

[Sh. Manmohan Singh]

the forthcoming Budget. However, in order to let Hon. Members judge for themselves, this letter of development policy will be placed in the Library of Parliament immediately after the Budget is presented. (*Interruptions*)

SHRI RAM VILAS PASWAN (Rasera): You are not denying the Press report. What appeared in the Press is true. So, I want to know, according to the Finance Minister, what appeared in the Press is true? (*Interruptions*)

SHRI NIRMAL KANTI CHATTERJEE (Dumdum): Has he not promised to World Bank that these things will be included in the Budget? (*Interruptions*)

MR. DEPUTY-SPEAKER: The Opposition Members wanted the Finance Minister to make a statement. Now, the Hon. Finance Minister has made a statement. Let us close it here.

(*Interruptions*)

14.26 hrs.

RE. ALLEGED DISCLOSURE OF BUDGET PROPOSALS TO WORLD BANK AND CONTEMPT OF THE HOUSE BY THE FINANCE MINISTER

[*Translation*]

SHRI ATAL BIHARI VAJPAYEE (Lucknow): Mr. Deputy Speaker, Sir, I was among the Members, who had raised this matter in the House. It is a matter of satisfaction that the Hon. Minister of Finance made a statement in the House. But he is prepared to reveal the contents of his letter to the World Bank, only after the presentation of

the Budget. Is it necessary to hide these matters from the Parliament, which can be revealed to the World Bank? What if it gets leaked from the World Bank and mind you, the Finance Minister is not in a position to obtain information about the goings-on inside the World Bank. The conditionalities put forward by the World Bank have appeared in today's newspapers. Upon our suggestion, you agreed to place them before the House. Similarly, I request you to make the necessary clarification regarding this letter also. It is also requested that the House may be taken into confidence regarding the I.M.F. conditionalities and the letter, about which a mention has been made, may please be placed before the House, before the presentation of the Budget. We are prepared to take the pains and go to the Library to read it.

SHRI RABI RAY (Kendrapada): Mr. Deputy Speaker, Sir, it becomes clear from the statement made by the Hon. Finance Minister, just now, in which a reference has been made to some countries although their names were not specifically referred that these are Latin American countries, which have got ruined due to borrowings from the World Bank. In my opinion, India doesn't come in the category of those countries, at the moment but from the manner in which this matter was presented in this House it becomes crystal clear that.

[*English*]

The Finance Minister is guilty of contempt of the House.

[*Translation*]

because it is an open challenge to the sovereignty of the Parliament. Our sovereignty is in question. As Shri Atal Bihari Vajpayee correctly observed, the Finance Minister thought it prudent to take World Bank officials into confidence but not the

House. This is a fundamental question.

Until this question is decided, the House should not take up any other business. This is the question of sovereignty/supremacy of the House. The manner in which the Finance Minister and Narasimha Rao's Government has been taking decisions by misleading the Parliament, specially during inter-session period, I say

[English]

The Finance Minister owes a responsibility. He is accountable to the House.

[Translation]

Not only the Finance Minister but also Shri Narasimha Rao and his cabinet is responsible for it. I would like to say that the Privilege Motion moved by our Hon. Members may be considered. The statement made by Hon. Finance Minister does not satisfy the House. He should assure the House as Shri Vajpayee has demanded that all the papers about the conditionalities will be laid on the Table of the House today itself.

[English]

SHRI SOMNATH CHATTERJEE (Bolpur): Mr. Deputy-Speaker, the Hon. Finance Minister gave, what he calls, his reply. I do not know whether it is reply to the very important issues that have been raised here and also mentioned in this report. I take it he has not dealt with some of the issues because he has no answer to them. He does not controvert them. This report refers to the letter of the Finance Minister dated the 11th November, 1991 which he says he has written and it also refers to the letter of the World Bank President, Lewis T. Preston of November 12th. He has not said a word about that.

Therefore, should we take it that there

is such a letter from the World Bank President to the Finance Minister in which the conditionalities have been laid. Twenty-five conditionalities have also been published in this newspaper. They are laid down in the World Bank President's letter. Not one word has been spoken by the Hon. Finance Minister. It is being said that there are certain things in this proposal which will be in the Budget, but we are not being told about it.

The country does not know about it. And it has gone to the extent of saying, even the Prime Minister has been kept dark about it. Sir, is this the way the Government of India is functioning? Such drastic policy changes are being made. According to us, it is subverting our economic sovereignty and it is giving up our commitment to self-reliance. And even the Prime Minister is supposed to be not knowing about these things. These are very serious matters, which cannot be taken just casually. He gives an impression, 'Yes, I have got a copy of this letter in my pocket. I shall produce it whenever it suits me. The Finance Minister says that he will produce it after the Budget. And, therefore, it obviously contains something related to the Budget. Otherwise, there is no reason not to publish it before the Budget. But, it is not denied that that letter has been given to the World Bank President. Therefore, it is vital for the secrecy of the Budget so far as the Parliament Members are concerned, so far as sovereign Parliament is concerned. Sir, it is not a matter of secrecy so far as the World Bank is concerned. Therefore, World Bank is supposed to know. The World Bank is laying down conditionalities, about which not a word has been spoken. Sir, where do we stand? Therefore, it is very vital what Mr. Rabi Rayji has said, whether this Parliament remains a sovereign Parliament any longer. Over the most vital part of our policy, namely our economic policies, economic independence, economic sovereignty, we must know. Sir, is the World Bank President - because he is

[Sh. Somnath Chatterjee]

giving him money and we are not giving him money—more acceptable to him?... (Interruptions) Therefore, World Bank is more acceptable to him and is a very coveted company than the Members of Parliament...(Interruptions)

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI RANGARAJAN KUMARAMANGALAM): Mr. Deputy Speaker, Sir, at the moment they can ask ~~only~~ clarifications...(Interruptions)

SHRI SOMNATH CHATTERJEE: We are expressing our anguish. Do you not realise that? Sir, how do you like, how does the country like, how does today Indians like when we are told that the World Bank have an access to our Union Budget, and when the country does not know, the Parliament does not know, how does one feel? Is this not an independent country? Therefore, if our information is not correct, if the newspapers report is not correct, I would have expected a fuller statement from the Finance Minister, not a casual response. Therefore, our suspicion - there is something related to the Budget proposals in that letter, which is in the communication with the World Bank, which the Finance Minister cannot afford to disclose now at this stage to the Members of Parliament is deepened. Therefore, I support what Mr. Rabi Rayji has said and it must be clarified before we proceed further with any other item of the Agenda...(Interruptions)

[Translation]

SHRI RAM VILAS PASWAN: Mr. Deputy Speaker, Sir, I was thinking that Hon. Minis-

ter would contradict whatever had appeared in the newspapers. (Interruptions)

[English]

SHRI RANGARAJAN KUMARAMANGALAM: What is this? They can only ask clarifications...(Interruptions)

SHRI RAM VILAS PASWAN: Sir, Mr. Kumaramangalam is not a Speaker. Sir, you are in the Chair...(Interruptions)

SHRI RANGARAJAN KUMARAMANGALAM: After the Minister's statement, they can ask clarifications. You cannot have a complete discussion in this House like this...(Interruptions)

MR. DEPUTY-SPEAKER: It cannot be a debate. One or two persons can ask clarifications...(Interruptions)

[Translation]

SHRI RAM VILAS PASWAN: Mr. Deputy Speaker, Sir, I hoped that Hon. Minister will contradict whatever has appeared in *Indian Express* today. But I am sorry to point out that whatever the Hon. Minister has said is a proof of ...\*\*

[English]

SHRI RANGARAJAN KUMARAMANGALAM: Sir, this cannot go on record. This sort of a statement should not be allowed. (Interruptions)

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Mr. Deputy Speaker, Sir, I take strong objection to this sort of insinuation.

[Translation]

SHRI RAM VILAS PASWAN: Mr. Deputy Speaker, Sir, I would like to say that

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\*\*Expunged as ordered by the Chair.

what is going in India, we are the Member of Parliament...*(Interruptions)*

[*English*]

MR. DEPUTY SPEAKER: Kindly resume your seats.

*(Interruptions)*

MR. DEPUTY SPEAKER: Kindly resume your seat.

*(Interruptions)*

SHRI RANGARAJAN KUMARA-MANGALAM: How can he behave like this? Let him give a proper notice. Either he should apologize or he should withdraw. It cannot be part of the proceedings. I am sorry, Sir. Mr. Deputy speaker, Sir, this is going too far. It cannot go on like this. There is a procedure. *(Interruptions)*.

SHRI RAMESH CHENNITHALA (Kottayam): I want him to withdraw it. It should not go on record.

MR. DEPUTY SPEAKER: If there are any unparliamentary words, they will be expunged from the record.

*(Interruptions)*

MR. DEPUTY SPEAKER: Kindly resume your seat.

*(Interruptions)*

[*Translation*]

SHRI RAM VILAS PASWAN: Mr. Deputy Speaker, Sir, I was saying that Government has the right to take loan but not to mortgage the country. *(Interruptions)*

[*English*]

SHRI A. CHARLES (Trivandrum): You withdraw it.

