

SHRI B. K. NAIR: I am pressing only Amendments Nos. 13 and 14. I would like to withdraw the other Amendments, Nos. 9, 10, 11 and 12.

*Amendments Nos. 9 to 12 were, by leave, withdrawn*

MR. CHAIRMAN: I shall now put Amendments Nos. 13 and 14 to the vote of the House.

*Amendments Nos. 13 and 14 were put and negatived.*

MR. CHAIRMAN: The question is: "That Clause 2, as amended, stand part of the Bill".

*The motion was adopted.*

*Clause 2, as amended, was added to the Bill.*

*Clause 3 was added to the Bill.*

*Clause 1—(Short title)*

*Amendment Made*

Page 1, line 3,—

for "Amendment" substitute (1)

"Second Amendmen (1)

(Shri Chand Ram)

MR. CHAIRMAN: The question is:

"That Clause 1, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 1, as amended, was added to the Bill.*

*The Enacting Formula and the Title were added to the Bill.*

SHRI CHAND RAM: Sir, I beg to move:

"That the Bill, as amended, be passed."

*The motion was adopted.*

17.45 hrs.

#### HALF-AN-HOUR DISCUSSION

MERITS OF JAGUAR *vis-a-vis* OTHER AIR-CRAFT AND FOLLOW UP MEASURES AFTER JAGUAR DEAL.

SHRI CHITTA BASU (Barasat): I rise to raise the half-an-hour discussion.

Sir, the Jaguar deal is not merely a commercial deal between two companies. It is also not a simple contract between two governments. It has, as a matter of fact, wider ramifications, he having vital bearings on the economic policy of the country, on the foreign policy of the country, on the question of self-reliance, on the question of defence potential and on the question of defence preparedness of the country. Therefore, it should not be treated in a cavalier manner and the decision should not have been taken in such an unusual manner, if I may be permitted to say so, because the deal is not of an ordinary nature as I have mentioned earlier.

The scope of the discussion has been limited and therefore, I would merely endeavour to seek certain clarifications on certain aspects of the deal, namely, the economic aspect, the political and the strategic aspects of it. So far as the economic aspect of the deal is concerned, we are given to understand that the Jaguar offers comparatively larger economic advantages in comparison to that of French Mirage or the Swedish Viggen they say. But Viggen is left out because of the non-clearance by America for political reasons. So we have no option for Viggen. The option is limited between French Mirage and British Jaguar. We are given to understand that the British Jaguar offers comparatively larger economic advantages in comparison to that of French Mirage.

I am constrained to submit with all humility that in a deal like this, the only consideration should not be the economy of the deal. Other considerations, as I have mentioned earlier, namely, political considerations,

[Shri Chitta Basu]

considerations of defence potential, defence preparedness also should have been taken into consideration. My complaint against the government is that the economic consideration, if it is accepted so, has weighed with them more than other considerations in concluding the negotiations. I think again economic considerations alone are responsible for exercising our option in favour of the British Jaguar.

Now, in this case, the House has got a right, I think, to know whether the government has made any comparative studies of the economics between the British Jaguar and the French Mirage. If there has been any comparative evaluation of the two, I would request the hon. Defence Minister to enlighten this House about the comparative economics of the British Jaguar and the French Mirage.

Further, it is stated that the deal is a package deal. Now it is stated from certain quarters that the price has been quoted only for the basic aircraft and prices of other components, equipments and spares will be additional. It has not yet been fixed. Again, it has been stated by some that the British Aero-Space are free to increase the prices of equipments and spares for future.

In this connection, I also want to know or rather state here because it is known, that on the other hand there are reports to suggest that the Jaguar is not the best in the lot. The French Mirage and Viggen of Sweden are credited with the better technology. It is even reported in the press that the NATO has withdrawn the Jaguar from the forward lines. I am told that even in the R.A.F., that is, British Air Force, the Jaguars are being gradually phased out. I was told by a friend of mine that there are only two small countries in the world other than India who have so far opted for the purchase of Jaguars and no other country in the world had opted for it. For the first time the Ecuador, Oman the two other small countries have, so far opted for the purchase of Jaguars. We are the third country in

the world who are equated with these countries. It appears that we happen to be the third country to purchase Jaguar. I now want to mention some of the political aspects of the things. Jaguar is an Anglo-French make. How is it that the Government is sure that they will not offer the planes to Pakistan, particularly, in view of the fact that France is now on good terms with Pakistan? That is because of this fact that they have agreed to share with them the nuclear equipment. What guarantee is there that these will not be shared or they would not offer them for the purchase by Pakistan.

