be issued on permanent basis. I told him that I am a tribal myself and I never heard such thing. Such authority helps the bogus people.

The people belonging to Kasti Community are taking advantages by declaring themselves as the people belonging to Halba and Halbi tribals. This should be checked. If they are really backward, they should make demand for separate provision. In no case, they should be allowed to share the cake meant for Tribals. People belonging to 'Machimar Koli' are taking undue advantage on the names of 'Suryawanshi Koli', 'Tokarekoli', Mahadev koli', Dhor koli' and Tokare koli' in Maharashtra. This should be checked. If they are backward, they should be provided separate reservation. Only the persons belonging to genuine tribals should be appointed on the posts and given admission in the educational institutions reserved for them.

In the end, I would like to submit that if the hon. Minister is really sincere to check the atrocities on Harijans and Tribals, then he should give a serious thought to my suggestions.

SHRI JANAK RAJ GUPTA (Jammu): Mr. Chairman, Sir, the disease got aggravated with every dose of medicine. It is not for the first time that we are confronted with the fact that a lot of atrocities are committed on the Harijans. There is hardly a State where this malady is not present. Of course, some where it is in lesser degree and somewhere it is in acute form. A number of laws have been enacted from time to time by the Government to check atrocities on the Scheduled Castes and Scheduled Tribes. There is no doubt that it has been checked to some extent. The Bill moved by Shrimati Bajpai is the need of the hour. It was a long felt demand of the people, Provisions of this Bill needs to be implemented strictly.

Before I could say something about the provisions of the Bill, I would like to draw the attention of the hon. Minister towards section 3 of the Bill. In this connection I would like to suggest an amendment. In section 3

(A), for "whoever, not being a member of a Scheduled Caste or a Scheduled Tribes. ......". The word "whoever" is sufficient and words "not being a member of a Scheduled Caste and Scheduled Tribe" should be deleted. Only then the purpose of this Bill will be served. Suppose, an officer belonging to Scheduled Caste or Scheduled Tribe commits atrocities on Scheduled Castes and Scheduled Tribes and tries to deprive them of their rights he will not be punished under the provision of this Bill as many of our learned Members have stated that as soon as economic conditions of a person belonging to the Scheduled Caste and Scheduled Tribe improves, he does not want to live in the colony or locality in which he used to live earlier with his other bretheren.

16.00 hrs.

[English]

MR. CHAIRMAN: It is already 4 P.M. The House shall take up discussion under Rule 193. So, you can continue next time. You please resume your seat.

16.01 hrs.

**DISCUSSION UNDER RULE 193** 

Fourth, Fifth and Sixth interim reports and final report of Kudal Commission of Inquiry set up to enquire into the affairs of Gandhi Peace Foundation and connected organisations

[English]

MR. CHAIRMAN: The House now shall take up discussion under Rule 193. Shri T. Basheer.

SHRIT. BASHEER (Chirayinkil): Ithank you for giving me this opportunity to raise this important discussion in this House on the findings and the recommendations of Kudal Commission. Many times this subject has been raised in this House in various forms.

[Sh. T. Basheer]

Many hon. Members have expressed their views about this discussion. But today we have got this opportunity to have a comprehensive discussion on this subject.

I remember that on 8th May, 1985, there was a Calling Attention being discussed in this House and it was brought by a very prominent parliamentarian, Shri Indrajit Gupta. Various reports on Kudal Commission of Inquiry appeared in the Press which are of serious nature. So, we asked for a discussion on this subject. In the last session, we also requested the hon. Minister to lay the reports on the Table of this House. So, we are grateful to the hon. Minister for laying those Reports on the Table of the House last week. He had laid on the Table of the House the Final Report of Kudal Commission of Inquiry and the Action Taken Report by the Government.

16.03 hrs.

# [PROF. NARAIN CHAND PARASHAR—in the Chair]

The hon. Speaker was kind enough to allow a discussion on them in this House. When we are discussing this important subject, the seats of the Opposition Members are vacant except Shri Syed Shahabuddin. The Opposition Parties are not represented by their Members in this House at present. I think it would have been better if they were here. But it is quite unfortunate that they are not here. Prof. Madhu Dandavate, who is very alert in raising these kind of discussions is not here.

In this Report there is a reference to Prof. Madhu Dandavate also. So, I think it would have been better if he were present here. Their absence here and their resignation from this House show their attitude towards this House. It is not for the first time that they have taken such an attitude. I would like to cite some examples.

When we discussed the Bofors issue

here these Opposition leaders went to the Swedish Embassy to give a representation there. So, their faith was not in this House, but their faith was in the Swedish Embassy!

You may remember that the Opposition Members made a hue and cry about the Thakkar Commissions Report. But when we were discussing the Thakkar Commission's Report they were not here. They boycotted.

Again, during this year's Budget Session when we were discussing the General Budget—very important so far as this Parliament and this country are concerned they were not here. They boycotted this House.

And again about the C&AG's Report, it was Mr. Madhu Dandavate and Mr. Jaipal Reddy who gave the notice for discussion. The Government were prepared and the Hon. Speaker allowed the discussion and it figures in the Order Paper. Then they ran away. This shows the faith they have in this democratic system. They have no real faith in democracy; they have no real faith in this august House, in this important institution. They have no faith in this temple of democracy. Two things are clear: that they have no faith in democracy, and they are not interested to know the truth. They are not in search of truth. They are not interested in knowing the truth. What they are doing are political gimmicks, political stunts. These resignations by the Opposition leaders are also nothing but naked political stunts.

I do not want to go further on those points. I am coming to the Kudal Commission Report.

Sir, the Lok Sabha passed a Resolution on 28th August 1981 recommending that the acts and activities of Gandhi Peace Foundation, Gandhi Smarak Nidhi, All India Serva Seva Sangh, Association of Voluntary Agencies for Rural Development (AVARD) and other organisation connected with them be inquired into by a Commission of Inquiry. Accordingly, the Commission was set up on 17th February 1982. The period of the Commission, which was originally six months,

was extended from time to time till 31st January 1987, It took almost five years. You know that the Commission submitted six Interim Reports and a Final Report. Now these Reports along with the Action Taken Report by the Government are before us in this House. Some of the facts brought cut by the Kudal Commission are very much disturbing. Everybody should agree that it is of a very very serious nature. Sir, I would like to say that Justice Kudal has done a great service by opening our eyes to the vast dimensions of corruption, financial irregularities, politicalisation of institutions by the so-called Gandhian institutions and other voluntary organisations. It is highly deplorable that the institutions established in the name of the Father of the National Mahatmaji, indulged in such kind of activities. Sir, this is a very serious matter. I think the Government will treat it with due seriousness. And I am sure people will judge these

Sir, these voluntary organisations have been indicated mainly on two counts, gross financial irregularities and attempts of political subversion in collusion with foreign funding agencies.

things with seriousness.

Sir, I had gone through the Action Taken Report presented by the hon. Home Minister in this House. Of course, many charges have been stopped on the ground of insufficient evidence. I think from the Government side the hon. Home Minister will tell more details, will throw more light, as to why they have not been pursued and as to why these cases were stopped. But it is true that clear evidence is required to secure a conviction. When I went through the Report, I was shocked. You may be remembering, Sir, about the total revolution which was launched during the years 1975-76. You may be remembering about that total revolution, New Nirman movement, etc. These were propagated by a Gandhian organisation in the country in the first half of seventies. The attempt was to subvert the existing political system in this country under these attractive tytles as total revolution, Nav Nirman movement, etc. etc. I would like to quote some parts from the Report. It is mentioned on page 110 of the final Report and I quote:

"Under the cover of the Sarvodaya workers meeting at Bangalore from July 6-12, 1973, the GPF-Gandhi Peace Foundation—alongwith some of the organisations took part in the discussions one political and economic situation in the country and the role of the Sarvodaya movement, 'expressing concern over the rapid erosion of democratic values and the increasing trends towards centralisation of political and economic power' and the 'creeping trend towards authoritarianism within an outward facade of democracy and devious manner of restriction on academic freedom and the freedom of the press; as well as the incidious growth of a climate of fear in which dissent is becoming increasingly unsafe."