SHRI RANGARAJAN KUMARA-MANGALAM: That is even worse. This is equally, directly a personal allegation against the Finance Minister. Let him give a notice under the rules. It cannot go on record.

[*Translation*]

SHRI RAM VILAS PAWAN: I am not levelling any personal allegation against Shri Manmohan Singh. *(Interruptions)\**

[*English*]

SHRI MUKUL BALKISHAN WASNIK (Buldana): This is totally a derogatory statement. He cannot make such a statement. You should tell him that he should not make such a statement. *(Interruptions)*.

SHRI RANGARAJAN KUMARA-MAGALAM: Let him give a notice. It cannot go on record.

[*Translation*]

SHRI RAM VILAS PASWAN: Nothing can be more shameful for the country than what has appeared in the newspaper. As Atalji has said that if the Government has courage and thinks that these conditionalities do not mortgage the country then it should lay the relevant papers containing the conditionalities before the presentation of the Budget. Government has no moral right to mortgage the country. We strongly oppose it.

[*English*]

MR. DEPUTY-SPEAKER: Hon. Members, you have expressed your feelings. The Hon. Finance Minister also has made some statement by which you are not satisfied and for which you wanted to have some clarifications. One or two persons have already asked some clarifications. Now, Shri Indrajit Gupta will ask the last clarification.

SHRI RUPCHAND PAL (Hooghly): Sir, it is the question of privilege of this House.

\*Expunged as ordered by the Chair.

SHRI GEORGE FERNADES

(Muzaffarpur): Sir, the Finance Minister must lay that statement today.

[Translation]

Mr. Deputy Speaker, Sir, please listen to me. We have surrendered the dignity of India in the hands of World Bank. How the Indian Express got this news, I do not know. But it has published this news. The Hon. Finance Minister has also admitted in the House that there is such a letter. He has also agreed to lay that letter on the Table of the House after the presentation of Budget because it is related with the budget and a serious matter. The World Bank officials might be considering us, the members of Parliament and our country, as a laughing stock. They will say that this country is very strange as World Bank officials possess all the documents while the elected representatives of the country will have access to the document only after the Budget. So, Mr. Deputy Speaker, Sir, who is sovereign, this country, this Parliament or the World Bank? You have given the documents to them even before presenting them in the House. So we are not demanding any more explanation. We want that you should lay the document, which you had sent to the World Bank, alongwith the reply received from the World Bank on the Table of the House today itself. It should be done forthwith as there is no harm in it.

[English]

SHRI INDRAJIT GUPTA (Midnapore):

Sir, I think the Hon. Finance Minister will be the first to admit that but for this matter having been appeared in some form or the other in one of the leading dailies and on that basis so many Members brought up this matter this morning, we would never have known about this. On his own volition, the Finance Minister was never going to communicate to this House about the letter on public policy which he has addressed-he admitted-to the President of the World Bank. It is only because of the furore that took place that this matter has now come on to the floor.

My first question is why should it be like that. My second question is that everybody knows that the Budget proposals - measures in the Budget - do not take place in a vacuum, they are connected with some policies. The Budget is an instrument in order to implement certain policies. This is what the Budget is meant for. I do not expect, in a letter which is addressed by the Hon. Finance Minister to the World Bank, that he will spell out all the Budget measures. He would never do it. I am sure. But is it a letter on public policy and if that public policy to be approved? In this case it is having to be approved by the World Bank because they are the paymasters. Unfortunately, since we have gone to them for a big loan they are now in a position to dictate some kind of *quid pro quo* - alright, we will give you the money provided you do certain things.

Now the question is that here in this News report in the Indian Express some 25 or 26 conditionalities laid down or stipulated by the World bank have been addressed to the hon. Finance Minister subsequent to the receiving of his letter on public policy. Is there no connection between the two? Now those conditionalities have to be accepted - I presume - by the Government because it says here, unless he denies this. I quote:

"Mr. Lewis T. Preston, on November 12 laid down 25 conditions which the Government of India expected to meet by April-May this year that is, if it wants the Bank to release the second tranche of the US\$ 500 million loan for structural adjustment".

Structural adjustment means carrying out a number of measures. Many of those measures have to be translated into budgetary terms when the Budget comes. So, the point that is worrying us and worrying everybody in this House is that this letter which was addressed on 11th November by the Hon. Finance Minister did it or did it not give them some general policy line of certain assurance that we are prepared to do these things in the name of restructuring or re-adjusting our policies and having received that letter and being re-assured that you are

going to follow generally that line, that the World Bank has responded by giving you 26 conditionalities which an eminent Finance Minister like you will be able to translate all those conditionalities into budgetary terms. That is why, perhaps, you are saying that we can only see that letter after the Budget is presented. But the letter is the clue to what is coming in the Budget; the letter is the clue to the public policy. Public policy has to be fashioned with the help of the budgetary proposals. Budgetary proposals are not something in the air; they are not made in the vacuum. So, the letter which was written by Shri Manmohan Singh and the World Bank Letter, both these letters should be made available to the House. The Budget is still one week away and there is enough time before the Budget to study that correspondence and see what it amounts to and what it means. Therefore, they should be made available to this House immediately.

Secondly, before placing the letters he should tell us now as to what are the parameters of this *quid pro quo*. Are we supposed to make a statement about the public policy which we are going to follow in the name of structural re-adjustment? Then, on the basis of that assurance, the World bank will say, "that is fine, now you kindly carry out these 25 or 26 conditions; if you do not do it by April or May, then you may not get the second tranche of that loan." So, it is *quid pro quo*. I do not blame the Government; having gone to the World bank for a hefty loan like this, they know, with their eyes open, that the pay master will try to ring their neck and get something. All people who give big loans try to do it always to the man who takes the loan and that is why, consistently we have been against this line of becoming dependent on foreign funding agencies for the development of our own country because it is bound to be reflected in conditionalities, most of which may be against the basic interest of our own country. So, kindly elucidate as to what this exchange of letters actually means. Please do not go on saying that is nothing new, this is the old practice and we had always done it in the past. This time, it is not like in the past because you have begun from a position

where, yourself, the Prime Minister and other had informed us that the country is on the verge of complete bankruptcy; we have no money; we cannot repay our loans and all that. You had also said that we are going to become defaulters in the eyes of the world and India will be defamed. The rupee had been devalued and the gold had to be shifted out of the country as a deposit for getting foreign exchange. All these things are not usual practices. These are something new which had happened on the heels of that comes this exchange of letters. Therefore, we are seriously worried. If this does not concern our economic sovereignty, then what does? So, we want to be reassured that the Government is not giving any type of assurances to the World Bank which would amount to curbing and limiting the sovereignty of this Government to take its own independent decisions. We are not satisfied with the statement which has been made and the whole correspondence must be given to the Parliament immediately. *(Interruptions)*

SHRI AMAL DATTA (Diamond Harbour): Sir, may I say something?

MR. DEPUTY SPEAKER: My request to the Hon. Members is that it cannot be converted into a debate. There is a limit. One or two members wanted to ask some clarifications and they have been allowed. Your co-operation is also absolutely necessary to conduct the House. We cannot break the rules.

*(Interruptions)*

MR. DEPUTY SPEAKER: We should not break the rules for all times to come. everybody wants to speak for a few minutes.

If there are any new things you can ask for clarifications, then it is all right.

SHRI SAIFUDDIN CHOUDHURY: (Katwa) We are surprised that even after so many interventions, the Finance Minister is not forthright. It proves what kind of respect he has for the House.

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*of budget proposals to of the house by the finance minister*

SHRI AMAL DATTA: He has another explanation to give. In December last year, when the House was very much concerned about the IMF conditionalities, there was a debate on the economic situation in the country. The Finance Minister laid some documents on the Table of the House on the basis of which the debate was carried out. In that only the conditionalities of the IMF and the exchange of letters between the Finance Minister and the IMF were placed. But much before that, the World Bank thing had taken place. That means, the Finance Minister even at that time had not told us *(Interruptions)*

[Translation]

SHRI MADAN LAL KHURANA (South Delhi): All the leaders have expressed their views. Now we want to know the response of the Government.

SHRI AMAL DATTA: It is, therefore, incumbent that not only he explains about this letter but also explain why he did not bring to the attention of the House at that time in December. Will you please ask him to do that?

SHRI BASUDEB ACHARIA: Is the Finance Minister going to lay all the correspondence on the Table of the House?

SHRI RAM KAPSE (Thane): Only the Budget papers are secret till the Budget is presented the letters have nothing to do with the Budget. These letters of 11th November and 12th November have nothing to do with the Budget. If we are in a position to read those letters after the Budget is presented in the Parliament Library, why can't we do it today? I want a decision from the Chair, asking the Finance Minister to present both these letters today only. Either he should agree to it or you please direct him to do it. It is not a secret paper. *(Interruptions)*

SHRI SAIFUDDIN CHOUDHURY: What is intriguing is, after the intervention by the leaders of various Parties and pointing the incongruity in the pronouncement of the Finance Minister where he has said, he can

only lay the Papers on the Table after the Budget is presented, he is not forthcoming. We consider it to be an affront to this House. He has committed a breach of privilege of this House. It is an insult to the Members of this House. Do you understand that?