Also it is to be noted that the U.K. and Pakistan, both are the allies of NATO and CENTO. You know when it is a question of defence preparedness or it is a question of defence potential, how we can guarantee that the secrets of the defence preparedness or the secrets of the defence potential of our country which is very vital shall always be insulated against for being exposed to the allied countries, namely, CENTO and NATO? Here lies the question of policy and our foreign relations; here lies the question of better defence orientation of our country.

In this connection, I also want to know whether we have been able to obtain a sure guarantee that the spare parts and equipments will be supplied without interruption even in case there is hostility or in case there is an arms embargo? We have experience in these things in the earlier periods from the U.S.A. Therefore, it is very much necessary to see that the spares and equipments supplies are not interrupted even at the time of hostility or in times of the arms embargo.

Another point I want to mention is that Soviet Union is our friendly country. Soviet Union has been supplying and are still willing to supply sophisticated arms for the defence of our country. We have been supplied with MIGs—Soviet MIGs. I think they are no less. I am not sure about it. It is for the experts to determine. Since Soviet MIGs were there, why is it

that we have opted out for Jaguar and how is it that MIGs have become back number in the field today.

**DR. SUBRAMANIAM SWAMY** (Bombay North-East): They are no good.

**SHRI CHITTA BASU**: Sir, it is an unfortunate feature of our country that the foreign technical know-how still continues to dominate the defence potential and defence preparedness of our country. The Jaguar deal, I am sure, will not diminish this domination but would further tighten the noose around our efforts to achieve self-reliance. Apprehensions have already been expressed by HAL officers suggesting that it would cause serious set-back to efforts towards indigenous development and design.

Having referred to all these things, may I conclude by putting these questions to the government? Whether government in the light of these would review and revise the decision of finalising the deal taking into consideration this vital question raised by me.

**THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (PROF. SHER SINGH)**: Sir, I am grateful to Shri Chitta Basu for raising this discussion on a very important decision of the government. He has put some questions about various aspects—economic aspect, political aspect and the aspect of defence preparedness, etc. About economic aspect he has himself accepted—and it is a fact also—that economically the Jaguar will be the cheapest, much cheaper as against Mirage. We have made a comparative study of the economics. Our top technical people and officers have gone there and studied this in detail. In fact, the second team was also sent for this purpose so that there may be further reduction in the price and also change in the delivery schedule so that we may get these planes quicker. We have made a comparative study and on the basis of the comparative study we have come to this conclusion.

As for the costs of components and spares about that also agreement is being finalised and the prices will be based on the market prices prevalent in 1977. Escalation, of course, will have to be made if necessary but the cost of components may not be more.

**SOME HON'BLE MEMBERS**: You spell it out in figures. The comparative figures may be given.

**PROF. SHER SINGH**: It will not be in the national interest to give all these details but I can say that the difference between prices of these Jaguars and Mirage will be hundreds of crores and not ten or fifteen crores but hundreds of crores in the whole deal.

He has also raised another question, namely, that it is only two small countries who have opted for Jaguar Sir, France and United Kingdom—both of them—have used it as a strike aircraft. France has used Mirage as an interceptor-fighter. And it used Jaguar as striking aircraft. France had to use a striker and it used Jaguar in Chad and Mauritania. France used Jaguar and not Mirage. So, Mirage has been used by France as an interceptor mainly. (Interruptions) It can be used as a striker plane also, but mainly it has been used as an interceptor.

12.00 hrs

Then, the second question has been raised about the guarantee. The question was: What is the guarantee about the spares and other equipments? Would those things be made available. I may say that this has been made very clear during our consultations with the British Government. The appropriate arrangements have been evolved to provide for the uninterrupted supplies and services for the spares, for the uninterrupted implementation of the Jaguar programme in all circumstances. (Interruptions) I have said it in so many words that in all circumstances there will be uninterrupted supplies and services for the spares and everything.

