

है, इस लिए वह ब्रंडरब्राउंड की बात करते हैं, लेकिन प्रसल में रिंग रेलवे ज्यादा प्रच्छी रहेगी। 1976 में प्लानिंग कमिशन के कहने पर मिनिस्ट्री आफ बक्स एंड हाउसिंग ने एक बकिन्ग ग्रुप बनाया था, जिस ने कई लोगों और एजेंसीज के साथ बातचीत कर के एक प्लान तैयार किया था। उस में रेलवेज ने भी कई सुझाव दिये थे। जो डोटेलज में ने ग्रुपके सामने रखी हैं, वे सब बातचीत होने के बाद तय की गई है। मैं समझता हूँ कि अगर इस पर प्रसल हो जाये, तो दिल्ली के यातायात का सबाल हल हो जायेगा।

SHRI KANWAR LAL GUPTA: Is it a fact that the elected Members were not consulted in the schemes?

PROF. MADHU DANDAVATE: Before the implementation of the scheme we will continue to consult all the Members.

SHRI A. BALA PAJANOR: Is there any proposal for Ring Railway catering services which Shri Shiv Narain can improve?

MR. SPEAKER: No, no, Ring railway is all right. No question on Catering.

Charges against the Managing Director of South India Viscose

*125. **SHRI VASANT SATHE:** Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that late Shri H. R. Gokhale was reluctant to extend the term of Shri Venkatswamy Naidu as Managing Director of South India Viscose in view of the serious charges levelled against him and was ready to extend it for one year only instead of the usual five years and whether there are clear notings in the files to this effect;

(b) whether the present Minister had given retrospective extension for two years to Shri Naidu from 1st

June, 1976 under pressure from certain interested quarters;

(c) whether the Minister who had told Shri Jyotirmoy Bosu in reply to USQ No. 55 on 21st February, 1978 that serious charges had been made against Shri Naidu, gave the retrospective extension in a routine manner;

(d) whether the enquiry on this matter is complete; and

(e) if not, at what stage it stands?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI SHANTI BHUSHAN): (a) Late Shri Gokhale had actually approved on 29th November 1976 the reappointment of Shri Venkatswamy Naidu for a limited period of one year from 1st August 1976 in view of some complaints received against Shri Naidu. However, it was decided that before the approval letter was issued, enquiries should be made from appropriate authorities regarding complaints received against Shri Naidu. Enquiries were therefore made from the CBI, the Directorate of Enforcement and the Collector of Customs, Cochin and all of them sent a reply to the effect that there was no adverse entry regarding Shri Naidu in their records.

(b) Since the enquiries from various sources took more than one year, it was decided in January 1978 to approve the re-appointment for two years in view of the fact that one year and four months had already elapsed since the due date of reappointment of Shri Naidu.

(c) Yes, Sir. The retrospective effective to the reappointment of Shri Naidu was given after taking into account all the attendant facts relating to this case.

(d) and (e). Some more complaints have been received much after the issue of the approval letter and those are under examination.

SHRI VASANT SATHE: In the light of (d) and (e), more complaints have been received. Is Government proposing to give its approval in the mean time for appointment of Shri Naidu as the Director of this Company?

SHRI SHANTI BHUSHAN: As I have said, the approval for the appointment of five years from 1st of August, 1976 was asked for and approval has been given only for a period of two years, with effect from that date. As I have said, the other complaints which have been received are also being examined. It is only after they have been examined that this matter of granting further approval will be considered.

AN HON. MEMBER: It is a serious case of corruption.

SHRI P. VENKATASUBAIAH May I know this from the hon. Minister? It has been stated that complaints were received and they have been gone into thoroughly and there have been no adverse comments. You had the intelligence reports. By that time one year and four months had already elapsed. So, they have to legalise it. That is what they have done. That is what the Minister has done. Subsequently, some other allegations have been received. May I know, when some other allegations are made, whether you still feel that there is a *prima facie* case against Mr. Naidu, so as to take them into consideration seriously? If that is so, why should Mr. Naidu be continued further and his service not terminated?

SHRI SHANTI BHUSHAN: So far as fresh complaints are concerned, they have not been gone into yet. They have not been properly examined. Until they are examined, I am not in a position to say whether there is a *prima facie* case or not. Even for answering a question whether there is a *prima facie* case or not we require examination, we require going into the matter. So, on the face of it

one can't say whether there is a *prima facie* case or not. A person may send an allegation of a serious character but there may be no substance in it. Therefore, unless the matter is examined, it is not possible to say anything.

