. It is a five page statement.

MR. SPEAKER: The question should not be five pages.

SHRI S. M. BANERJEE: Sir, I want to congratulate the Income tax officers and the employees for the boldness shown and for the courage shown in raiding the houses of the ex. rulers of Jaipur, both in Delhi and in Jaipur. In the statement, it is mentioned that the searches were carried out at—

"1. 33, Aurangzeb Road, New Delhi—residence of Smt. Gayatri Devi—

Member of this House—

- "2. 3/13, Shanti Niketan, New Delhi—residence of Lt. Col. Bhowani Singh.
3. Residence of Smt. Padmini Devi, wife of Lt. Col. Bhowani Singh, both at 3/13, Shanti Niketan and 302/9, Hailey Road, New Delhi.
4. M's. S. M. S. Private Ltd., F-2, Hauz Khas, New Delhi.
5. Office and residential premises of Shri V. K. Varma, Chattered Accountant, Delhi."

It is also mentioned in the statement that the searches were carried out at Jaipur at—

1. City Palace.
2. Rajmahal Palace—residence of Lt. Col. Bhowani Singh.
3. Moti Doongri Palace—residence of Smt. Gayatri Devi.
4. Residence of Shri Jai Singh, Sawaj Pratap Singh Road.
5. Strong rooms in Jaigarh Fort...."

Sir, from the statement, it is found that the quantity of gold recovered was very small. It was 856 Kilograms. 856 Kilograms of gold were recovered. Sir, it has also been stated here:

"During the course of search at Moti Doongri Palace, officers came across some evidence that Smt. Gayatri Devi—

hon. Member of this hon. House—

"has a bank account in Switzerland. Necessary enquiries in regard to this account are being made."

Sir, I know the place because I have known that when Maharajas were used to be taken, they used to tie their eyes and they could take anything from there. The Meenas were the chowkidars.

Sir, it is something surprising that when money has been found and when it has been found that she has been maintaining an account in Switzerland, whether it is Lt. Col. Bhowani Singh or any other Singh, not a single member of this family has been arrested even after all the searches

have been made. Sir, when searches are carried out, unless some persons are arrested, it is impossible for the officers to function there because of the influence of persons in Jaipur and other places. I would like to know from the hon. Minister, how is it that they have not been challaned, they have not been prosecuted for violation of the Gold Control Act, for violation of the Income Tax Act, for violation of the Foreign Exchange Act and all those Acts which have been passed by this august House and why no member from the family who is directly concerned with it has been arrested and the reasons for the same?

**SHRI PRANAB KUMAR MUKHERJEE:** Sir, I have explained this in the statement which has been laid on the Table of the House and I have mentioned that unless the process of search, identification, inventorisation and so on is complete, unless the full facts of the whole operation are clear to the Government and we are in possession of all the details in regard to this, it is not possible for us at this stage to take any action as suggested by the hon. Member.

**SHRI S. M. BANERJEE:** My second question is whether these gentlemen/ladies who are fabulously rich and have concealed their income, gold etc. have been removed from the places where the searches were carried on. Is it a fact that when the income-tax officials went to search the palace, they were tempted first and then threatened next with dire consequences that they would be liquidated? If so, what protection has been given to these officers so that their life may not be endangered? Also will Government give a promise that once a *prima facie* case is established of concealment of income or violation of these Acts, suitable action will be taken against them in the matter of prosecution without thinking for a moment that she is either a Rajmata or anybody? I have nothing against Shrimati Gayatri Devi; I have nothing but love and regard for her. But the question is very simple. A mere member of Parliament took some money or bribe and we have the famous Tulmohan

Ram case. She is behaving like the grand-mother of Tulmohan Ram....

MR. SPEAKER: Do not say these things.

SHRI S. M. BANERJEE: Kindly read the statement. What is happening in our country? It is only one palace, of Jaipur, which has been raided. There are so many other palaces like this. What about them? What action is going to be taken to recover these dues so that the poor man may not be squeezed to the last drop of blood in the matter of taxation? That is why I ask whether after the case is completed, suitable action will be taken and their passports will be impounded immediately because we have known that they have foreign accounts and they may immediately go abroad. She spends six months abroad and six months in India. Have steps been taken to see that the passports are seized?

