

The DM has informed that in this regard a case is being registered. It is not possible at this stage to indicate whether the bomb was hurled by some person or it had been planted in the mosque before the incident took place. The hand of terrorists does not seem to be involved but it appears to be the work of some mischievous elements.

Immediately after the incident, there was some resentment among a section of the people and they demanded that the culprits be apprehended immediately.

The District Administration is fully alert, and patrolling by the Magistrate and police is being undertaken.

The District Magistrate, Faizabad has also stated that 60-65 persons offered prayers as usual in the mosque after the bomb explosion. There does not seem to be visible communal tension over the incident. The District Administration has also assured to the local public that it will identify the culprits and take strict action against them. Meanwhile, action is being taken to repair the damages caused to the mosque in consultation with the management of the mosque.

(ii) Progress of investigation into the Bofors Case

THE MINISTER OF DEFENCE (SHRI SHARAD PAWAR): Sir, In the past few days, several Hon'ble Members have sought to know the latest position in respect of the investigations in the Bofors case, specially in the context of certain reports which appeared in a Swedish newspaper, in February '92, and subsequently in our newspapers. Apprehensions have been expressed that the investigations are not being seriously pursued.

In this background, I am placing be-

fore this august House the recent progress of the case, to enable appreciation of the correct facts. However, it is pertinent to mention that this case is sub-judice in Courts in India and abroad.

As this House is aware, investigations in the Bofors case stand entrusted to the CBI which had registered a preliminary Enquiry on 8th Nov '88. The House would recall that an MOU was signed between Govt. of India and the Swiss Federal Government, on 20th Feb '89, to provide, mutual assistance in criminal matters. I may recall that two Letters Rogatory were sent to the Swiss authorities in Feb '89 and Oct '89. Subsequently, the CBI registered a Regular Case on 22nd Jan. '90.

The CBI took up the matter with the Swiss and Swedish authorities, seeking their assistance in the investigations. As a result of the CBI's efforts, the Swiss authorities froze certain Swiss Bank accounts on 26th January, 1990. A letters Rogatory was issued by the Special Judge, Delhi, on 7th February 1990, which was presented to the Swiss authorities. The investigating Judges at Geneva and Zurich accepted the Letters Rogatory. Thereafter, appeals were filed by certain parties in the Cantonal Courts at Zurich and Geneva. I shall now briefly describe the progress of cases in Courts in Switzerland and India and the request for assistance made to Sweden.

Zurich: The Cantonal Court at Zurich dismissed the Appeal filed before it. Consequently, authorised signatories/beneficiaries of M/s. A.E. Services Ltd., one of the recipients of payments from M/s. Bofors, preferred an Appeal before the Federal Court of Switzerland. This Appeal was also dismissed, on 13th November, 1990. Thereafter, on 13th December, 1990, the CBI received copies of the documents relating to the bank account of A.E. Services Lt. maintained at Nordfinanz Bank, Zurich.

Consequent thereto, the CBI moved the Swiss authorities for further investigation to ascertain the particulars of the beneficiaries of this account.

Geneva : Certain affected parties had filed appeal (s) on 9th Apr '90, before the Cantonal Court at Geneva against the blocking of certain accounts in Geneva. These cases bear a relation to Court cases filed in India, which I shall refer to later. The Court at Geneva admitted the appeal and gave the CBI sixty days to rectify the deficiencies in the Letters Rogatory and, as a provisional measure, continued the freeze on the accounts. The revised Letters Rogatory were furnished by the CBI to the Swiss authorities on 30th Aug '90, which were found to be in order by the trial Judge on 19th Sept, '90. Appeals were filed by certain affected parties, against the said order. The Criminal Court of Appeal of the Canton of Geneva passed an order, on 23rd Jan. '91, suspending the examination of the Letters Rogatory till the Indian Judicial authorities pronounced their decision. Under the Swiss laws the foreign Govt. or its Advocate do not have the right to audience before the concerned Swiss Courts. However, the CBI has been pursuing the matter through the Swiss Federal Deptt of Justice and Police, our Embassy in Berne and the CBI's counsel to expedite the pending appeals.