These are not the aims and objects of this Gandhian organisation. They are not expected to do this job. This was the way they had indulged in political propaganda. Again I would like to quote from page 111 of the Final Report:

"On 28.11.1974, the first meeting of the National Coordination Committee of the Non-Communist political parties was held in the premises of the GPF with Shri Jayaprakash Narayan in the Chair. This meeting was convened by Shri K.S. Radhakrishna, where a decision was taken to organise a million strong 'March to the Parliament' in Delhi on 6th March, 1975 and for that purpose, a Sub-Committee of the said Coordination Committee consisting of leaders of the Jan Sangh, Congress (O). B.L.D., Socialist Party and Akali Dal was constituted. The cell for 'March to the Parliament' was a political move sponsored by the non-Communist political parties and had nothing to do with the professed aims and objects of the G.P.F.".

[Sh. T. Basheer]

So, this gives a clear picture of how they have indulged in such activities. Sir, you may recollect that there was an organisation called Citizens for Democracy constituted at that time. Here I quote from the final Report of the Commission:

"The said Citizens for Democracy was/ has been operating from the premises of the GPF with Shri K.S. Radhakrishna as its Secretary. The members who participated in the said meeting included, among other, S/Shri S.N. Mishra, George Fernandes, Prof. Madhu Dandavate, L.K. Advani, Nanaji Deshmukh, Rabi Roy, Biju Patnaik and S.M. Joshi."

Again, I would like to quote from the Report—

"That the GPF actively campaigned for the candidates of a political party, namely, the Janata Party during the General Elections of 1977."

Sir, is this the job of the G.P.F.? Further, I would like to quote from the Report:

"That a meeting was held on 22-3-1977 at Jhanda Chowk, Roshanpura, Bhopal, where Shri Ram Chandra Bhargava alongwith 10/12 workers of the GPF Centre pulled down the Congress flag and hoisted the Janata Party flag at the same place. The Congress flag hoisted at the residence of Dr. L.K. Mishra was also pulled down by the GPF workers."

SHRI SYED SHAHABUDDIN: That is not the criminal offence.

SHRIT. BASHEER: But it is not the job of the G.P.F. They have removed one party's flag and in its place they have put up another flag. Sir, I have to quote some other serious things from the Report. I quote from page 114 of the Report.

President of Bangladesh is finished and the dictator of Bangladesh is finished and the dictator of our country, Mrs. Indira Gandhi will meet the same fate."

Now look at the conspiracy made by them. Sir, please let me quote again from the Report:

"2 (xvii) That the GPF misused its resources in circulating literature clandestinely against Mrs. Indira Gandhi and her party branding her as a dictator, a fascist, an autocrat, etc. and accused her of attempting to perpetuate her dynastic rule in the country."

This was the joke of Gandhi Peace Foundation in those days. From these parts which I have quoted here, we could understand how Gandhi Peace Foundation violated its aims and objects, how Gandhi Peace Foundation indulged in political propaganda, how GPF misused its name by lending its support to activities joining the Opposition parties.

Sir, the Government under Shrimati Indira Gandhi had repeatedly warned the nation about the intervention of foreign forces in the internal affairs of the country and the attempts of de-stabilisation of the country with the help of internal forces. Who are those internal forces? Justice Kudal has identified some of those forces. These organisations became tools in the hands of Opposition parties at that time. These institutions were in receipt of vast amount of money from foreign funding organisations, like Ford Foundation, EZE West Germany and so on. The operation of Ford Foundation and the scheme of its assistance are matters of grave controversies. These foreign institutions are not mere funding institutions. They have deep political interest in various countries of the world which is known to the anlightened political opinions in this country. Our Gandhian institutions were getting big amounts from these organisations. From the evidences collected by Justice Kudal, it is proved that these junds were used to create dissatisfaction among the people and thereby bring about revolt against the legally established Government. The talksat that time about partyless democracy, total revolution, call to the Army to revolt etc. were part of that campaign. Justice Kudal tells us that the literature published at that time by the Gandhian organisations was in support of this Opposition political campaign.

Discussion under

Sir, although the Government have dropped many of these cases, as it is clear from the action taken report submitted by the Minister, I would like to tell it is a caution for the Government, Justice Kudal's elaborate evidences and findings cautioned the Government that Government could not ignore the fact that such attempts of de-stabilisation in the country are still going on at different levels. I should like to say that we should be firm in our approach toward those forces, because they have all become together now.

Sir, another serious thing in the Kudal Commission Report is about the Kerala Gandhi Smarganidhi. This organisation received huge amount, about Rs. 59 lakhs from a foreign donor in U.S.A. This organisation portraved a very distorted picture of the State for the purpose of obtaining fund. They wrote to be organisation that there were atrocities in the State. At that time, the Government in Kerala was of CPI (M), Mr. Navyanar was the Chief Minister. So, these organisations claimed that they were going to fight that CPI (M) Government! I would like to say that it is not the job of Kerala Gandhi Smaraka Nidhi, Smarganidhi alone. There are political parties that would fight. We cannot agree that this is the job of Gandhi Smaraka Nidhi

Another important point is, some of the voluntary organisations had indulged in antinational activities, which is a great concern for the country. These organisations were being used by foreign agencies. The Kudal Commission report says that large portion of foreign funds went in undesirable hands and was used for various disruptive activities. Their aim was to create chaos and destablisation in the country.

I would like to quote a few lines from the final report, at page 225:

> "The Commission observed that most of the voluntary organisations operating in the border, coastal and tribal areas of the country were getting large funds from a number of foreign agencies, i.e. EZE West Germany, in particular. Receipt of such large funds from foreign sources had generally little or no co-relation with the developmental and constructive activities of such voluntary organisation. A large chunk of such foreign funds thus went in undesirable hands and got used for various disruptive activities meant to create chaos and destablisation in the country."

I quote from the report further:

"The Commission observed that some of the voluntary agencies indulged in collection of sensitive data and supply ing the same to various foreign agencies analysis and use."

I would further quote after a few lines:

"Another voluntary organisation got involved in collection of geo-physical and geo-hydrological data of different parts of this country and passed on the same to a foreign agency."

It is great concern for this country. Why dld these foreign agencies want such data from our country? For what purpose? What is their use? Why have they asked these voluntary organisations to collect these important data and to pass on to those foreign countries? Why had these voluntary organisations in our country indulged in antinational activities?

[Sh. T. Basheer]

Now, the second count on which these voluntary institutions have been indicated by the Commission is the gross financial irregularity. These organisations diverted and misappropriated massive aid funds. Pages after pages have been written by Justice Kudal, I have no time to go into all these things. Who are the beneficiaries? Who misappropriated these funds? Our people must know. The country must know. Some of them are our big Opposition leaders. Shall I tell their names? They are Mr. Madhu Dandavate, Mrs. Pramila Dandavate, Mr. George Fernandes, Mr. Rabi Ray, Mr. Purushottam Kaushik, Mr. Dhanik Lal Mandal etc. Mr. Madhu Dandavate was here when we raised this question and he did not deny it. I remember, he said, "I have received it with the permission of the RB!." Mr. Madhu Dandayate was the Trustee of Mathru-Mandir in Ratnagiri District, His organisation received financial assistance through AVARD. It is mentioned at page 116 to 119 of the Second Report, Mr. George Fernandes got Rs. 24.37 lakhs from Khadi and Village Industries Commission for distribution among the poor artisans in his parliamentary constituency. Muzeffarpur, Bihar, He was then the Minister of Industries, in the Janata Government, This amount was sanctioned by fluting all the rules and procedures. This is value-based politics! It was only to subserve the political interest of Mr. George Fernandes. But the most interesting thing is, this money which was meant to be distributed among the poor artisans of Muzaffarour was not distributed. Mr. Fernandes is the leading light in the camp of the Opposition Parties, who talk about the value-based politics. Another person is, Mr. Dhanik Lal Mandal.