SHRI PRANAB KUMAR MUKHERJEE: So far as the first question is concerned, as to whether due protection has been to the officers who are looking into this matter and conducting search operations, my answer is yes, due protection is being given to them. It is true that at the initial stage of the search operations, the members of the ruling family did not co-operate with the searching party, but at the second stage, they rendered Co-operations

So far as the passports are concerned the members of the ruling family themselves surrendered them to the officials.

श्री नरसिंह नारायण पांडे : क्या सर्व  
के बाद कुछ डाकूनें हमारे मित्रों के जिनसे पता  
चलता है कि राज धारने के लोग फारेन बैंक  
में छपना पैसा जमा कराते हैं? क्या उन्हें पैसा  
कोई रकूडे बिट भी दिया है कि जो धन संग्रह  
होना हुआ मित्रा है जसके बारे में जनको  
कोई जल्दगारी नहीं थी ?

SHRI PRANAB KUMAR MUKHERJEE: So far as the question of foreign accounts is concerned in the text of the statements I have mentioned that

certain documents have been seized. A token of a Swiss bank has been found during the course of search. I do not know of any affidavit, but a statement has come from Lt. Col. Bhawan Singh that he was not aware of this concealed wealth.

SHRI DINESH CHANDRA GO-SWAMI: The statement makes a staggering reading in the sense that the amounts that have been recovered, the quintals of gold, silver etc. that have been recovered, do produce an impression in the country that not only in Jaipur but in other palaces also...

AN HON. MEMBER: Gwalior.

SHRI DINESH CHANDRA GO-SWAMI: Such things may have been concealed. In order to remove doubts or the cloud that has come over the other palaces and also to see that Government is not deprived of its legitimate dues, may I know what steps are Government taking to see that raids are conducted on the other palaces or legal or other steps are taken under the Income-tax Act to search the other palaces like, Gwalior, which was mentioned, and others of these erstwhile Maharajas and Maharanis? Otherwise, I feel they will take a clue from what has happened in regard to this case and remove their properties elsewhere.

SHRI PRANAB KUMAR MUKHERJEE: Usually action is initiated in these matters when we have some information. If the hon. member or anybody else has information and gives it to us, we shall take action.

SHRI DINEN BHATTACHARYYA: In the concluding part of the statement it is stated that preliminary assessment of the materials revealed in the search leads to the conclusion that there had been very heavy concealment of income by the members of the family, and there is *prima facie* evidence of violation of the Gold Control Act. If any *prima facie* case is established against an ordinary

citizen, he is arrested then and there under any available section. But in this case where there is a *prima facie* case according to them, till this moment nobody had been arrested. On the other hand some of them had left India. Why had they been allowed to do so?

**SHRI PRANAB KUMAR MUKHERJEE:** I do not know whether anybody has left India. In reply to an earlier question, I said that the members of the family had surrendered their passports. I do not know if they had smuggled themselves abroad in any other way. Regarding the first part of the question, I have already mentioned that the whole process is still going on and therefore it is not possible at this moment to initiate the kind of action indicated by the hon. Member.

**श्री राम सहाय पांडे :** राजवृत्तियों में जो भी सामान, माल—ममाला निकला है, उसमें सोना चांदी व जेवरात आदि बनाये जाते हैं। पता यह चला है कि राज रानी को इनका पता ही नहीं था, बहुत पुश्ताना कोई था, ऐसा कहते हैं। हमें राजाओं और रानियों में बड़ी हमदर्दी है। मैं श्री वाजपेयी को सम्बोधित करते हुए कहना हूँ—जैसे घातना खालियर है, वहाँ उनको पता ही नहीं होगा। मैं नहीं कहता कि उनको पता नहीं होगा। लेकिन 10-10 पोटियो में राज्य करते चले आ रहे हैं, क्या उनको पता नहीं होगा कि कितना सोना, चांदी व जेवरात जमीन में गड़ा होगा? हमें उनकी जानकारी के साथ कोई घात नहीं है, जितनी जानकारी होगी, जन्होंने दी होगी।

लेकिन ऐसे कम से कम 300, 400 रज-बाडे हूँगे जिनकी जानकारी नहीं होगी। जिनके पत्तों की जमीन के नीचे धाँसियाँ, सोना, चांदी, जवाहरात, हीरे और पत्तें मिलेंगे। इनने मिलेंगे जिसमें आठ पांचवीं पंचवर्षीय योजना पूरी कर सकेंगे है।

मैं जानना चाहता हूँ कि क्या सरकार जिनके राजघराने हैं उनके महलों के नीचे जमा धन का अपने फायदे के लिये वाजपेयी जी के फायदे के लिये और सबों के फायदे के लिये, लगावेगी?

