

[Shri Ramashray Prasad Singh]

States all over the country are at present facing drought and some other States are under floods. This happens every year. It has not been possible to save the country from this crisis even after 40 years of Independence. Farmers of the whole country are in difficulty. Floods and drought heavily erode our national income because ours is mainly an agricultural country. 3 to 4 feet layers of sand has come up over the fertile lands of farmers due to which the land is turning into a desert. More and more farmers are coming under the category of labourers year after year. My area—Jahanabad—can be relieved of famine and drought for ever provided Punpun Dargah and the Muhane Dam Projects which are pending with the C.W.C. for the last 7 and 12 years respectively are cleared. The people are facing disaster due to delay in their clearance. The Central Government should, therefore, accord clearance to both these projects immediately and return them to the State Government so that both Jahanabad and Patna districts get rid of drought and floods once for all.

(viii) Need for effective constitutional steps to satisfy the people of hill areas of Uttar Pradesh who are demanding a separate State like the people of Darjeeling.

SHRI HARISH RAWAT (Almora): Mr. Speaker, Sir, a demand is being made by some people for a separate State in the hilly areas of Uttar Pradesh like the people of Darjeeling. There are mainly two reasons behind such a demand. Firstly, the people of hill areas have begun to feel that their representation in the Vast Legislative Assemblies of the States concerned is very inadequate. Secondly, there is lack of time-bound planned development programmes for the development of these areas. Moreover local people are not involved in these programmes and they are faulty.

Two types of legislative constituencies can be demarcated for Uttar Pradesh and West Bengal through a constitutional

amendment. The legislative constituencies in the hilly areas of these two States should be demarcated on the pattern of demarcation process adopted in the case of States like Himachal Pradesh and Meghalaya.

The development councils constituted for these areas which should have the right to formulate and implement plans and exercise control over the administration should be given the status of all powerful elected councils.

The situation in these areas is likely to become explosive in case no concrete steps are taken in this regard immediately.

12.18 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. SPEAKER: Further consideration of the motion moved by Shri K.C. Pant on the 29th July, 1987. Shri Kumaramangalam will continue his speech.

SHRI P. R. KUMARAMANGALAM (Salem): Mr. Speaker, Sir, yesterday I hardly had a minute to start. At the outset, I would like to thank Shri Indrajit Gupta in his attempt to raise the level of the debate. (*Interruptions*).

SHRI P.R. KUMARAMANGALAM: Sir, the issue that is before us today is one which I feel should be looked at not from any partisan angle or party angle. In the recent past, through various methods, an atmosphere had been created whereby any allegation, any rumour gets credence. In an atmosphere of suspicion, the whole political system is in question. It is no longer a matter of whether it is 'A' person or 'B' person or 'A' party or 'B' party. Let us be

clear among ourselves that insinuations, innuendos and rumours are a double-edged swords. Today we have reached a stage where anything can be printed, anything can be said and it is given credence without any basis without any proof.

Sir, we have before us a motion for the appointment of a Joint Committee and we find right from the moment, go, the opposition who do form a very important part of the country, are taking a stand that they will not participate in the Committee unless conditions 'A', 'B', 'C' are accepted. They know very well for a certainty that the issue that is being referred by means of this motion to a proposed Joint Committee is not an issue of insignificant nature. It is a very important matter and they are also aware of that. In fact, in the very terms of Mr. Indrajit Gupta, "if the opposition is not in the Committee, it would become an All India Congress Committee." (*Interruptions*).

Undoubtedly the issue is important; but the method that is being adopted even by senior parliamentarians and leaders like Mr. Indrajit Gupta is intimidatory tactics. It is a form of blackmail. They are saying either you listen to us or we will make your Committee ineffective. They are taking the stand...

SHRI INDRAJIT GUPTA (Basirhat): Mr. Speaker, are you nodding in approval?

MR. SPEAKER: He has not asked my opinion yet...(*Interruptions*)... I am just listening to him because I listened to you also yesterday.

SHRI P.R. KUMARAMANGALAM: In the lilted words of Mr. Indrajit Gupta, he said that if you don't include us, it would become an All India Congress Committee. Therefore, it would no longer be a Joint Committee. So you better listen to us. Well, if that is not intimidation and blackmail, then what else!

Sir, I am totally in agreement with Mr. Indrajit Gupta that if he feels that a word or two in the reference is such that the interpretation may be of different type, it is always possible and open for discussion. But it is my personal opinion that it is not an issue where we must either become over technical or try to play party games. Because today it is not whether the Congress leaders have taken money or whether certain politicians have taken money or whether certain officials have taken money; it is the issue that whether at all the Indian leadership as a whole, irrespective of individual can be alleged... (*Interruptions*).

May I appeal that at least the grandfathers should listen to their grandsons!

(*Interruptions*)

MR. SPEAKER: What about granddads?

SHRI BALKAVI BAIRAGI (Mandsaur): He is not only a grand father, but he is a naughty grand father.

(*Interruptions*).

SHRI P.R. KUMARAMANGALAM: Yes, according to Mr. Jaipal Reddy!

MR. SPEAKER: Mr. Jaipal's experience seems to be very deep!

SHRI P.R. KUMARAMANGALAM: Yes, very deep in this matter!

Mr. Speaker Sir, certain issues were raised by Mr. Indrajit Gupta yesterday to the effect that he wanted to know what are the powers of the Committee. The reference in itself is very clear. It says that the rules of procedure of this House relating to the Parliamentary Committee shall apply with such variations and modifications as the Speaker may make. In the very recent past, Mr. Speaker you would agree, that you have been nicer to them than what we felt you should be and I am sure Mr. Indrajit Gupta has confidence in you to the extent that you believe that whatever modifications in the rules of procedure that should be done in the

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national interest, you would definitely do it. After all, the past has shown that your good self has often given them more than what we felt should be given in terms of concessions.

But the point that is important is as to whether these concessions amount to the extent of making this Parliamentary Committee a nullity, the people's mandate a nullity. The demand is that they do not want proportional representation; but equal representation. Equal, in what form? It is being quietly told to us, "It is in your good health; if you don't agree to this, this Committee will be a failure and the allegations will continue against you, we will continue our campaign of insinuations and rumour and therefore, you better listen to us."

This is most unfortunate that the Parliamentary forum is being used by people who are senior parliamentarians—not juniors like me—who know about the ethics in a Parliamentary forum. They are using this forum to threaten and blackmail. They do not want the Committee to inquire into the matter. They do not want the truth to come out. They are not interested in knowing the names of the persons. They are interested in keeping it vague so that as much mileage they can take out of this issue they would like to take. That is their objective otherwise it is not necessary for them to take hard and fast rule. Can they not come and say, "all right we feel the wording of the reference is not sufficiently wide. The issue in itself cannot be investigated. We propose that this should be the manner in which it should be amended. Let us have a discussion and come to an understanding." No. In every discussion they come out with a hard rule in the House. They talk in highly conciliatory tones. They are willing to discuss it but when it comes to discussion what is the position? Do they give an inch? No. (*Interruptions*)

Mr. Speaker, Sir. I would request Mr.

Amal Datta through you to get brief from his leaders like I do.

Mr. Speaker, Sir, I speak with conviction unlike Shri S Jaipal Reddy. I wish to make it clear that yesterday while speaking Mr. Reddy categorically stated I know the CIA knows the names of the persons. He said it very categorically. CIA knows the names of the persons. I think a lot of people heard him saying this. Definitely his indications were that the CIA knows and I am a little surprised that he knows the CIA knows. If according to him the CIA knows and he knows the CIA knows then let him take the names from the CIA and we will be very happy. Then let him also serve on the Committee. (*Interruptions*) I would not say that he is a CIA agent. He was once in the Youth Congress with us.

MR. SPEAKER: But no invitation to the CIA to be on the Committee.

SHRI P.R. KUMARAMANGALAM: I will not say such things. When somebody says I know the CIA knows...

SHRI S JAIPAL REDDY (Mahbub Nagar): Sir, I rise to say a word for personal explanation. What I said was that Mr. Win Chadha is right now in America. He could be at large for the Government of India and for Indian diplomatic missions in America but he could not be at large for the CIA. There is every possibility for CIA to get to know the secrets from Mr. Win Chadha. I only referred to the danger of CIA getting to know the secrets.

MR. SPEAKER: I will look into the record.

SHRI P.R. KUMARAMANGALAM: I am grateful for the clarification. A very important point which all of us seem to miss in passing is that why is it that the Government of India as a policy decision decided to do away with middlemen. After all whenever private companies deal with either

governments or any other buyer they often adopt the *modus operandi* of using agents—whether the understanding with the agent is commission of one type or payment made in another form. It is the normal practice in the commercial world but why is it that Government of India insisted that this normal practice should be done away with. It is obviously because everyone of us knows that whenever there is either an agent or middleman a certain price is paid and when a price is paid the price does not come out of the pocket of the seller but it comes out ultimately from the pocket of the buyer. As a Government, we were interested to get the best price, especially when it comes to such large contracts where every rupee matters, every lakh matters, every crore matters.

Mr. Speaker, Sir, I am sure the Hon'ble Defence Minister would correct me if I am wrong. The original offer of Bofors was over or around Rs. 1,900 crores. Ultimately they contracted for just over Rs. 1,400 crores. Nearly Rs. 500 crores is what the Government of India saved by doing away with middlemen and by hard negotiations. If really the intention of the leadership was to get kickbacks, then what was the need to insist on the middlemen being done away with. We could have always taken a stand that middlemen is not our business. It is their business. The agent of a seller is the agent of a seller. He is not our agent. It is free to him to choose what he wants to do.

Can I negotiate the price? I cannot. But no, on the other hand, the Government being a large buyer used its position as a large buyer. It used its political power at its disposal to use the highest influence in the country where Bofors exists to insist that there should be no middlemen. We received assurances. We received denials from the company that no bribes have been paid, no commission has been paid to any middleman. What can we say. There cannot be a better guarantee, a better proof about the genuineness on the part of

the Government of India. Even though so much has been done to ensure that there is no middleman, we find that allegations are there galore—stories after stories.

At one time, we found that the technicality of the gun was challenged. Mr. Speaker, Sir, it is my personal opinion. I am not a ballistic expert. I am sure there are many others who are ballistic experts. Ultimately it is the Army which should decide whether the gun suits them or not. If we start challenging the Army now, then where are we going to stop? If the credentials of even the Army are now going to be questioned, then nothing is left. Let us not break every system, every institution down with rumours, with allegations, innuendos and insinuations. If that is what we want to achieve, well, that is the best manner in which you can destabilise this nation.

One talks of destabilisation. I am not talking of destabilisation in terms of CIA or KGB. I am talking of destabilisation in terms of reducing the stature of institutions of this nation. What is this Bofors' gun incident doing? It is bringing down the status of political institutions of this nation. Not only that, it is now going slowly step by step forward to hit at the military institutions. What is going to be left? If this is not the destabilisation, Sir, it is nothing else...(Interruptions)...

Mr. Speaker, Sir, if I were in the Opposition, I would have been the first to say, I welcome this Committee because here is a Government that is coming forward with open hands and saying please inquire into allegations against it.

This is the first Committee of this type. I wonder when Professor Sahib was there in Government did he make such an offer on allegations which were far more serious in nature?..(Interruptions)...Sir, I may submit, we have heard rumours even to the extent that commission was built in the contract and that the Indian Government even after signing the contract, where there is a provision for commission, are

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hiding the facts. Then later on, it was said, no, it is not in the contract; it is in the annexure. Thereafter we heard rumour after rumour. Someone says that so-and-so has collected. Somebody else says so-and-so is collecting. But isn't it the time for us to put an end to these rumours? Isn't it necessary for us to have an honest look into the matter?

Bofors, as per the Minister's statement, has taken recourse to hiding behind the confidentiality of commercial transactions. It is unfortunate and I agree with all those in the opposition and Shri Bhagwat Jha Azad that today we will not support this confidentiality, because if these rumours, if these innuendoes, if these insinuations have to be brought to an end, it is time that the truth comes out and we must force the Bofors to tell the truth. It was felt that a Parliamentary Committee would be in a better position to make the Bofors speak. And why not? It is surprising to hear the allegation that we are trying to fill up the Committee. We know that invariably it is the minority opposition which is highly vocal, extremely efficient, very clear about their thinking, who always have their say in these Committees. I do not want to use harsh language, they are far more senior to me, but I am surprised at the cold feet. Are they afraid to bring out the truth? Are they afraid that the truth will establish beyond doubt that the Congress leadership was not involved? Are they afraid that truth will establish beyond doubt that all that came in the press was rumours and rumour mongering? Are they afraid that their campaign will come to a naught? That is the question.

They have made suggestions to cancel the contract. After many years we have achieved to obtain a gun which is undoubtedly one of the best. I do not say that that is necessarily the best, because I am not the one to decide. If we have to buy another gun, why is it...(*Interruptions*).

May I make a plea to you, as my friends

on this side and the other side to hear me. I will be obliged for that.

They suggested for cancellation of the contract. The implications of cancellation have to be thought of. It is one thing to commit suicide, it is another thing to be murdered. In this particular case what is being suggested by the opposition is really harakiri. You want us to take the knife as a nation and stab it in our own self and deprive ourselves of a good artillery equipment. And why? Because of some rumours, because of some allegations, some insinuations.

Nobody has provided any proof. For months Government of India has been asking that anybody who has evidence that so and so has taken the money, let him give the evidence and the Government will take action. The Prime Minister said it on the floor of the House, he said it in the public that howsoever high the person may be, howsoever close and friendly he may be, action would be taken if Government was given evidence

The point is why there is reluctance. Shri Indrajit Gupta spoke about clause (ii) in the terms of reference saying that why is it necessary to inquire into and determine the Indian laws, rules and regulations which were violated by the concerned persons etc. Simultaneously, he said that unless an enquiry is made into what are the services that were given and the reasons for making payment, how can it be justifiable. It is obvious that often in references there are both implicit and explicit interpretations.

12.40 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

I am sure, Shri Somnath Chatterjee being a senior advocate, would agree with me. Undoubtedly, in order to determine whether an Indian law or rule has been violated, it would be necessary to find out the reason for which the payment was

made. Therefore, what Shri Indrajit Gupta wanted to know has also been included.

DR. DATTA SAMANT (Bombay South Central): In whose name is the money lying in the Swiss Bank? That is more important.

SHRI P.R. KUMARAMANGALAM: It is covered under Point No. 1. In fact, all the questions raised in the letter of 16th June 1987 to Bofors from Government of India, will be covered by these terms of reference. If there is any doubt, I am sure there are many senior advocates in the Government and equally that many in the Opposition; let them sit down and sort out the wording. But the intention of the Government is clear. The Government have no intention to hide anything. The whole point is this. It looks from the statement of Shri K.C. Pant that we do not want a roving inquiry. Fishing in troubled waters is, of course, the habit of many.