SHRI SYED SHAHABUDDIN (Kishanganj): Was the money misappropriated by Mr. Fernandes?

SHRIT. BASHEER: Yes.

SHRI SYED SHAHABUDDIN: All the Rs. 25 lakhs?

SHRIT. BASHEER: I can quote. Please bear with me for a moment.

P. 210:-

"It has come to the notice of the Commission that in the year 1979, Shri George Fernandes, the then Union Minister of Industries, desired that loans to the artisans in Muzaffarour District (Bihar) be distributed on 6th June, 1979 by the Khadi Village and Industries Commission (KVIC) through the Association of Voluntary Agencies for Rural Development (AVARD) and that in order to expedite the procedure for the release of funds for this purpose by the KVIC to the AVARD, Shri L.C. Jain. then Chairman of All India Handicrafts Board (AIHB) and a prominent figure in the AVARD and Shri A.C. Sen, General Secretary of the AVARD approached the KVIC and its Chairman Shri Som Dutt Vedalankar during May 1979 in this connection."

I quote:---

"That the Constitution of the AVARD would be amended so as to bring the activities of the khadi and village industries within its purview and jurisdiction."

SHRI SYED SHAHABUDDIN: Then you must prosecute him, why have you not prosecuted him?

SHRIT. BASHEER: Your point is valid.

MR. CHAIRMAN: Please conclude now.

SHRI T. BASHEER: This is relevant thing, please. I quote:

"That the Constitution of the AVARD would be amended so as to bring the activities of the khadi and village industries within its purview and jurisdiction."

It is amended.

DR. G.S. RAJHANS (Jhaniharpur): What did Mr. Dhanik Lai Mandal do?

SHRIT, BASHEER: He was also Minister of Home Affairs in the Janata Government and he was Chairman, Madhubani Zilla Samagra Sansthan. His organisation raised Rs. 7.74 lakhs. The report says that he misappropriated Rs. 1.50,000/-.

Again another man Mr. Purushottam Kaushik was also Minister of Information in the Janata Government, He was President. Madhya Pradesh Famine and Drought Relief Committee and Chairman, Jan Kalyan Samiti. The report says:

> "Shri Purushottam Kaushik misused vehicles which were meant for relief work during his election. He used the vehicles for electioneering purpose."

Shri Rabi Ray was the Chairman of the Orissa Gram Vikas Foundation, As Minister. he wrote a letter to AIHB and got grant which were misappropriated. I am not going further because of lack of time.

Now, I would like to say a few words about the funding agencies from which foreign funds came. One is the Asia Foundation. You know this is a conduit of CIA. Government of India asked Asia Foundation to close down their office in India in 1968. Thereafter, Eze West Germany was funding these organisations.

Another funding agency is the Ford Foundation This is also a CIA agency. Under cover of "Research and Development" in December, 1978, the Janata Government accorded approval for a grant of US \$ 2.50,000/- as aid from the Ford Foundation to the AVARD for "strengthening of voluntary efforts for rural development" for a period of three years ending on September, 30, 1981. have a long list of these Funding Agencies. am not going into all these things.

MR. CHAIRMAN: Please conclude.

SHRIT. BASHEER: Sir, please give me five more minutes.

MR. CHAIRMAN: You please take two minutes. You have already taken 40 minutes. Others also want to speak.

SHRI T. BASHEER: These are the Opposition parties which are talking about value-based politics. This is very important and people must know about it. Sir. I am really amused to hearing what value are they talking about? Is fradulent misuse of public money an important feature of this valuebaed politics? Is colluding with the foreign agencies a part of the value-based politics? The country has seen many things about this value-based politics. The country has seen the real author of the value-based politics going out of office as a result of tapping of telephones ...\*... He is a glamour hero who talks about the value-based politics. There are serious charges of corruption against him regarding land deal of NRI Housing Societies, I am not going into that, You know very well. Recently, there was the liquor scandal.

Another partner of this value-based politics has been clearly indicted by the High Court in seven cases...\*... He is the brain behind the Opposition parties.

SHRI SYED SHAHABUDDIN: Was he also indicted by the Commission? (Interruptions)

SHRIT. BASHEER: I am telling about the value-based politicians, their character, their true colour

MR. CHAIRMAN: Please conclude.

SHRIT, BASHEER: I will conclude. He was indicted by the High Court in seven cases. He was indicted for nepotism, corruption etc. But still he continues in power like a limpet. He is the Brahma Rishi for our Opposition parties here. In the case of Lok Dal

<sup>&</sup>quot;Not recorded.

[Sh. T. Basheer]

people, I can understand this. But the CPM people must know what is the background of this man.

MR. CHAIRMAN: You must conclude in a minute.

SHRI T. BASHEER: I will conclude. They have a political philosophy. But the party like CPM depend on this persons. (Interruptions)

MR. CHAIRMAN: Don't interrupt.

(Interruptions)

SHRI SYED SHAHABUDDIN: Don't denigrate them. All along, they have been fighting against it...

(Interruptions)

SHRIT. BASHEER: There are serious criminal charges against another Leader of Opposition who rules Harvana. Reports are coming in. Now I come to my State, Kerala. I will tell you about it. I can tell you that there are serious corruption charges against a number of Kerala Ministers. One CPM Minister .....\* received crores of rupees in liquor deal and Abkari deal. The charge was made with necessary evidence and documents. It was raised in the House there by the Opposition Leader Shri Karunakaran with proper evidence. The Electricity Minister in Kerala Government is facing serious charges of corruption regarding construction of the Lower-Periyar Hydro-Electric Project. There are serious corruption charges against the Education Minister. These are the value-based politicians! The Opposition is talking about high morals and principles. The Chief Minister has refused to order an inquiry into these charges. So much for their value-based politics!

These are the Opposition parties and leaders who make a lot of noise here and

outside the House. One thing is clear. All these talks about value-based politics by the Opposition is a smoke-screen to hide their mistakes. Now I conclude. I conclude by saying that there are valuable suggestions in the Report. One important suggestion is that the present statutes are not sufficient. They are inadequate. So, I suggest to the Government to bring an amendment to the present statutes.

Another thing is, we know how they are running the Gandhian organisations. So, I suggest that Government should take over these Gandhian organisations.

With these words, I conclude.

[Translation]

SHRI BANWARI LAL PUROHIT (Nagpur): Mr. Chairman, Sir, the question before us is as to what led to the setting up of Kudal Commission. For years, huge funds have been flowing into the country from abroad in the name of tribals, poor, minorities and backward classes. These funds were received by thousands of bogus organisations, which were set up in due course and were headed by the people bearing high moral character. It was due to these big names that such organisations received wide publicity. Those crores of rupees which were brought into the country in the name of poor were spent on devisive forces, spies and those who instigated casteism in the country. They went to the extent of printing maps of strategic installations of the country including highways and telephone exchanges. These circumstances led to the setting up of Kudal Commission.