**श्री फूल चन्द शर्मा :** महाराजा कर्णसिंह कायेत के मंत्री हैं, क्या उनके महलों की भी तलाशी ली गई है?

**SHRI PRANAB KUMAR MUKHERJEE:** It is the suggestion of the hon. Member.

**SHRI R S PANDEY:** My fundamental question was different. Who is going to get information from Rajas and Ranis. They themselves do not know how much they have. Take for instance Gwalior or Jaipur; they themselves do not know how much traditional wealth they have got; they have been ruling the States for the last eight hundred or thousand years. What measures are being devised to find that out?

**SHRI PRANAB KUMAR MUKHERJEE:** I can tell the hon. Member—perhaps he may not agree with me—as there was one hidden treasure in one palace, it would not be wise to come to the conclusion that in all palaces there are hidden treasures. We have to action some information. Whatever is to be done, Government will take care of that.

**श्री राम रतन शर्मा :** अध्यक्ष जी, किशोरों के यहाँ इन्कम टैक्स अधिकारी सर्क करते हैं, यह कोई बुरी बात नहीं। लेकिन सम्पूर्ण देश में इस समय एक आश्चर्य का वातावरण है कि केन्द्रीय मंत्रियों, प्रांतों के मुख्य-मंत्रियों और मंत्रियों, जो कि लगभग 27 वर्षों में इस देश में अज्ञानकारी नागरिकों से देश को खोबना करते रहे हैं, उन्होंने भी इस तरह से धन दबा-दबा कर देश को विदेश में रखा है। क्या मंत्री महोदय पूरे सरन को इस विषय में जाने कि इन्कम-टैक्स विभाग या अन्य कोई विभाग

इस तरह से उनके यहाँ भी रेड करेगा और सम्पूण धरा, जो इस तरह से एकत्र किया गया है देश के सामने लाया जायेगा ?

**SHRI PRANAB KUMAR MUKHERJEE:** Wherever we get some information our people go and raid it and search it.

**SHRI PRIYA RANJAN DAS MUNSI:** The statement has given a description of the materials seized during the raids. There was a news that during the travels abroad of the members of this family, and especially of Maharani Gayatri Devi, in the United States some gold ornaments were taken away by some people and ultimately it was contradicted. May I know whether the Ministry has made an investigation in this regard and whether it is also a fact that during the raid a specific token number of a United States Bank was found by the authorities in the raid, and if so what steps have been taken? Lastly, to improve the standard of the Members of Parliament before the eyes of the public, may I know whether it has not become very important, after the cases of Mrs. Gayatri Devi and Shri Tulmohan Ram, to demand complete declarations of the assets and properties of all the Members of Parliament and place them before the public.

**SHRI PRANAB KUMAR MUKHERJEE:** So far as the first part of the question is concerned, if it refers to the stolen jewellery in U.S.A., I remember that once in reply to a question on the Floor of the House I had mentioned that the Maharani explained that the jewellery stolen in the USA did not belong to her, that it belonged to one of her friends. According to the declarations which she had made to the customs authorities before leaving the country and after returning to the country, neither did she take any jewellery outside India nor did she bring any into India.

Regarding the assets of Members of Parliament, so far as income tax and

wealth tax part is concerned hon. Members who are assessable ought to make a declaration of their assets.

**SHRI PRIYA RANJAN DAS MUNSI:** Let their assets be declared and laid on the Table of the House.

**SHRI SHYAMNANDAN MISHRA:** May I know whether the members of the ex-Ruler's family have taken any part with regard to the wealth unaccounted or have they made a clean confession of concealments?

**SHRI PRANAB KUMAR MUKHERJEE:** I have already mentioned that Col. Bhowani Singh.

**SHRI SHYAMNANDAN MISHEA:** I am asking about all the members of the family.

**THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM):** The whole matter is still under investigation. I would not like to make any statement before the investigation is complete because sometimes they make a statement and sometimes they go back on that. Therefore, I would like the hon. Member to wait till we complete the investigation. Then all the facts would be available.

**SHRI SHYAMNANDAN MISHRA:** But you have been pleased to say about Col. Bhowani Singh. The same step could have been taken about all the members of the family.