[Prof. Sher Singh]

About MIGs my friend made certain remarks. MIGs are very good aircrafts. We are using them as interceptors. MIGs have proved to be very good aircrafts and these are in our service. In fact we are producing MIG 21 BIS. This is the latest model. So, it is not that we have by-passed MIG. We are using them. And, Sir, we are purchasing only one-fourth. Three-fourths will be produced in our own country. It is a step towards self-reliance and it is a step towards defence preparedness. I say this, because, he was very emphatic about this, that this will not be a step towards self-reliance. This is going to be a step towards self-reliance. We will get not only the technology that is now with them but also, when there is some development, that will also be shared. And, therefore, it is a step towards self-reliance.

No other points have been made, Sir.

I have tried to cover all the points.

SHRI CHITTA BASU: What is the guarantee that the secrets will not be leaked out?

PROF. SHER SINGH: I have already said that arrangements have been made. We have negotiated. Arrangements have been made to see that there will be uninterrupted supplies.

SHRI CHITTA BASU: I say, U.K. and Pakistan are partners of NATO and CENTO. We are taking these British Jaguars. What is the guarantee obtained by the Government to ensure the necessary scale of military preparedness and to see that our potentials are not exposed to the foreign countries? You have CENTO and NATO.

PROF. SHER SINGH: I don't think Pakistan is a Member of NATO. May be, CENTO and there also it is going back now. But that will not affect our relations with U.K. We have very good relations with U.K. now.

SHRI P. M. SAYEED (Lakshadweep): Sir, about Jaguar a great

deal of shady things have appeared in the press. What we require is deep penetration strike aircraft which according to experts Jaguar lacks. Firstly, it is not an interceptor. Secondly, at low altitude it cannot run fast. Thirdly, it cannot carry heavy loads and one of the test pilots who has given an interview to the magazine 'Surya' says... who is hesitant to give his name (Interruptions)

AN HON. MEMBER: Oh, it is Surya...

SHRI P. M. SAYEED: Now when it is published in 'Surya' it is dubious, when it is published in the Indian Express, it is not dubious and when it is published in 'Organiser' it will not be termed as dubious. This aircraft which has been bought from the U.K. has got a lot of shady things which are coming in the press in the country and outside the country. Now it is for the Government to clear these shady things firstly because it is concerned with our defence. The technical experts say that there was no test flight for this Jaguar. According to the test pilot reports, the Indian climatic conditions will not be suitable for this Jaguar and in regard to other technical aspects, they say that it is not at all fit and it is not worth the money that we pay for the purchase of Jaguar. On the contrary, the Swedish Viggen and the French Mirage which have got sophisticated equipments have already been tested as to whether they are fit for the climatic conditions of our country and also taking into account the neighbouring country's acquisition of sophisticated equipment. Therefore, I would only ask the Defence Minister one more thing. Though it is a deal between the Government of India and the United Kingdom, there is one gentleman by name, Mr. S. P. Chhiber, who has come in between this deal. This very House also witnessed a hue and cry and the Defence Minister could not clear the points raised by the hon. Member, Mr. Sathé. Therefore, I am entitled to ask one question. I would ask him to clear all these rumours and

shady dealings that are there. It is stated that the report of an expert team would be made available to this House so that if there is anything behind the screen that would be brought to the notice of this House. Whether that would be brought out?

**THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) :** The hon. Member has made certain remarks which are not factually correct. In the first place, what we require is not an Interceptor or combat aircraft. What we require is a Strike plane and Jaguar meets our requirements. I agree it is not an Interceptor and it is not a Fighter plane, but that is not what we required. So far as our requirement is concerned, it is met by Jaguar. It has been examined by the High Power Committee sent from here consisting of the Defence Secretary, Secretary (Defence Production), Finance Secretary, Chief of the Air Staff and about 20 experts. They made an appreciation of all three aircrafts—Jaguar, Mirage and Viggen—and they came to the conclusion that Jaguar was the best among the available aircrafts. Viggen was not available. My friend knows it.