It was the duty of the Commission to expose these Gandhian organisations which were engaged in bogus activities. Now, the people have become aware of the disruptive and anti-national activities these organisations have been engaged in. But I do not thing that the Kudal Commission has done anything big during its tenure of 5 years. It

<sup>\*</sup>Not recorded.

has been able to touch only a tip of the icebery; i.e. corruption. The Commission was able to investigate only 180 cases and 300 cases remained incomplete. The fact that Kudal Commission stopped functioning midway has left a question mark before us. Names of those people involved in those 300 cases should have been exposed. These misdeeds make patriotic Indians hang their heads in shame. Today those people are not here, otherwise they would have closed their ears with cotton. Now those people themselves raise the slogans of patriotism in foreign countries. My colleague has just now given a glimpse of the misdeeds which took place there. Here is another glimpse of their functioning:

it has been mentioned that:

# [English]

foreign donar agency E.Z.E. donated Rs. 40 lakhs for the rehabilitation of surrendered dacoit.

# [Translation]

A sum of Rs. 40 lakh was donated for reforming the Dacoits of Chambal, etc. But there is no account of those 40 lakh rupees. Not a single penny was spent on the dacoits. This is the finding of the Commission. One of them Mahabir Bhai, a noted Gandhian himself said that not a single penny was spent. It means that they have become bigger dacoits than those dacoits who surrendered arms. Real dacoits will do penance for their crimes, but the amount of Rs. 40 lakhs, which was brought from the foreign countries for rehabilitation of these dacoits, was totally bungled. This is a case of dacoity having been committed on dacoits. I do not think our history has any other example of this kind. This a example should be written in golden letters in the history that such people are also present in India who can loot the dacoits and call themselves as honest people. These are the findings of the Commission. The whole funding was done through C.I.A. Everyone knows about the doings of the C.I.A. Their objective is to choose a country which is peaceful and on way to development and force it to toe their line and accept their subjugation. In the event of the latter not obliging, conspiracies are hatched to destroy them. To achieve their objective, they bought the people with money. For years, these funds were provided to the Association of voluntary Agencies for Rural Development, known as AVARD. Later on a number of other agencies got them associated with it. For about 10-15 years, these funds were provided by the C.I.A. Later funds were provided through many other foreign organisations like the Oxform of London, C.D. Dania Church Dania Community Australia, Germany, West Germany. These organisations were used as tool by the C.I.A. in its efforts to destablise our country. I don't lime to repeat the names mentioned by my friend, but for the sake of record, I would like to mention the names of those organisation, which received money. The following organisations have received foreign funds during the Janata Government's rule i.e. during 1977 to 1979:--

Vanwasi Sewa Vendra	42	lakh
Nehru Sewa Sangh	18	ш
Citizen Voluntary Centre	76	*
Mahatma Gandhi Sewa Ashram	33	
Tagore Society for Rural Development	89	
Shayama Prasad Institute of Culture	16	ás
T.A. Gramdan Sangh, Assam	31	
Nirfad, Mathura, U.P.	200	*
Mandra, Umayan	38	*

All their activities are guided from their head-quarters. Rajendra Memorial Trust 5 lakh and AVARD, New Delhi 306 lakh.

# [Sh. Banwari Lal Purohit]

So much of funds have been received. A single organisation received Rs. 68, 40, 942 in 1979. In 1980, the amount slumped to Rs. 5.38.545, In 1981 the amount further slumped because Janata Government was dethroned. Later on, they received Rs. 12,44,000. It is regretful that on the excuse of rehabilitation of the poor such letters were written to the foreign agencies asking them for money. ! would like to read out the confidential letters. These are the findings of the Assistant Secretary, who was doing the enquiry. The following letter was written by a member of Kerala Gandhi Smarak Nidhi to the foreign companies:

#### 17.00 hrs.

# [English]

"Just now we are facing a very complicated and taxing situation."

# [Translation]

They are writing to the foreigners and telling them that they are sincere.

# [English]

"Political violence is mounting. Trade unions affiliated to ruling party are aggressive and are exploitative. They just harass people and get what they want. Opposition Parties are finding it difficult to function. Their policy is gradually being made ineffective. Temples and Churches are being looted. Unless this trend is arrested, we will have to face unpleasant situation."

# [Translation]

What they mean to say is that foreigners should intervene here. Thus, a lot of money was sent to them just after the letter was received. These are the findings of Kudal Commission. Today those dishonest people level charges against us. The people living in glass-houses should not throw stones at others. I would like to know from the Government what steps it is going to take now when the Report has been received. Will the cases be filed against them? It is necessary to file cases, otherwise the public will loose faith in the Government. The Kudal Commission has submitted such clear-cut findings and has exposed the corruption with evidence. What are you waiting for? An AIR should be lodged and action should be taken. All the facts should be placed before the public. The names of the leaders against whom there are clear-cut charges of corruption should be prominently published in all the national and regional newspapers. This should be done even if it costs some money to the Government. But it is essential to expose them before the masses. This is my demand. Thereafter publicity should be done to the effect that there is nothing in the Bofors and the CA&G Reports. A demonstration of Bofors Gun has proved that it is the best fun. We lost the elections in Haryana, because Shri Devi Lal misled the people there. He told those poor villagers that the range of the gun is only 5 kms. He has betrayed the country by misleading the innocent people. During the demonstration, it became evident that the range of the gun was 30 to 30.5 kms. Shri Jagiit Singh Aurora of the opposition himself said on the T.V. that:

# [English]

"As far as the quality of the gun is concerned, we have no doubt in our minds".

# [Translation]

This has been said by him. You cannot change it .... (Interruptions) When they indulge in such type of publicity, why should we wait, when we have all the evidence. Action should be taken by lodging an FIR immediately. Let the law take its own course. Shortcoming in the law, if any, should be removed.

Mr. Chairman, Sir, it has been clearly written in the letter, which I read out just now.

# [English]

"Consequent upon this letter, world neighbour, USA, enhanced the amount of grant to Kerala GSN in the year 1981-82 and the Kerala GSN received a sum of Rs. 4.27 lakhs extra from the world neighbour".

# [Translation]

They get money from America. They are facing difficulties here. Their difficulties cannot be removed with the assistance from this country. The Indian people cannot remove their difficulties. On the basis of foreign money thus received, they will work on their orders, do spying, try to destablise the country by engineering riots. They ask for money from them for organising big rallies. After that, they ask us questions, is this not treason? It is nothing less than that. Cases of treason should be filed against them. Kudal Commission has clearly said that they are traitors. So there is nothing to be afraid of them. I would like to know from the hon. Minister why there is so much delay in launching prosecution even after the findings have been submitted. I would like to know what steps he is going to take in future?

# [Translation]

We have the right to know it because they have indulged in such anti-national activities, they have committed a treachery against the nation. No person, howsoever high position he may be holding, can be forgiven. Whatever propaganda they may make in this regard, the Government cannot be relieved of its responsibility. They abould immediately take action in this regard. My submission is that though final decision is to be taken by court, yet the Government on their part should not show any Blackness in taking action.