No self-respecting person can say like this.

In the morning we gave the notice of privilege motion. You from the Chair has not so far given your opinion about our privilege motion. It is my opinion that if the Finance Minister fails to lay the papers, the letter that he has written to the World Bank today itself, just now, then you please accept our privilege motion, for the breach of privilege that he has committed. *(Interruptions)*

SHRI A. CHARLES: The formal discussion cannot take place now. It can take place only after presentation of the Budget. There are many matters in the Government that are kept confidential. It is unfortunate that some of the Opposition Members who had been Hon. Ministers earlier are seeking information that has to be kept confidential, at this stage. It will be placed only on the Table of the House only after the Budget is presented.

So, I request that this plea should be accepted.

MR. DEPUTYSPEAKER: Hon. Finance Minister, do you like to say something?

SHRI MANMOHAN SINGH: No.

SHRI ATAL BIHAR VAJPAYEE: I am on a point of order *(Interruptions)*

MR. DEPUTYSPEAKER: Shri Atal Bihari Vajpayee is on a point of order. Let us hear his point of order.

[Translation]

SHRI ATAL BIHARI VAJPAYEE: Mr. Deputy Speaker, Sir, if you go through the rules, you will come to know as to what type of documents, papers, information etc. can

be or cannot be given by the Government to the House. The Minister of Finance has already accepted that he has written the letter. Is he claiming that the contents of that letter. Is he claiming that the contents of that letter cannot be revealed in the House in public interest, or in national interest? The information can not be revealed on the above ground only. But the Minister of Finance is not claiming it. He is stating that he has written the letter and he will disclose its contents but not today or till the budget is presented. It creates a sort of controversy. This has controverted the entire dispute (*Interruptions*) In the circumstances if anybody draws the conclusion, I don't know whether the Minister of Finance will like to draw this conclusion that there is some relationship between the letter written by the Finance Minister and the conditionalities imposed by the World bank in respect of forthcoming Budget. (*Interruptions*) I raised the point of order. I am not appealing to Minister of Finance, because he turned a deaf ear to my appeals. His trouble is his own creation. He can neither convince the House nor the country as to why the letter written by him can only be showed after the presentation of the budget and not before it? But I am pointing out to you that the Hon. Minister of Finance did not claim that it was not in public interest to show the letter. This letter cannot be concealed from the House and it cannot be avoided till the presentation of the budget. In this connection, we want your decision. (*Interruptions*) It is the Chair to decide it. Had he referred to public interest, even if it were wrong, you might have been helpless, but he is not referring at all to the public interest. He merely says that he has written the letter, he will show it later on but not now. How can his argument be accepted? Therefore, I am saying that my point of order is before you for your consideration and decision. He is making no claim that showing the letter is not in public interest. Therefore, please direct him to lay the letter on the Table of the House.

1500 hrs

[English]

SHRI SOMNATH CHATTERJEE: Mr.

Deputy Speaker, Sir, this is a matter concerning the economic sovereignty of this country and that is why all the Members are agitated over this issue. It seems that the Finance Minister is unable to make up this mind. Let the Prime Minister come. It concerns the sovereignty of this House, the prestige of this House and the sovereignty of the country. The Prime Minister should be here and he must respond to this. He should be here. (*Interruptions*)

SHRI CHANDRA JEET YADAV (Azamgarh) : This point of order was raised by Shri Atal Bihari Vajpayee. When I stood up earlier, I also wanted to raise the point of order. I think that the Finance Minister was merely saying that he wrote a letter. But he did not say that he wrote a letter requesting the World Bank to grant loan to India. But the letter is titled as the "Letter of Development Policy". It is not an ordinary letter. It is not a request only to the World Bank saying that we need loan and we are requesting it to grant us loan. (*Interruptions*) Please just listen. But this is a letter of development policy of India. Now, whatever reports have come to us through the newspapers, they give the impression one can reach this conclusion that before that, there was some kind of negotiations. On 11th November, the Finance Minister of India writes a letter. Just, the next day, the World bank replies so promptly. (*Interruptions*). Just listen. Mr. Lewis T. Preston replies to the letter initiating 25 conditions saying that you accept these conditions. The inference which has already been drawn by the public is that this letter also gives certain concrete hints to the World Bank that in our coming Budget we are going to take these measures. Therefore, it amounts to leakage also. I repeat that it amounts to leakage also and the World Bank has already been told as to what will be the nature of the Budget that will be the nature of the Budget that will be presented in this country. That is why, the Finance Minister, while agreeing that he will place the letter in the Library, says that it will be done so only after the 29th. There is a significant observation because he does not want to confirm officially what has been published in the newspapers because that will amount to leakage of the Budget. Therefore, as this

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point of order has been raised. Sir, you have asked the Treasury Benches about this and nobody is prepared to come forward and say why this point of order should not be upheld. Therefore, we are not depending on the Finance Minister's reply. He has refused it. He says he will not do it; he has nothing to say now; he will do it after the Budget.

SHRI SOMNATH CHATTERJEE:  
Where is the Leader of the House?

SHRI CHANDRAJEET YADAV: Let the Prime Minister come. Otherwise, we will not be satisfied. Please do not treat it as a simple issue as you said earlier. It is not that simple an issue. It is a serious matter. It amounts to placing our economic sovereignty to the World Bank. We have been consistently saying this for the last six months. Now, it has come before this House and this House is not taken into confidence; the country is not taken into confidence. Our Masters are becoming either the IMF or the World Bank. Will this country tolerate this? Therefore, you must give your ruling. At least, we request you to get the letter placed on the Table of the House. We must get the letter. This is our request. Otherwise it is very difficult.

SHRI SOMNATH CHATTERJEE: Shall we get it from the *Indian Express*?

SHRI CHANDRA JEET YADAV: We cannot also yield like this. We cannot agree to the view that the Finance Minister will do it according to his sweet wishes. He says; 'I will do it according to my own convenience.' It cannot be so. This is all what I want to say. (Interruptions)

SHRIMATI GEETA MUKHERJEE (Panskura): Sir, I would like to draw your attention to this important matter. We do not represent only individuals in this House. We do represent millions of people. Before we go in for the Budgetary exercise, it is those millions of people who must know what are the conditionalities which have been agreed upon by our Finance Minister. It is India

which will protest in this regard. It is time to protest. If the people's voice is not heard, then they will throw this Government out. Therefore, in the interest of those millions, it is very necessary that the letters be immediately placed on the Table of the House. (Interruptions)

SHRI CHITTA BASU (Barasat): I want to know what is your ruling. (Interruptions)

SHRI NIRMAL KANTI CHATTERJEE (Dumdum): This letter was written before the Winter session. Since then many more such letters have been exchanged also. We want that all those bunch of letters also should be placed on the Table of the House. He should come out with all the correspondence subsequent to that also. That is what he must do. (Interruptions)

MR. DEPUTY-SPEAKER: Kindly resume your seat.

(Interruptions)

SHRI CHITTA BASU: You have to give your ruling. (Interruptions)

MR. DEPUTY-SPEAKER: Many Hon. Members have expressed their anguish and the Treasury Benches have also held it. Your demand is that you want the Hon. Finance Minister to respond to your..

SHRI BASU DEB ACHARIA: Not respond. (Interruptions)

SHRI NIRMAL KANTI CHATTERJEE: We want the letters to be placed on the Table of the House.

MR. DEPUTY-SPEAKER: You are quoting certain information based on the newspaper report...

(Interruptions)

SOME HON. MEMBERS: No, sir. (Interruptions)

SHRI BASU DEB ACHARIA: Why cannot he place the letter? (Interruptions)

SHRI RANGARAJAN KUMARAMANGALAM: With due respect to so many senior leaders on the other side rising, I think, they should be aware that we have been conducting the House on certain rules, procedure and conventions. *(Interruptions)* You cannot ask any Minister to lay any document on the Table of the House unless he has been referring to it. Your criticism is that it is a matter of leakage of the Budget and it is a question of privilege understand that they have already given a notice to the Speaker. Let the Speaker decide. He has not referred to the contents of the document. He cannot be asked to place the document. Let us go by the proper rules and procedure. They cannot go like that. If they say that it is a question of privilege, let them go to the speaker and let the Speaker decide about it. If it is not a privilege issue, they cannot force us to lay the document on the Table of the House. He will lay it when he wants. *(Interruptions)*

SHRI RAM KAPSE: The Minister has agreed to place the papers in the library after 29th. It should be presented today only. *(Interruptions)*

SHRI SAIFUDDIN CHOUDHURY: Letter has to come today. *(Interruptions)*

MR. DEPUTYSPEAKER: The point is that the Hon. the Finance Minister has not quoted anything from the documents which are in his possession. *(Interruptions)* You have relied upon the information published in the newspapers. *(Interruptions)* The Hon. Minister has not quoted anything from any document.