SHRIMATI MRINAL GORE: Sir, in reply to Unstarred Question No. 55 dated 21st February 1978, the Hon. Minister had replied:—

“A joint inspection of the company—that is, the Madras Aluminium Company—was undertaken by the IDBI in June, 1977.”

I know it is Madras Aluminium Company but Shri Venkatswamy Naidu has also been Managing Director of Madras Aluminium Co. He ceased to be Managing Director from 6th July I know. But he was Managing Director of the Company of which inspection was undertaken by the IDBI in June 1977. The Minister said:

“Follow-up action on the finding of the Inspection report is in hand.”

Now, Sir, when serious charges against the same party, Mr. Naidu, are being examined, and when, after investigation, by the IDBI, the Minister has also received the report, in January 1978, the Minister gives retrospective sanction for a term of two years. It is really surprising. And then, Sir, to make the things more clear, I seek your permission to read out one letter addressed to Shri Venkataswamy Naidu from Mr. Indrasain Reddy from the office of the Secretary of the Indian Youth Congress. This letter is dated 28th October, 1976.

MR. SPEAKER: Please come to the question.

SHRIMATI MRINAL GORE: It says:

‘In continuation of our discussion..’

MR. SPEAKER: Mrs. Gore, you must put the question.

SHRIMATI MRINAL GORE: This is regarding.. (*Interruption*)

MR. SPEAKER: You can put the question but you cannot read out the letter.

SHRIMATI MRINAL GORE: This is regarding giving extension to Mr. Naidu. This letter is also on the same subject. So, I would like to read it. It says:

"In continuation of our discussions in Delhi I am writing this letter. I had detailed discussion with Gokhale ji about your Viscose matter. It seems Mrs. Chandrasekhar has also spoken to him. Gokhale ji has already signed the file giving you only one year as the charges against you are quite serious. I managed to stop the issue of the letter communicating this to you. I also stopped an enquiry being conducted against you. Please come yourself or send Manohar to Delhi so that we can settle the matters here."

It is very clear from this letter how a letter that was to be issued from the office of Shri H. R. Gokhale was not issued. I want to know, in view of the fact that IDBI's Inspection Team was investigating these charges regarding Madras Aluminium. (*Interruptions*)

MR. SPEAKER: Please come to the question.

SHRIMATI MRINAL GORE: I am coming to the question. There was a special order to transfer all the income-tax files of the South India Viscose and its Managing Director to a Special Cell. It is also understood that the South India Viscose is involved in violation of Customs Laws while importing machinery from abroad.

Now, Sir, such serious charges are against Mr. Naidu; two year term was granted to him with retrospective effect. I think it was certainly a mis-

take on the part of the Minister to grant the extension. His term was granted in February 1978. On 8th July 1978 there was company's notice in the *Indian Express* again asking him... (*Interruptions*).

MR. SPEAKER: You are converting the Question Hour into a debate. Please come to the question.

SHRIMATI MRINAL GORE: Now, Sir, a notice is given by the company saying that they have asked the Central Government to grant to Shri Naidu a full five year term. I want a specific assurance from the Hon. Minister saying that no term would be granted. Otherwise he will again say that "the question is being investigated; it is already one year and eight months now. So, we have to give retrospective effect". His term expires on the 1st August. Will the Minister say that Shri Naidu won't be granted any further term? (*Interruptions*).

SHRI SHANTI BHUSHAN: Now, Sir, let me make it very clear how this approval has been granted for a period of two years with effect from 1st of August 1976 and in what circumstances it has been granted.

In November 1976, when the late lamented, Law Minister, Shri H. R. Gokhale sanctioned the granting of approval to the appointment of Shri Venkatswamy Naidu for a period of one year (*Interruptions*), the issue of this approval was stayed by him on account of serious allegations which had been made by one Thiru Iyer in a letter in which he has given his address. So, he was addressed and the letter was sent to him on that very address, which came back stating that no such person resided there. Thereafter, enquiries were made and it appeared that a person who was undergoing apprenticeship in Chartered Accountancy was residing at that address and that gentleman, in whose name that serious complaint had been made, was the person residing in

some village, had studied upto Seventh Class. However, the allegations were very serious which involved the violation of all kinds of laws—it was even said that he was maintaining foreign exchange outside because he had taken an import licence for a heavy amount—and he had, in that connection, kept some money in the foreign banks etc. So, three agencies, namely, the Central Bureau of Investigation, the Enforcement Directorate of the Finance Ministry and the Customs Authority of Cochin were addressed. It was only when detailed replies were received from all the three saying that there was no substance in those charges so far as they were concerned and after considering all these, this matter had to be finalised. Even at this stage, of course, that letter could not have been issued granting the approval for one year. In the meantime, these enquiries had taken so much time that one year and four months were already over.