On going through the full text of the report, it appears that about 250 pages have been left incomplete. Kudal Commission left the report incomplete because many things and evidences remained concealed from the

Commission. A special agency should be constituted to hold enquiry into those things. Kudal Commission had neither enough time nor adequate machinery to investigate. The Commission detected the facts on the basis of the evidence presented before it. I would urge the Government to get the matter investigated by some experienced and high level officers of the intelligence who may not successable to pressure from outside. The hon. Minister may kindly clarify in his reply as to whether investigation to this effect would be conducted or not

Mr. Chairman, Sir, I have brought a few major points to the notice of the House. If I start going into the details, the time would be over. I would like the Government to bring the truth before the people. This has been happening for the last 25 years. Foreign money has been flowing in to the country. What is the motive behind it? That money is misused in the country. Disruptive forces are taking advantage of the money. It is said that the money is meant for the welfare of the poor people. But has anything has been done for them? George Fernandes asserted that he did not swindle money. About Rs. 18 lakhs out of the total amount of Rs. 28 lakh kept on lying with him for about 6 months. He did not return that money. The interest alone comes to Rs. 16 lakh in 6 years. This is nothing but corruption. Through enquiry should be held to sift the truth from the falsehood. I suggest that there is no need to adopt a soft attitude to those who have been quilty of treason. And the evidence of treason is there. Because it is not a question of an individual it is a question of the country. My suggestion is that same penalties should be imposed on these offenders as are applicable to criminal offenders.

# [English]

SHRI SYED SHAHABUDDIN (Kishanganj): Mr. Chairman, Sir, the Lok Sabha resolution of 28th August, 1981 asking for an inquiry in the activities of some organisations was preceded by a volley of question since 1975. On 17th February, 1982 the Kudal Commission was appointed by the [Sh. Syed Shahabuddin]

Government. The last the final report of the Commission—which was appointed initially for six months—was submitted on 30th January, 1987, the period of inquiry lasted for nearly five years.

Sir, the report lay with the Government for consideration for nearly two and a half years and finally it was submitted to the House on 6th August, 1989 and the hon. Minister made a statement to the Lok Sabha. I believe; on 7th of this month. The first question that I would like to place before the House is related to the timing of the tabling of these reports. Why should the Government take nearly two and a half years ... and that too come so close to a general election. Of course, the purpose is very clear from the presentations made to us by the spokesmen of the treasury benches. The hon, colleagues, who have preceded me, have made it a political issue.

Now, at a cost of nearly Rs. 2 crore, what have we finally got? There are 118 cases out of which 56 have been dropped by the Government on the advice of the Ministry of Law and Justice and the CBI, 56 are still on the books. But of them, 42 do not pertain to the sphere of the activity of the Central Government. And they have been referred to State Governments or other agencies or autonomous organisations for necessary action. When they were so referred, we don't know. What have they done about it, we don't know. What they propose to do about it, we don't know. Sixteen are still under investigation by the CBI-2 1/2 years after Mr. Kudal wrote his report. I don't know at what pace the CBI works. But sometimes we know at what pace the CBI works. We know about its performance in the Bofors case.

I made a categorisation this morning of these sixteen cases. One case refers to Gandhi Peace Foundation. One case refers to Sarva Seva Sangh. One case refers to the Gandhi National Museum. One case refers to the Gandhi Smarak Nidhi of Kerala. There are seven cases against AVARD and five cases refer to other association which are associated with AVARD. This is the sumtotal of what we have got.

I am not concerned with the obiter dicta of Justice Kudal or the generalisations or with his sermonisations or moral postures or his innuendoes or his half-truths and untruths which are in the recommendations of the report because recommendations have nothing to do, in many instances, with what is contained in the report. They are general sermons against the 'so-called Gandhians', on how Gandhian institutions should function as if Justice Kudal today is the sole legatee of the Gandhian heritage and he is the sole judge of how Gandhian activities should be carried out in this country.

Well, I do not want to disturb Mr. Kudal from his day-dreams or from his place in paradise. That is up to him but surely such recommendation won't constitute any legal or any criminal case that that is being made out here against anyone. What was the procedure? It was a roving inquiry. It was a fishing expeditions which lasted for about five long years. No charges were specifically referred to the Commission. Not even the hon. Members, who had raised those volley of questions in the House during 1975 to 1977, took it upon themselves to place their charges before the Commission. The Government which is supposed to lead evidence under the Commissions of Inquiry Act, under which the Kudal Commission was appointed. did not lead any evidence. The procedure was that Justice Kudal constituted himself into the complainant, the investigator and finally the judge—all rolled into one. This fact alone should be adequate to tell us about the credibility of this report.

Justice Kudal and the Government say that these organisations did not cooperate with the Commission. Now, what are the facts, Sir? Mr. Chairman, 24 months elapsed after the establishment of the Commission and not a notice was sent to any of the organisations that are supposed to be called upon, that are supposed to be under investigation. Is that the rule of law? Is that how the

legal system should function? They were never called. The office-bearers were never called. They were never called until they themselves came to the then Law Minister. Mr. Kaushal, and subsequently to the then

Home Minister, Mr. Sethi, telling him:

\*28 months have elapsed. Every day, something is appearing in the Press. We are being given a bad name. A regular mudslinging campaign is going on. Please ask the Commission to call us to testify before them. We are prepared to cooperate wholeheartedly."

Subsequently-I do not know whether Mr. Chidambaram is aware of it or not-a letter was written to the then Home Minister on 6th June, 1984 but they never got any reply although orally both the hon. Ministers assured these gentlemen, who are honourable citizens or our country until they are proved to be dishonest, that they shall be given an opportunity. So, no rules of procedure were ever framed. The principles of natural justice were given a complete go-by until they had no alternative but to go to the High Court and ask for a stay order. They did not go to the High Court until three years later. That is a fact to be kept in view. They did not ask for a stay order, immediately. They waited for three years. Then they went to the High Court and the hon, High Court granted the stay order. The mere fact that such a stay order was granted is a testimony, is a reflection upon the principles, upon the procedure followed by the Kudal Commission which violated every law in the book, every known principle of natural justice. Why have so many cases been dropped, as I have mentioned earlier, by the Government, in its wisdom, after making further enquiries, after due consideration? Is it not a reflection in itself, on the quality of the judicial mind that has been brought to bear on these questions, on these matters? Can you imagine a Commission of Inquiry in half of whose cases the Government decides that there is no case, that nothing can be done, that no law has been violated and that no one is accountable? What are those organisations?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MIN-ISTER OF STATE IN MINISTRY OF HOME AFFAIRS (SHRIP, CHIDAMBARAM): Why don't you complete and tell as to what happened in High Court?

SHRI SYED SHAHABUDDIN: If I do, I will take a long time. What are these organisation? These are AVARD, Gandhi National Museum, Gandhi Peace Foundation and the Sarva Seva Sangh. All are registered societies under the law of land. They have no organic relationship among themselves. They are all independent autonomous bodies. AVARD is an umbrella organisation which has got 900 autonomous independent organisations in various parts of the country which follow a certain planned development activity and they receive assistance through AVARD. I ask a simple question. How can AVARD be held guilty for an act of misappropriation of another autonomous body or organisation? Supposing I am a member of a club. Can the club be held guilty for an action done by me? Is that the rule of law? The Gandhi Memorial Trust was formed after the assassination of Mahatma Gandhi. for the utilisation of the memorial fund that was collected throughout the country. Anybody who was anybody in this country including the great freedom fighters, the great pioneers of our freedom movement like Sardar Patel, Mavalankar, the first Speaker, Acharya Kripalani, R.R. Diwakar were associated with the Trust and they, in their wisdom, decided that in order to carry on its activities, there should be two independent organisation. They nurtured or shall we say gave birth to the Gandhi Peace Foundation and the Gandhi National Museum? They are again autonomous registered bodies with no organic linkage among themselves. Sarva Seva Sangh was a body formed voluntarily by the coming together of various organisations started by Mahatma Gandhi, in 1948 itself. That was a parallel development to the formation of the Memorial Trust. Eminent people have been associated with the Trust, like Diwakar and Mavalankar. Is it your case that the Governing body is to be considered

[Sh. Syed Shahabuddin]

responsible for the loss or the replacement of a particular relic of Mahatma Gandhi? Can a governing body of any institution be held guilty? The store-keeper may be guilty; the chowkidar may be guilty; the manager may be quilty or the officer in whose custody the particular relic was may be guilty. How can a member of the governing body be held guilty? If that is not mud-slinging, if that is not character, assassination, I do not know what the terms means.