*(Interruptions)*

SHRI BASU DEB ACHARIA: Sir, we do not allow the House to function like this.

15.11 hrs

*At this stage, Shrimati Malini Bhattacharya and some other hon. Members came and stood on the floor near the table.*

*(Interruptions)*

MR. DEPUTY SPEAKER: If you feel that the Hon. Finance Minister has not responded to you or if you feel that your right is infringed, then you can take this up in some form or other. Today is not the last day, any how. *(Interruptions)* Let us follow the procedure.

*(Interruptions)*

SHRI SAIFUDDIN CHOUDHURY: What is the procedure? *(Interruptions)*

MR. DEPUTY SPEAKER: you can take up this matter in some form or the other later. Now, kindly resume your seats.

*(Interruptions)*

MR. DEPUTYSPEAKER: I understand your feelings and there is no doubt about it. Please resume your seats now.

*(Interruptions)*

MR. DEPUTYSPEAKER: Now, the House stands adjourned for fifteen minutes.

15.22 hrs.

*The Lok Sabha then adjourned till thirty seven minutes past fifteen of the Clock.*

*The Lok Sabha re-assembled at forty minutes past fifteen of the Clock.*

[MR DEPUTY SPEAKER *in the Chair*].

RE. ALLEGED DISCLOSURE OF BUDGET PROPOSALS TO WORLD BANK AND CONTEMPT OF THE HOUSE BY THE FINANCE MINISTER-*CONTD.*

*(Interruptions)*

[*English*]

SHRI SAIFUDDIN CHOUDHURY: (Katwa) Sir, what happened? Where is the letter?

SHRI BASU DEB ACHARIA: (Bankura)  
Where are the letters? We want the letters  
to be placed here immediately.

MR. DEPUTYSPEAKER: Leaders of  
various parties are discussing the issue  
inside the chamber of the Hon. Speaker

*(Interruptions)*

15.40 hrs.

"At this stage, Shri Anil Basu and some  
other Hon. Members came and stood on the  
floor near the Table."

MR. DEPUTYSPEAKER: the leaders  
of various parties are sitting inside and  
discussing this matter. Therefore, I think, we  
should allow them to discuss.

*(Interruptions)*

*[Translation]*

SHR: MADAN LAL KHURANA (South  
Delhi) You please adjourn the House *(Inter-*  
*rptions)*

*[English]*

MR. DEPUTYSPEAKER: The House  
stands adjourned to meet again at 4 PM.

15.41 hrs.

*The Lok Sabha then adjourned till sixteen*  
*of the clock.*

*The Lok Sabha re-assembled at six*  
*Minutes past sixteen of the Clock*

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*[ MR: SPEAKER - in the Chair ]*

RE ALLEGED DISCLOSURE OF BUD-  
GET PROPOSALS TO WORLD BANK  
AND CONTEMPT OF THE HOUSE BY  
FINANCE MINISTER - CONTD.

*(Interruptions)*

SHRI SOMNATH CHATTERJEE  
(Bolpur): This is a matter which is agitating  
the entire Opposition Members. We feel that  
the matter is relating to our sovereignty, the  
country's sovereignty, the prestige of the  
Parliament. It is the right of the representa-  
tives of the people to know as to what is  
really happening in this country.

Now, it appears that the Finance Minis-  
ter is not disputing the existence of the  
document, is not disputing the relevance of  
this document. The right of the Members to  
know, he is choosing his own time he says,  
only after the Budget.

It seems the newspapers can have  
access, but we cannot have access. There-  
fore, I say that this is a matter where the  
sovereignty of the House is involved, let the  
Leader of the House come and let his coun-  
sel be also there. We want to hear him on  
what basis he is opposing, if he is at all  
opposing? I do not want to make it between  
me and the Finance Minister. This is a  
question of the sovereignty of this House.  
The right of this House to know, our right to  
information is being denied. Therefore, let the  
Leader of the House come and let us find out  
what is the real objection?

*[Translation]*

SHRI MOHAN SINGH (Deoria): Sir,  
Shri Vajpayee raised a point of order. The  
point of order was that the Government  
cannot hide any issue in this House without  
taking shelter of national interest. You have  
to give your ruling on it.

MR. SPEAKER: I will give my ruling.

SHRI MOHAN SINGH: Mr. Speaker,  
Sir, the point of order here is that this  
Government had dedicated its previous  
budget to late Shri Rajiv Gandhi, this time it  
has to write a sentence "dedicated to the  
World bank." There is no question of se-  
crecy. Therefore, the letter should be laid  
before the House, otherwise, the entire  
country will have an impression that this  
Government is not responsible to this House,

rather it is more responsible to the World Bank. This Government does not consider it to be its responsibility to produce this letter in the House.

[English]

SHRI LAL K. ADVANI (Gandhi Nagar): Mr. Speaker, Sir, unfortunately, I was not here when this entire issue arose. But, in this morning's newspaper, *The Indian Express*, the story of it was published. The substance of the story is that the contents of the Budget that is to be presented to the House on the 29th, certain provisions of it, are known to the world; whereas the House is in the dark; the country is in the dark.

This is a situation with which no Member of Parliament can reconcile; the country cannot reconcile. It is this that evoked a reaction in the House. And I would say, in all humility and with respect to the Finance Minister, that this is not a personal matter at all. If he were to view it with less subjectivity because in the course of this displayed anger certain things may have been said which may have been directed against him personally with which I would not agree because, I am sure, whatever the Finance Minister is doing is the attitude of the whole Government. It is not the Finance Minister alone who is responsible for whatever is taking place. And therefore, the options before him were either to deny that report or to say that that report is not true and the sanctity of the Budget has been preserved, and that there is no violation of the sanctity of the Budget. I am sure that the matter would have ended, then it would have been the *Indian Express* word against him, and particularly what he said was that he did not deny the fact that a certain letter had been written to the World bank. That is the basis of the report and he could have also pleaded that it is not a practice of the House that all such letters be placed before the House and "I can claim privilege that it will not be placed before the House." But what he said was that he was willing to place that letter but only after the 29th.

Now, I would plead with him, because I

*of the house by the finance minister*  
do not know the contents of that letter, as he so confidently said, that if I am to see it I would feel re-assured that there has been no improper conduct on the part of the Government or anything of that kind. He may be perfectly right. But in the present situation he does not claim the privilege. In the present situation he offers to lay the paper on the Table of the House, but only on the 29th, or after the 29th. This certainly strengthens the misgivings which I am sure he did not have the intention to strengthen. But let me say, I would plead with him not to react to it in a personal plane but to view the matter objectively and try to allay the misgivings of everyone and to see that things come to an end. This is my humble plea.

MR. SPEAKER: Would you to respond?

The Minister of Finance

SHRI MANHOAN SINGH: Shri Lal K. Advani was talking about the sanctity of the Budget. I wish to assure the House that the sanctity of the Budget has been fully preserved.

SHRI SAIFUDDIN CHOWDHURY (Katwa): This is not the answer.  
(Interruptions)

SHRI INDRAJIT GUPTA (Midnapore): The Hon. Finance Minister has been sitting here and listening for a considerable time now. This has been going on for quite some time and many members including the leaders have spoken on the same point. There is nothing new that is being said now. If he now says, as he has just now said, for the first time he has made a very categorical statement, that he assures the house that the sanctity of the Budget has not been violated in any way through the correspondence he has had with the World bank, if that is so, then why is he insisting on those papers being submitted to the House only after the budget, if the sanctity is not violated. I want to repeat - earlier you were not in the Chair then - that the proposals, specific proposals, financial proposals which are contained in the Budget may be those are not contained in that way which he has

[Sh. Indrajit Gupta]

MR. SPEAKER: please take your seat.

written to the World Bank. Or, I do not know; I have not seen the letter, but the point is the Budget proposals are connected with certain policies. They are not something in the abstract. It is the budget, which is an instrument in order to implement certain policies. So, that letter which he has written, which is a question of public policy as he says, indicates to the World bank certain broad policy measures which the Government is thinking of or is about to take and on that basis the World bank has laid down some conditionalities, some twenty-six of them, according to the *Indian Express*. This whole thing, this exchange of letters, is a sort of *quid pro quo* - you give some policy assurances and we will give you some conditionalities, which you are expected to implement by April or May. It is only out of that, concrete specific Budget measures come out. Therefore, if he says that what I am saying is wrong, then there is no reason for him to withhold these letters until after the Budget. What is the connection? He should tell us as to what is the connection between his letter, the World Bank's reply and the forthcoming Budget. I am not asking him to spell out the Budget measures here. What is the connection between all these things if there is no connection, why should he be chary of laying those papers on the Table of the House immediately if there is some connection, then he should say so and then it is a very serious matter, on which we have been expressing our apprehension the whole day... (Interruptions) He is caught in a kind of self contradiction now. He should explain what it means... (Interruptions)

MR. SPEAKER: We have discussed this issue for a pretty long time before the Budget is presented. The Hon. Members are going to have enough time to discuss the principles involved in the Budget and the Demands.

