

[Shri Sharad Dighe]

October is not only a lean season so far as oil is concerned by it is a period of festivals. Maharashtra is, therefore, likely to experience difficulties during these months. Government of India should, therefore, increase the allocation of Palmolein oil during this period by 20,000 M. Ts. per month from August 1987 for Maharashtra State.

(viii) Need to reconsider the jurisdiction of new Sambalpur Railway Division

SHRI SRIBALLAV PANIGRAHI (Deogarh): The Railway Authority has decided that the proposed Sambalpur Division will comprise Jharasuguda-Balangir, Balangir-Titilagarh, Titilagarh-Rayagada and titilagarh-Raipur sections of South-Eastern Railway and Sambalpur-Talcher new line under construction. Besides all these, the section from Bandomunda to Himgir spread over Sambalpur and Sundergarh districts in Orissa on the Bombay-Howrah line should, in all fairness, come under the jurisdiction of the new Sambalpur Division. The exclusion of this section on the plea of feasibility is far from convincing. A spot visit by the top Railway Authority will bring home the genuineness of this popular demand. I would request the concerned Railway Authority to reconsider the matter from a practical and sympathetic view-point so as to include the Bandomunda-Himgir section of Bombay-Howrah line in the jurisdiction of the Sambalpur Railway Division.

12.40 hrs.

MOTION RE APPOINTMENT OF A JOINT COMMITTEE TO ENQUIRE INTO THE ISSUES ARISING FROM THE REPORT OF SWEDISH NATIONAL AUDIT BUREAU ON THE BOFORS CONTRACT. *CONTD.*

[English]

MR. DEPUTY SPEAKER: Now, we will take further consideration of the motion

moved by Shri K. C. Pant on the 29th July, 1987.

THE MINISTER OF DEFENCE (SHRI K. C. PANT): Sir, I have already moved the motion standing in my name. Hon. Members are aware of the discussions which took place in this House, during the preceding Session, in regard to the allegations of payment of commission in the purchase of 155 mm guns from Bofors of Sweden. In view of the developments in the intervening period it appears useful to recount the sequence of events, particularly those in the recent past.

As the hon. Members will recall, the allegations of improper payments made by Bofors, based on the broadcast by the Swedish National Radio Company, were disclosed in our press on April 17, 1987. As all precautions had been taken to ensure against the involvement of middlemen in the negotiations with Bofors and assurances also obtained from the latter, Government denied these allegations the same day in the press. Simultaneously, we conveyed to Parliament the Government's resolve to secure the full facts in regard to the allegations. Even though April 17 to 20, 1987 were Easter Holidays in Sweden, even conceivable effort was made to contact the highest echelons in the Swedish Government during their holidays period. Based on the information gathered, I had made a statement in this hon. House on the first available opportunity, i.e. on Monday the 20th April, 1987. In the statement made in this House, as well as in the Rajya Sabha, we had explained the measures taken to prevent the involvement of middlemen in the Bofor's negotiations. In pursuance of these statements, Government has been making vigorous efforts to uncover the whole truth.

On April 20, 1987, Shri Oza, our Ambassador in Stockholm, met the representatives of Bofors and sought full clarifications about the allegations. He pursued similar enquiries with the Swedish Foreign Office, on April 21, 1987 and *inter alia*, requested them also to use their good offices with Bofors to persuade Bofors to convey to us the entire