Let us take the case of the George Fernandes, I would like to read out to you the final conclusion which does not lay any blame on Mr. George Fernandes at all. This is the final paragraph on page 217 of the Fourth Interim Report:

> "The conclusion, therefore, which the Commission has reached, in the facts and circumstances of the case is that the AVARD procured the aforesaid loan and grant from the KVIC for distribution amongst the artisans of the parliamentary constituency of... the then Union Minister of Industries."

His only linkage is that the money was to utilized in his constituency. He did not receive the money; he did not disburse the money; he did not use the money. My friend, Shri Purchit is completely wrong. Here, I have a letter from AVARD which says:

> "The factual position, however, is that KVIC provided AVARD a total sum of Rs. 24.37 lakhs for assisting rural artisans. Out of this, AVARD had already returned Rs. 19.835 lakhs to KVIC in 1980 itself."

At that time, in 1980, the Kudal Commission had not been established. This is a fact to be remembered. What has happened subsequently? The money could not be utilised because it was supposed to be a capital grant and the weavers were not generally prepared to accept the capital grant; they wanted working capital. The money, therefore, could not be disbursed. About five lakhs that were disbursed were recovered from them by the AVARD over a period of time and only Rs. 2 lakh remained to be recovered from the artisans which would in due course be collected by the AVARD. Where is the misappropriation by George Fernandes? Where is the misutilization by the AVARD itself?

Much has been made out of another case of map. Sedition, treason, anti-national activities, collusion with the imperialist power, destablization of the country-all these phrases have been used. Every abusive word in the political vocabulary has been used. Every arrow has been shot. But what are the facts of the case? Here is George Verghese, once very close to the late Prime Minister, His sin? He left her side. A national workshop was organized in Delhi on December 15 to December 17, 1979 on the integrated development of the Ganga-Breahmputra basin in collaboration with the Indian Institute of Technology, Delhi and the ICSSR. Indian Council of Social Science Research. Who came to it? No foreigner, not a single foreigner, attended this workshop. Who attended this workshop? A dozen Secretaries to the Government of India, a dozen senior Officers of the Government of India, people like the Surveyor General of India, people like the Hydro-grapher General of India, Chairman of the Water and Power Commission, Secretary, Ministry of External Affairs etc. Are all of these people on the pay roll of Foreign Governments? What about this wretched map? Incidentally, this case has been dropped. The Government are not following up this case. I would like to inform Shri Purchit. This case of sedition, treason and anti-national activity is not being followed up by the Government; it has been dropped. When was it dropped? Very interesting, It was dropped on 21.4.1987 when a Joint Secretary of the Government of India, Ministry of Defence, made a statement to the Metropolitan Magistrate who was seized of the case, and said:

> "The report has been examined. There are no objections of the Government to

report about closure submitted by the CBI and the closure report may be accepted. The CBI reported, investigation revealed that the maps with the topographical details pertaining to restricted area of Nagaland and Kerala were based on publications already available in the market."

And evidence collected by the CBI revealed that the publication of such maps had not jeopardised the security of the country. CBI also stated that the investigation further revealed that the maps published by AVARD were not in respect of prohibited or protected area of the restricted zone.

And what is the magistrate's final finding? "No, offence under the Official Secrets Act, 1923 or Criminal Law (Amendment) Act, 1961 was made out. The Closure Report is accordingly accepted and the case is ordered to be closed." And the Government have accepted that finding, Government have not gone on appeal against this order of the Metropolitan Magistrate. These are the cases that are being thrown across to the people that are being publicised by the mass media.

There is the famous case of Gandhiji's relic. Again it has been dropped because obviously no case cab be made out against the governing body or against the director of the museum. It is absurd, assuming that somebody did replace one relic of Mahatma Gandhi, assuming that it was stolen, well I don't know much about the facts. All I am saying is that Government have accepted that finding and have decided to drop the case and yet this is being repeated again and again.

Sir, I don't have the time to go into all the cases. The Statesment wrote an editorial 'Tit for Ta'. The Kudal Commission is a response to the Shah Commission. That is the genesis of the entire sordid business.

SHRI P. CHIDAMBARAM: Will you characterise the Shah Commission in the same words?

SHRI SYED SHAHABUDDIN: We are not discussing the Shah Commission today, Mr. Chidambaram, It is a fact that there was a division in the Gandhian movement. In March, 1975 some people took the side of Vinobhaji and some took the side of Jayaprakashji. Both of them are venerable. am not going to say that any of them acted against the national interest or against his conscience and in our democracy there is freedom for everybody to act according to his conscience so long as he does not participate in any anti-national or subversive activity. Does any hon. Member really wish to say today in 1989 that Jayaprakash Naravan led a subversive movement to destablise the country; that he was not a patriot? Shall I remind that on his death the Government of Shrimati Indira Gandhi established a National Memorial Trust in his memory? Sir. it is absurd to have these political nuances float around and one cannot accept Kudal's distorted views.

[SHRI SOMNATH RATH in the Chair]

17.20 hrs.

I would like to point out one interesting fact. In 1975-77 prior to the establishment of the Kudal Commission these very organisations were thoroughly investigated by the Intelligence Bureau and they reported to the Home Ministry and the Home Ministry reported to Mrs. Gandhi, the then Prime Minister on 12th January, 1976 that their thorough investigation has not revealed anything murky or criminal. When the file went to Mrs. Gandhi. She, however, noted on 20th July, 1976time does not permit me-but that quotation is available in the report of the Shah Commission.....\*\*....

MR. CHAIRMAN: It won't go on record.

SHRI SYED SHAHABUDDIN: Sir, here in this editorial by the 'Times of India' which entitled 'Digging With Kudal' something very apt has been mentioned. What does it say? It says and I quote:

"What also casts a deep shadow on

<sup>&</sup>quot;\*Not recorded.

# [Sh. Syed Shahabuddin]

the dirt-diaging activities of Mr. Kudal is that his whole exercise has been carried out in the spirit of a vendetta. When Gandhians had supported the Congress, as they had done when both commonly confronted agrarian radicalism. Gandhian institutions were found to be all right. However, when apparently a large number of Gandhians turned against the Congress, a judicial exercise against them was initiated through the Kudal Commission".

I would like to summarise. I would like to find out from the Government. When you make a statement and when one sentence follows another, one assumes a linkage. I would like the hon. Minister to go through his statement of 7.8.1989 and I refer to page 2. where he talks about a certain sum of money and then he names certain individuals. First he mentions that the accountable cases are for so much and then he names certain individuals. Can he on the floor of this House link that money to any of those individuals whose names he has mentioned? Does it not create a false impression that those people are responsible for misappropriating that particular amount? Is that fair Mr. Chidambaram?

I would like to know, Mr. Chairman, why is the Government of India giving expensive publicity only to the cases and not to the Action Taken Report? They are not saying that such and such charges have been dropped. They are only saying that such and such charges have been made by Kudal Commission. Is that fair? There are cases which are not established at all. But still they are being publicised.

Sir, in this Commission of Inquiry, they talk about foreign contribution. One word about foreign contribution. Here I have got a document published by the Government of India in 1972. In 1972, Jaya Prakashji was not on the scene. Shah Commission was not on the scene. This report is called 13 Years of Freedom From Hunger Campaign-India

1960-1972. I would like to point out to page 12 of the report in which there is a mention about new projects and fresh assistance in 1972. And what is the number one executing agency named by the Government of India? Well, it is said that AVARD, New Delhi is given Rs. 120 lakhs, Rs. 120 lakhs out of Rs. 200 lakhs. Where does this money come from? From the very same German source! Government of India between 1960 and 1972 deliberately used AVARD for all the development activities for channeling all the foreign contributions that were received for agricultural development. Today, we are being told that AVARD is bad. If AVARD has a bad character now, it had a bad character then.