(Interruptions)

SHRI NIRMAL KANTI CHATTERJEE (Dumdum); This is too serious a matter. He cannot explain the connection. (Interruptions)

(Interruptions)

MR. SPEAKER: This is not helping yourself. at least let me complete what I have to say. Before I complete, if you jump up and speak, then it will be very difficult for me to articulate what I have to say. I was saying that before the Budget is presented, we have discussed this issue for the whole day. I was going to say that I am going to allow one or two Members to speak. Do you wish that everybody should be allowed to speak on this?

(Interruptions)

MR. SPEAKER: You do not hear and you do not allow others to speak.

(Interruptions)

MR. SPEAKER: I have to regulate the house. If you do not want the House to be regulated, it is your wish, I can say that the house is probably not wanting to discuss this.

(Interruptions)

[Translation]

SHRI GEORGE FERNANDAS (Muzaffarpur); Mr. Speaker, Sir, we accept it that you have to regulate the House. We have respect for you. (Interruptions)

[English]

MR. SPEAKER: Please let me know as to how I should go about this.

(Interruptions)

SHRI SAIFUDDIN CHOPUDHURY (Katwa); Why can he not place that letter?... (Interruptions)

[Translation]

SHRI GEORGE FERNADES: Mr. Speaker Sir, You should also take into ac-

count the dignity of this House as well as the  
dignity of the country (*Interruptions*)

[*English*]

MR. SPEAKER: I will allow you to speak.

[*Translation*] (*Interruptions*)

SHRI GEORGE FERNANDES: Excuse  
me Sir, you are evading the issue. (*Interrup-  
tions*) It is not an ordinary thing, you should  
think about it. This issue would not have  
been raised if the *Indian Express* had not got  
the papers. (*Interruptions*)

[*English*]

MR. SPEAKER: Would you take the  
responsibility as to what has appeared in the  
*Indian Express* is correct?

(*Interruptions*)

SHRI INDRAJIT GUPTA: Mr. Speaker,  
Sir, you are unwittingly creating another  
contradiction. You are asking some Mem-  
ber here, whether he is willing to take the  
responsibility of vouching for the veracity of  
the *Indian Express* report. If the *Indian  
Express* report according to the Govern-  
ment or the Finance Minister is not correct,  
is not true, then let him say so.. (*Interrup-  
tions*)

MR. SPEAKER: Has he said that it is  
correct?

(*Interruptions*)

SHRI MANMOHAN SINGH: I think Hon.  
Members must know that every day news-  
papers publish that certain taxes are going  
to be taken; certain taxes are going to be  
remitted. Now, if the Finance Minister of the  
country was to deny before the Budget any  
such thing, I do not think you can really run  
an orderly Budget proposal. Therefore, if I  
admit, I would be harming the process of  
Budget preparation and if I deny, I would be  
harming the Budget.

[*Translation*]

SHRI GEORGE FERNANDES: Mr.

*of the house by the finance minister*

Speaker, Sir, it is between you and I if this  
issue had not been ventilated through the  
newspaper and the Hon. Finance Minister  
had not made the statement in the House.  
We have not raised this matter at  
all.. (*Interruptions*) Please listen. (*Interrup-  
tions*)

MR. SPEAKER: I shall listen one by  
one. Please sit down.

SHRI GEORGE FERNANDES: Today,  
the news has reached Washington that this  
issue has been raised in Indian parliament  
and the Government have denied to lay the  
documents in the House. It has caused a  
great set back to the prestige of the country  
as well as of ours. We have sold our honour  
to the World and the World bank. Therefore,  
you have to maintain the dignity of this  
House as well as the dignity of the country.  
Please don't leave this issue in this way. Tell  
him that he should give these documents to  
us. he has already accepted that he had  
written a letter. Today, Shri Somnath said in  
the House that Washington had also sent  
the letter and the Hon. Finance Minister also  
did not deny it. The letter of the Hon. Finance  
Minister written on 11th November and its  
reply sent by Washington on 12 November  
should immediately be laid on the Table of  
the House, otherwise the proceedings can-  
not go on.

[*English*]

SHRI SAIFUDDIN CHOUDHURY: You  
should also be concerned as we are. It is the  
question of the sovereignty of this House. It  
is the question of the respect of the House.  
The Finance Minister has admitted a little  
while ago that he had written a letter. We  
wanted that he places that letter in the  
House. Now, he is saying that he will not  
place it and he will do it after the presentation  
of the Budget. What is the connection with  
that? It is disrespect of the House.

SHRI INDRAJIT GUPTA: If this matter  
had not been ventilated through the press  
and then taken up here, it would have been  
a different matter. But, since it has come out  
and come out so prominently and being

discussed here and now if he decide that they will not lay the papers till the 29th February, Today it is 25th February and there are still 4 or 5 days to go after this thing has appeared in the Press, now if delay takes place, there would be tremendous speculation throughout the country and all types of rumors and stories and all that will run riot for the next four-five days. Is that desirable? Is that in the interest of the country? You please consider that.

SHRI SOMNATH CHATTERJEE: It is not good for the whole country.

SHRI RUPCHAND PAL (Hooghly): You are the custodian of this House and you have to protect the honour, prestige and sovereignty of this House.

SHRI SAIFUDDIN CHOUDHURY: It has a connection with the Budget and the way the Finance Minister is behaving only confirms that it has a link with the Budget. But, Budget or no Budget, the question is that something has come out in the Press. We raised that in the House. He has admitted to that. He had written a letter, we want that letter to be placed on the Table of the House for our information and perusal. How can he deny the letter that is in possession of somebody else can this House and its Members be denied the right to see that. Is that not insulting?

[Translation]

SHRI MADAN LAL KHURANA (South Delhi): Mr. Speaker, Sir, we would like to ask only one question. Please tell us why do you want to do it after 29th and why not today? Either tell that the letter is not available and if it is available, we would like to see it. The House is demanding it. Why are you insisting to place it after 29th? What are the reasons? Either give a convincing reply or place the letter before the House and if you can't satisfy us, we will take it that whatever the come in the newspaper, is true. It is a question of the sovereignty of the country. Therefore, my submission is that either you

*of the house by the finance minister*  
produce it today in the House or explain the reasons of not producing it.

SHRI RABI RAY (Kendrapada): Mr. Speaker, Sir, today when Ataji raised this issue.

[English]

MR. SPEAKER: I was hearing the Debate.

[Translation]

SHRI RABI RAY: You were present in the House when Ataji raised this issue during the question hour, but later on you were not there. Later on, when we raised this issue in the House, the Hon. Finance Minister came and gave a written statement. In that written statement he stated that it was a letter but he would disclose it after 29th. In this respect I would like to say that now it is upto you as to what decision you take because it is an issue relating to the honour of the House. It relates to your dignity also. The Hon. Finance Minister has accepted that the letter written to the World Bank is available.

I am simply asking you whether you have no right to direct the Government that the letter written to the World Bank should be produced before you and through you it should be laid on the Table of the House. In this respect you have to take this decision only. (Interruptions)

[English]

MR. SPEAKER: I will explain the position of the rule. The legal position is if the Minister quotes from a letter, then I can compel him to lay it on the Table of the House, but if he does not quote from the letter, I cannot compel him.

[Translation]

SHRI RABI RAY: Sir, I would like to state that this is an extra ordinary situation that the Hon. Finance Minister can disclose

the facts to the World Bank, he can also explain it to the House as well. Now you have to take decision in this regard. (*Interruptions*) You have to take decision in the light of the dignity of the House.

**SHRI ATAL BIHARI VAJPAYEE** (Lucknow): Mr. Speaker, Sir, there is no need to compel the Finance Minister. He is prepared to give information but only after 29th. We could not understand the reason. The Finance Minister will appreciate this fact that this delay on his part will give rise to complications, suspicions and unnecessary allegations.

Mr. Speaker, Sir, you please prepare the Finance Minister to put an end to this deadlock if the proceedings of the house are to run smoothly because this is the only one way left to solve this matter. The Finance Minister should adopt a flexible attitude and should not take the allegations levelled on him by Members seriously. He is new in Parliament and in politics, as such he should be thick skinned. We are experienced people in this field. One should not take an issue seriously and adopt prejudiced attitude which may not be fit in a democracy rather one should on certain occasions adopt a flexible attitude and accept things against one's wishes. Hence he should also agree.