SHRI SOMNATH CHATTERJEE (Bolpur): When the water is troubled... (*Interruptions*)

SHRI P.R. KUMARAMANGALAM: Of course it is troubled. We do not want to deny that it is not troubled. You have created enough mischief. The atmosphere is vitiated. No longer can we say that this August House is one where people maintain certain ethics and traditions. We find that people do not debate seriously. They walk into the well of the House. They snatch the papers away. They threaten us all... (*Interruptions*).

What is important is whether these combined elements, consisting of certain sections of the media, consisting of certain political parties and certain opportunists will be allowed to get away with blackmail. Or can I, at least on this occasion, appeal to their reason and to their good sense? (*Interruptions*)

My friends from this side and that side are not allowing me to be serious Sir.

MR. DEPUTY SPEAKER: You be serious. Do not worry about them.

SHRI P.R. KUMARAMANGALAM: Mr. Deputy Speaker Sir, if I may say, there is still time. I appeal to the Government and to the Opposition. If it is a matter of small differences in wording and interpretation, they may sit together and sort out the differences. I am not saying this either from the point of view of my party or from the point of view of the opposition. I am saying this as a common citizen, as a young man who is interested in the future of this nation... (*Interruptions*). It is necessary that truth comes out. And this cloud of suspicion that is being constantly manufactured and distributed, once for all, be put an end to

The Swedish National Audit Bureau's report, according to Shri Jaipal Reddy, suffers from infirmities. But it is that report which he relies on to cast aspersions I do not understand these double values. On the one hand, they say that the report says, 'you have taken winding up commission' They do not say as to who this 'you' is. On the other hand, they say that the report is not reliable. What do they want to rely on; only on rumours? Of course, for the first time, I think, this House has seen that what is directed by a journalist, is obeyed by a member of this House. A journalist says: 'Raise this question'; and the question is raised. Undoubtedly... (*Interruptions*).

SHRI INDRAJIT GUPTA: *Blitz* and Karanjia said: 'Raise this document', and that was raised, and they circulate zerox copies. (*Interruptions*)

SHRI P.R. KUMARAMANGALAM: I do not know why this guilty conscience is affecting them so much. After all, they are past masters at this game. (*Interruptions*)

If I may submit, a very efficient method for us to have really got a kickback is not

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the method which, they allege, has been adopted. The kickback that is normally taken, is taken through a middleman.

SHRI SOMNATH CHATTERJEE: Oh! he knows, Sir.

SHRI P.R. KUMARAMANGALAM: Yes; not only I. Mr Somnath Chatterjee knows. Fortunately, I have never been in Government. Without being in Government, I as a labour leader am aware, and I am sure Mr. Somnath Chatterjee is also aware...

SHRI SOMNATH CHATTERJEE: As a labour leader, does he take kickbacks? I do not know.

SHRI P.R. KUMARAMANGALAM: Fortunately, labour leaders do not have provisions for kickbacks, unless you know it. Then please teach me. You are my senior. (*Interruptions*). If I may be permitted by my learned senior friends on the Opposition to continue, I would like to continue.

The importance is in the intention of the Government in moving this Motion. The intention is not to hide anything, not to suppress anything, but to allow a free and fair inquiry into allegations. If we wanted to white-wash, there was no need to suggest a Joint Committee. There are various means by which a cover-up is possible. How can we cover up through a Joint Committee where the Opposition members are definitely the members? No; the truth is that they are not interested in participating in that Committee, because they do not want to go into the truth.

The Government has, through the statement of the hon Defence Minister Mr K.C. Pant, assured full support, full support of every type for this inquiry. Why is it that Mr. Indrajit Gupta has got doubts? In fact, he has no doubts. It is just that he wants to raise some doubts, to avoid participating in the attempt.

It is unfortunate that we find a genuine attempt on the part of Government to search for the truth being foiled by partisan thinking on the part of very responsible members of Parliament who are in the Opposition.

SHRI S. JAIPAL REDDY: His ammunition is exhausted...

SHRI P.R. KUMARAMANGALAM: I have a lot to say about Mr. Jaipal Reddy, if he wants me to say that. But I think in the interests of long-standing relationship, it would not be proper. Maybe on some other occasion...(*Interruptions*)

PROF. MADHU DANDAVATE (Rajapur): You were in the Youth Congress when he was a child.

SHRI P.R. KUMARAMANGALAM: So was I. One thing was very clear viz. that Mr. Jaipal Reddy made a request: "Please take money from the Indian business men." He made a plea. He said: 'Please take money from Indian businessmen.'

So, obviously, that is what is the real background and the reason for the Congress Party and the government being put up in front of firing squad. What is the crime we have committed? We did not take money from the vested interests, who are very good friends, of course, of Shri S. Jaipal Reddy. He wants us to take money from them and then he will let us free; and because we have not taken we are bad boys. (*Interruptions*).

SHRI S. JAIPAL REDDY: I do not want to speak in my defence also. (*Interruptions*).

SHRI P.R. KUMARAMANGALAM: Once the guilt has been brought home, what is there to see? The importance of the issue is that government till now taken all possible steps to find out the name or not of the person who had received, according to the Swedish National Bureau, the winding up commission. The statement of

the hon. Minister would establish that we have gone far; we have used every possible method except talking to Bofors in confidence. There is a reason behind it. If Bofors informally talk to us, immediately my friends on this side rise up and say, you are colluding and hiding something. Therefore, it was necessary for us to tell Bofors to give us either in writing or if they want to talk about it orally talk to the Parliament Committee where all the opposition parties would be present. In their own way, they may be represented through their friends. If they want to support each other in election, that is their business. But then they are still represented. Every vote of theirs is a representation. No. They are not interested in either talking to Bofors or helping this nation to find out the truth. They would like this atmosphere to continue and I am sorry that this is the position.

The political game is becoming more and more obvious. Now from Bofors they want to go to submarine. Of course, tomorrow, it will be from submarine to something else and from something else to something else. They will continue this game of vilification, insinuation and allegation and they will do their level best to break political institutions as a whole. I would understand if it was only a criticism of a policy. No. Their attempt is to tarnish the system, tarnish the institution. They are the real destabilizers. *(Interruptions)*.

I would only like to say that Shri Indrajit Gupta spoke yesterday and it sounded very reasonable. He spoke from the point of view that he did not understand why is it that the government is taking such a hard line. I am sure, the hon. Minister would reply and convince Shri Indrajit Gupta, if he has an open mind that we are not taking a hard line.

SHRI INDRAJIT GUPTA: Leave it to the Minister.

SHRI P.R. KUMARAMANGALAM: The issue that arises is that the questions that have been raised by Shri Indrajit Gupta are

to the effect that even for the Bofors issue the reference is not wide enough.

I would request him firstly to consult his good friend who is sitting behind him, Mr. Somnath Chatterjee, who just now agreed with me that there are implicit and explicit interpretations to the terms of reference.

SHRI SOMNATH CHATTERJEE: You see, if it is clear you will know.

SHRI P.R. KUMARAMANGALAM: And therefore, it is very clear that all the questions that were raised in the letter dated 16th June 1987 can actually be covered in this reference. If it is a matter of words, I repeat, I would request both the Government and the Opposition to sit down and sort it out.

I would only like to end, by saying that it is not in the interests of either the Opposition or the ruling party or Parliament or even our democratic system that the present situation be allowed to continue. The truth about who took the winding up commission has to come out and all efforts should be made by one and all irrespective of.....*(Interruptions)*

AN HON. MEMBER: Winding up commission or charges?

SHRI P.R. KUMARAMANGALAM: Winding up charges.

SHRI S. JAIPAL REDDY: When are you going to wind up?

SHRI P.R. KUMARAMANGALAM: I am winding up. This is the winding up statement.

AN HON. MEMBER: How much commission is necessary for your winding up?

SHRI P.R. KUMARAMANGALAM: I am grateful that all my sharp allegations and my sharp statements about the truth, they have taken lightly. But the truth is that it is time that we all rise above technicalities

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and narrow party and partisan interests and think in terms of national prestige. Today, the Bofors gun issue is not a just an *inter se* intra party or inter party fight. It is today an issue where the prestige of the nation is at stake and I appeal to both the sides.....

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram): Prestige of the leader.

SHRI P.R. KUMARAMANGALAM: Not at all of the leader. The prestige of the nation is at stake. And it is necessary that both of them realise the importance of arriving at the truth. The allegations came from a foreign radio who refuses to give evidence and some of the sponsors are definitely both in India and outside India. But the issue is shall we or shall we not do our best in the interests of truth? It is in the national interest that this Motion moved by the hon. Defence Minister for appointment of a Joint Committee be adopted.

SHRI SOMNATH CHATTERJEE: With the amendments.

SHRI P.R. KUMARAMANGALAM: With modifications, whatever necessary both the Government and the Opposition may arrive at, but it is my personal opinion that no such modifications are required because the interpretation to be given by any lawyer would be to the extent that it covers all the issues that have been raised by every Member of the Opposition except the constitution of the Committee which I feel, in democratic interests should represent the House. If it does not represent the House then what does it represent?

SHRI V. KISHORE CHANDRA S. DEO: It should represent the people.

SHRI P.R. KUMARAMANGALAM: The House in turn represents the people. It is wrong to say.

SHRI SOMNATH CHATTERJEE: What is your suggestion then?

SHRI P.R. KUMARAMANGALAM: It should represent the House. Proportional representation is all right. Election is a proper method of secret ballot.

SHRI DINESH GOSWAMI (Guwahati): You are not allowing us to be in the Committee. Would you allow us at least to speak?

SHRI P.R. KUMARAMANGALAM: They say that we are stopping them. But they are strangulating physically. Why? Am I telling you too much of truth?

I would only like to end by saying that that appeal that I have made to both the parties be taken seriously and I am quite certain that if they sit down together, they will be able to sort out it out and if this Committee goes into the matter the truth will come out as our national prestige is at stake.

MR DEPUTY SPEAKER: Shri Dinesh Goswami.

SHRI DINESH GOSWAMI (Guwahati): Mr Deputy Speaker Sir, I would like to speak after lunch.

13.01_hrs

The Lok Sabha then adjourned for lunch till fourteen of the clock.

The Lok Sabha re-assembled after lunch at three minutes past fourteen of the clock.

[MR DEPUTY SPEAKER *in the Chair*]

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

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SHEILA DIKSHIT): Instead of day after tomorrow, there will be

a holiday tomorrow. And we will meet again day after tomorrow. (*Interruptions*).

SHRI ZAINUL BASHER: We have to go to our constituencies to celebrate Id. So 6th and 7th should also be declared as holidays. (*Interruptions*).

MR. DEPUTY-SPEAKER: I will convey your feelings to the Minister and she will find it out.

SHRI K.S. RAO (Machilipatnam): If we know which is holiday and which is not holiday, then we can plan our programme accordingly.

MR. DEPUTY-SPEAKER: Tomorrow is a holiday.

SHRI K.S. RAO: What about day after tomorrow?

MR. DEPUTY-SPEAKER: On 6th and 7th we are having session.

SHRI ZAINUL BASHER: What have you decided so that we may plan our programmes accordingly? (*Interruptions*)

MR. DEPUTY-SPEAKER: The Minister of Parliamentary Affairs will find it out. But as it is, tomorrow is a holiday and day after tomorrow we are meeting. (*Interruptions*)

SHRIMATI SHEILA DIKSHIT: I am fully in tune with the sentiments of the hon Members here. I appreciate the noise. I do not think they have made such a lot of noise about anything other than a holiday. I will find it out and if it is possible, we will declare those two days as holidays... (*Interruptions*).

SHRI K.S. RAO: 6th is already a holiday according to the calendar.

SHRIMATI SHEILA DIKSHIT: That has been shifted to 5th. (*Interruptions*).

MR. DEPUTY-SPEAKER: Now, please order. Shri Dinesh Goswami.

Mr. Goswami, you can continue.

SHRI DINESH GOSWAMI (Gurwahati): Mr. Deputy Speaker, Sir, let me begin my speech by referring to a certain comment made by my very distinguished friend Mr. Vithal Gadgil, the star performer of the Congress(I) yesterday who spoke on every subject under the sun except Bofors. Mr. Gadgil complained that there was a time when this Parliament used to settle issues and the Press followed, and now the Press focuses the issues and the Parliament takes them up. I am in entire agreement with him. In fact, the copyright of that statement probably belongs to me because I had made that complaint in the Rajya Sabha while participating in a discussion on President's Address a few years back.

PROF. MADHU DANDAVATE: President's Address has appeared in the Press!

SHRI DINESH GOSWAMI: But the question is who is to be blamed, unfortunately the Parliament is not taken seriously by the Government, when we raise issues after issues here and these issues are not responded by the ruling party. And when issues are thrown into the streets or the Press takes it up and when public pressure is built up, only then the Government responds and that is why today the fourth estate occupies a more important place than the Parliament. I will give an illustration, Mr. Deputy Speaker. In this House and in the other House, for days together there was question of certain corruption charges against a particular Chief Minister of a State. In spite of the fact that demands were made from the entire Opposition in the House, nothing was done to him politically. Ultimately that Chief Minister was removed by a judgement of a court of law. Do you expect this Parliament to be effective after that? At least we raised issues on the basis of facts that are stated on papers. We do not carry cyclostyled copies or photo copies or Press statements as pages of Holy Bible and circulate them in the public here. Mr. Gadgil also referred that there are other

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important issues and this House should take up other important issues. He said why this hullabaloo. Yes, Sir, there are other important issues. But may I remind this House that if the Government had accepted our demand for a Parliamentary probe in the last session, then not only the committee would have been constituted, the committee would have gone far ahead in its investigation and this House would discuss other issues. Mr. Gadgil is not here. Should I remind him that whenever the question of graft has come, the Parliament has always taken it seriously. May I point out that once before when the question of corruption of the Prime Minister Shri Morarji Desai was taken up, the Rajya Sabha was thrown into turmoil on 8th December, 1978, 12th December, 14th December, 15th December, 18th December, 19th December, 20th December, 22nd December and 26th December, 1978 and Shri Gadgil and myself were both the Members of that House and I know what role Shri Gadgil played then.