Then, Jaguar has a higher payload in comparison to Mirage; it has the same speed apart from a higher load. Now, it is for the hon. Members to decide which is superior. Jaguar has a double engine and Mirage is a single-engine plane. Perhaps it will be a new light to the hon. Members. Naturally, when a pilot goes into the enemy's territory deep there, he will have a better chance of survival and greater confidence, if the plane has a double engine.

**SHRI P. M. SAYEED :** Are you prepared to place the report of the experts on the Table of the House?

**SHRI JAGJIVAN RAM :** I did not interrupt you; you can listen to me, if you have got the patience... (Interruptions)

The main thing is that one should not be confused. When a plane serves

as a Strike plane, it has to fly at low level, so that it is not detected on the radar system of that country. If it has to fight, it cannot fight at that low level. The two tasks of strike and combat cannot be performed at the same time. That is the opinion of the experts; I am not an expert, and I do not claim to be an expert. I have to be guided by the experts.

My friend has made a reference to an interview by one of the three test pilots who went from here. I want to make it clear that when these three test pilots saw the interview allegedly given by one of them in a renowned journal...

**AN HON. MEMBER :** Notorious journal.

**SHRI JAGJIVAN RAM :** I do not want to put that adjective... they wrote to the Chief of the Air Staff saying that none of them was interviewed by the reputed journal. One of them has further added that nobody who has the slightest connection with test flying will make the kind of remark that has appeared there. It means that that interview has been given not by a test pilot, but by some layman. I do not want to add anything to that.

Chhiber's name is being mentioned repeatedly. I want to reiterate that so far as negotiations for Jaguar are concerned, these have been held between the two Governments; these were between the Government of India and Aerospace, which, as the House is aware, is a hundred percent British government owned and controlled concern. There was no third party or any other individual so far as the negotiations are concerned. I want to make it clear and I want to reiterate that.

**SHRI SHYAMNANDAN MISHRA (Begusarai) :** Mr. Chairman, it is quite obvious that within the limitation of time, one cannot enter into any discussion, meaningful or otherwise, on this subject. I hope that a full-fledged discussion is in the offing when many of the issues in the controversy

[Shri Shyamnandan Mishra]

may be sorted out. My concern is that a matter of the highest importance like this should not ordinarily be an object of raucous controversy. But, unfortunately, it has been so. Every one has to thank himself for this, not excluding the Government, because I do think that it is the duty of the Government, in a matter of this kind, to educate both the hon. Members of the House and also the intelligent public outside about it; because it is a matter which concerns the defence of the country. We have to consider the matter in the long term prospective; and when we are spending such a huge amount, then it becomes all the more necessary to do so. But I find that on this account there has not been a very satisfactory approach from the Government. So far as the general public is concerned.

One would also think that in such matters there would be almost a national policy, a bipartisan policy, based on consultations, wider consultations. And I should have even thought that the Expert Committee's Report, if it is not a confidential paper, should have been placed on the Table of the House or in the Library so that every one could understand to the extent it is possible to do so. Even at the cost of sophistication, I could put my question in a bare and bald way in order to understand this.

I have no doubt that the Government must have gone into the record of performance of Jaguar. If that is so, how many Jaguars have crashed this year? Is it a fact that a Jaguar crashed shortly before the deal was finalised? Is the Government aware that Jaguar also crashed before the Firnborough Air Show? Was due notice taken of this factor? I hope the Government must have taken notice of this factor. Is it a fact that Jaguar was originally developed as a trainer aircraft and not as a fighter or a deep penetration aircraft? Is the Government also aware that in the British and French Air Force, the process of phasing out of Jaguar will start in the year 1981? If

that is so,—they are going to phase it out from their Air Force—then why did not the Government think fit to go in for Tornado which the British are also going in for; and they are going to equip their own Airforce for that?

It has been very emphatically stressed by the hon. Minister of State that so far as the economics of this aircraft is concerned, it has been duly taken care of and the comparative cost has been looked after. I was not very attentive at that time. But probably the hon. Minister thought that it would not be in the national interest to give the assessment in terms of comparative cost. I don't however think that it would harm the national interest if the comparative costs of this is also given. One would like to know whether Government have got any guarantee from the British Aerospace Industries against cost escalation. It is reported that Ferranti, the suppliers and manufacturers of various components is considering to increase the cost of their components. If that is so, this question becomes all the more important.