India : In India, on 18th Aug '90, one Shri H.S. Chaudhary filed a Criminal Misc. Petition in the Delhi High Court, praying for quashing of the FIR in the Bofors case and the Letters Rogatory issued by Indian Courts. Certain political parties also impleaded themselves in the aforesaid case, in the High Court. On 19th Dec '90, the Delhi High Court dismissed the petitions of Shri H.S. Chaudhary and others but took cognizance *suo moto* of the case and

issued notice to the CBI and the Union of India to show cause why the FIR may not be quashed.

Against the aforesaid order, eight Criminal Appeals and one Writ Petition were filed in the Supreme Court by various political parties, Shri H.S. Chaudhary, and the CBI/Union of India. These were decided by the Supreme Court vide its order dated 27th Aug '91. All the Criminal Appeals, except that of the CBI, were dismissed on the ground that the Appellants did not have a *locus standi*. While allowing the Appeal of the CBI, the Supreme Court held that the FIR and the issue of Letters Rogatory "remain unaffected and they can be proceeded with in accordance with law".

Immediately on the pronouncement of the aforesaid decision by the Supreme Court, the Swiss authorities were informed of the same, on 30th Aug '91, through our Embassy at Berne. Later, on 12th Sep '91, certified copies of the Supreme Court Order were despatched by the CBI to our Embassy in Berne, for onward transmission to the Swiss authorities. Our Embassy communicated this Order, along with its translation in French, to the Swiss Federal Deptt. of Justice & Police, on 19th Sep '91, who, in turn, transmitted it, on 23rd Sept '91, to the investigating Judge of Geneva, so that the judicial process could be resumed.

Meanwhile, on 12th Sep '91, Shri W.N. Chadha filed a Criminal Miscellaneous Petition in the Supreme Court of India, praying that the Supreme Court withhold its detailed judgment. This Petition was dismissed by the Supreme Court. However, Shri Chadha had also filed a Writ Petition in the Delhi High Court, on 9th Sep '91, for quashing of the FIR and the proceedings and orders thereunder, including the Letters Rogatory, and for restraining the CBI

Progress of investigation into

from proceeding further with the investigation. This Writ Petition was admitted and is still pending decision. However, the court has not stayed the investigation.

It is relevant to mention that while forwarding to our Ambassador in Berne a copy of the Supreme Court order of 27th Aug '91, the CBI had brought out that after the aforesaid order of the Supreme Court, Shri W.N. Chadha had filed a fresh petition in the Delhi High Court praying for quashing of the FIR and stay of investigation. The CBI had also made it clear that since the Supreme Court had held that the FIR and the Letters Rogatory remain unaffected, any fresh petition by Shri W.N. Chadha should not, in any manner, influence the ongoing processes in the Geneva Cantonal Court. It had also been emphasised that the Delhi high Court had not stayed the investigation. The CBI's Advocate in Geneva, Mr. Marc Bonnant, was informed accordingly and, on 17th Sep '91, a copy of Shri W.N. Chadha's petition in the High Court was sent to him, to keep him advised in the matter.

Sweden : For the investigations in Sweden, Letters Rogatory was delivered to the Swedish authorities on 2nd Apr '90, seeking their assistance. On 24th May '90 the Swedish authorities delivered to the CBI a complete copy of the report of the Swedish National Audit Bureau, with the request that the classified portion thereof should be kept secret. It was conveyed to the Swedish Govt, on 26th May '90, that the Govt of India intended to place the entire text of the aforesaid report before the Parliament. The Swedish Ambassador to India, conveyed that the Swedish Govt had taken a serious view of Govt of India's position, as the classified portion of the report still remained secret under the Swedish Laws of Secrecy. The Swedish Government also emphasised that if the Govt of India persisted in publicising the secret

portion of the report, it would regard it as a serious breach of trust, which would undoubtedly affect the ability of Swedish Govt to transmit other classified or sensitive documents to the Govt of India, which had been asked for. The Govt of India accordingly decided to honour its commitment.