Shri Kumaramangalam has said that we want truth.—Who does not want truth? I want the truth to come out—whether that truth hurts me or hurts the ruling party, whether that truth hurts the Prime Minister, is immaterial though it is quite likely that the truth may hurt somebody. The truth will not hurt the nation and that is why I want that the truth should come out. But if the truth is to come out, then the Parliamentary Committee must be an effective Committee which is capable of finding out the truth. If the Parliamentary Committee is not given sufficient powers in terms of reference loaded with sufficient jurisdiction and competency, then in the ultimate analysis if the Parliamentary Committee reports that the Committee was not able to find out anything, what will be its effect? Its effect will be that on all future occasions the Parliamentary Committees will be on a shadow of doubt. Whenever there will be demands for Parliamentary Committees, people will say, the members of Parliament will say,

what is use of Parliamentary Committee—a Committee was constituted on Bofors which failed. Do you not realise that if Parliamentary Committee fails to come to some positive conclusions, doubts and suspicions will also fall on the members of the Committee, that these Members of Parliament probably were purchased from some quarters and, therefore, the Report did not disclose anything.

We are not bothered about the composition. Let me make it very clear. Even if 14 or 15 Members of the Opposition are put in the Parliamentary Committee, under the present terms of reference, I will not participate in that Committee because I am firmly of the opinion that this Committee under the present terms of reference is incapable of finding out the truth. I am making it clear.

What is this that the Parliamentary Committee has been asked to go in for? The Parliamentary Committee has been asked to enquire into two issues arising from the Report of the Swedish National Audit Bureau, The two issues are—Who received the payments? That means the Parliamentary Committee's role is to fill in the dots and the dashes in the excise portion of the Swedish Audit Bureau Report and secondly, whether any Indian laws have been violated? The Committee gives the facts and on the basis of facts the executive should not decide and act, if certain laws are violated. It is the duty of the Executive to determine to decide whether laws have been violated, and it is for the judiciary to determine whether the laws have been violated.

What is our objection regarding the terms of reference? Shri Indrajit Gupta spoke about submarine. I am not going into that. With these terms of reference as it constitutes to day, can the Parliamentary Committee go into all aspects of Bofors? I will like to deal with some of the aspects which I would like the Parliamentary Committee to go into. First, is—are these the only payments? The terms of refer-

nce says that the Committee will be allowed to go into three payments mentioned in the Swedish Audit Bureau Report. But if you look to the Report itself, there are unfortunately two basic flaws. This is a censored Report based on the information of another agency i.e. Swedish Bank and the investigation has not been pursued to its logical conclusion. There are two things which this Report says—

1. Bofors is the only authority or the concern who can speak what amount has been paid. The Report does not guarantee that these three payments were the only payments. The Swedish Audit Bureau has not taken the guarantee that these are the only three payments. How can this Parliamentary Committee be shut out from finding out if there are other payments?
2. The other question is—Mr. Pant, Defence Minister and Shri Arun Singh, Minister of State for Defence, have stated in this House that scrupulously the procedure for selection of defence ammunition and the defence guns has been followed.

Are we not entitled to go into that question—whether that procedure has been followed? Is this Committee not to go into that aspect—or the procedure of defence purchases and whether the procedure has been adhered to so far as Bofors is concerned? I am not for a roving enquiry. I have not asked for a roving enquiry. I do not want to go into other fields but when we enter Bofors deal in suspicion and doubts, will not this Parliamentary Committee go into this question—whether this procedure which Shri Pant has so elaborately laid down has been followed or not? Sir, Mr. Arun Singh while replying to a positive question put by me here in this House stated that in spite of the fact that there are clear policies, these policies have been violated and the Government have instituted departmental

enquiries against those persons who have violated the policies and in the past persons have been punished. I asked him "Are you prepared to give the names of those persons?" He assured on the floor of this House that the names will be given. But uptill now, in spite of the fact that the assurance was given by the Defence Minister, the assurance has not been followed and the names have not been stated in this House. One of the very important questions is whether you call it a kickback, whether you call it a winding up or winding down commission. Certain money has been paid by Bofors to certain persons. One of the most important things the Parliamentary Committee shall have to go into is whether this payment of money influenced the decisions of the purchasing of the guns. Mr. Kumaramangalam is not here. He spoke about leaving the judgement to defence experts. Nobody questions it. After all, the judgement about the quality must be left to the military experts. Who denies that? It must be left to the military experts. But the fact remains that there have been newspaper reports which have not been contradicted by the Government now. May I quote from the Political Diary of Mr. Inderjit, a noted Columnist and Editor of INFA regarding Bofors? I am sure the ruling party will not say that he is associated with C.I.A. or he belongs to that force which wants to destabilise this country. He has made a mention of this and it has been widely circulated. According to him on October 15 last, Mr. Bortil Brodin, Vice-President of Bofors said—

"The range of our gun is 30 km. However, it has been fired 24 km. in India because the ammunition which would give it a range of 30 km. had not been developed. We have now developed new ammunition and fired it last week and this week. This ammunition has given the gun an extended range of 30 km..."

This ammunition should have been supplied in July. I would like to know from the

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hon. Minister if they have developed this ammunition in October which is to be supplied to this country in July. How the Defence Minister says that the Defence Expert found out that this ammunition had the capability of going to 30 kms. I am not interested in questioning the decision of the Defence Experts. But whenever a gun is tested, there are evaluation reports by the Defence experts. Is this Parliamentary Committee not entitled to know and enquire about the evaluation reports and find out whether the decision to purchase Bofors guns was on the basis of the evaluation reports? We will accept the evaluation reports. But can you shut us from going into the evaluation reports when there is a cloud of dust into the entire Bofors deal? We would like to know whether the best guns have been procured, whether the kickback of Rs. 40 crores has not influenced our decision for not going in for the best but something which is the second best. After all, if there are guns which do not require such ammunitions and which can go to 30 kms. and if there is a gun which requires special ammunition to go to 30 kms., to a lay man it appears to me that we should have gone in for one which does not require such special ammunition and go in for the general ammunition. I would like to know whether the Parliamentary Committee should not go into this question, whether the Commission has been included in the ultimate price. Am I to understand that Bofors paid Rs 40 crores to somebody out of its own pocket? Is Bofors such a generous concern? Will any commercial party give Rs. 40 crores out of its own pocket to somebody and include them in the price and get it from those whom it has sold the guns? Is it not that the Parliamentary Committee should go into it? The Defence Minister and the Prime Minister umpteen number of times have said that "we have made it a condition to Bofors that there will be no middlemen". Are we not to go into that question? What safeguard was provided in the contract itself that the Bofors will not engage the

middlemen and if Bofors engages middlemen, they will suffer such consequences? Was there any condition in the contract agreement? Are we, as a Parliamentary Committee not to go into this? Should we not go into this? Is it not with respect to these aspects? What protection did this Government take to see that the persons who were alleged to be the agents of Bofors were not allowed to go out of this country?

Mr. Win Chadha's name came in the media even when this House was discussing Bofors in the last Session. Why is it that no action was taken. Mr. Win Chadha sells his property and goes abroad, goes to our Embassy, gets paper attested, nothing is done. His name, it appears, is rightly Win Chadha as he wins— every battle against the Government of India. Win Chadha is the Director of a Company. What is the name of that Company?

SHRI SOMNATH CHATTERJEE: Ana-
tronics Corporation.

SHRI DINESH GOSWAMI: There are other Directors of that company and I am told that other directors have got properties here including properties in Vasant Vihar. The Director of a company is constructively as well as directly liable for the action of the company. Has the property of those Directors been assessed? Only property of Win Chadha has been seized. I would like to know whether these actions have been taken.

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI PRIYA
RANJAN DAS MUNSI): Are you quoting
from some provisions of Company Law?

SHRI DINESH GOSWAMI: Elementary provisions of law need not be quoted. You can ask Mr. Sen. Elementary knowledge of the company law, I suppose, you know. You yourself are a lawyer.

The National Audit Bureau's report is based on the report received from the Bank of Sweden. If we go to this National

Audit Bureau's report, they have made certain interesting observations and the observation at page 6 is:

"That at the request of the National Audit Bureau the Bank of Sweden decided not to obtain further information because this should be forwarded to the Government."

According to the Report Bank of Sweden left it to the Swedish Government. We have been told that Mr. Olof Palme made a solemn assurance that there will be no middleman. Mr. Palme is one of the most respected figures in international world. But we have to accept the statement of the Prime Minister. There is no other contemporaneous document. There are no minutes of discussion with the Swedish Government. We have to believe our Prime Minister. I am prepared to believe him.

Have you pointed out to the Swedish Government that here was a solemn commitment given by the late Prime Minister that there will be no middlemen, that the solemn commitment has been violated by the concern named, Bofors, and that in the Audit Report it is specifically said that the National Audit Bureau has formed the opinion that since the Bank of Sweden did not consider it should make such an inquiry, the Government of Sweden can only obtain information about which payments? Have you written to the Swedish Government drawing the attention of the Swedish Government that there has been an assurance of Mr. Olof Palme which has been violated and, therefore, the Government should take action? If you have not written, are you prepared to place it on the Table of the House? Or, if you have not written, it is because the replies of the Swedish Government may be that there was no such assurance at the point of time from Mr. Olof Palme.

I would like to know that are only Bofors is in a position to give full account of its own payment, and in this report, it has been specifically stated that the report has said the Bofors can say what amount was

paid. It has not taken the responsibility that that these are the only payments? Do you ask us to inquire? From which document do you conclude? Because this document says very clearly, the report of the National Audit Bureau says very clearly that only Bofors can tell how much amount was paid. It has not taken the responsibility that these are the only three payments and when you ask the Parliamentary Committee to inquire into only these three payments, you have come to the conclusion that these are three payments which have the documentary evidence, on which the Government has come. Where are the other reports of the other organisations, the reports of the Swedish radio, the reports which must have come to the Government? Why is it confined to this document of this Swedish Audit Bureau which is a censored document, based on evidence of other sources? The Report indicates, the very Report very clearly indicates, that if the Parliamentary Committee is to find out the truth, it shall have to go behind the Report, much behind and also must go for a thorough investigation. Now, it is interesting to see at page 1.

"the details, it is seen from the Report that AB Bofors claimed no middlemen were involved during this final phase of the investigation."

The negotiations started in 1971. Order for material trials were held in 1981. Final negotiation was in 1985. And instructions from Mrs. Indira Gandhi as the Prime Minister in 1980 categorically was that there must not be any middleman. Therefore, this Report says that "on the final stage" and the "final stage" is of 1985. Was Bofors told before 1985, from 1980-85, during the middle stages of negotiations that "you cannot engage a middleman because Bofors have not taken any responsibility of not engaging middlemen right up to 1985

Now the other important question is that the report says that stated payments have not been paid to any Indian company or any Indian citizen. It is a very interesting statement. That it has been paid to certain

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Swiss company. Now there are two possibilities that the definition of Swiss company may mean a company composed of Swiss nationals. But also it may mean a company of Indians and others registered in Switzerland. Because in that case also it will be a Swiss company. Is it not that this Parliamentary Committee shall have to enquire whether this payment alleged to have been made to a Swiss company, in fact, was made to an Indian and other owners of a company registered in Sweden? The terms of reference do allow us to go into these aspects. Is it because that the Government, with its aesthetic sense of beauty does not want that the beauty of the 'Lotus' should be exposed? After all, in this House, we made allegations against certain persons. When Mr. Ajitab Bacchan's purchase of land came out in paper that gentleman's brother resigned and went away from the Parliament. Mr. Pant in his own statement yesterday has stated that the Government asked Bofors some questions which have been referred to by Mr. Indrajit Gupta in his speech yesterday. The precise amount which has been paid; the recipients of the same amount; services rendered; the copies of contract agreement and other facts does not find place in the terms of reference. Does this term of reference not permit us to enquire into those facts which Mr. Defence Minister has asked from Bofors? And in my respectful submission it does not. That is why, we object.

The second aspect for which, Mr. Deputy-Speaker, we object is that the procedure, the powers and the jurisdiction of the Committee has not been defined. Now let us remember that the authority and the jurisdiction of the Committee of this House flows from the House and House must confer such authority on the Committee, and define its powers and jurisdiction. Mr. Pant has said, "well, it will have powers and jurisdiction of other Committees." May I remind him and point

out to his speech on page 3 where he has said:

"In conclusion, I would like to point out that this Joint Parliamentary Committee would perhaps be the first investigative Committee of this kind in our Parliamentary history."

That is the first investigative Committee. You constitute the first investigative Committee of this kind in the parliamentary history but do lay down its powers and privileges. Wherefrom the committee will acquire necessary powers? There is no procedure the Motion itself must lay down the jurisdiction and powers so that this may be the precedent for future Committees.

We have no committees in the past with such investigative powers where the jurisdiction and the power and the authority of the Committee has been laid down. We have asked that this Committee should be given the power of assistance of the Attorney General. Why? The reason is simple. The reason is that Bofors Company has taken a position of confidentiality of business transaction and we would like to know the legal position. Can the seller of a commodity take confidentiality of commercial transaction as a ground as against the purchaser? I cannot give an opinion. Mr. Jagan Nath Kaushal cannot give an opinion because opinions may vary. The opinion must come from a person who is recognised under the Constitution as the authority who is competent to give opinion and he is the Attorney General of India.

There are other issues. For example, this Committee may have to inquire whether the Bank of Sweden is duty-bound to disclose certain information if there is a violation of law and if there is a violation of an agreement between Sweden and India because an international agreement under the international law has also the force of law. Therefore, if we have an international agreement and according to Government there is a solemn agreement between Mr. Olof Palme and Mr. Rajiv Randhi, to which

reference has been made an umpteen number of times, then the agreement has got the force of law and if it has got the force of law, the question arises whether for the violation of that law can we force the Bank of Sweden to provide us with information. Who will give us the opinion? Dinesh Goswami cannot give the opinion, nor can Mr. K.C. Pant give the opinion. The opinion can only be given by the Attorney General of India. If we ask for the Attorney General's opinion, the Attorney General will say that unless the Government requests or the House authorises he cannot give any opinion and therefore this must be specifically laid down. Do you think that a Committee of this...

THE MINISTER OF DEFENCE (SHRI K.C. PANT): You want Attorney General's opinion on Swedish law. Is it so?

SHRI DINESH GOSWAMI: Indian and Swedish law both and may be on the Swiss Banking law also. That may also be necessary. All these things will be necessary.

The other point is that can this Committee function without the help of the investigative machineries under the command of the Government and the Economics Department and without the Enforcement Directorate? Certain officials went to Switzerland to find out where the money is lying. Are we not entitled to have their assistance? Can you think that this Committee will be able to function properly without the assistance of all these agencies? If you want that this Committee should ultimately provide an eye-wash to the whole thing and an escape route, we are not going to be a party to it. It is not that we do not want to be in this Committee. We want to be in this Committee if this Committee is given sufficient powers so far as the terms of reference are concerned and clothed with proper procedure and jurisdiction.