You will also recall that a point that has already been emphasised in this particular context is that there would be an arrangement for buy back.

One would like to understand all these things because these are very complicated ones and one does not have expertise to understand it. Our production would begin in 1982-83. By then Jaguar would have been phased out. That is our information. Where is the question of our sending anything to any one, I really do not know?

Is it also a fact that France had refused F.I. to China? That is what appeared in many of the British papers and now they have come to an agreement with Pakistan. And it is via Pakistan that China would also be getting supplies of F.I. Is Government aware of this? Has Government any information on this point? It will be very useful for the House to know if the Government has any information on this point.

These are a few questions and I hope while the hon. Minister would be answering these questions and would be providing us with the material which will clear the atmosphere of controversy.

**SHRI JAGJIVAN RAM:** The hon. member has put several questions. I welcome them because when we are acquiring an aircraft for our Air Force it is necessary that we know all the details that can be disclosed. There are certain things which, I am afraid, will not be prudent to disclose. I think members will agree with that.

So far as Jaguar is concerned, I may tell the hon. Members that it is not being phased out of the British Air Force. So far as France is concerned, they have also placed order for that. When they place order today, it will not be phased out in 1983. It is obvious, if a plane is manufactured today, it will continue at least for ten twelve years. It is obvious when new orders have been placed, it will not be phased out before 1982 or 1983. So, I wanted to say that it is not being phased out.

So far as the comparison is concerned, a comparison has been made in totality of *Mirage and Jaguar*. Perhaps, members will agree that there are obvious reasons why details should not be disclosed.

The Report of the Expert Committee—it also discusses weapon system. Hon. House will agree that it will not be wise or to our national interest to disclose weapon system to the world as a whole. So far as members are concerned, what secret can I keep from the hon. members of the House?

**SHRI C. M. STEPHEN (Idukki):** The other thing I can understand, how the non-revelation of the comparative cost will serve the national interest?

**SHRI JAGJIVAN RAM:** If the hon. member discusses with me, I will always discuss with him, because in a matter of national importance the approach of the Opposition and the Government should be the same—one of national interest.

I am going to provide machinery to our Defence Forces. Care should be taken to see that we do not indulge in a debate which will discourage our Defence Forces. That is my approach to the House.

So far as economics is concerned, I have said that a comparative study has been made. So far as the Expert Committee is concerned, as I have said, it was as high powered as any Committee can be made in the Government of India.

So far as discussion with the members is concerned I am always prepared. Two, three, four members can come and I shall welcome discussion with them. There is nothing to hide from the members themselves. What my effort is, it should not become public. By making it here, we shall be broadcasting them to the countries which are hostile to us. That is the only thing that we have to keep into consideration.

Some friends have mentioned about the question of NATO countries. I do not think NATO countries have any objection to Jaguar. As a matter of fact Jaguar is working in West Germany also. What I would like to mention in this connection is that we do not go by what some under-developed country does. We go by what the developed countries are concerned, where they have the anti-aircraft mechanism very well developed. France, Great Britain and West Germany, the House will agree, are the developed countries and they have the anti-aircraft mechanism very much developed; and, what is required is deep penetration aircraft which will fly at a low level. That I have said.

About accidents, I will not give the details of the one that has been mentioned.

[Shri C. M. Stephen]

It is a fact that initially when the manufacture of Jaguar started, it started as a trainer aircraft. But that does not diminish its value because later on it was developed as a strike plane and it has been found by experts not only of our country but by others also that it is one of the finest of strike planes. I would like to make it clear here that so far as the three planes are concerned, they will all reasonably meet our requirements. So we had to see what are the plus points in Jaguar as compared to the other two. There is no doubt that Mirage can perform the dual role of a strike plane as well as a combat plane, but as I have said, both the roles cannot be played simultaneously. The strike plane has to fly at a low level and when it comes to intercepting or combat plane, it has to fly at a higher level.