I would like to close by saying that this Commission of Inquiry is a Commission of Inquisition because the party, the prosecutor and the judge have all become one. Gandhiji, had he been alive-I am speaking of Mahatma Gandhi-would not have approved of such an inquisition. I am happy, Sir, that the Mccarthy Era is yet to dawn in this country. Mr Spade has dug up a log of dirt and thrown up a lot of mud. But I plead with the Government, let the hatchet be buried. Shall it be a hundred years war? Shall it be a thousand vears war? Shall it be a war in which political norms and moral values shall play no role at all? And you shall go on slinging mud and go on assassinating character?

I do not hold a brief for anybody. If there is any criminal charge against anybody, let him be prosecuted. I demand let him be prosecuted. I challenge the Government to prosecute him. Thank you Mr. Chairman.

[MR. DEPUTY SPEAKER in the Chair]

17.33 hrs.

SHRI BRAJAMOHAN MOHANTY (Puri): Mr. Deputy Speaker, Sir, presently I have been listening to Shahabuddinji, I am simply surprised that he has completely misunderstood the impact of the Commission's Report. This report is not the judgement of a court. He knows the distinction between the findings of a court and the

report of a commission of inquiry. One should know that the Commission of Inquiry has established a prima facie case. He is speaking about the money and the time spent. My submission would be that he should not forget that the investigation is still going on about the assassination of Mr. John Kennedy because truth is more valuable than money and time. You know that the Soviet people are still investigating about what happened in 1939 about the pact of West Germany and Soviet Union under Stalin's leadership. Truth is more important and history is more important and money and time are not that important. In order to achieve the truth, the historical truth, we should not bother about spending of money and time.

I would place a point before you regarding the situation prevailent during those days. I would place the observations or the evidence of the Chief Minister of Kerala Shri E.K. Nayanar before you.

Shri Narayanar said that "certain Christian Missionaries sold Christ, Kerala G.S.N. sold to meet their ends." On behalf of Gandhi Smarak Nidhi Shri Pillai wrote a letter about the political situation in Kerala, It has been stated therein that the situation is so worse. you give us money, otherwise, the life and security of the people will be impossible. Shri Nayanar, who was the Chief Minister of the Kerala State - even now he is the Chief Minister - during the relevant time, i.e. in 1988, has submitted that "what was stated in the letter of Shri Pillai was utter falsehood. contrary to facts existing in Kerala. It was just selling out the nation for a few lakhs of rupees, it was prostituting the mother country. It was not simply anti-communism but it was clear anti-national activity to get finance from foreign countries." Shri Nayanar has said that "certain Christian Missionaries sold Christ, Kerala G.S.N. sold Gandhi to meet their ends. Shri Navanar has also stated that the Kerala G.S.N. has amassed millions by carrying out these nefarious activities for

long, say from 1962". Does it not deserve to be investigated and historical truth be established?

Now, I come to Mr. Kurup. He was the Member of Parliament from Kerala State and who has been closely associated with the political life of Kerala. He said that "the purpose of writing this letter was to sell the interest of the country to outside elements and to malign the democratically elected Government. This is more serious if we take into consideration the fact that in U.S.A. ever so many organisations are working to create confusion and anarchy in India. Another purpose of writing this letter was to procure funds by giving distorted picture of the State of Kerala." Does it not deserve to be investigated? Is it not desirable that historical truth should be established here? Whatever may be the expenditure, whatever time it may take, it should be investigated.

Now, I will come to Shri Unnikrishnan. He is also with them. It is not a Congress baby. It is the baby of the patriotic elements of this country. They demanded that there should be an investigation regarding the anti-national activity. It is not a baby of a particular party. He has mentioned that "for the last several decades a number of outside elements have been taking an excessive interest in the domestic political developments in the State of Kerala. A large number of organisations associated with the Catholic Church and various other Christian Charity organisations in Western Europe and the United States have also been taking keen interest in the political developments and fluctuating fortunes of the communist movement in Kerala. It is quite well known that quite a few over the years have been making a living through this game and attracting considerable support from foreign agencies based on highly motivated coloured and exaggerated version of political events in the State. According to Shri Unnikrishnan, the letter of Kerala G.S.N. also belongs to that

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category. This letter, according to him, was a highly motivated exercise obviously out of some deep rooted prejudice or one being used for some positive material gain."

Now, Linvite Mr. Shahabuddin's attention to the observations of Shri Unnikrishnan. What does that mean? Is it not necessary that these matters should be investigated? One Press had written that it is like the Shah Commission, It is not like the Shah Commission. The Shah Commission has not made any charge against Mrs. Gandhi that she was anti-national. I know what were the charges. And nowhere, not even her worst enemies had alleged that Indira Gandhi was anti-national. Nobody said that. So, this is quite different. This is a question of national security, national sovereignty; and it is a question of some people knowingly and some unknowingly playing into the hands, or to the tune, of foreign countries; and that is the tragedy of the situation.

Ido not say against whom the allegation is there. No doubt, it has not been established that somebody took the money, somebody has written, as a Minister, for the grant to certain organizations. Is it not their moral responsibility to see how the money has been spent? Is it not their moral responsibility to give information to the Kudal Commission saying: 'This is our role in the whole affair'? They do not give it; and now they say that nothing has been done.

Now I come to another point, viz. how this sensitive information has been passed on. You know that the Chilka Lake is in Orissa; it is in my constituency. There is also some Defence establishment in Chilka. All the information about Chilka Lake has gone to the foreign agencies. Why? Do you know what has happened? They say that the lake is—

"... a sensitive area used for Defence purposes, and passed on the information to the agencies showing all the mouths of the lake—the poisonous nature of weeds, the depth of the water near the mouths of the lake, and various other details."

Why should this information go to foreign countries? That is why I say that some people knowingly and consciously were doing it; some people were involved, without knowing the significance of passing on this information.

He spoke about George Fernandes. I do not want to say anything. Who does not know the role of George Fernandes-in this country? Does he not know that he was negotiating with the West German Socialists for funds, and to become the Prime Minister? It is not my version; it is the version of the Janata Party during those days. Some friends of the Janata Party were alleging it. He had a link with some people—I do not want to name them-in West Germany, and had financial links: and he dreamt that he would be the Prime Minister of India. Has he gone through the 'Morarji Papers' which Gandhiji's grandson has written? It is not that somebody else has written "Morarji Papers". 'Morarji Papers' has been written by Gandhiji's grandson. You will find that in 'Morarii Papers' it has been written that it has been alleged by Janata Party members that George Fernandes was collecting Rs. 1 lakh per month from the National Textiles Corporation; and that Morariibhai directed George Fernandes saying: These are the allegations. Get yourself cleared.' Has he got himself cleared?

V.P. Singh and the Janata Dal say that they will fight the elections on the issue viz. that there should be no corruption in high places. Is this a low place? I do not understand. I was closely watching the position since the publication of that book, 'Morarji Papers'. 'Morarji Papers' has been written

by Gandhiji's grandson, and Morarji is unhappy that he was misusing his privilege. However, nowhere I have seen any of the Janata Dal leaders issuing a counter-statement that nothing of that sort had happened. Nowhere was there any contradiction. They are going to fight the elections on the basis that there should be no corruption in high places.

