

receipt with the Government, Government will consider this matter.

**SHRI KALYANASUNDARAM :** In considering this proposal, may I know what are the advantages that the Railways are thinking to gain by this ?

**SHRI MOHD. SHAFI QURESHI :** As I have stated the matter has been referred to the Committee. It is only after getting the report that we will be able to know what the position will be.

#### Narmada River Tribunal

\*349. **SHRI D. D. DESAI :** Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) the progress so far made by the Narmada River Tribunal ; and

(b) the date by which the Tribunal Report is likely to be presented ?

**THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI B. N. KUREEL) :** (a) The adjudication proceedings are in progress.

(b) While efforts are being made by the Tribunal to complete their work as expeditiously as practicable, it is not possible at this stage to indicate when the adjudication proceedings are likely to be over.

**SHRI D. D. DESAI :** In the meantime what arrangements are made by the Government to control the floods of Narmada and to compensate the annual losses due to this flooding by Narmada draining Madhya Pradesh ?

**THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) :** The question is about Tribunal. He has asked about controlling the flood of Narmada. The flood can be controlled only after the construction of the dam. In the meantime the Gujarat Government is taking action to protect some of these areas and to remove some of these villagers, to other villages.

**SHRI D. D. DESAI :** The dam has been withheld for some long time. The position is that hundreds of villages are submerged year after year. Some sort of arrangement and some equity has to be adopted.

**DR. K. L. RAO :** I could not follow.

**SHRI D. D. DESAI :** Dam construction is withheld because it is submerging some area and a village or a few villages of Madhya Pradesh. Would not Government care to consider similarly a situation where thousands of villages...

**MR. SPEAKER :** The main question relates to the work of the tribunal. But if the hon. Minister is in a position to answer the question, I do not mind...

**SHRI D. D. DESAI :** The answer given so far was vague and there was no substance in it...

**DR. K. L. RAO :** The hon. Member is saying, I think, that we are afraid of submerging villages in Madhya Pradesh but we do not care for the submerging of villages in Gujarat, and, therefore, he wants that something must be done about it.

**SHRI PILOO MODY :** There is flooding of the villages in Gujarat.

**DR. K. L. RAO :** I am afraid that this is a theoretical way of talking about things. The tribunal has to sit and give its judgment before we can say that steps can be taken to prevent flood damage or give flood protection in the Narmada valley. It is true that any river towards the end where it joins the sea forms a delta, and that portion is always low, and, therefore, the Proach area is submerged and it is subject to flooding from year to year. But it is quite true that the lands on which floods and flood damage can be prevented are by the construction of the detention reservoir and the construction of embankments. These two have to await a final decision to be given by the tribunal.

श्री भागीरथ भंडर : अग्र्यक्ष महोदय, नर्बदा के बारे में जो ट्रिबुनल बनाया गया है, वह कब तक फैसला कर देगा ? दूसरा प्रश्न ये जो मध्य प्रदेश के कुव्व गांव डूबने जा रहे हैं, वे कितने गाँव हैं, उनमें कितनी भूमि डूबने जा रही है तथा उसके लिए शासन क्या विचार कर रहा है ?

**MR. SPEAKER :** The main question

relates to the progress of the work of the tribunal. If the hon. Member wants other details, if he gives separate notice, the hon. Minister will be able to answer it. But it does not arise out of the main question.

**SHRI S. B. GIRI :** Part (b) of the main question has not been answered.

**MR. SPEAKER :** He has answered it already.

#### Report of Inquiry Commission, British India Corporation

\*351. **SHRI S. M. KRISHNA :** Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state :

(a) whether the inquiry against the British India Corporation, Kanpur has since been completed ; and

(b) whether Government proposed to lay on the Table of the House the report of inquiry and if not, the reasons therefor ?

**THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (SHRI GHANSHYAM OZA) :** (a) Yes Sir.

(b) It would not be in the public interest to lay on the Table of the House the Report of the Investigating Authority. However, a statement containing salient features of the Report is laid on the Table of the House.

#### STATEMENT

##### *Summary containing salient features of the Report on B. I. C. Affairs*

1. The Investigation Authority consisting of Shri S. P. Singh found that there was marked deterioration in the affairs of the Corporation during the years 1965 to June, 1968 *i. e.*, the period covered by the investigation. He has summed up his findings as follows :—

“Bank borrowings increased ; credit worthiness declined ; administration became loose in all the units ; the morale of the officers and the staff was adversely affected and serious irregularities occurred in the maintenance of accounts. Indigenous wools and raw hides were purchased at rates higher than the prevailing rates. Imprudent methods were adopted in the purchase

of import entitlements through N. D. R. in 1966. Large stocks of slow moving and sub-standard goods were produced in both the woollen branches and leather units in 1965-1966 leading to huge accumulation of stocks resulting in heavy losses. The sale of holding interest in the two sugar companies in 1967 was a transaction very much against the interest of the Corporation. The Cooper Allen and North West Tannery Branches were already sick units and they deteriorated further during the year in question. Apart from the defective purchase of raw hides, there was unplanned purchase of stores and chemicals. The policy relating to the sale of civilian footwear was also defective. Shady deals and corrupt practices were resorted to by some of the officers of this unit. All these contributed to the mounting losses. The causes of adverse trading results in all the units were not so much due to the external circumstances or circumstances beyond the control of the Management as to the internal mismanagement which largely contributed towards the marked deterioration in the affairs of the Corporation. In 1967 the financial position of the Corporation became so bad that cheques for even small sums of Rs. 2.75 or Rs. 3.00 were dishonoured by the State Bank of India.”

2. In view of his finding mentioned above, the Investigating Authority concluded that he opinion of the Central Government in 1968, to the effect that the management of the affairs of the Corporation was being conducted in a manner highly detrimental to the undertaking and the public interest, was justified. The Authority recommended that the Central Government may have to consider the desirability of issuing appropriate directions to the Company as provided for under Sections 16(1) of the Industries (Development and Regulation) Act, 1951 to ensure the competent and efficient management of the undertaking.

**SHRI S. M. KRISHNA :** After persistent demands made on the floor of the House, an inquiry commission was appointed to go into the sordid affairs of the British India Corporation in Kanpur. The salient findings of the inquiry commission