Lastly I come to the question of composition. I am not much bothered about the composition; I am not really

much bothered. But so far as the composition is concerned, may I point out that in the Parliament there are different kinds of Committees—Special Committees and Ad-hoc Committees. This is a Special Committee and in the past whenever special committees have been constituted, the names have been mentioned in the Motion itself. In 1951 the Committee to inquire the Mudgal Affairs was constituted with the names of the members mentioned. There was another special committee which was constituted to discuss about the conduct of members in the Joint Session. There also the names of the members were mentioned and if I am not wrong, subject to correction, Mr. Hiren Mukherjee was probably the Chairman. In all the Joint Select Committees the names of the Members are mentioned. Why this process of election? The reason is simple. Because if you mention the names in the Motion, then the consent of those members is necessary. Without giving a certificate that the member has consented to be a member of this Committee, you cannot file the Motion. Knowing fully well that the Opposition would not like to be a member of this Committee without certain things being settled, and the Motion cannot you have taken shelter under election and proportional representation. You say that the proportional representation will be according to the strength of the party. Very correct. But may I point that under proportional representation is that the representation depends on the number of the membership of the Committee also. If the number is more the representation of the minority groups is more.

May I point out to Smt. Sheila Dikshit Ji that even in this House so far as the financial committees are concerned though independently Public Accounts Committee, Public Undertakings Committee and Estimates Committee go for elections all the seats are pooled together. All the strength is pooled together and then election takes place with the result that in this House though a party with a strength of 30 cannot go into these Committees if each Committee is considered indepen-

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dently a party with the strength of 7 because of pooling can go into anyone of these committees. I am not basically concerned with this question but the question is that this Committee is a Committee set-up for the first time in this country to remove a cloud of doubt and also to find out certain facts. Therefore, the Committee must not only act properly but it must also appear that the Committee has been properly constituted. Justice must not only be done but it must appear that justice has been done. Therefore, we have said though we are not taking up a very definite position that it should not be merely on the basis of proportional representation but as has always been done in the case of Select Committees it should be based on understanding.

Mr. P.R. Kumaramangalam said that the Opposition has become very tough. But I think certain facts should be stated before you. When the entire question was discussed in the Speaker's Chamber we made an offer to MR. H.K.L. Bhagat, the Minister for Parliamentary Affairs that we have given a letter to the Prime Minister giving our suggestions. We have given certain amendments which we consider necessary. But we know that in case a mutuality of agreement is to be achieved and arrived at neither can we stick to our position nor can Government stick to its position. If the Government sticks to its position and say that whatever they have done is correct and whatever we have done is politically motivated and wrong then there cannot be a meeting point. We also know if we stick to our own position and say that we are not prepared to budge an inch then we will not be able to arrive at any agreement. In the end we said before this Motion is discussed let us discuss all the terms of reference on the question of jurisdiction and on the question of composition and try to find out a meeting point. Mr. Bhagat gave an impression that he had almost consented but then he went out of the room. I do not know with whom he discussed but came back and said that

they would like this Motion to be passed as it is. I am making this statement in the presence of Mr. H.K.L. Bhagat. Let him deny if it is not so. Therefore, do not say Mr. Kumaramangalam that the Opposition has taken this tough position. This Committee has come into being not because of a very gracious approach of the Government of India but the Government went into the inquiry after it was forced by circumstances.

Sir, we are interested in participating in this Committee. We are interested in finding the truth. My party is not interested to go in for the scalp of the Prime Minister. We are not going to sit on the other side of the House. I will be here on this side of the House even if there is change in Government. I am not interested in de-stabilising this Government. We are interested in truth. But before we walk into a Committee we must be satisfied that this Committee will have sufficient power and authority to find out the truth. In my respectful submission the Opposition all along was considerate. We made this offer to discuss but our offer was turned down whereas it is complained that Opposition is trying to walk out of this Committee.

Mr. Deputy Speaker, Sir, if the Government wants to find out the truth then the Opposition is prepared to sit with the Government provided the Government tells us what is the Government's reaction to the proposals that we had given before. Let them tell that they are prepared to accept this much and not prepared to accept the other points. We will discuss and give our reaction. But the Government has not uptill now told us what is the reaction to the document which we submitted to the Prime Minister on the suggestion of the Prime Minister when we met him. On the 23rd, it is Prime Minister who suggested that: You give your suggestions. We have given the suggestions.. (*Interruptions*)... I have stated in front of Shri H.K.L. Bhagat. What I am saying... (*Interruptions*).

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT): I must thank him. He has mentioned me three times. He knows it already that we are meeting today and he has been informed. Today, at 4 O'clock we are meeting and we have been talking to them individually... *(Interruptions)*... Please wait now... *(Interruptions)*... I made it clear. Firstly, I had been talking individually. Then, Shielaji had been talking to them individually today. We are meeting this evening and this has been decided already; not now as Mr. Dinesh Goswami is saying it. It has been decided before that... *(Interruptions)*.

SHRI DINESH GOSWAMI: I don't know. I have not been informed uptill now...*(Interruptions)*... I do not mind. But the fact remain that, for the first time, the offer of the Government to have a discussion with the Opposition has come now. Our offer preceded that offer.

SOME HON. MEMBERS: Yes, yes.

SHRI DINESH GOSWAMI: And you accuse us!

SHRI H.K.L. BHAGAT: I must set the records straight that I have talked to a number of them individually, given our reactions...*(Interruptions)*... Please wait... *(Interruptions)*... Please wait... *(Interruptions)*... They are denying that. I gave our reaction. Our Party reaction is given by me. Then we have given our reaction in our motion also. Also individually, I gave it. Then Sheilaji has been talking to them again today.

PROF. MADHU DANDAVATE: Sir, let him not cover up the lapse of having a collective consultation. You see, we told him that this is our document. You give your response to that...

SHRI H.K.L. BHAGAT: We will discuss. We are not for any shifting of responsi-

bility. We are not only, for the sake of an agrument, shifting of responsibility. Whatever responsibilities we have, we take.

SHRI DINESH GOSWAMI: Therefore, I conclude by saying that with these terms of reference of the Committee it will not be able to get into the truth unless it is amended. If the Government can convince us after discussions, we may change our views on some of our amendments. But some of these points must be inquired into by the Parliamentary Committee. The motion itself must spell out the powers, jurisdiction and authority of the Parliamentary Committee, including the organs of which this Committee will be able to take help. There must be consensus on the composition of this Committee. If we are opposed to this motion, it is because we feel that this motion, as it is brought, will never be able to find out the truth. The motion, as it has been brought, is an eyewash and not to find out the truth.

SHRI K.C. PANT: Would you give me just two minutes because I find that Prof. Dandavate says that this is a lapse and many hon'ble Members have reacted strongly to Government not having held a detailed discussion with them?

PROF. MADHU DANDAVATE: I don't mind...*(Interruptions)*...

SHRI H.K.L. BHAGAT: I talked...

(Interruptions)

PROF. MADHU DANDAVATE: I am talking of collective consultation.

SHRI H.K.L. BHAGAT: No lapse.

SHRI K.C. PANT: I would be the last person to come in the way of any point of understanding. I promote understanding. But I think that all of us should act with some consistency. Recently, there was a Joint Select Committee set up by the Kerala Assembly. It concerned the Education Minister of Kerala who happens to belong to Janata Party. When that

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Committee was set up, the Opposition there was taken by surprise. They were not even consulted once. They asked the chairmanship. They were not given chairmanship. They asked for the majority. They were not given majority, I can understand that. But they were not even consulted. Most of the parties sitting here are parties in the Kerala Assembly, Kerala Government. So, what I am trying to say is that there has to be some consistency. There should not be double standards... *(Interruptions)*...I am for an agreement but you should not forget it

(Interruptions)

SHRI SOMNATH CHATTERJEE: Do they have any open mind?

SHRI K.C. PANT: Yes, certainly.

(Interruptions)

PROF. MADHU DANDAVATE: Mr. Deputy-Speaker, Sir, I would submit that drawing of parallel between the procedures of the Parliament and the procedures of the State Legislatures has never been done in this House. We are an independent institution; we even do not refer to what happens in the Rajya Sabha, not to talk of what happens in the State Assemblies. Therefore, you should always go by the conventions.

(Interruptions)

SHRI P.R. KUMARAMANGALAM: That means he is justifying double standards... *(Interruptions)*.

SHRI K.P. UNNIKRIISHNAN (Badagara): In that case, the concerned Minister against whom allegations were made volunteered in the Assembly and requested the Speaker to set up a Committee. What is it that he is talking about?

SHRI K.C. PANT: Was the opposition

consulted even once?

(Interruptions)

MR. DEPUTY-SPEAKER: No interruptions please. Shri Bholanath Sen.

SHRI BHOLANATH SEN (Calcutta South): Mr. Deputy-Speaker, Sir, I am really surprised to see the substitute motions submitted by the various parties, the best of which is that of the CPI(M) Party. Here, they have said that the report should be furnished on the first day of the Budget Session, 1988. Everybody has said, first week, second week or the last week of the winter session, but the CPI(M) Party have said first day of the Budget Session, so that this kind of propaganda against the Government can continue till the next Budget Session. They want to keep the whole thing uncertain and go on blaming everybody under the Sun and the Government.

The other thing I find is the temptation to get a share of the kickbacks, if I may use that expression. Everyone except Shri Unnikrishnan and Shri Dinesh Goswami has said: "Let us go abroad to any country we like at the cost of the Government". That is what they are saying...*(Interruptions)*.

They want to go abroad; everyone of them wants to go abroad. They also want that the number should go up, it is not any limited number, thirty or forty should go abroad for nice things. They want to go abroad for this purpose to any country. Is this the correct attitude to find out the truth? No. What will they do by going abroad? What the Government of India could not get, the particulars for which letters have been sent, will they be able to get it? What the Government of Sweden could not get, will they be able to get it? They say that law is being made here, but they forget about the law. I ask one question. Being a citizen of India, being Members of Parliament, should we forget that under Article 20 of the Constitution, no person accused of any offence would

be compelled to be a witness against himself? Is it not the law of this country? What will they do abroad? They say, they will find out the truth. Can they find out anything from the Swiss Bank? They cannot.

Nobody could find from the Swiss Bank; Swedish Bank could not find, out, even the Government of Sweden could not find out. How can they find out? Let them say, that they have this method by which they can find out the secrets of Swiss bank account. Let them say one word. Uptill now, except suspicion and throwing mud, what had they done. I challenge them, they cannot suggest any method by which they can find out the truth from the Bofors. I am saying what the law is.

SHRI SATYAGOPAL MISRA (Tamluk):
Terminate the contract.

SHRI BHOLANATH SEN: Yes, now it comes. The person who says, "All the workers of the world unite", is now asking to terminate the contract. And if Pakistan takes away the contract tomorrow, he will say, "These are the best guns". These are not like 'Pan and Bidis' which can be purchased from somewhere-else. It takes years. And you are talking as if it is an open market, a free market and you can go and buy these things. It is not like this. (Interruptions)

Yes, you can say that A commission was made in the House in West Bengal by your Party Chief. Crores of rupees were stolen from the CMDA fund, but the commission's results never came out. So, at least considering the party you belong, you should not talk like this. The Government of India money was involved in it. Still, there was no Commission, no Inquiry, no Parliamentary Committee. So, at least you don't talk. Let not the CPI (M) and their cohorts talk about these things. (Interruptions) CPI (M) talk too much because they have to hide everything under the carpet and here they pose altogether differently; don't we know. (Interruptions)

It is all in the paper.

AN HON. MEMBER: Which paper?

SHRI BHOLANATH SEN: The same paper that you and I read.

Now, Sir, I have a question to ask. (Interruptions)

I know CPI (M) and their cohorts. They have no principle. They talk about democracy here only to get power. They do not talk of democracy in West Bengal. (Interruptions)

I have a question to ask. Now, Mr. Reddy from Hyderabad... (Interruptions)

I know Mr. Jaipal Reddy. My memory is not that bad. Now, he said that Win Chadha has left the country and he had the transactions with Bofors. From where he get the information?

AN HON. MEMBER: From his friend.

SHRI BHOLANATH SEN: Who is that friend? Is he a CIA agent: is his friend a friend of Bofors. Who is that friend who has given this information. (Interruptions)

That is the tragedy, that is the culture of CPI (M) They are in the habit of suppressing things from the people. (Interruptions)

Don't talk about (CPI (M)). I know them too much. And the unfortunate part is that, they do not understand. I am talking against them and they are enjoying it. Sir, I was saying that Mr. Jaipal Reddy said, "Win Chadha has left". Now, he said that Win Chadha has left, it means that he has already got the information. But he is not a CIA man, as I know. He got the information from somewhere else. He said in the House that he had two telephone talks. If Win Chadha could find out his telephone number and could talk to him, how is it that Mr. Reddy is showing complete ignorance about the whereabouts of Win Chadha? Will he please come out with truth? How did he know this information? Who gave him the name? Who have him

[Shri Bholanath Sen]

the facts based on which he made the statement in press in Hyderabad?

PROF. MADHU DANDAVATE: He does not belong to CPI (M).

SHRI BHOLANATH SEN: I only say that uptill now, no member of Parliament knows as to who this friend is who gave all information about Win Chadha. When he spoke to him why did he not contact the police? Why did he not contact the Defence Minister? Why did he not contact the Prime Minister? Why did he say that Win Chadha had left the country, when he did not leave the country? Why did he say in the press that Win Chadha had left the country when he did not leave the country then and left the country only after two days? Was he trying to help him? Or was his friend trying to help him? I want to know this. The whole Parliament wants to know from Mr. Reddy as to who this friend was. Why did he say that he had already left the country, when in fact he did not leave the country. No blame on you? Are you absolutely innocent? (*interruptions*)

14.56 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

SHRI BHOLANATH SEN: Mr. Jaipal Reddy in his statement said, "... The CIA can catch hold of Mr. Win Chadha. I am afraid Sir, the CIA knows the names of the people who received the payment." How is Mr. Reddy so convinced about this? How could he know that the CIA knows the names. This is the attitude of the Opposition. Again, let us see what Shri Shahabuddin said. He went on saying 'Hinduja, Hinduja, Hinduja'. Where did he get the name? Where did the information come from? It seems, they have got better connections!

PROF. MADHU DANDAVATE: Will you please yield for a minute? When hon. Shri Shahabuddin asked Shri Arun Singh that since everyone was talking about Hindu-

jas, whether he would confirm it, Shri Arun Singh said, "I neither confirm it nor deny it." That was the reply.