[*English*]

**SHRI LOKANATH CHOUDHURY** (Jagatsinghpur): Sir, you have quoted the rule but I think when the rules were framed, they had definitely not taken into consideration that there will be such a Finance Minister which will say that he has written a letter but he will place it after the Budget, thereby linking it up with the Budget. So, it is not we, it is the Finance Minister himself who has created this position. The rules were written perhaps when such Finance Minister were never there in this country or in the history of anywhere in the world. The Budget proposals have to be kept secret. So, it concerns our independence, it concerns our sovereignty. We are here to protect the privileges of the House and the country but if there is such a Minister who says that it will

be placed only after the budget, then that creates a condition which hurts everybody's sentiments and emotions not only emotions but their patriotism also. So, the whole House must know it before the budget is placed

**MR. SPEAKER:** But would you not be able to decide on 29th?

(*Interruptions*)

[*Translation*]

**SHRI MADAN LAL KHURANA:** Mr. Speaker, Sir, please direct your question towards him instead of directing towards us.

**MR. SPEAKER:** It will be done later on.

(*Interruptions*)

**SHRI PIUS TIRKEY** (Alipurduar): Mr. Speaker, Sir the Hon. Minister has said that a letter has been written. It may be a love letter, private letter or family letter, I want to ask as to why so much recognition is being given to this letter. The Hon. Minister says that the information cannot be given before a stipulated date but he has disclosed the same elsewhere. By doing so he has violated the sanctity of the budget and the House. Outsiders would come to know the details of our budget as to which items are being taxed and which are being spared but the House is not aware of it. It is unfortunate for our country. as such all the Members of this august House demand that the letter be placed before the House prior to the budget to enable everyone to know about it.

**SHRI RAM VILAS PASWAN** (Roserai): Mr. Speaker, Sir, it is not a question of letter, it is a question of sovereignty of the House and the dignity of Parliament. As such it is necessary to present this letter in the House. Had the Hon. Minister said that presenting this letter in the House would be detrimental to national interest and public interest we would have accepted that but he never said such a thing? These are the only two clauses which can be used by the Government as a shield but when these two things are not

[Sh. Ram Vilas Paswan]

there why this letter is not being presented in the House.

Mr. Speaker, Sir, I understand that Parliament is supreme and you are the custodian of its dignity and sovereignty. It cannot be said that presentation of this letter in the House would be against the national interest. This letter has written to I.M.F., it is your duty to furnish it before the House at the earliest. If the Government has made it a prestige issue that the letter will not be presented in the House before 29th then we can also make it a prestige issue.

Mr. Speaker, Sir, as such it is a question of the Parliament's sanctity and sovereignty and we should be immediately informed about it.

[English]

MR. SPEAKER: I will allow each one of you. It seems that you are interested in making points on this point.

SHRI CHITTA BASU (Barasat): Sir, I seek to reply to your question.

MR. SPEAKER: Please do not do that.

SHRI CHITTA BASU: Sir, You have said that what is the harm if we wait till 29th I want to reply to it.

MR. SPEAKER: So it is a question answer between you and me.

SHRI CHITTA BASU: Hon. Finance Minister has not denied either the existence of the letter or the contents of it.

SHRI MANMOHAN SINGH: Not the contents. (Interruptions)

SHRI CHITTA BASU: He should also have said on this issue. He has not denied that the letter exists. It is on the basis of a particular circumstance. He has not denied it. He has neither denied the existence of it nor the nature of the letter.

Secondly, he has not said and even now he does not say that it cannot be placed on the Table of the House in public interest. He was not saying that even after being referred to you about the legal position of the subject and even after suggestion coming from you.

Apart from this many vital issues have been raised by Hon. Shri Rabi Ray. He says that it does not relate only to two particular letters but it relates to the privileges, rights and the fundamental basis of our constitution, that is this House. This House is sovereign. He has raised the question of the sovereignty of the House. It has also been said I have also said that what you can tell to the I.M.F., to the World Bank, to New York and to Washington; and to Pentagon, cannot be told to us here who have been elected by the people of this country in the exercise of their sovereign rights.

Sir, in all humility. I would submit that the Finance Minister should not assume such an attitude which would affect the dignity, privilege and the rights of the House.

MR. SPEAKER: Basuji, probably, it seems that his difficulty is, he has to present the Budget on 29th.

SHRI CHITTA BASU: Sir, it is he, who assumes that is related to the Budget.

MR. SPEAKER: in certain cases, if you say 'yes', one inference can be drawn; if you say 'no' another inference can be drawn and the same thing can be used to manipulate the economy.

SHRI CHITTA BASU: He has agreed in an indirect way that these letters have got nexus and relation with the Budget proposals. Therefore, he is to explain as to why he has revealed the Budget proposals to some other agencies. So, immediately it should be placed before the House.

SHRI CHIRANJI LAL SHARMA (Karnal): Mr. Speaker, Sir, at the outset, some Hon. Members from the Opposition have given notice of breach of privilege

stating that something had appeared on a particular paper. They wanted the Finance Minister to be present here; they wanted him to make a statement. The Finance Minister was busy in the other House and it was stated by one of the Minister that immediately after the Finance Minister is free from the other House, he will come and make a statement. As per the commitment the Hon. Finance Minister turned up in the House and made a statement. The Finance Minister has categorically admitted that he addressed some letter, without stating the contents of the letter and after hearing the Hon. Leader of the Opposition, Shri Advani, the Hon. Finance Minister put a permission of confirmation on the stand that it does not, in any way, affect the secrecy of the Budget. The House will decide when the Budget comes; the House will decide when the letter comes. The Finance Minister will be presenting the Budget on the 29th. The hands of the clock cannot be put back. This is a letter which causes him to the contempt. This is a letter which has been addressed abroad. This cannot be changed and Heavens will not fall if this letter is not placed before the 29th. A huge responsibility devolves on in the job of the Finance Minister and he knows his job. He has categorically stated that he will place it, but not before the presentation of the Budget. It might be having some direct or indirect relation with the Budget. *(Interruptions)*

SHRI SAIFUDDIN CHOUDHURY: Sir, the Finance Minister has stated that the letter is not connected with the Budget and so he cannot bring the question of 29th into the picture. It is a letter which is written to a foreign agency and we have the right to know what has been written. We demand that it should be placed before the House today itself. *(Interruptions)*

SHRI CHIRANJI LAL SHARMA: When the Hon. Members from the Opposition spoke, I did not interrupt them.

MR. SPEAKER: Please do not reply to their questions; you just make your points.

SHRI CHIRANJI LAL SHARMA: I am

within my right to speak. They cannot gag my mouth. They cannot usurp my right. They may not agree with me but I have the right to be heard. I have the right to speak.

My submission is, the position is simple. One of the Hon. Members has said that the Prime Minister must come and hear it. How does the Prime Minister come into the picture at all, when the Finance Minister is answerable to the House. He is present before the House. The Minister cannot be forced to place the documents on the Table of the House.

SHRI RAM KAPSE: (Thane) There are two statements made by..

SHRI A. CHARLES (Trivandrum): On this, it is fifth time he is speaking. *(Interruptions)*

SHRI RAM KAPSE: It is not so. His arithmetic is wrong.

There are two statements made by the Finance Minister. One is, he is willing to place before this House this letter after 29th of February. Another statement which he has just made is, the sanctity of the Budget is maintained. In that case, the non-disclosure today will create a problem unnecessarily. The nexus between the letter and the Budget will be established by his stand. I agree that the heavens will not fall if the letter is disclosed on 29th. But at the same time, the heavens will not fall if the letter is disclosed today because there is no nexus between the letter and the Budget. That means, in a way, he helps the nation by laying this letter today.

SHRI NIRMAL KANTI CHATTERJEE: I merely want to help the Finance Minister. It does happen sometimes that one gets into the mind set and if one does not get help from outside, he cannot extricate himself from that mind set. It is with that aim in view, I am trying to address him through you.

He has already agreed to the point of view that it has no nexus with the Budget. That clears him from presenting the two

letters on the Table of the House. Even if he is hesitant, he must be aware that in the course of the next four days, these two letters cannot be changed even in collaboration with the World Bank. If he agrees really that these two letters cannot be changed in the course of the next four days, then I believe there is no barrier in placing those two letters on the Table of the House immediately. I want him to ponder over this, because he cannot take the position that this is not connected with the Budget yet he would not place it before February 29.

He is a reasonable person and he can see contradictions as obvious as these are. There is only other apprehension that the Members of Parliament have and that is, seeing this contradictory position, one will explore the possibility of whether or not these two letters can really be changed. We believe in his honesty. Therefore, we think, there is no such attempt either on his part or on the part of the World Bank.

On this basis, I request him, as a friend of mine, to place the letter on the Table. Otherwise I am afraid of that side because what they will do is, they will pinpoint on him only and they will sacrifice him. This has happened in the Congress party history over the last 40 years. Shri Nirmal Kanti Chatterjee contd instead of he being gullionated, if occasion arises, let the entire Government fall. That is what I am submitting to you. Thank you. [Interruptions]

**SHRI PAWAN KUMAR BANSAL**  
(Chandigarh): As per the principles governing the business of the House, there is no dispute about the functioning of the House and there can be no dispute about the supremacy of this House in its own sphere. But, at the same time, we cannot lose sight of the fact that it is also the prerogative of the Government to address any communication to anybody. Every such correspondence should not be called for by the House

(Interruptions)

Shri Nirmal Kanti Chatterjee, I know, I said it once, earlier that your intelligence is great. I acknowledge it. But your opinion of yourself is greater and that tends to overtake the former sometimes. Please bear with me. I, with all humility, do wish to submit that it is the prerogative of the government to address any communication to any authority within the country or outside the country.