**SHRI C. SUBRAMANIAM:** I am sure they are properly advised by their lawyers and they would take all sorts of pleas, but we have to go into all the facts, the incriminating facts also, which are available with regard to the culpability of the various individuals. Therefore I would request the House to have some patience so that the investigation is completed. It is not merely the statements, there are also several incriminating documents. All that will have to be used properly and as soon the investigation is complete, I want to give this assurance that however highly placed a person may be, the law will take its own course.



**SHRI PRIYA RAJAN DAS MUNSI:** Why is a special treatment being given to the Jaipur family while others are arrested?

**SHRI K. GOPAL:** In reply to a question by Shri Dinen Bhattacharyya it was said that even though a *prima facie* case is established, no arrest was made, but the statement says that nearly 3,000 weapons consisting mainly of fire arms were found in a room which appeared to be the armoury. At least on this account some body should have been arrested. If we possess even one pistol without a licence we are liable to prosecution, and so I would like to know why no action has been taken when a big armoury was found here.

**SHRI PRANAB KUMAR MUKHERJEE:** I have already said that it is not a fact that no action has been taken. The whole matter is in process and therefore it will take sometime to clarify the whole position and it is no use producing a half-baked case before the courts and ultimately the courts passing adverse judgements.

**SHRI PRIYA RAJAN DAS MUNSI:** In Calcutta 10 people have been arrested during the time of the raid and here Maharani Gayatri Devi is being protected. Can you tolerate it?

**SHRI C. SUBRAMANIAM:** May I make a statement with regard to the arrests of the persons concerned? We make arrests when they are liable to abscond. If the investigation is likely to be impeded by their being outside, then also arrests are made.

**SHRI NOORUL HUDA:** You are not giving the truth.

**SHRI C. SUBRAMANIAM:** In this case their presence outside is necessary for the purpose of carrying on the investigation because there are hidden treasures, hidden rooms. We require their assistance even to get the keys and to get entry into the various secret rooms. Therefore, if you put

them into prison perhaps that is the best way of blocking the investigation. That is why we are trying to get their cooperation. Fortunately, even though there was some hesitation in the beginning; they are giving full co-operation and we are trying to find out the various places where these treasures are hidden. If the hon. Members are not interested in that and only that immediately some arrest should be made, that will be only a dramatic action, it will not lead to results. Therefore, I would respectfully submit that we are proceeding according to the law and when all the facts are known, then whatever proceedings under the law could be initiated will be initiated.

श्री अटल बिहारी वाजपेयी : अध्यक्ष महोदय, मैं यह जानना चाहता हूँ कि क्या तलाशी का फैमला आयकर विभाग ने स्वयं किया, या उसे किसी सूत्र से जातिकारी मिला, जिमके आधार पर तलाशी की गई।

**SHRI C. SUBRAMANIAM:** I would not like to disclose this information.

**AN HON. MEMBER:** Not in the public interest?

**MR. SPPAKER:** He says he cannot disclose it.

**SHRI ATAL BIHARI VAJPAYEE:** I am not asking the name. I wanted to know whether the income-tax department acted *suo motu* or the search was organised on the basis of any information received from a private person. The question is so innocent that how can the hon. Minister refuse to reply to it? Is he seeking protection on the ground that my supplementary is not in the public interest?

**SHRI C. SUBRAMANIAM:** I am not prepared to disclose this information at this stage.

**SHRI N. K. P. SALVE:** The anxiety of the House is that the guilty must be booked. It appears *prima facie* there is a violation of the Foreign Exchange Regulations Act, the Gold Control Act, the Income-tax Act and the Wealth-tax Act. And there are provisions naturally not only for the levy of tax but the wealth tax is so heavy that the minimum is equivalent to the wealth and the maximum is double that amount. Supposing the wealth is valued at Rs. 2 crores and it is concealed for six or eight years, then the penalty will be Rs. 12 crores to 15 crores. Standard pleas are raised in all such cases and the ingenuity that has been brought to bear by the various assessees by adducing evidence is such that the department is immobilised. Though the department has the utmost sincerity, it has limited resources for investigation and very limited and unsophisticated means of investigation. Since in this case the investigation net will have to be cast very wide, not only all over the country but possibly in some other countries also, would the Minister assure the House that they would in conjunction with the income-tax department, also take the assistance of the Enforcement Directorate and the CBI to make sure that under all the four Acts the guilty persons are booked and that they are not allowed to get away?