In this connection, I would like to mention about the rate of accidents. The House will appreciate that when flying at a low level, the chances of accidents are more than when flying at a higher level. But we have made a comparison of the rate of accidents between Jaguar and Mirage for every 10,000 hours of flying. For every 10,000 hours of flying in the case of Mirage the rate of accident is 0.77 and in the case of Jaguar it is 0.8. This is the difference. I am telling very frankly. There were one or two accidents of Jaguar. There is no doubt about that—but they were not due to any manufacturing defect in them. But the rate of accidents in the two, I have said that. I do not know whether I have left any other question.

**SHRI SHYAMNANDAN MISHRA :** I asked about France refusing to China and now they have come to an agreement with Pakistan.

**SHRI JAGJIVAN RAM :** At the moment I do not have that information. As soon as I get that information, I shall let the hon. member know about that.

श्री जगजिवन राम (बनौलीबाद) : जैगुआर का जो मोबा है यह राष्ट्रीय और सामाजिक बुद्धियों से बहुत ही महत्वपूर्ण है। इस सम्बन्ध में कई सम्बन्ध-कारकों में यह खबर आई है कि यह एकसपट्टे कमेटी के फैसले के पहले ही यानी मार्च 26, 1978 को ही ब्रिटिश पार्लियामेन्टरी सेन्टेटरी ग्रूप स्टेट कार डिफेंस न एक इंटरव्यू में यह बात स्वीकार करे की कि भारत सरकार ने यह बात मान ली है और भारत सरकार ने जैगुआर खरीदने का फैसला ले लिया है। मैं जानना चाहता हूँ कि क्या यह सच है ?

मैं यह भी जानना चाहता हूँ कि जैगुआर डील जब होने वाला था तो क्या बिल मंजी लदन गए थे और उन्होंने उसके आर्थिक पक्ष या आर्थिक पहलू का अध्ययन किया था और इस मामले को प्रधान मंत्री जी के साथ छिपकलन किया था ?

डीन के समय रक्षा मंत्रालय के अधिकारियों के झलाबा तथा एकसपट्टे कमेटी के अधिकारियों के झलाबा और फोन कौन में लोग उसमें उपस्थित थे और उन के नाम क्या थे, यह मैं जानना चाहता हूँ।

श्री जगजिवन राम : यह कहना गलत होगा कि एकसपट्टे कमेटी के जाने के पहले कोई फैसला हो गया था। क्योंकि एकसपट्टे कमेटी गई, पहली एकसपट्टे कमेटी गई जिसके बारे में मैंने बयान किया है कि उसमें सिर्फ डिफेंस मिनिस्ट्री के लोग नहीं थे, डिफेंस के वे, एयर फोर्स के वे, पहले जाँ उन वक्ता के एयर फोर्स के बीच थे वह भी थे। इसके झलाबा जहाँ पर हवाई जहाज बनाया जायेगा एन०एन०, उसके भी हैब थे। उन लोगों ने घा कर के अपनी रिपोर्ट दी। उसके बाद उस रिपोर्ट पर मैंने सदन को बताया कि विचार नहीं हुआ मका क्योंकि उस वकत के गृह मंत्री वा स्वास्थ्य अच्छा नहीं था और वह भी पोलिटिकल प्रकैयर्स कमेटी के मंगल थे। सदन को मैं बताना चाहता हूँ कि इस बड़े सोदे का फैसला कोई एक मंत्री नहीं करता है। पोलिटिकल प्रकैयर्स कमेटी में ही इसका फैसला किया जाता है। प्रथम कमेटी की रिपोर्ट पर अब विचार किया गया तो उसके बाद ऐसा श्याम हुश्रा कि प्रथम दाम में और भी रियायत हो मके या डिनिवरी गेइयल और अच्छी हो मके तो अच्छा रहे। इमालिये दूसरी टीम को तीनों जगह भेजा गया—फ्रान्स, इंग्लैंड और स्वीडन—और उनको वहाँ से लौटने के बाद यह फैसला हुआ।