SHRI BHOLANATH SEN: Nevertheless, he raised the point. Their attitude is, if there is anything against the Government, to take up that issue. That press says that the Prime Minister has not been able to give a clean Government and these people ask for a midterm election! That is their whole objective.... (*Interruptions*)

MR. CHAIRMAN: Please wind up now.

SHRI S. JAIPAL REDDY: He should be given more time. He is giving us more entertainment..... (*Interruptions*)

SHRI P.R. KUMARAMANGALAM: I am a point of order Sir. Yesterday, both sides agreed that they would allow the other side to speak in peace. But they are continuing the heckling. It is obvious that they do not want the debate to go on. I request the Chairman to once again remind them.

MR. CHAIRMAN: It is no point of order.

SHRI S. JAIPAL REDDY: We are only pleading for more time for Shri Bholanath Sen. It is very entertaining.

15.00 hrs.

SHRI SAIFUDDIN CHOWDHARY: Mr. Chairman, we found in the Press that the Prime Minister is searching for an efficient Speaker. Is that the example?

MR. CHAIRMAN: Please address the Chair and go on.

(*Interruptions*)

SHRI BHOLANATH SEN: Sir, the CPI (M) friends are known to me. It does not affect me at all. It is based on their culture.

(*Interruptions*)

MR. CHAIRMAN: That is enough now. Please go on.

(*Interruptions*)

SHRI BHOLANATH SEN: Now the other objection is this. What is being said even today and even Mr. Goswami has also said that, did the Prime minister really hold a talk with Olof Palme?

(Interruptions)

SHRI BHOLANATH SEN: These types of questions are being raised here. It has been said time and again not only by the Prime Minister but by others also in India that it has been known to them and still they have to say that. I am not surprised. You see their object and that is, "no, no, this thing will not do"

(Interruptions)

MR. CHAIRMAN: No interruptions, please.

SHRI BHOLANATH SEN: Again CPI (M) boys are interrupting. In our country—in Bengal. There is one thing called:

"Chorer Mayer Borho Gola"

It means the mother of the thief shouts most. He is like that.

(Interruptions)

SHRI BHOLANATH SEN: The Commission is started and stopped....

(Interruptions)

MR. CHAIRMAN: Will you wind up now?
(Interruptions)

SHRI BHOLANATH SEN: I am not allowed to speak. *(Interruptions)*

It is their own word. I will finish it as quickly as possible. One thing I would like to say is that this Swedish Embassy's note has been circulated to the Opposition and in that it has been stated that they have not disclosed the names of the recipients of the amounts mentioned there. It is only the Bofors who can give the names of the individuals their friends and their cohorts who do not disclose their names.
(Interruptions)

Now, even Mrs. Mukherjee's party also wants to go abroad.... *(Interruptions)*

Now let us see what they said.

SHRI NARAYAN CHOUBEY..... *Bhalo Kore Balun... (Interruptions)*

SHRI BHOLANATH SEN: *Aapna Ke Dekhe aamar dukkoo hoi, aapnar chhele-ke pettai, aapni e'obosthai Korben Ki.....*

He makes the statement in the Press against the CPM and here he supports you but we cannot.

(Interruptions)

MR. CHAIRMAN: Please address the Chair and concentrate on the subject.

(Interruptions)

SHRI SATYAGOPAL MISRA: That is the culture you have developed, Mr. Sen.

(Interruptions)

SHRI BHOLANATH SEN: Sir, it has been stated here that "in view of the fact that a preliminary investigation connected with the company, namely, Bofors, in question is in progress at present and since it does not rest with the Government to examine the National Audit Bureau, from a penal point of view, the Report will be submitted to the Prosecutor General" Therefore, a criminal case is pending or is about to take place. And also a criminal investigation is about to take place regarding infringement of the Swedish Export Law regarding export to certain countries. Now, Sweden is the country where Bofors is there. In Sweden, the Swedish Government cannot do it. It is an organization which is in Sweden. They cannot find out; they are sending their report to the Prosecutor-General for prosecution, for violation of Swedish law.

So far as the Swedish law is concerned, they are not certain. It has not yet been proved. What will the Committee do by going there?

SHRI NARAYAN CHOUBEY: Wind up this Committee; why do you suggest this Committee then?

SHRI BHOLANATH SEN: I will explain. If you do not understand English, I will speak to you in Bengali separately, outside the House.

[Shri Bholanath, Sen]

The point is that the other object is to create a new tenor, a new type of a Committee where they will compel the Ministers, ex-Ministers and everybody to cross examination or to ask questions *(Interruptions)*

There is a law which is respected, regarding oath of secrecy. They do not care. They have no faith; they have faith only in false propaganda. Therefore, Ministers must be compelled to break their oath at their behest. Which law in this country permits that? It does not permit that. They want that.

In one paper, I found that they wanted to put up a panel and cross-examine him, i.e. the Prime Minister—like the Shah Commission did—and compel him to commit the breach of oath

They want to rule this country by these methods. Can they do it? They are trying to cross-examine Prime Minister, cross-examine Ministers, cross-examine ex-Ministers—about what? About their knowledge regarding the facts which they have gathered during... *(Interruptions)* their tenure as Ministers. Of course, during their tenure. Otherwise, they cannot know.

There are rules for the working of the Committee.

Rule 270 says....*(Interruptions)*

SHRI V. SOBHANADREESWARA RAO (Vijayawada): On a point of order, Sir.

MR. CHAIRMAN: What is your point of order?

SHRI V. SOBHANADREESWARA RAO: In spite of your clear direction to address the Chair, he is consistently speaking directly to the Opposition. *(Interruptions)*

MR. CHAIRMAN: There is no point of order. Mr. Sen, please address the Chair. *(Interruptions)*

PROF MADHU DANDAVATE: Why is he provoking ladies also to fight him?

SHRI BHOLANATH SEN: Mr. Unnikrishnan had.... *(Interruptions)* spoken about the rule. Some other members have also mentioned about these rules Let them see what is the Rule 270. It says:

"A Committee shall have power to send for persons, papers and records

Provided that if any question arises whether the evidence of a person or the production of a document is relevant for the purposes of the Committee, the question shall be referred to the Speaker whose decision shall be final:

Provided further that Government may decline to produce a document on the ground that its disclosure would be prejudicial to the safety or interest of the State." They do not want this. Our country has got Pakistan on the one side, and China on the other.

We hear from the leftist friends about the American interference. Now, they want, not all, some of them, disclosure from 1980, not from 1977.

SHRI S. JAIPAL REDDY: O. K. from 1977.

SHRI BHOLANATH SEN: You don't care whether the country goes to dogs because you are not going to be the Prime Minister. People are not going to vote for you to come to Power from the Government of this country. They had said many things which create more or less doubts I can throw doubt on each word. It is very easy. *(Interruptions)* But have they given any concrete proposal as to how the truth can be achieved. Nothing. Uptill now, I challenge Uptill now, they have not given any reasonable suggestion that by this method we can get at the truth. No. *(Interruptions)* Well you take share while travelling abroad going to Switzerland and Paris. Don't worry? *(Interruptions)* In the last ses-

sion, how many days did we spend talking about these things? During this session, how many days have we spent talking about these things? What is the net result? The net result is that no suggestion has come saying that this is the way you can get at the truth. Nothing. Our Minister has already said about that. *(Interruptions)* I don't mind talking to you in a very light mood outside the House, not here. *(Interruptions)* Why should they be afraid to hear the truth? They are afraid to hear the truth because they do not like the truth. If the truth comes out, then all propoganda is bad, is untrue. That is why they said, constitute a Parliamentary Committee; then somebody said, I will not join the Parliamentary Committee; it is useless. *(Interruptions)* I had a sweet tooth for CPM. They broke it. My companion was murdered by CPM. Don't worry? Don't defend it? *(Interruptions)*

MR. CHAIRMAN: Please address the Chair. Please conclude. No running commentry.

(Interruptions)

SHRI BHOLANATH SEN: It had been said yesterday and it has come in today's paper that certain questions based on the Audit Report were sent. Whatever has come to the notice of our Government has been placed before them. Without material, there is no use in going to the meetings of the committee. We go there just not to see each other's face. You have to have some material. Certain questions have been asked, whether the precise amounts have been paid — or deemed to be paid — by Bofors by way of commissions, secret payments etc. in connection with the Indian contracts, the recipients of such amounts, etc., their names. Because they will not give, prices rendered by such persons:..... *(Interruptions)*

Neither Mr. Jaipal Reddy nor Mr. Shahabuddin will give the addresses or the information. Even the copies of the contract, etc. were asked for. *(Interruptions)*

PROF. MADHU DANDEVATE: Why do

you attack the Janata? We are not troubling you in West Bengal.

SHRI BHOLANATH SEN: You are troubling me. You have troubled us for three years. That was the end..... *(Interruptions)* for a long time. But now because he is ex-Minister he cannot answer.

PROF. MADHU DANDEVATE: Sir, resign with retrospective effect from it.

SHRI BHOLANATH SEN: And the CPM wants him to be the Chairman and wants to placate him, no questions to be answered from him, no answer is to be taken from him. He is an ex-Minister. Why can he not say? *(Interruptions)*

MR. CHAIRMAN: Do not answer all those questions. Please continue.

SHRI BHOLANATH SEN: I am very happy that you have noticed at least that their questions and their utterances are not worth replying.

MR. CHAIRMAN: You continue, you ignore them.

SHRI BHOLANATH SEN: So, these questions have been asked. Now, the question is, at the direct request of the National Audit Bureau Bank of Sweden has considered making inquiries at the Swiss Bank in question. But after careful consideration it has decided that in view of the current central Bank practice it should not do so. How can they do it?

MR. CHAIRMAN: Please wind up within two minutes.

SHRI BHOLANATH SEN: I have taken ten minutes. Five minutes they have taken.

MR. CHAIRMAN: You have asked for ten minutes and I have given you ten minutes. Please wind up now. *(Interruptions)*

AN HON. MEMBER: Give him winding up charges.

SHRI BHOLANATH SEN: May I read a parts of the national Audit Bureau Report? *(Interruptions)*

"The National Audit Bureau has formed the opinion that since the Bank of Sweden did not consider it should make such an enquiry, an application to the Swiss Banks to obtain information about which payment(s) were possibly forwarded should in that case be made through the Government.

The observations of the National Audit Bureau are in summary as follows:.."

Then the points are set out. *(Interruptions)*

I am not surprised that since the last so many days they have been shouting whenever these things have been talked about because they have no answer to the problem. They cannot suggest. "How can we get it" they say. Excepting Mr. Unnikrishnan and Mr. Goswami they want to go abroad and spend some time abroad at the cost of the Government.

SHRI DINESH GOSWAMI: I am also interested.

SHRI BHOLANATH SEN: You have not said that.

SHRI DINESH GOSWAMI: If the others go, I will also like to go.

SHRI BHOLANATH SEN: Now the truth has come out. Temptation and temptation! Temptation for spending the money of the Government of India abroad. *(Interruptions)* At last, I will respect what Mr. Chatterjee said: *(Interruptions)* Think of the lean, weak and poor men, do not waste time of Parliament. Do not waste the time of the country and money of the Government. Do not try to topple the Government or do something which a neighbour or an

enemy of the country may wish to see!" *(Interruptions)*

Do not destabilise our country.

SHRI K.P. UNNIKRIISHNAN (Badagara): Mr. Chairman, Sir, we have heard many distinguished Members from the other side. Particularly we just heard an astounding performance from my dear friend Shri Bholanath Sen, for whom I have great esteem and affection. I could not find out what he wanted to say.

SHRI BHOLANATH SEN: Am I not talking in English? You have no solution to the problem. That is what I wanted to say. When I was speaking, you are murmuring.

SHRI K. P. UNNIKRIISHNAN: The eminent lawyer that he was, I thought he will slice through our arguments, I thought he will make a powerful case, but I find from the strategy and speeches of Shri Bholanath Sen, Shri V. N. Gadgil, who preceded him and my young friend Shri Rangarajan Kumaramangalam, again for whom I have great affection, as well as the distinguished Defence Minister that they have no case at all! After all when he is left with a brief of that kind, Sri Bhola dada had to perform the way he did! He had to fall back upon the usual case law on CPM, and on his friends including Mr. Choubey, cohorts, what have you. But Sir, the problem is quite different. As my friend Shri Dinesh Goswami a little while ago mentioned, Parliaments and vibrant democracies are not merely forums or legislative devices through which the sovereignty of the people are asserted and activated. It is the mirror of hopes and aspirations of the people That is why Parliament gets activated, becomes alert in response to what goes on and when there is churning outside, it has to be reflected inside the House.

Mr. Gadgil is not here. He quoted what Mr. Chandrasekar talking about drinking water. Look, who is quoting whom. He talked even about democracy. He talked about emergency. I felt he should not have. I am sorry he is not here, because here was

a man who said whatever the Congress has earned in its history of 90 years was destroyed by a son in 19 months of emergency. That is what my friend Mr. Gadgil has said. It does not lie in his mouth today to talk of emergency and that is why he has quoted Chandrasekar. Why do you have the problem of drinking water? Why are you discussing this when the House is discussing something else.....

AN HON. MEMBER: Where is he?

SHRI K. P. UNNIKRISHNAN: The whole point from the other side has been to suggest as to why these ought to be or there need to be an enquiry at all. Then, they should not have brought up this motion for a Parliamentary probe at all. The best thing would have been to reaffirm their position of last session - no Parliamentary probe - no probe of any kind. But, Sir, the Opposition has a duty to perform. The Opposition has in a Parliamentary democracy, to continuously project its point of view and appeal to the people outside continuously and attempt to create an impact on them and on the electorate.

During the last four months or so, there has been a kind of upheaval in the mind of the people of this country. It is as though a metamorphosis has taken place, a political metamorphosis. How is it that a Government so enthusiastically put in power and warmly welcomed and applauded thirty months ago, has reached the sorry pass that its very credibility and the credibility of its leader, the Prime Minister has nearly evaporated? It is a question you have to answer this side. It is not a question I have to answer or we have to answer. It is a question you have to answer, which ought to bother you.

To my mind Sir, answers can be found in the approach that the ruling party has adopted, as reflected in the Bofors Debates during the last session the one on 20th April and the one which began yesterday. The Minister of Defence, while speaking yesterday, thought that the sequence of events were very important. I agree with

him. But he cannot be allowed to inject missing gaps in the sequence of events.