So, at that time, it would not have been proper to grant the approval for a period of one year only. Therefore, approval was granted for a period of two years.

SHRIMATI MRINAL GORE: My Question has not been answered.

SHRI SHANTI BHUSHAN: I have not completed it. I shall answer your precise question. The hon. Member has put this question as to whether I am going to give a specific assurance that no further term would be granted to Shri Naidu.

I am not in a position to give such an absolute assurance unless the matters are gone into because this Government functions on the basis of facts and not on the basis of any other thing. There also, certain complaints have been made. He has ceased to be the director of Madras Aluminium.

SHRIMATI MRINAL GORE: What about Indian Aluminium?

SHRI SHANTI BHUSHAN: Whatever complaints are there against him—including Indian Aluminium—would be taken into consideration but unless they are gone into, I am not in a position to say anything. Maybe what the hon'ble Member has in mind is the ultimate outcome but I cannot give an assurance and say even before I have considered the facts that that will be the order which I will pass. Maybe that is the order which is ultimately passed but I am not in a position to give an assurance.

SHRI M. R. LAKSHMINARAYANAN: I would like to know whether Mr. Venkataswamy Naidu is the only managing director or is there any other managing director? If so, please tell the name of the other managing director. Further, is it not the joint responsibility of both the managing directors? I am surprised to find that Members have raised the issue on only one managing director. The Minister has said that the first complaint was found to be frivolous. Why not the hon'ble Minister makes use of the CBI to investigate into the matter and bring the culprit to book?

SHRI SHANTI BHUSHAN: So far as the first part of the question is concerned, there are two managing directors—Thiru G. K. Devarajlu and Thiru R. Venkataswamy Naidu. Although there is some force in the point of the hon'ble Member in the sense that there is joint responsibility in the board of directors of a company but they stand on a different footing if somebody is seriously involved in some serious allegations. So, the mere fact that both are members of the same board of directors is not completely relevant. So far as the point regarding the agency which will be employed to go into this matter is concerned, Government will decide about the appropriate agency keeping in mind the nature of the allegations.

MR. SPEAKER: Q. No. 126. We have hardly covered three questions.
(Interruptions)

SHRI SAUGATA ROY: You cannot run the House like this.

SHRI RATANSINH RAJDA: It is a very serious matter. You allow a Half-an-Hour discussion on this matter. Mr. Naidu is a condemned business tycoon. I had written a letter in the month of March '78 to the hon. Minister requesting him to get the matter examined. So far no reply is there from the Minister and the impression is that some people are trying to shield this condemned business man.

MR. SPEAKER: Do not record.

*** (Interruptions)*

MR. SPEAKER: Now, I am on my legs. If each Member thinks that unless he is allowed to put a supplementary question he will obstruct the work, I cannot help it.

(Interruptions)

SHRI A. BALA PAJANOR: Sir, the Law Minister is shielding certain charges. It is a very serious matter. You are helping them by way of not allowing us to put questions on this point. It is not a question of one way traffic.

(Interruptions)

श्रीमती मृगान गोरे : अध्यक्ष जी, कई लोगों को इस पर प्रश्न पूछने थे। अगर किसी एक को प्रश्न पूछने की परमिशन दे देते तो सब लोग मुन लेते। इस साइड से किसी को मौका नहीं मिला। एक को प्रश्न पूछने की परमिशन दे देते तो अच्छा होता। (ब्यवधान)...

SHRI SHANTI BHUSHAN: I want to make it clear that I am prepared to answer any question that they want to ask.

MR. SPEAKER: Three questions have taken 45 minutes. There are other important questions. It is for me to decide how much time a question must take.

SHRI RAGAVALU MOHANARANGAM: The previous day when we said that you had taken 45 minutes on a particular question, just to avoid question 45 pertaining to the language issue, you had purposely prolonged them. Now you are talking in a different way.

MR. SPEAKER: That is why I am trying to go to the next question. Question No. 126.

(Interruptions)

MR. SPEAKER: I am not allowing anybody. I have called 126.

SHRI SAMAR GUHA: If a few more supplementaries are not allowed or if half-an-hour discussion is not allowed, an impression will be carried as if the Government is shielding monopoly house... *(Interruptions)*

MR. SPEAKER: I have not said that I am not allowing half-an-hour discussion; I have not said that. I will consider any proposal for half-an-hour discussion.