After examining the Letters Rogatory, the Swedish Govt communicated its decision, on 14th June '91, that it was not agreeable to reopening the preliminary investigations by Mr. Lars Ringberg, District Prosecutor, Stockholm. Subsequently, after discussion with our Advocate at Stockholm, an Appeal was filed, on 2nd Mar '92, against the aforesaid decision of the District Prosecutor. The Swedish Prosecutor General rejected the Appeal on 10th Mar '92, on the ground that no fresh facts had been brought forward to justify the reopening of the case.

As regards the apprehension that Govt are thwarting the investigation and have given signals to the Swiss authorities not to pursue the case, Govt wish to emphatically deny all such allegations. In fact, when the first report appeared in an Indian newspaper on 23rd Mar '92, suggesting that the Swiss authorities had been told to shelve the Bofors probe, the CBI addressed the Swiss Federal Department of Justice and Police, on 24th Mar '92 and 26th Mar '92, to:

- (i) reiterate their keen interest in the investigations and requested the said Deptt to vigorously pursue the matter with the Cantonal Court and other Swiss authorities;
- (ii) yet again clarify that: (a) through its order of 27th August 1991 the Supreme Court of India had held that the FIR and the Letters Rogatory remain unaffected by Shri W.N. Chadh's petition and that

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Shri Chadha's pending petition before the High Court should not influence in any manner the ongoing investigation in the Geneva Cantonal Court; (b) even the High Court had not stayed the investigation; (c) despite the time that had passed and the political changes in India, the Govt of India's request that the Swiss authorities provide speedy assistance in the investigation remains unchanged (d) the Govt of India persist in their request to the Swiss authorities for speedy assistance in the Bofors case.

It would be seen that the CBI is continuing to vigorously pursue the case. The Hon'ble Members are aware of the statement made by the External Affairs Minister regarding the note he handed over to his Swiss counterpart, during his visit to Switzerland in February this year. The External Affairs Minister has already tendered his personal explanation in the matter and expressed his regret to the House. This incident has no effect on Govt's consistent position in the matter. Government remains firm in its intention that the law shall be allowed to take its course and the investigating agency shall proceed in accordance with law.

14.40 hrs.

DISCUSSION UNDER RULE 193

Bofors Gun Deal Investigation

[English]

MR. SPEAKER: Now we shall take up Discussion under Rule 193. Shri Amal Datta to speak.

SHRI AMAL DATTA (Diamond Harbour): Sir, unfortunately, the benefit of this particular statement which is read out just now in the House for 20 minutes by the Defence Minister has not been given to us. Number of dates have been reeled out, number of facts have been reeled out and the least that they could have done, not having given us any information so far, was that they could have given us this benefit of seeing an understanding what the Government of India has been up to in this regard.

We have all our doubts and because of these doubts, we have been mentioning in this House, raising our voice, as much as possible, under the rules and procedures of this House, which has not carried us very far. I must point out the fact that the Defence Minister has now been allowed to read out a statement in the House, is not within the rules of the House. An indulgence has been provided to him before the discussion could be begun by me, to read out a statement which relates to the very matter on which the discussion is going to be raised. This is a departure from the Rules and Procedures of the House. This could have been ameliorated by letting out the facts and letting us have a copy of the statement beforehand. I would now request the hon. Speaker to please ask the Defence Minister to lay on the Table of the House all the documents that he has mentioned and whose contents he has mentioned in his statement. That is under the Rules and he is obliged to do so. You may please ask him now so that we can take benefit when the matter comes up later.

MR. SPEAKER: Supposing the Defence Minister had not made the statement then you would have spoken without the statement.

SHRI AMAL DATTA: That is why I