On April 16 the Swedish National Radio made a broadcast on the pay offs in relation to 105 MM Howitzer Swedish gun deal with India, and pay offs being passed over to undisclosed beneficiaries in Swiss Bank accounts. When the allegation came first, it was declared from the house-tops as Bhola Babu tried to do again today, by the spokesmen of the Government of India that it was 'false, baseless and mischievous.' Don't you remember? It was broadcast over the Government controlled media. All India Radio, day after day and in the television as 'false, baseless and mischievous.' These were the words used. The words are important. Was it false? Was it baseless? Mischievous it may have been in the sense that it shook the throne. But was it baseless? And there was a torrent of statements made in this House and outside and pronouncements from the Prime Minister himself, from the Defence Minister, the then Minister of State for Defence, and various spokesmen of the ruling party, most of which, I am sorry to say, were nothing but a tissue of lies. And it has been proved already. The Working Committee of the ruling party itself gave an international dimension to this simple charge of bribery in high places or kickbacks in the decision making process. They talked of Destabilisation. They hardly understand what is it. The people outside felt that there was something stinking or rotten in the State of Denmark, Destabilisation or no Destabilisation. And the meaningless barrage continued. It is like what Hitler had said in his *Mein Kampf*:

"You cannot believe how much you have to deceive a nation in order to govern it."

Therefore, the barrage continued, They talked about destabilisation and various kinds of forces. I am fully aware of these forces. But I am reminded of a joke - I hope, nobody will get offended—about Enver Hoja, who was the ruler of Albania. Once

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there was a theft in *Tirana* near his house or palace. Some party comrades or commissars went to him and reported that there had been a theft and they did not know how it happened near his palace. He said: "You foolish comrades, don't you know what to do? Don't you know who are our enemies? Do you not know the American imperialists and the Soviet revisionists?" And they started the barrage that the theft was engineered by the American imperialists and the Soviet revisionists and the counter-revolutionaries in Albania.

SHRI BHOLANATH SEN: Swedish Radio!

SHRI K. P. UNNIKRIISHNAN: Unfortunately, it was All India Radio and not the Swedish Radio.

SHRI P. R. DAS MUNSI: I just like to remind Mr. Unnikrishnan that in 1973 onwards when Jayaprakash started the movement, similar analysis were passed and heard from Mr. Unnikrishnan. It is on record.

SHRI K. P. UNNIKRIISHNAN: I have never said anything. I am prepared to defend my political position if you give me an opportunity. But that is a different thing. We are not discussing that. Right now, we are discussing the Bofors.

PROF. MADHU DANDEVATE: Because he was in your company at that time.

SHRI K. P. UNNIKRIISHNAN: It was explained on behalf of the Defence Minister— this is very important; Mr. Das Munsii also kept my company for a long time but let us not discuss that. The most important point here was that there are and there were no middlemen or agents. Secondly, there were no payments at all or kickbacks; there could have been no kickbacks in relation to this deal. And thirdly, the Swedish Government at the highest

level of former Prime Minister, late lamented revered Olof Palme had given us a solemn assurance to this effect. The Prime Minister said in this House, and I quote:

"We have to take somebody's word as truth and when a Prime Minister of a country assures us after having gone into great depth that there will be no middleman involved, then we have to accept the word."

The then Defence Minister of State who is not here today, went a step ahead and he said that he would not even recognise, even if it were a legal right to become a commission agent, any supplier who has an agent. He would not even see his face. Even though the Constitution of India allows everyone the right to pursue his own profession - I am sure Bhola Nath Sen would agree with me - but the then Minister of State for Defence would not allow him to pursue his profession here. The Defence Minister Pant Ji said there was a solemn assurance. I quote:

"And there has been a tendency to ignore what the Swedish Government has said. There has been a tendency to slur over the fact that the man of the stature of Olof Palme gave a solemn assurance. Can you slur over the fact?"

He posed this question in the House. But what happened? On all these cojts, has their stand been vindicated as is claimed by the Prime Minister? It has been proved that there have been middlemen or agents or those who received the payments, whatever you may call them. It has been proved that payments have been made, kickbacks have been received and it has also been claimed by Swedish authorities that no assurances were given. On April 17, Carl Johan Aberg, Under Secretary of State in the Department of Trade, Government of Sweden said that what Olof Palme con-

veyed to Mr. Rajiv Gandhi in January 1986 was only an oral response received from Bofors and passed on orally, and no assurances of any kind were given on behalf of the Government of Sweden. But still on April 27, that is, three days after the Ambassador of India in Stockholm was informed by Bofors that payments have been made—the dates are important; i.e. on April 24 Bofors tells the Ambassador in Stockholm that payments had been made— after the statement of Swedish Government spokesman, that there were no assurances the Prime Minister Shri Rajiv Gandhi tells a meeting of Army Commanders. This is from Press Information Bureau's release. I quote:

“Sweden had confirmed that there were no middlemen and no money was paid in the Swiss Bank.”

This time after he made a statement, it was left to one Marite Ulquist, Private Secretary to the Prime Minister of Sweden who deny it again that there ever was any such solemn assurance. Further, it was claimed by the Defence Minister in his statement on 20th April here in this House while reaffirming his case, that the Defence Secretary had stated that the Government of India would disqualify any firm in case it came to the notice of the Government of India that an agent has been appointed by the foreign firm. Did the Defence Secretary act on the information or was he allowed to pursue this case by the Defence Minister or the Prime Minister? Did he even bat an eyelid? Did he go through this again? Disqualify means what? Blacklisting? Was that contract allowed to operate in spite of violation of its terms. If they were disqualified, what is the legal position? I would like to know, even the June 16th letter to which the Defence Minister drew the attention of the House yesterday, does not invoke this provision or restate it about which much was claimed on 24th April. The Prime Minister like a village school master who even though vanquished could argue still/continues with his statements of innocence

even after the National Audit Bureau Report. After all these days he tells India Today that the Report has vindicated his stand. It can only be compared with the great performance of Shri Bholanath Sen in the House today. And he said...

SHRI BHOLANATH SEN: You are not saying about the CPM.

SHRI K.P. UNNIKRISHNAN: He said there were no middlemen when they signed the contract. Who is Shri Win Chadha, Mr. Bholanath Sen?

SHRI BHOLANATH SEN : You know, your friends know.

SHRI K.P. UNNIKRISHNAN : Just for a moment, who is this Shri Win Chadha who is absconding? I think you have been following the news in the newspapers. I am sure you must have read that. *(Interruptions)*

He is the agent of Bofors. In an affidavit filed in the Delhi High Court he has claimed that there is an existing contract. *(Interruptions)*

There is a solemn affidavit filed on his behalf, that there is an existing contract and a continuing contract till 1990. *(Interruptions)*

SHRI BHOLANATH SEN: That affidavit has not been signed by him.

PROF. MADHU DANDAVATE: What about the Audit Bureau Report? *(Interruptions)*

SHRI BHOLANATH SEN: That is why the question has been asked...

(Interruptions)

SHRI K. P. UNNIKRISHNAN: Let us leave Shri Win Chadha for a while because it seems to be a red rag to Shri Bholanath Sen. *(Interruptions)*

*MR. DEPUTY CHAIRMAN: Leave it to the Minister to reply.

SHRI K. P. UNNIKRISHNAN: He wants

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evidence. I will give him some evidence. What about the sub system agents of Bofors like FERRANTI represented by Avictronics of one Mr. B.M. Gupta, SAAB represented by concorde International of one Mr. Vinod Khanna and MARCONIS (UK) represented by EUREKA Sales Corporation of Chaudharies (*Interruptions*)

It is not only in this deal that they have been involved but in various other deals since 1980-81, Mr. Defence Minister, like WEST LAND HELICOPTERS, MIRAGE 2000, Marcon System for JAGUARS Seaking MK42B and Italian Torpedoes. I do not know whether anybody will take objection. to the word Italian. (*Interruptions*)

Italian Torpedoes which I am told black-listed few years ago were bought from a blacklisted firm, I challenge the Defence Minister to disprove it. Since 1980 or 1981 and more specifically in 1985-86 the Defence Ministry and the purchasing organisation of the forces have been dealing with these agents and even discussing their commission. That is the most important thing.

You asked for evidence. Normally, I would not like to give. I did not want to argue but since he has been shouting for the last half-an-hour for evidence, this is a letter * from the Director General of Signals on project Suraj, addressed by the Project Incharge to EUREKA Sales Corporation, Mr. Bholanath Sen, on 16th May '86 indicating, I am not reading it out. I will not read out. Another† one from Mr. P.C. Gulati, Director,... (*Interruptions*)

SHRI S. JAIPAL REDDY: I am on a point of order.

Shri Unnikrishnan is reading out from some papers. I want to know whether he can read out unless he places it on the Table of the house duly authenticated....^o

MR. CHAIRMAN: No, no, he is referring to notes. (*Interruptions*)

PROF. MADHU DANDAVATE: If he is reading, this may be laid on the Table of the House. (*Interruptions*)

SHRI K.P. UNNIKRIISHNAN: Sir, he asked for the evidence. I will read out that.

SHRI S. JAIPAL REDDY: Sir, I have a point of order. You kindly let me formulate my point of order.

MR. CHAIRMAN: I have followed your point of order He is merely referring to the notes which he has prepared.

SHRI S JAIPAL REDDY: Mr. Chairman, please let me formulate my point of order. I find that the hon. Member, Shri K.P. Unnikrishnan is quoting from certain documents and letters. Now, the rules of the House are known to the hon. Members that nobody can quote from documents or letters unless they are placed on the Table of the House. So, I would request you that Shri Unnikrishnan be asked to lay it on the Table of the House.

MR. CHAIRMAN: He is referring to the papers that he has.

SHRI K. P. UNNIKRIISHNAN: Sir, I shall lay on the Table of the House these secret documents. I can prove any number, not only this. I was provoked by my friend Mr. Bholanath Sen. I did not want to.... But he says: what is the proof? That is why I had challenged the Defence Minister. It is that right from 1981, you have been dealing directly with the agents. That is my point to day. You had even discussion, on their commissions and you have been meeting them not only in this but in all the deals. That is my point. That is what I wanted to prove.

SHRI SOMNATH CHATTERJEE: You lay it on the Table of the House.

* Placed in Library. See No. L.T. 4915/87

† Placed in Library, See No. L.T. 4914/87

SHRI K. P. UNNIKRISHNAN: This is again on offshore Defence Advisory Group—a system of middle elevated platform, then from British Aerospace - and in the Aerospace, a letter * addressed to Mr. Rakesh Shni, Minister of Defence. On page 3 of that letter, there is a very interesting paragraph-

"Prices include commission 2% payable in India directly to our representatives, Eureka Sales Corporation, 48/1, Malcha Marg, New Delhi."

This is what you have accepted by telex and that is dated 24th February 1986, when our distinguished Prime Minister himself was holding, if I am not mistaken, the defence charge and if you will permit, I will give you dozens of cases. I can pass them on to you if you want. That is why you have repeated and you are following 'Hitler's dictum', carry on a barrage of propaganda that no middlemen, no middlemen in this. Middlemen have been there in this deal as well as outside. Kickbacks have been received, commissions have been paid. That is my charge. My distinguished friend for whom I have the greatest respect and admiration, the Defence Minister, Mr. K.C. Pant, asked a very simple question yesterday: who do you want to reopen from 1980-81? It is not our fault Mr. Defence Minister. Your Colleague till the other day the Minister of State for Defence laid stress on this Policy from 1980-81 and this is what he said, re-affirmed in 1981-82 and in 1985-86. That is why we want the Parliamentary probe to begin from that very point. Sir, on the other hand, he has distorted it by saying that we want a review of all the contradictions since 1980, which has not been claimed by anybody on this side. Nor have we sought this from the Prime Minister when we met him or when we wrote to him. It is a complete travesty of truth. If that is the way you have been informed, I am sorry I have nothing more to say. I don't know who has informed you. Finally he said, he is worried about the morale of forces, as

though the morale of defence forces can improve, if you indulge in a massive cover up and loot. This is exactly what is sought to be done today. This is reflected in the attitude towards Swiss Bank deposits, the final destination of kickbacks. Mr. Bhola Sen, how do we know, all these things? I will tell you, you ridicule that some of us who have moved some amendments wanted to go the Switzerland or Sweden, God knows where. Mr. Bhola Sen you ought to have known better. You ought to have known better because you are a distinguished lawyer.

SHRI BHOLA NATH SEN: Can you collect any evidence from them?

SHRI K.P. UNNIKRISHNAN: When the Government of India knew, I presume, they know that in the Swiss Penal Code, clause 273 forbids and penalises divulging of any information — and reaffirmed by a referendum the other day—what was this farce of delegation which was sent of a Deputy Governor of Reserve Bank and of two Joint Secretaries and one of whom was Joint Secretary of Rural Banking? And you know, when he finally arrived in Geneva, the others were about to leave that very day. I am challenging it on facts. You said, what are your facts. I am challenging it on facts. Let us have an inquiry on all this.

Finally, when the Swiss Federal Bank Chairman was met by the Hindu representative, Chitra Subramanian and the Telegraph representative visit and somebody over the telegram, he said, "Are they still here? Why are they here?" That is why, I say, it is a cover up. The whole exercise is a cover up —A to Z—a massive cover up.

SHRI SOMNATH CHATTERJEE: How much money was paid.

SHRI K.P. UNNIKRISHNAN: Well, they must have wine and dined at your expense and at our expense. This is why, I

[Shri K.P. Unnikrishnan]

say, this Government which has moved this motion for probe, believes, again I repeat, the Hitlarian dictum: that you cannot believe how much you have to deceive the nation in order to "govern" it, to cover up friends, associates and family members, culprits, Bachchans, Signors and Senoritas! One Hundred crores of rupees of licences, import licences have been given to these Bachchans. I say, bring this matter before this House, hundred crores of rupees in two years. I shall tell you, how it has been dealt with. This is the racket that continues and this is what you are trying to cover up.

Therefore, Sir, the question is whether you do it through this Parliament or by disabling the parliamentary agency set up to enquire like a parliamentary committee, you maim it and you have nothing of it. That is our charge today. You prevent it from inquiring into these things. After all, it is this inquisitorial power, that is the essence of democracy—the ability to question, the power to question, to establish accountability, Mr. Bhola Sen.

SHRI BHOLANATH SEN: Anybody inside India can be compelled to give evidence, but not in a free foreign country.

SHRI K.P. UNNIKRIISHNAN: Therefore, no amount of shouting can take away.

SHRI BHOLANATH SEN: You cannot go and compel them to give evidence in Sweden or Switzerland or other right under any law. parliamentary committee. You have no right under any law.

AN HON. MEMBER: Our money is kept there.

SHRI BHOLANATH SEN: Well, money may be kept there, you know better. But the point is, you cannot compel anybody to give evidence in a foreign country. They are free countries.

SHRI K.P. UNNIKRIISHNAN: Therefore,

Sir, I conclude. I do not want to enter into an argument with him. I hate to, because we are such good friends. I do not want to say a word about what he said.