Here a question has arisen as to what are the contents of the letter which has been written by the Finance Minister to an agency outside the country. Something has appeared in the press. Our friends, as we often see are given to exercise their Judgment hastily. They are enjoying themselves in reaching certain conclusions which may not be based on the contents of that letter. (Interruptions) The Hon. Finance Minister stood up to say that he has written a letter. But he has not even adverted to the contents of the letter. (Interruptions) Please bear with me. We cannot overlook the fact that what has appeared in the press might be quite contrary to what has been written in the letter.

If there is admission or denial or even reference to the contents of the letter by the Hon. Finance Minister today it will lead him to the position which the Hon. Members are accusing him of at this moment?

If he had referred to the contents of the letter, only then he could be forced to lay it on the Table. I do not understand how he would be guilty of breach of privilege of this House. And till the day the Budget is presented, it is in fact his duty not to refer to anything that he had written to anybody.

We are not denying the right to him but it is his duty not to refer to of the contents of the letter because that would create only uproar in the country. That could only lead to a sort of speculation about the Budget.

As a principle, as I have said, there is no dispute about the functioning of the House and there is no dispute about the supremacy of the House. But we cannot over stretch that principle. If in the process we try to

overstep on that principle in order to gain a debating point, we will be doing harm to the sanctity of the House, to the sanctity of the process of preparation of the Budget and also to the economy of the country. That is what clearly we have to think of.

SHRI GUMAN MAL LODHA (Pali): I want to suggest a way out. Either the Finance Minister puts the papers before the House now or, what I suggest to the Hon. speaker is that he should apply his mind with the leaders of the House, to decide whether it is against national interest to put it before the Budget is published. Then and then only there can be some case for withholding it from the House. Otherwise, there is no case and you must place it right now.

SHRI PETER G. MARBANIANG (Shillong): The precious time of almost one hour and 40 minutes of the House has been wasted on this issue. The House has been held to ransom on this issue. The house is to be guided by the specified Agenda and we cannot waste the time of the House on matters which are outside the purview of the Agenda.

The Finance Minister had given a statement and if the letter written by him amounts to a breach of privilege, my friends can make use of the rules of the House and bring a privilege motion against him. The Hon. Speaker will decide the breach of privilege.

The Business of the House should continue as specified in the List of Business. Let us not hold the House to ransom in this way. *(Interruptions)*

SHRI A. CHARLES: What is happening is very unfortunate. *(Interruptions)*

SHRIMATI GEETA MUKHERJEE (Panakura): Mr. Speaker, Sir, I presume that you must have heard the debate which went on before.

MR. SPEAKER: If you have spoken, please do not repeat it.

SHRIMATI GEETA MUKHERJEE: That

is why I want to know whether you have heard the debate. If you have not heard it, then I want to explain what has been spoken earlier. I cannot be an exception.

MR. SPEAKER: Please do not do that.

SHRIMATI GEETA MUKHERJEE: With all humility, I would like to submit that I do not think that I am an erudite person or a well versed personality in all these matters. The only thing is that I possess a little bit of common sense. From that angle, I feel that this debate can be resolved only by the people. They would judge whether this document was related to the Budget or not related to the Budget.

MR. SPEAKER: That would be done on the 29th.

SHRIMATI GEETA MUKERJEE: Why does he not make us understand in the very beginning itself. That is my point.

MR. SPEAKER: Now, Shri K.P. Singh Deo to speak.

SHRI MIRMAL KANTI CHATTERJEE: Shri K.P. Singh Deo, do not try to defend him,

SHRI K.P. SINGH DEO (Dhenkanal): I am not trying to defend anybody. I am trying to defend you only. I am going to quote something which will have relevance to you. Sir, a report has appeared in a newspaper purporting to have been a quotation from the Hon. Finance Minister's letter to the World Bank. This paper report has not been authenticated by anybody; neither it has been done here. *(Interruptions)* may I have my say? I have not contradicted you when you spoke. I cannot go by what you want me to say. He has confirmed nothing; he has authenticated nothing. This article or this quotation has not been authenticated by anybody in this House. Sir, even after you have asked the Hon. Member Shri Geroge Fernandes to do so, it was opposed by Shri Indrajit Gupta. Neither, has it been authenticated by the Hon. Finance Minister claiming that those words were his. He just men-

[Sh. K.P. Singh Deo]

tioned that he has written a letter. What letter he has written, he has not mentioned a single word of it. He only gave the information that on certain structural and micro economics, he had written or addressed a communication to the World Bank.

**SHRI SOMNATH CHATTERJEE:** He said 'macro'

**SHRI K.P. SINGH DEO:** I think he said 'micro'. If I have heard myself correctly, he said 'micro'. Anyway, we will go through the debate. If I have to correct myself, I will correct myself tomorrow.

Coming to the point, I would like to say that this will be a very dangerous precedent if we have to compel the Hon. Ministers to lay on the Table of this House documents and communications from the Government based on report in newspapers which are not authenticated; which are not sought to be authenticated by anybody in this House.

Secondly, if I may be impertinent, to say, you have also had a chance to be in the Ministry of Defence as a Minister. In the past we had seen that just in the Budget Session, a lot of such inspired stories had come out in which they had tried to gett the hon. Ministers either to deny or confirm it. I must agree with the Hon. Finance Minister for not succumbing to their temptation of either denying or trying to corroborate or to authenticate it. I would only like to tell my friend Shri Nirmal Kanti Chatterjee that there is a very old wise saying which is:

"Do not be afraid of the enemies who attack you. But be afraid of your friends who flatter you. This is all I want to say.

**SHRI AHAMED. (Manjeri) :** Sir, since this morning I am of the view that our Hon. Members of the Opposition have been chasing a crooked shadow. It is true that every one in this House is very much concerned about the sanctity and also the privileges of the House. I am also of the view that the Hon. Finance Minister should have taken

the House into confidence; taken the people into confidence whenever he deals with very sensitive matters like the IMF loan. But at the same time we must also be aware of the fact that it is the duty of this House to help the Finance Minister in the process of preparation of his Budget. By all the honesty he came and admitted "It is true that he has written a letter to the President of the IMF or the World bank" It is quite natural for a Minister to consult with the many agencies outside the country as well as inside the country. And if we ask the Finance Minister or any other Minister to bring all the documents and place them before the House, I do not think it will be a correct proposition. But at the same time, I fully agree with the opposition is of the concerned of Parliament's privileges but if the opposition of the opinion that the Government have mortgaged the sovereignty of this country to the World bank, it is their duty to see that the Government is to be voted out. If the Finance Minister has committed any breach of privilege of the House, it is the duty of this House to bring him before the Privileges Committee. And it is also the duty of this House to help the Finance Minister in the process of preparation of the Budget. Who will decide whether it is, in the best national interest, to be divulged or not. Therefore, in view of the import of the matter of the preparation of the Budget and the secrecy of the Budget, we should for the honesty he has admitted the existence of a letter he has addressed to also agree with the Finance Minister and wait till 29th. If there is something wrong, we can very well proceed against him. Chasing the crooked shadow line this is not the best in the interest of this Parliament. (*Interruptions*)

**SHRI SYED SHAHABUDDIN (Kishnanganj).** Mr. Speaker, Sir, this is to assure you and the Hon Members from the other side that we are not chasing a shadow. We are chasing a substance of which sovereignties are made, of which national dignity is composed. Therefore, we have a point of order pending for your direction.

**MR. SPEAKER:** What is that point? I have already given a ruling on that.

SHRI SYED SHAHABUDDIN: You have not yet given.

MR. SPEAKER: I have said that if the Minister quotes from a letter, I will compel him to lay it on the Table of the House.

*(Interruptions)*

SHRI SYED SHAHABUDDIN: This is a situation which is not fully covered by that rules *(Interruptions)* It is an exceptional situations and calls for exceptional consideration.

I will be very brief. The Hon Minister has accepted the existence of such a letter and also of the existence of the reply thereto to implicate *(Interruptions)*

Shri Manmohan Singh: I have not committed anything *(Interruptions)*

SHRI SYED SHAHABUDDIN: Because those two things appeared together in the same press report. Now we are bring very kind to him, we are showing him enormous grace by not insisting that he should also submit before the House the letter that he wrote in reply to the World Bank after the World Bank President laid down 25 conditionalities. If I understand the procedure of the Government, such a letter must have been written by the Finance Minister after the World Bank President wrote to him. Therefore, in fact, it is not a question of two letters, it is a question of three letters and we have been very kind to him by asking him to place only two letters. *(Interruptions)*

My second point is, the Hon. Minister has admitted the fact of having written a letter. It is true he has not admitted in so many words the content of the letter.