Now I come to the workshop on Barak Valley. Who attended it? I say that information is available that Nepal attended it; Bhutan's representative attended it, and many other foreigners attended it. It is a very sensitive area. I had worked in Barak Valley. I know how much of a sensitive area it is. On that side there is Bangladesh, and on this side we have India; and there is only a river in between. So, that is the area about which information was being collected, to be passed on to foreign agencies. Why did they need it? Can't people understand; were they fools? Some people knowingly were doing it, and some people were unknowingly doing it.

So far as these agencies are concerned, I am told that in the report it is revealed that they had written to the World Bank not to advance any loan for the implementation of the Sarovar dam in Gujarat.

Why? The State Government will not give proper compensation to the displaced persons. Is this the way they are doing things? How are you involved in it? The World Bank will advance loan to India for that particular Project. That is not their concern. So, I would demand that these matters should be fully investigated. There should be no compromise on this issue. The truth should be revealed and an appropriate action should be taken against the guilty persons. I don't even say with regard to some cases where people are guilty. If the Government feels that it is not necessary, then they should leave it. Fifty-eight cases have been dropped. What does it establish? Does it not establish

that the Government is not partisan? Had the Government been partisan, no case would have been dropped? All the cases would have been prosecuted to the end and they would have been harassed. But the Government saw that there was no evidence or the evidence was not convincing or could not be established in a court of law. The Government is quite fair. So, in that background, they dropped 58 cases. I would submit that in all those cases where corruption is involved, where anti-national activities are involved, they should be properly investigated and appropriate action should be taken on the basis of the evidence. The truth must be established. There should be no compromise on this issue. We also do not want that anybody should be harassed unnecessarily.

Now, I am coming to the Orissa case, it is a very interesting case. It is regarding Orissa Gram Vikas Foundation. The Chairman was Shri Rabi Ray. He was Minister here. He had written about the flood affected people, the artisans; he wanted Rs. 25,000 to be given to him for them. The scheme that was formulated by Shri George Fernandes, was not applicable to Orissa; it was applicable to Bihar, UP, Rajasthan, Haryana, Punjab, West Bengal and Delhi. To Orissa, it was extended without any order. So, it was the first irregularity that was committed. Secondly, he applied for Rs. 25,000 for giving relief to the flood affected people, but he got Rs. 50,000. You know how things were moving during those days. What was the difficulty? The difficulty was how the money was spent. It was not that the Commission found irregularities; it was the AG of Orissa who found irregularities. There was no evidence of how the money was spent.

Paragraph 6 of the letter reads as follows:

"That the Foundation in its accounts reflected the utilisation of the entire grant of Rs. 50,000/- towards the pur-

#### [Sh. Brajamohan Mohanty]

chase of tools and equipments only, contrary to the understanding given by Shri Rabi Ray in his letter dated 28th September 1978...."

What was the purpose for which the money was given? It was not utilised for the purpose for which it was given. It further reads as follows:

"The the Accountant General, Orissa, who audited the accounts of the Foundation in May-June 1980 pointed out (a) that the voucher numbers for purchase of tools/equipment for Rs. 27,270.60 were altered several times: (b) the payment of Rs. 14,000/- to Shri Raghunath Patro towards the cost of 40 handlooms was on the basis of a kutcha bill and the kutcha receipts on plain paper and that there was nothing on record to show that the said Shri Raghunath Patro was a regular/recognised supplier; (c) No vouchers in support of transport charges of Rs. 635/- were produced; (d) None of the vouchers contained any indication that the supplies were received in good condition and the same were taken on stock account; (e) None of the vouchers had been authenticated either by its Managing Trustees Shri A.C. Sen or any other trustee."

So, in that background, these are the irregularities. Who will tolerate them? Why will the nation tolerate them? Why should the public money be misused, misappropriated, misutilised and mis-spent? This must be properly investigated. I do not say who is responsible. The persons responsible for all these things must be prosecuted. The leaders who had initiated this scheme and the leaders who had obtained fund in writing, they had the moral responsibility to see that the funds were properly spent. I would urge

upon the hon. Home Minister to see that this matter be placed before the public; let the people of India must know about this fact. Let a very stringent action be taken against the guilty people.

#### [Translation]

SHRI AZIZ QURESHI (Satna): Mr. Deputy Speaker, Sir, I would like to begin my speech by quoting the speech of Shrimati Indira Gandhi from the Daily Telegraph dated Oct. 31, 1984 published from Calcutta. Shrimati Gandhi had said.

# [English]

"The inquiry by Kudal Commission was meant to bring to light irregularities committed in the name of helping poor families."

# [Translation]

Fairly good discussion has already taken place on this issue in the House and I do not want to waste the time of the House merely by repeating all those things. But I would like to express my views on six major issues. Just now, Shri Shahabuddin has pleaded the case of the persons whose names have been mentioned in the report submitted by the Kudal Commission and against whom charges have been levelled. When I heard his speech I was reminded of a famous Urdu couplet. Urdu poet has said:-

"Hum aah bhi karte hein, to ho jate hein badnam

Woh katal bhi karte hein, to charcha nahin hota"

When Pandit Nehru led the Kisan Agitation and was arrested for the first time and presented before an English Magistrate, he said,

#### [English]

"Today you might have forced me to stay in

the dock, but the whole of the English Empire stands before the bar of humanity".

# [Translation]

Today the benches on the other side are vacant and the members of the opposition have guit their seats. They resigned from the House on Bofors issue and the CAG report. They resigned in name of value based politics and thus betrayed the people who had elected them. Through you, I would like to ask the hon. Member Shri Shahabuddin who referred to mud stinging and dust throwing in politics that it would have been better had he asked the san e question to but hon, friends who are no more members of this House after they resigned from the Membership as they did nothing except playing dirty politics during the last five years. They are the people who created such a polluted atmosphere. lowered the level of politics, levelled false charges and often repeated them thinking that the people would believe them. Perhaps, history and future generations never forgive them. These very persons levelled charges against the Government with the motive of maliguing the image of the leaders and the Prime Minister of the country Shri Rajiv Gandhi before the public. But now the same persons who talked of value-based politics in the past have been held guilty by the Kudal Commission. I think that they themselves have been exposed before the public and their own conscience has been throwing multi-feceted spotlight on them that with the result that they would never be able to face the people in future.

Mr. Deputy-Speaker, Sir, the question is not one of going into the technicalities raised by Shri Shahabuddin and holding discussion on them. The question is to find out whether crores of rupees have been brought into the country through foreign agencies. I would like to quote excerpts from Kudal Commission's Report:-

### [English]

For smaller projects of voluntary agencies, funds were mobilised by AVARD from the Swiss Development Cooperation. amounting to Rs. 18,26,044 but what surprises everyone, as pointed out in the Kudal Commission, that there was no mobilisation of funds from local sources. Later on, the percentage of foreign funds increased from 52.9 per cent in 1966 to 88 per cent during the Janata regime."

#### [Translation]

I would like to ask Shri Shahabuddin and his friends what clarification they would like to give in this regard. Similarly, what Shri Shahabuddin would like to say about AV-ARD the organisation which holds an international affiliation and which is a Member of the Governing Body of the International Council of Voluntary Agencies since 1981. I would like to quote the statistics given by Kudal Commission.

#### [English]

Year	Name of Project	Amount Rs. 68,40,943.72	
1979	Rural Development (EZE, Bonn gave a grant of Rs. 44,55,589.95)		
1980	Rural Development (EZE, Bonn gave a grant of Rs. 9,35,448.50)	Rs. 53,08,542.02	
1981	Rural Development (EZE, Bonn gave a grant of Rs. 7,73,846.55)	Rs. 12,4 <b>9,</b> 273.45	