But the time of retribution has come. You can no longer continue this hide and seek game. These winding up costs is a terminological inexactitude. They are the winding up costs of your party. They are also the winding up costs of the credibility of your leader. Therefore, if you want to carry conviction, I do not want to go further into these deals, you change your approach, have a Parliamentary probe, a meaningful parliamentary probe, with the terms of reference and composition as we have proposed.

SHRI HAROOBHAI MEHTA (Ahmedabad): I am not surprised that my good friend Mr. Unnikrishnan has referred to Hitler's book *Mein Kampf* in order to attack the Government. Mr. Unnikrishnan started by quoting Hitler. it is very clear that he may be in the company of those who are following Goebbles. Mr. Unnikrishnan has tried to malign the Prime Minister by saying that at one stage it was held out by the Prime Minister and the speakers supported him that there was no middleman and there was no kickback but, at the same time, ultimately my learned friend is aware that any statement made at a particular point of time is based on inference on the basis of the material available at that point of time and, therefore, it should not be overlooked that Prime Minister also said that the Government invited information from all concerned including the Opposition.

The Swedish Government was also approached for the information. The radio correspondent, who is supposed to be credited with the report broadcast by the Swedish radio, was requested to furnish information, if he had any, so that inquiry can be held. No statement can be absolute. On the contrary, the Prime Minister made it very clear that every inquiry will be made into the matter and if anybody is found to be guilty, action will be taken. Therefore, on

the contrary, it was the Prime Minister who initiated inquiry into the matter. Thereafter, you must have seen the course of events. Prompt approach was made to Swedish Government for inquiry. Swedish Government was requested to hold an inquiry into the Bofors affairs and furnish information by giving the answer. In any case, Mr. Unnikrishnan would be aware that one Mr. Narendra Kapadia, about whom he is more aware than anybody else, who is a commission agent for several foreign firms, a Director of Siemens, is involved in stealing some secret information. My learned friend has also omitted to furnish the name of Mr. Kapadia.

Shri Unnikrishnan should be knowing that acceptance of commissions from foreign powers in foreign currency is an offence.

Prime Minister never closed the doors for an inquiry. He invited information from Opposition though Opposition did not come forward with any tangible information. Swedish Government asked the Audit Board to inquire into the matter. And then, when the report of the Audit Board was received by the Government of India, the Government promptly approached the presiding officers of both the Houses with the request to appoint a Parliamentary Committee. When this was not found feasible, the Government has at the first available opportunity approached the House with this proposal to appoint a Joint Committee. But it was considered necessary to approach the Parliament for appointment of a Committee. Now when the Committee is proposed, the opposition is saying that it will have a somersault. The same opposition which demanded that there should be a Parliamentary Committee to enquire the matter by Parliamentary probe is not now ready to make a smooth passage to appoint a Joint Committee into the investigation of this matter.

Sir, several procedural questions have been asked, viz. what are the powers of the Committee? Our learned friends must be

aware that Rules 269 and 270 provide for the powers of the Committee to summon the witness, to send for persons, papers and records. The Committee can also record the proceedings, call for records and persons and can examine the evidence. I should also point out that when it concerns obtaining information from overseas, there are Precedents where House of Commons has permitted its Committees to go overseas.

Sir, it has been noticed that there were some disputes whether a Joint Committee or a Committee of House of Commons or a Joint Committee of the Parliament can proceed abroad in order to collect information, to examine people there, to examine papers also. The House of Commons in 1966 made it very clear that Committee can also go abroad, collect papers, information and examine evidence. Several Committees have in fact, visited foreign countries in order to find out evidence for information. On some occasions oral evidence has also come. Even foreign citizens can give evidence. It will be open for this Committee to get evidence from foreign citizens and foreign citizens can also give evidence. Even papers, records etc., can be called for from overseas. Foreign agencies, viz. the Government of Sweden and Swedish Audit Bureau can be requested to supply information. Therefore, this Committee will not be powerless. Undoubtedly, the Rules of Procedure provides for certain powers of the Committee. At the same time, as is the precedent in the House of Commons, the House also can authorise the Committee. But, it is not necessary that authority should be through motion itself. It has been noted in the Parliamentary practice that the privilege and powers of the Committee can also be defined if the Committee considers that it is necessary. Then, it is necessary to obtain, to secure some powers if the Committee considers it necessary to examine some persons or to obtain some information from overseas or visit overseas, it can always approach the House and House can authorise it through a resolution to visit abroad to

[Shri Haroobhai Mehta]

examine persons who are abroad and not under the control of Indian law. Therefore, there is no deficiency in the proposal which is placed by the Hon. Defence Minister.

One more advantage will be there. It has been stated by some of our friends from the opposition that all these information regarding locating names, recipients of the money can be done by the Government itself. But, Sir, the advantage of the Parliamentary Committee will be that the witnesses who give the evidence before the Committee or furnish information to the Committee will be protected by the Parliamentary privilege. The House of Commons has always considered it privilege to provide protection to the witnesses who give evidence before any Committee of the Parliament or furnish information to a Committee. And no court can also taken any action for any violation of the law. Evidence given before the Parliamentary Committee are covered by the privileges structure. It is well-known that the privileges of the Lok Sabha are the same as the privileges of the House of Commons as on the date of coming into force of our Constitution i.e. as on 26th January, 1950. It is recorded in the records of House of Commons that House of Commons has always considered it its privilege to protect the witness who gives any evidence before the Committee. Therefore, this Parliamentary Committee will have added advantage of fearless and candid evidence being placed before the Committee. It is not quite clear why the opposition should not accept this Committee.

16.00 hrs.

Of course, there can be some questions which the Opposition have raised. One is about the terms of reference. I also feel,

with great respect to the Hon. Minister who proposed the Motion, that the terms of reference must be expanded. My proposal is that the terms of reference of the Committee must be expanded in order to find out whether the CIA has played any role in spreading disinformation about Bofors. The CIA is very active now-a-days in India. Not being content with the assassination of Prime Minister Indira Gandhi, not being content with several attempts on the Prime Minister Rajiv Gandhi and not having learnt any lesson from the failure that the CIA had in the first ever attempt in India—that is to assassinate Prime Minister Jawaharlal Nehru by blowing up our air constellation viz., the Kashmir Prince in 1955—the CIA is now very much active in India to spread disinformation. Let the terms of reference of this Committee also include the role, if any, played by CIA in spreading disinformation about Bofors and other things, so that the inquiry may be complete and we may know how CIA is very much active in order to malign the Government and create disaffection against the Government.

One more point has been raised by the opposition and that is that the composition is not acceptable in them. The composition is according to the election. An election will reflect the numerical strength of the Opposition in the House. On this matter, if the Opposition cannot have equal number of seats or more seats than the Congress Party, it is not our fault. It is the electorate which has created this situation. It is the people of India who have given us the mandate to be in majority in this Committee and asked them to be in a minority in the Committee. Therefore, they have to rest contented. After all, if they did not have sufficient strength among the people to be represented in a larger number than us, then they should rest contented and accept whatever number is available to them according to the principle of proportional representation.

16.02 hrs.

[SHRI SOMNATH RATH *in the chair*]

The Minister has been gracious enough to give us secret ballot on the question of deciding the proportional representation and, therefore, we will be able to reflect this strength in the Committee.

I am told that they are also asking for one more change *viz.*, that the Chairman should be either the PAC Chairman or any other member from the Opposition should be offered the chairmanship of this Committee. On principle, this is not acceptable. Accusations against the Prime Minister, against the Government and against everything that are working for progress in this country are made in this House and outside by the Opposition. If somebody from the Opposition is asked to be the Chairman of this Committee, it will tantamount to asking the prosecutor to be the judge.

My learned friend, Mr. Somnath Chatterjee, who is not here, will be quite aware of the two basic principles of natural justice. Firstly, nobody should be condemned without hearing; but they have been doing that. The Prime Minister and the Congress Party have been always put on a trial in the Press without any regard to the principles of justice. Secondly, anyone who is interested in a decision shall not become the judge. That means, the prosecutor should not be the judge. If anybody who is interested in a particular shape of result of a particular inquiry, he cannot be a judge. Therefore, in the interest of maintenance of the principles of natural justice the learned friends from the Opposition should have avoided asking for the Chairmanship of this Committee. After all they are the accusers and if

they themselves have to judge, that will be violative of the basic tenets of natural justice and I, therefore, disagree with any suggestion on this score.

Several things have been said about the restriction to the three items. I may remind them that the Prime Minister had said that you give us some proof and we will proceed. Now, the Audit Board's report gives us a *prima facie* case and that *prima facie* case is with regard to these three items *viz.*, the three payments referred to in Clause 1 of the proposal. Therefore, there is legitimacy in proceeding with an inquiry only about these three items. There is no *prima facie* proof about any other item so that any other inquiry can be undertaken. Of course, one would like that the terms of reference should be expanded. But then it cannot be a fishing inquiry so far as Bofors deal is concerned. Any inquiry can be undertaken subject to that it should not be a fishing or roving inquiry. Therefore, it has been considered legitimate to confine the terms of reference to these three items. But that will not prevent the Committee to make any other recommendation. I want to draw your attention to Clause 3:

"To make suitable recommendations based on the findings on (i) and (ii) above."

If after arriving at a finding on Bofors the Committee finds that something more is required to be inquired or some more aspects required to be gone into then it can always make suitable recommendation to the House. Ultimately it is this House which reflects the sovereign will of the people which will decide whether any further inquiry is necessary or not. Therefore, there should not be any apprehension on this score. However, it is for the Defence Minister to consider.

[Shri Haroobhai Mehta]

Sir, even in the Opposition there are some friends who are very much aware about the danger of de-stabilisation and the activities of CIA. Therefore, if there is a serious effort to request the Government to modify the terms of reference properly in order to ensure that nothing relevant to Bofors deal is left out then Government can always consider it and have a dialogue with them. If after the dialogue some suitable modification in terms of reference is required then it can be done. Subject to the parameters that it should concern the Bofors deal and it should not be a roving inquiry the matter is not one of principle and policy and it can always be worked out by mutual dialogue between the Government and the Opposition leaders. But I must say that there are some good friends who are aware that there are many more important things in India which need to be discussed. As a junior Member of Parliament I feel a sense of disappointment which must share with the Chair and other Members of the House, that a lot of time is being spent on inquiries like Bofors and other things. Corruption is the issue which Opposition consider to be their main target. Ultimately some friends of the Opposition know that corruption is inherent in any capitalist structure where extra money can buy extra comforts with impunity. So corruption cannot be avoided. Therefore, to avoid corruption it will be necessary to transform the society. Without a social change you cannot relieve the society of the evil of corruption. But nevertheless we cannot absolve the Government from its obligation to take action against corruption wherever it is found. It is, therefore, that Government has taken steps to ensure that a full inquiry is made into this. But more importantly are there not important issues? Should corruption get the first priority for discussion in the House? Look at the drought situation in India! 90 per cent of Indian soil is without rain. The scarcity conditions have assumed enormous proportions. Are we not to give that priority for discussion on the famine conditions in India and con-

sider this corruption to be more important? Unemployment has been increasing. Several textile units in Ahmedabad and other parts have been closed—sometimes with permission and sometimes without permission of the Government. Do we not consider that thing to be important for discussion and have priority over some allegations of corruption?

Similarly we have seen for the last two or three years MRTP was diluted. What is the effect of the dilution of MRTP? Has there not been concentration of wealth in India in few hands on account of dilution of MRTP? Do we not find it more important for discussion than the charges of corruption?

Similarly on the question of liberalisation of imports or certain economic steps taken in the last two years by some friends who are not with us and sometimes people who are not with us become very clean in the eyes of the Opposition. Sometimes rejected goods become very precious goods. Goods rejected from one quarter become very precious for others. But I am not on that. The point is that do we not get time to discuss the disastrous results which certain economic measures have had on the economy of India? All these things do not get priority in the list of priorities and allegations of corruption. Ultimately we may not forget that all this may be a part of this information exercise undertaken by the CIA.

Sir, it was the Swedish Radio which gave us information—the same Sweden whose investigating agency has not yet been able to establish the identity of the assassins of the late Prime Minister Olaf Palme. We do not know what are the connections of CIA with the Swedish agencies. But we certainly know that the CIA is interested in maligning the top leadership in India and in the third world. They have started neo-interventionist policy of America which is reflected in CIA activities as regards information also. They have also got a control over the press in their country and abroad. They utilise this agency to feed the press

with stories with a view to maligning the top leadership of Government in the third world countries.

Corruption, after all, is an instrument which has always been applied for maligning the people. Sir, as I told you, corruption is inherent in a capitalist society with the result that allegation of corruption also will be readily believed in such a society. It is always said that nobody will take money in the presence of a witness. Therefore, allegations of corruption are always easily made and unfortunately easily believed. The same type of allegation has denigrated the liberal capitalists in Germany which enabled Hitler, who was quoted by my learned friend Shri Unnikrishnan, to ride over the crest of popularity in Germany and came to power. Power was snatched by fascists in Germany on the basis of allegations of corruption denigrating the liberal capitalist Government in Germany. Are we going to see and tolerate the repetition of such an exercise in India? If Hitler, who was quoted by Mr. Unnikrishnan, has his followers in India, ultimately the Parliamentary Democracy will be destroyed in India. Our Opposition friends, learned in scientific socialism and scholars, who want a social change in India, who are not contented with the present system in India, who know that the present evils against which they are fighting are corruption of capitalist society, they will be the first persons to be hunted out. Their head will be rolling first. Fascists have never succeeded in India. Therefore, this is the time when all right-thinking people, all democratic-minded and secular people should unite and mobilise themselves in order to protect this history. We have, after all, to strengthen this Parliamentary Democratic system. On account of falsity of allegations, multiplicity of false allegations, character assassination, all this history should not be destroyed.

I was not surprised when my good friend. Mr. Jaipal Reddy, said that if this committee is appointed, as proposed, the purpose will be defeated. Whose purpose will be defeated? If this Committee is

appointed, the purpose to continue the character assassination on the basis of these allegations will be defeated. The purpose to tarnish the image of the Prime Minister and the national leadership will be defeated. The purpose to help the destabilisation process will be defeated. But the real purpose to find out the truth will not be defeated. That will be assured. I am afraid that the Opposition is afraid of truth. It will be the duty of the Committee to find out the truth. My learned friend. Shri Somnath Chatterjee, should be aware about the Church case in England which says that whenever any statute conferred power on any public body in the interest of public, that power is coupled with duty. So, when Parliament confers power on this Committee to find out the truth, the Committee will have the duty and obligation also to find out the truth. It will not be able to escape from that duty. Therefore, I should have expected the Opposition still to work out some solution about the terms of reference without unduly widening it and without unduly harbouring any apprehension about the scope of it. Powers can always be conferred by the House. Therefore, ultimately, let us try to work out something through which we can find out truth namely who have been benefited by this money which, if it is violative of Indian law, would be considered to be anti-national.