MR. SPEAKER: Why don't you wait until 29th.

SHRI SYED SHAHABUDDIN: Right, Sir. This is what his contention is. Why do you, Mr. Speaker, make yourself a party to that? *(Interruptions)*

MR. SPEAKER: I am asking this and trying to understand it because I have to give him the direction.

*(Interruptions)*

SHRI SYED SHAHABUDDIN: The Hon. Finance Minister has not even indirectly suggested that those words are false that those words were not within and those false words were put into his mouth. Therefore, by not denying those words, by not suggesting that the Government shall prosecute a particular paper for imputing false words to the Government, he has, in fact, accepted the contents of the letter. Therefore, we have the right to know the contents. We shall not allow the House to run unless those letters are placed before the House. *(Interruptions)*

17.00 hrs

*(Interruptions)*

MR. SPEAKER: Please sit down. Well I must say that the Hon. Members have been very very diligent in trying to put forth the points which occurred to them and which they think are very important, in trying to protect the right and authority of the House. That has to be appreciated and not denigrated. But, on the other hand, we have a Finance Minister who is on the verge of preparing the Budget and presenting it to the House and he is asked to speak out saying yes or no and things like that. And the Finance Minister, quite naturally, is very cautious in saying yes or no and in denying or accepting things like that, for, from the denial and acceptance also, inferences can be drawn. In short, he has been saying that he will not keep anything with him and that he will keep the document on the Table of the House. But he is just seeking two days' time.

*(Interruptions)*

MR. SPEAKER: Please let me complete. I have not yet completed. He has been saying and he did tell me in the Chamber also that if he says something, inferences

can be drawn one way or the other. In fact, I would not like to dwell upon this point very much myself. I would rather ask the Finance Minister because many of the Hon. Members have spoken, somebody, it was said has spoken five times, which shows their anxiety and that has to be appreciated. I can understand that it is very good for the Finance Minister not to speak on the eve of presentation of the Budget to the House. But, I would request the Finance Minister to be a little more elaborate in giving what are his difficulties in such matters and at the same time assuage the feelings of the members also. He has also appreciated and he has said that the Members are well within their rights. He has some difficulties. Let him explain, let him assuage the feelings of the Members. On the one hand, you are very well within your rights to protect the sovereignty of this House and on the other hand, he is very well within his right to be cautious on the eve of the presentation of the Budget and not to speak out too much because the things can be read. The outside people are very intelligent and they can read the things.

May I request the Finance Minister to explain a little as to his difficulty and assuage the feelings of the Members  
*(Interruptions)*

SHRI MANMOHAN SINGH: Mr. Speaker, Sir, certain things appeared in the press and on the basis of that statement vile charges have been made. Today, I am not in a position to comment on these things, I am inhibited because three or four days later, I will be able to present to this House, the Budget and I think what I am going to do in the Budget would be a proof of what I am, what I have been doing and what I will be doing. Today, my lips are tied. I want to be judged by this House, by the people of this country and by history on the basis of what I will do *(Interruptions)*

MR. SPEAKER: Mr. Finance Minister, we are all human beings and sometimes I feel hurt when some allegations are levelled against me. And moreover, you are working under lot of pressure and you have to attend to the Parliament, prepare the Budget and

do so many other things. At the same time, let us leave that thing. We do appreciate and I also feel the same way as you are feeling. You are like anybody else. But if you have some difficulties, you may please explain those difficulties.

SHRIMANMOHAN SINGH: This is the difficulty. I have stated that I cannot either deny the existence of any press report or comment on it one way or the other because hundreds of news items have appeared in the last one month on what is going to be there in the Budget, what is not going to be there in the Budget and so on. If I am going to comment that, that will be total violation of the Budget *(Interruptions)*

SHRI SAIFUDDIN CHOUDHURY: We are not asking for the Budget papers. we are asking for the letter. *(Interruptions)*

SHRI SRIBALLAV PANIGRAHI (Deogarh): We should not try to put words into the mouth of the Finance Minister. It is good of him to maintain his cool in spite of the pressure from the other side. We should appreciate that he has not taken the plea of public interest. He has assured that he will present the papers on the 29th. A lot has already been said on this. We should now close this. He has also said that he is not in a position to either deny or accept the contents of the newspaper report. He has not quoted from the report either. So we should close the issue now. *(Interruptions)*

SHRI RUPCHAND PAL: I am on a point of order Sir. The question is that some documents. *(Interruptions)*

SHRI SRIBALLAV PANIGRAHI: There should be a closure to all these things.

SHRI RUPCHAND PAL: I am on a point of order and I seek your ruling Sir.

MR. SPEAKER: What is the point of order?

SHRI RUPCHAND PAL: The World bank officers are in possession of some letter. A section of the Indian Press also is in

possession of that letter. But we, the unfortunate Members of Parliament, do not have access to that...*(Interruptions)*...I seek your ruling. Does it not affect the sovereignty of this House? Does it not denigrate the prestige and honour of this House? You are the custodian.

MR. SPEAKER: Please tell me under what rule I can do it?

SHRI RUPCHAND PAL: You are the custodian of this House. You should protect the prestige and honour of this House. Is it not the denigration of this House? You must give the ruling.

SHRI GEORGE FERNANDS (Muzaffarpur): You have taken the oath to uphold the Constitution of India. That is the point. You are all powerful. You should abide by the Constitution.

MR. SPEAKER: Please do not make me all powerful. That is a dangerous thing. Supposing there is a rule, there is a constitutional provision, show it to me and I will abide by it. Supposing there is no provision, don't shower me with the power.

SHRI GEORGE FERNANDES: Do you think there is anything more important than your oath to uphold the Constitution?

SHRI RAM VILAS PASWAN: You can ask the Finance Minister to produce the letter.

MR. SPEAKER: You are asking me to ask the Finance Minister to do it. I take it that you are asking me to tell you something and you will abide by it.

*(Interruptions)*

SHRI RUPCHAND PAL: You have taken the oath to protect the prestige and honour of this House. You are the custodian.*(Interruptions)*

SHRI NIRMAL KANTI CHATTERJEE: Sir, you have asked him to explain his

difficulties. Has he explained that? *(Interruptions)*

SHRI SRIBALLAV PANIGRAHI: The Finance Minister has already stated that the sanctity of the Budget is intact. On the 29th, he has to present the Budget and how can he deny or accept it? *(Interruptions)*

MR. SPEAKER: Please take your seats. I am not going to allow anybody to speak now.

SHRI NIRMAL KANTI CHATTERJEE: You have asked him to explain. Did he do that? If it is most unfortunate.*(Interruptions)*

MR. SPEAKER: That is my difficulty. Please take your seats. I am on my legs when I am standing, you have to sit down. What is it going on all the time?

*(Interruptions)*

AN HON. MEMBER: Are you angry, Sir?

MR. SPEAKER: I am not angry on anybody. I have to show that I am angry. That is all. Otherwise, you would not sit down.

Please understand the situation and I am now giving my final ruling on this. *(Interruptions)* I think he has to be cautious and he does not want to speak too much.

*(Interruptions)*

SHRI INDRAJIT GUPTA: Sir, are you satisfied with his remarks? You have asked him to explain his difficulties.

MR. SPEAKER: I will explain.

SHRI INDRAJIT GUPTA: He is suggesting that that letter contains some clues to what may be in the Budget.

MR. SPEAKER: I will say what I have to say.

SHRI INDRAJIT GUPTA: If it contains

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no clues to what may be in the Budget, then, there is no harm in laying it before the Parliament.

MR. SPEAKER: I am saying all these things. This will be the final ruling on this and beyond this, let us not continue this discussion. I have already said that you have tried to put before this House certain points of view which you have in your minds and the Hon. Finance Minister has put for the points which he had in the mind. When you do not expect anything from each other, you expect the Speaker to decide. That is also sometimes, not very good and you give lot of powers to the Speaker also, which the Speaker does not want. You better enjoy your own power

The point is that if he had not to present the Budget on the 29th, you can rest assured ' would have asked him to lay those papers on the Table of the House. Now that, he has to present the Budget on the 29th, I do not think that his caution is misplaced. (Interruptions) That is why, I am saying that the Budget and the paper should be laid on the Table of the House on the same day, at the same time, so that the Members will have the opportunity to discuss it threadbare. In the interest of maintaining the secrecy of the Budget, I would not like him to

(Interruptions)

MR. SPEAKER: Now, the matters under Rule 377.

(Interruptions)

SHRISRIKANTAJENA (Cuttack): This will not be possible.

(Interruptions)

*At this stage, Prof. Susanta Chakraborty and some other Hon. Members came and stood on the floor near the table*

(Interruptions)

MR. SPEAKER: Not like this. (Interruptions) You should understand. (Interruptions) If you do not want, I will adjourn the House. (Interruptions) You wait for two days. (Interruptions) I adjourn the House to meet tomorrow at 11 of the clock.

17.16 hrs

*The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, February 26, 1992/Phalgun 7. 1913 (Saka)*