यह बात सही है कि बिल मंजी बर्से बैंक की मीटिंग में प्रथमरीका जाते हुए इंग्लैंड में रुके थे और उनकी मुलाकात इंग्लैंड के प्रधान मंत्री से हुई थी। उन्होंने बात खबर की थी कि अधिक से अधिक रियायत दाम में लीवा हो मके। यह मैंने बार-बार दोहराया है कि हवाई जहाज के सम्बन्ध में बिलती बातें हुई हैं उसमें निबाय भारत सरकार के अधिकारी और ब्रिटिश सरकार के अधिकारियों के झलाबा और कोई और-सकारी व्यक्ति शामिल नहीं रहा है। एक बात और कहनी है कि अधिकारियों ने भी जो बातें की हैं वह बराबर दो बार अधिकारियों की टीम रही है, पहले किसी अधिकारी ने बात नहीं की।



**SHRI EDUARDO FALEIRO (Mor-mugao):** As you are very well aware, this is the largest single arms deal entered into by this country since Independence and the value is quoted as above Rs. 2,000 crores. It is unfortunate that for a very long time, this deal has been under a cloud. There have been serious allegations not merely of sharing of aircraft technology but of what is known as "commission technology." We could safely ignore these allegations if they came from one journal but what makes it very serious and what makes it necessary to be noticed by this House is that these allegations have been made not by one journal but by several journals and newspapers including those which favour the present Government like the *Times of India*, *The Hindu*, *the Current*, *the Blitz* and so on and so forth. I do appreciate what the hon. Defence Minister has said. I do admit that the hon. Defence Minister is a senior leader and no allegation in the air can be levelled against him. He has a clean record as far as I know and I will be the last person to make allegations in the air against such a respectable and such a senior person. I again appreciate the point made by hon. Defence Minister that in view of certain level of secrecy that is to be maintained, one cannot go into all details in an open House. But then the Defence Minister has also implicitly made it clear that it is in the national interest that our political and administrative spheres should be above board and he was prepared to bring the actual fact to the notice of the individual Members of Parliament. I would like to ask the hon. Defence Minister whether he is prepared to appoint a parliamentary committee which will under oath of secrecy, go into the question to see whether there is anything shady about it. It will be in the national interest and in the interest of the hon. Defence Minister himself to have this Committee. (Interruptions) Pending a reply of the hon. Minister on this point about the acceptance of this Committee, I would like to ask him a few questions.

3170 LS—11

The first question is whether an Experts Committee, of which Air Chief Marshal Moolgavkar, the then Chief of Air Staff, was a member, gave a report, which was unfavourable and recommended against the Jaguar.

**SHRI JAGJIVAN RAM:** Entirely wrong and mischievous.

**SHRI EDUARDO FALEIRO:** Now that one point has been made clear, let us go step by step. I will put all the questions and he will kindly give his replies.

Secondly, may I know whether a team, which was headed by Shri Banerjee, the Defence Secretary, had gone some time ago to London and Paris, when there was a competition between Jaguar and Mirage, and when Shri Banerjee and his team of three went to Paris, the Mirage gave such good terms that the team of Shri Banerjee is reported to have sent a telegraphic message to Delhi that 20 Jaguars may be bought and arrangements made for manufacture of Mirage at HAL? May I know whether it is also a fact that a reply went from here to the effect, a very cryptic message, "stick to your instructions"? Is this a fact and, if so, what are the reasons for this message and what motivated this message?

Thirdly, arising out of a report which has appeared just today, because it is in the interests of all, including the Defence Minister to clarify the point ....

**AN HON. MEMBER:** Which paper? (Interruptions)

**SHRI EDUARDO FALEIRO:** Kindly remember that allegations have been made by all the papers, like *Hindustan Times* of 22nd October, *Blitz* of 16th September, *Hindustan Times* of 26th September, *Statesman* of 7th October and so on and so forth. I think it is enough for you.

[Shri Eduardo Faleiro]

I would like to know from the hon. Defence Minister what is the truth involved in a report which is appearing in today's *National Herald*... (Interruptions) *National Herald* is also like all other papers. In this country, the Press has always been proved to be with the rulers. An allegation has been made that the papers which were till yesterday with Mrs. Gandhi and her Government are today with this Government of which Shri Jagjivan Ram is a very senior member. An allegation is made that this Government is also tacking the newspapers in the same way. So, please do not raise the point as to which newspaper.