**SHRI PRIYA RANJAN DAS MUNSI:** Their passports should be impounded.

**SHRI C. SUBRAMANIAM:** They have already been taken over. The hon. Member has made a very pertinent point. The investigation in all its ramifications is not going to be a very simple matter. All these will be taken into account and the necessary machinery will be involved for the purpose of investigation.

**SHRI S. A. SHAMIM:** Is it a fact that Lt. Col. Bhowani Singh was one of the distinguished guests invited to the Prime Minister's house to the

dinner thrown in honour of Prince Charles, two days after the searches were made and these treasures were found in his house?

**SHRI C. SUBRAMANIAM:** I did not find him among the guests who attended the lunch or dinner. I do not know what special information the hon. Member has; I do not have any.

**SHRI S. A. SHAMIM:** He said that those people are assisting him in finding out wealth and that is why they are not arrested. But they are being invited to the Prime Minister's house for dinner. That is what I wanted to say.

**SHRIMATI ROZA DESHPANDE:** Lt. Col. Bhowani Singh has given a statement that he did not know about the hidden wealth and the Minister has said that it is not correct on his part to come with a statement about the other members of the family. In fact, Shrimati Gayatri Devi is a Member of Parliament for the last so many years and she knows the laws passed by this House, including the income-tax law and the Gold Control Act. I would like to know what statement she has made, because she knows the law. What had she to say about the hidden wealth that was discovered from her house? Is the Minister showing her some consideration because she is a woman and this is the International Women's Year? Is he going to show the same favour in the case of other Rajmats, because there are so many Rajmats in this country? She being the Rajmata, she must be knowing all these things. May I know whether the hon. Minister is really showing favour to her because this is the International Women's Year?

**SHRI ATAL BIHARI VAJPAYEE:** Here is a woman against a woman!

**SHRI C. SUBRAMANIAM:** I am sure, the hon. Member is aware that ignorance of law is no excuse and, therefore, whether she knows it or not, that is quite a different thing altogether.

**SHRIMATI ROZA DESHPANDE:** Has she said that she was ignorant of law?

**SHRI C. SUBRAMANIAM:** Even if she says that she was ignorant of law, that cannot be an excuse.

The point for consideration is, whether in the midst of all the investigations, should we be disclosing all the contents of the statements and various other things at this stage. I respectfully submit that the House should restrain the curiosity a little bit till the whole investigation is completed.

**SHRI VASANT SATHE:** Will the hon. Minister give the amount of wealth or income shown previously in the returns up till now not only of this family but of other families of ex-rulers also? That information he must be having. That can be easily given. Will he kindly place this material before the House?

**SHRI C. SUBRAMANIAM:** Not about this particular family now. If the hon. Member is interested about other families, he can put a separate question. Now, a particular question is being answered.

**SHRI KRISHNA CHANDRA HALDER:** Not only the family violated the Income-tax Act, the Wealth-tax Act, the Gold Control Act but also the Foreign Exchange Act. It is written in the statement that the following foreign currency was seized after the search:

British Pounds	76
Italian Liras	3000
U. S. Dollars	120
Swiss Francs	30
U. S. Dollars	
Travellers Cheques	220

I would like to know whether any prosecutions have been launched for the violation of the Foreign Exchange Act.

**SHRI PRANAB KUMAR MUKERJEE:** No prosecution has yet been launched because we are not yet in possession of full facts.

#### WRITTEN ANSWERS TO QUESTIONS

##### Dispute among Share-Holders of Mysore Paper Mills Ltd., Bhadravati

\*201. **SHRI K. LAKKAPPA:** Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state

(a) the main points of dispute among the share-holders of Mysore Paper Mills Limited, Bhadravati;

(b) whether Jalan Group is dominating the management by cornering the shares;

(c) how many petitions have been filed by Jalans against the Mysore Paper Mills Limited in various Courts in India; and

(d) the measures Union Government propose to take to keep the management of the Mills in the hands of Karnataka Government?

**THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE):** (a) According to available information, the disputes relates to--

(i) The cost of expansion of the company from 24,000 to 70,000 tonnes per annum for which a Letter of Intent has been issued

(ii) The validity of the proceedings of the Annual General Meeting held on 30th September, 1974, which has been challenged by some share-holders in different Courts.

(b) According to available information, the Jalan Group is not represented in the newly constituted Board of Directors.