(Interruptions)

SHRIMATI PARVATHI KRISHNAN: Sir, a lot of heat is generated on question of this type and that is why I request (I have given notice also) for a discussion on the working of the company law board. It is not only one question; there are many questions that have come up again and again and I request you to have this discussion on the working of the company law board.

MR. SPEAKER: Are there no methods to make that suggestion?

SHRI SAUGATA ROY: Because you are blocking out supplementaries. An allegation has been made that it has been settled outside the House; it was alleged that there was a corrupt man and that his term had been allowed to be extended; you are not allowing supplementaries; over are not promising half-an-hour discussion.

MR. SPEAKER: For half-an-hour discussion there is a method; I have said that I will consider it.

SHRI SAUGATA ROY: I have given you five notices; you did not allow.

MR. SPEAKER: I may tell you that the Rules Committee has come to the conclusion that there shall be three half-an-hour discussions every week in order to facilitate discussion; the Rules Committee has also suggested normally not more than two supplementaries on each question; but in all important cases half-an-hour discussion should be allowed and we have decided that there should be three half-an-hour discussion every week. The idea is to cover as many questions as possible every Member who has put a question is equally important rather than those who are only excited about some matter. That is why we are allowing three half-an-hour discussions every week.

SHRI SAUGATA ROY: What about discussion on the Company Law Board?

MR. SPEAKER: You are going from one subject to another Question No. 126.

Dhond-Manmad Railway Line

*126. **SHRI BALASAHEB VIKHE PATIL:** Will the Minister of RAILWAYS be pleased to state:

(a) whether he is aware that a special rail track was laid on Dhond-Manmad line for goods traffic and only one track is available for passenger traffic; and

(b) in view of the heavy increase in the passenger traffic on this route, what steps are being taken by Government to meet the needs of this increased traffic?

THE MINISTER OF RAILWAYS (PROF. MADHU DANDAVATE): (a) The Dhond-Manmad section is a single line section which is used for running both goods and passenger trains.

(b) Adequate line capacity is available on the section for meeting the requirements of traffic at present.

श्री बाला साहिब विखेपाटिल : अध्यक्ष महोदय, मैंने पीछे इस बारे में एक प्रश्न पूछा था जिसका उत्तर देते हुए मंत्री महोदय ने कहा था कि दोंड-मनमाड रेल लाइन मानगाड़ियों के लिए है इसलिए वहां पैसेंजर के लिए सुविधाएं नहीं बढ़ा सकते हैं। लेकिन जो पैसेंजर गाड़ी चलती है उसकी गति बढ़ाने में क्या कठिनाई है, क्यों उसकी गति नहीं बढ़ाई जाती है ? वहां पर यात्रियों की मस्य्या भी बहुत ज्यादा है क्योंकि वहां पर इंडस्ट्रियलाइजेशन बहुत ज्यादा हो गया है। ऐसी स्थिति में पैसेंजर गाड़ी के डिब्बे बढ़ाने में आपको क्या कठिनाई है ?

प्रो० मधु दण्डवते: जहां तक दोंड-मनमाड सेक्शन का ताल्लुक है वहां की इंस्टाल्ड कैपेसिटी 15 गाड़ियों की है और यूटिलाइजेशन 11.9 ट्रेज का किया गया है। चार डेली पैसेंजर, एक वीकली पैसेंजर, 6.6 गुड्स ट्रेज और 3 डिपार्टमेंटल ट्रेज, इस तरह से कुल 11.9 ट्रेज हो जाता है। माननीय सदस्य ने जो कहा है उस में काफी तथ्य है। जो पैसेंजर ट्रेज उपलब्ध हैं उसका पूरा चार्ट तो आपके सामने मैं नहीं रखना चाहता हूं लेकिन जितनी पैसेंजर ट्रेज आज इस सेक्शन पर उपलब्ध हैं सैकिड क्लास की और जो उनकी क्षमता है उससे कहीं ज्यादा डिब्बों का इस्तेमाल होता है, 134, 136, 150, 202 परसेंट तक होता है। इसलिए हम सोच रहे हैं कि यहां एक नई ट्रेन इंटीरियर्स की जाए। यह तभी हो सकता है, यदि हमारे पास लोकोमोटिव्स की और डिब्बों की सुविधा हो। उसके बारे में हम विचार कर रहे हैं।

श्री बाला साहिब विखे पाटिल : दोंड-मनमाड, दोंड, दोनों जगह से बम्बई के लिए एक डिब्बा जाता है। जो बम्बई डिब्बा जाता है उस में स्लीपर कोच नहीं होता है।