The *National Herald* of today, the 29 November speaks about "Babuji-Chibber connection". It says:

"In a letter dated 20th December 1977 to Mr. G. B. Hill of the British Aircraft Corporation (manufacturers of Jaguar planes) Babu Jagjivan Ram, Defence Minister, recommended S. P. Chibber, the arms contractor based in London. It will be recalled that Chibber's Mercedes Benz has been with the Defence Minister's son, Suresh Kumar, for a number of years and was damaged in an accident...."

I do not want to give all those details.

"Under the circumstances, the letter makes curious reading. I am sure you will find that Mr. S. P. Chibber has good contacts in India and will be an asset to your company writes the Defence Minister to Mr. Hill."

I would like to know whether the hon. Defence Minister does know who is this Mr. Chibber, whether he has written this letter and, if so, in what context he came to know Mr. Chibber and what made him write this letter. I would appreciate a reply to all these questions.

**SHRI JAGJIVAN RAM:** As I have already said, Air Chief Marshall Mool-

gavkar did not give any contrary report. So far as the allegation about the report by the Defence Secretary, Shri Banerjee, is concerned it is also not correct; No such message of any kind was sent from Paris.

So far as the reference in the *National Herald* is concerned, it is a reference to a photostat copy of the letter which has been published in a reputed journal of Delhi and is purported to have been written by me to one of the officers of the British Aerospace manufacturers. I am very happy, Sir, that the hon. Member has raised this question. I would like to categorically state that at no time was any letter addressed by me, nor was any discussion held with any Mr. Hill as alleged in one particular newspaper. I never heard of Mr. Hill, much less met or talked to him. The so-called letter is a piece of blatant forgery, is false, and I submit, is a fraud on this august House and the people of this country. Even though my categorical statement would perhaps be enough, let me just, to nail the lie that has been circulated in certain quarters, read out to you a message dated 29th November 1978, which the Defence Ministry has received from the British Aerospace, London, which is as follows:

"Shri S. Banerjee,

Defence Secretary,

Government of India,

New Delhi

Dear Shri Banerjee,

Our attention has been drawn to an alleged letter which has appeared in the December issue of *Surya*, which purports to have been written on 20th December, 1977, from Shri Jagjivan Ram, Minister of Defence, India, to Mr. Hill in our Corporation.

I am authorised by my Head Office in Britain to state that no such letter has been received by

them or by Mr. Hill; the address given in the letter is neither Mr. Hill's office nor residential address; that there has been no discussion or correspondence of any kind between your Minister and Mr. Hill; that Mr. Hill does not hold the position ascribed to him in the alleged letter, but is a junior employee in the Corporation; and that we regard the suggestion that your Minister might have had a discussion with or written on any subject to such a junior member of our staff as ludicrous.

Yours sincerely,

Sd./-

(A. K. KEYS)

British Aerospace—India."

(Interruptions)

SHRI EDUARDO FALEIRO: The hon. Minister is expected to reply to all the questions. The main question was whether he prepared to accept a parliamentary committee, and if not, why not.

SHRI JAGJIVAN RAM: No, I am not prepared.

THE PRIME MINISTER (SHRI MORARJI DESAI): It is a fantastic

demand for a parliamentary committee to go into lies.

SHRI EDUARDO FALEIRO: He says, it is lies. It is very bad on the part of the Prime Minister. He is giving a very bad example to all. He pre-judges everything. He judged about his son, he judged about everything in the Government and he is a judge, he is an accused and a witness and everything.

#### BUSINESS ADVISORY COMMITTEE

##### TWENTY-SIXTH REPORT

THE MINISTER OF PARLIAMEN-  
TARY AFFAIRS AND LABOUR  
(SHRI RAVINDRA VARMA): Sir,  
I beg to present the Twenty-Sixth  
Report of the Business Advisory Com-  
mittee.

MR. CHAIRMAN: The House stands  
adjourned till tomorrow at 11 A.M.

1845 hrs.

*The Lok Sabha then adjourned till  
Eleven of the Clock on Thursday,  
November 30, 1978/Agrahayana 9,  
1900 (Saka).*