I earnestly appeal to the opposition to kindly cooperate with the Government in finding out the truth and not merely utilize this debate in order to throw brickbats against the Government.

With these words, I commend the motion for acceptance by the house.

PROF SAIFUDDIN SOZ (Baramulla): Mr. Chairman, Sir, many things have been said about this ticklish problem and I do not propose to repeat anything that has been said on both sides of the House. While I wanted to understand the implications of certain remarks made by Shri Indrajit Gupta, I also wanted a response from the Defence Minister, and through you, Sir, I will communicate this to the

[Shri Saifuddin Soz]

Defence Minister. He presented his motion yesterday relating to the Bofors deals. I found that comprehensive. He has proposed a Joint Committee to look into this whole matter. I heard friends from both the sides and many points have been raised, the issue regarding Win Chadha, commissions, kickbacks and all related matters which make this problem very ticklish. But I have been pained not by what I saw in the press, but by the allegations which were made on the floor of this House by some friends and I feel personally that Prime Minister's name was unnecessarily dragged into the discussion because we have to wait till the conclusion of the Enquiry Committee. Perhaps this Parliamentary Committee is going to be constituted and we have to wait till its conclusions are available. It is very easy to make allegations; it is very difficult to substantiate them.

As I have promised, I will not repeat the points that have been made by Shri Somnath Chatterjee, Shri Jaipal Reddy, Shri Indrajit Gupta and others as also Members on the other side, but I have to make a suggestion. The Government is assuring us that it is very eager to find out the truth and the opposition has been fighting to find out the truth. Therefore, my attention was particularly drawn to Shri Indrajit Gupta's speech to be very frank about it and I wanted to request the Defence Minister to kindly go through that speech again, because he raised a very important issue. It is not that other friends did not do it; friends like Shri Unnikrishnan did their research and talked about commissions, Win Chadha and so many other things. But primarily, I would say that while the Swedish Government or the Bofors are telling us that it is a question of commercial confidentiality, but actually it is commercial rivalry that has created a problem for us. There are the Bofors and other companies and they have rivalry among themselves. Perhaps there is not much of discipline in Sweden; perhaps they do not control industry as we do. I do not know much about how they control the business. Any

rival in business can go to the radio and make a statement that may be totally irresponsible. But it is for the Government of India to deal with the Government of Sweden.

I have seen this Audit Bureau report and they admit some commissions were paid.

What is generally called 'kickbacks'. Now, everybody wants to know where these kickbacks have gone. Shri Indrajit Gupta, explained that may be Win Chadha received only 1 crore or so. So, deduct this 1 crore from 35 or 50 crore and where the rest of the amount has gone?

Now, Sir, I have a simple suggestion. I have no doubt that the Government wants to find out the truth because Government represents people of India, Government is answerable to the people as it is a democratic Government. And I have no doubt that the Opposition also wants to find out the truth. Although, this is my complaint that some of the Members in this House have gone much too far in making wild allegations.

Shri Indrajit Gupta wants that there should be a Parliamentary Committee and Opposition should be represented on that. I am not putting words into his mouth. He has already made a speech. This is the crux of his speech and perhaps Shri Indrajit Gupta also wants that there should not be an atmosphere of bickering and we should know the truth. The whole country should know the truth. He has thrown the ball into the Defence Minister's court. In one way, he told him not only to make the terms of reference but the question of whole Committee somewhat broader. I support Shri Indrajit Gupta on this point and I request, through you, Sir, to the Defence Minister, who is represented here by Shri Arjun Singhji, that he should respond to the urges of Shri Indrajit Gupta. The Defence Minister should ensure that the Opposition should be properly represented on the Committee; whatever the constitution of the Committee. After all there are some norms. I do not say 20 Members from this House and 10 from the other House, 14 Members from this House

and 7 from the other. Whatever be the composition, but the major Opposition Parties should be properly represented. For that, Sir, I make a request to the Government that it should kindly ensure that the Opposition join the Parliamentary Committee and it should also ensure that this Committee should be constituted by consensus and not by open voting.

[*Translation*]

SHRI SHRIPATI MISHRA (Machhlishahr): Mr. Chairman, Sir, through you I want to express my views in this august House. I listened to the views of most of the hon. Members who spoke on this subject. I listened to Members of both the sides. A number of allegations of corruption have come up suddenly within a period of one month. The Opposition was time and again making the demand that a Parliamentary Committee should be constituted to go into the allegations. Instead of accepting the demand for setting up a Parliamentary Committee, the ruling party has set up a commission consisting of a Supreme Court Judge under the Commission of Enquiry Act with a view to bring out the truth. The Opposition had been making allegations on the basis of radio news and stories published in the newspapers.

The ruling party has tried to explain that these allegations have been made by a particular type of persons and newspapers and it seems it is an endeavour on the part of CIA to destabilise the Government. Just now an allegation has been made in the House on the basis of a news item contained in a newspaper saying that CIA Chief has prepared an action plan to destabilise India. It has been inferred as if all other stories contained in the newspapers are correct but the news about CIA's attempt to destabilise India is wrong. It is for this reason that when US embassy contradicted that news, a privilege motion was brought in the House against the person who placed that newspapers on the table of the House to show that CIA people are not involved. I don't say that CIA people are involved in it. The opposition has accepted the version of those who are and

who have been the enemy of the country but have not believed the Prime Minister. Earlier the Government had agreed to constitute a Supreme Court enquiry under the Commission of Enquiry Act. The proposed commission was to be given all the judicial powers but it was not acceptable to the Opposition. I had then suggested to my party that the demand of the Opposition for a Parliamentary Committee should be accepted but the concerned person had not accepted the suggestion because he wanted that an impartial Tribunal should be set up to bring to light the reality. We wanted to assign this enquiry to Supreme Court because we had got majority in the House and as such the Opposition will not be in majority in the Committee and the truth will not come out. Now when Government is constituting a Parliamentary Committee to go into this issue, it is not acceptable to the Opposition whereas earlier they had made the demand for the same. I do not know the reasons therefor. I think, they knew how the Committee will be composed. Some of the Opposition Members are very old and they knew that the Committee will be constituted in accordance with the set rules. In case, they were not aware of it, on what grounds they suggested that a Parliamentary Committee should be constituted to go into it and if they were aware of the rules, why they are not agreeing to it. Do they want that they should have equal representation in the Committee and the Chairman of the Committee should be from the Opposition? It is not possible because today such an atmosphere has been created that the ruling party has become a party to it. The complainant can not be allowed to sit at judgement against the defendant. For dispensation of justice, the announcement of the Prime Minister about constituting a Committee of Supreme Court Judges should have been welcomed. Hon. Members should have tried to understand the motive behind announcing the Committee under the Commission of Enquiry Act. I don't want to mention the name of anyone here. Someone has stated that Prime Minister is not involved in Bofors case; his name is not in it. It appears as if

[Shri Shripati Mishra]

the person who like this has seen the list of persons involved himself or he has been a party to the transaction or all the facts regarding this case are known to him. If it is so and Prime Minister's name is not there, then the name may be disclosed. There is no need for investigations in that case.....(*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY-
(Katwa): It is not so.

SHRI SHRIPATI MISHRA : I am not quoting you but are you prepared to take responsibility for those who have said that the name is not in the list. You can say it only when you have the list. Tell us whose name is in that list. Do you have the list ? If not, how you can say these things.....(*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY : Possibility is there.

SHRI SHRIPATI MISHRA : So many possibilities are there. It is also possible that Member of CPM can support CIA people or America. Everything is possible. But one thing I want to make clear. The Prime Minister, the Defence Minister or State Minister of Defence have repeatedly underlined in their statements from the very beginning that they do not want to conceal anything. They are interested in bringing out the facts in this regard. Just now, an Hon'ble Member has handed over a slip and said many thing here perhaps to get cheap publicity in the press or for some other reasons. He went to the extent of saying that he knows everything and can prove it. As such how we can say that the Committee will not serve any purpose. If the hon. Member knows everything, then he should not join the Committee, he should become a witness and bring all the evidences. Then the problem will be solved.

Mr. Unnikrishnan has said that he can prove all the things. In that case, he should become a witness. Prime Minister has called for suggestions to solve the tangle under the rules. Not a single suggestion has been given by which the Sweden

Government or Bofors Company may be compelled to reveal the names or the Swiss Bank may be compelled to disclose the names of the depositors. If the Hon. Members are interested in the information and want that facts should come to light, they must give concrete suggestions in the House. It will be our endeavour to see that the suggestions given by hon. Members are accepted by the Prime Minister so that the names of the persons who have deposited money in Swiss Banks can be revealed. No suggestion is coming forth from the Members in this regard. Hon. Members are pointing out accusing fingers at those who are not present in the House and other people. The common man will judge the performance of the Members in this regard. He will also see the proceedings of the House and also judge whether Government made any attempt to take the right decision and the contribution of the Members in the matter. On behalf of the Members, I urge upon the Government also to constitute the Committee in accordance with the rules. If need be, the membership of the Committee should be increased. Hon. Members can suggest suitable terms of reference. The opposition has demanded that they should be given equal representation in the Committee and an Opposition member should be made its Chairman. If this suggestion is accepted, then there is no need for an enquiry. They should straightaway give their judgement. Whether such a judgement will be effective or not, that is a different matter. The main point at issue is that the names of persons who have deposited money in Swiss Banks and those who have received consideration should be disclosed. The persons knowing details in this regard should come forward.

Lastly, the sequence of evidence in this regard should be gone into. I do not want to repeat all the minute details. First of all, the issue of Fairfax was raised knowing fully well who is the chairman of that company. I belong to a rural area. I want to narrate a rural saying. One day a father came to know that his sons in connivance with their wives are wasting money. It was

but natural for him to enquire into it so that the money is not wasted. It was also his duty to see as to whom the responsibility of probe should be entrusted. It should be entrusted to a family relative who can save the house as well as conduct an impartial enquiry into it. No father would like to entrust this work to a person who has been involved in litigation against him for the last 25 years because it would not be a wise decision in any way. This work cannot be entrusted to that person who has been our enemy since Independence. Can we entrust this responsibility to a person who had levelled absurd allegations against one of our former Prime Ministers and called him a CIA agent? I am not talking about the present Prime Minister but I am referring to the Prime Minister of Janata Party regime. He had levelled an absurd allegation against another former Prime Minister for which a court case is still going on against him. He had submitted written apology but the former Prime Minister had not accepted that apology with the remark that let the court case be decided. You have submitted written apology, so less compensation would be claimed from you. If the same person, who had levelled such absurd allegation against the former Prime Minister, today shows some certificates in the House and says that so and so officers or Ministers are good, would you believe him? Can we believe a person who levels allegations against a Prime Minister who has been sent by the people of this country to this House with a thumping majority of 410 to 415 Members in the House. It is known to all as to what our Prime Minister wants and what kind of man he is?

I have been not only the Chief Minister of Uttar Pradesh but before that I was also the Chairman of Gram Sabha. I have risen from the bottom and that is why I am suggesting it on the basis of my own experience. If the opposition really wants to have a fair and impartial enquiry, they should demand probe by tribunal of the Supreme Court under Commission of Enquiry Act and special powers should be

given to the Commission because under our system Supreme Court is the highest judicial body in the country. I do not think that the ruling party will not do justice with it and only the opposition who always run after the power can do justice. If they want an impartial enquiry why don't they demand for the constitution of an impartial tribunal which will have no connection with the ruling party and will conduct an independent and impartial enquiry into this matter? I know the opposition will not demand so because earlier also they have not made such demand. They want to prolong this matter and want to keep this alive so that once again they are in a position to seek the confidence of the people of this country. If they really want to save the dignity of the country and its democratic system and if they have faith in this system, they should make a demand for an impartial probe. The Hon. Prime Minister had done best possible thing on his own by entrusting this work to the Supreme Court under Commission of Enquiry Act. I don't think there can be anything better than this? Not only this, he has also said that the demand of the opposition would be accepted provided they participate in the Committee but even that is also not acceptable to the opposition. I urge upon the Government to compel the opposition to participate in this Committee otherwise tomorrow again they will say that the verdict of the Committee is one-sided and not fair. Therefore, they should be compelled to participate in it. Government may extend its term and if necessary more representation be given to them in the Committee so that they may give verdict against themselves.

With these words, I conclude.

SHRI C. JANGA REDDY (Hanamkonda): Mr. Chairman, Sir, when I was speaking on lotus, I was asked to give the meaning of lotus which I explained in Sanskrit. Now it is clear and that is why there is no need to constitute this Committee. It has been made crystal clear in the Audit Bureau report that commis-

[Shri C. Janga Reddy]

sion has been paid. I want to ask what does the commission mean? I treat commission as bribe. The consideration received for fighting cases in courts is called corruption and the consideration received by Government officials from the back door is called bribe. It is for this reason that I call it bribe and not commission. On pages 5, 6 and 7 of the Audit Bureau report, it is clearly stated—

[English]

“that the costs of this assistance (“winding up costs”) amounted to 2-3 per cent of the order sum, that is SEK 170-250 millions and that the final payment was made during 1980”.

[Translation]

The final payment was made in 1980. Government has been saying that no middleman was involved in the deal. I give an example in this context. I had an old maternal grand mother. I used to ask her to give 4 or 8 annas to bring pepperment but she always used to say that she did not have any money. When I asked her whether she did not have money with her or there was no money at house also, she always used to say that she did not have money. She never used to say that there is no money in the house or in the bank. Similarly Treasury Benches have said that they have not taken any commission. I do agree that they have not taken any commission but I am talking about taking the bribe. It is true that they have not taken commission but they have taken bribe. Now what is the necessity of constituting this Committee? We know that nothing will come out of it. If they had not taken bribe and had clear intentions they would not have any hesitation in bringing a proposal of constituting the Committee in the House on the very first day when this issue was raised in this House...(Interruptions)

Sir, that is why I wanted to speak in Telugu. I know that they would not allow me to speak.

The clean-shaved Prime Minister has cleaned everything. Today in villages also, the Bofors and Fairfax matters are being discussed whereas some time back they used to discuss about Indira Gandhi and Rajiv Gandhi. The ruling party members are shouting at us because they take us as their enemy. That is why they are behaving like this. They do not have any other matter before them. Now, there is no necessity to constitute this Committee because it has been made clear in the report that payment has been made. Government has been repeatedly saying from the very beginning that no commission has been paid but now when the Audit Bureau report has made it amply clear that commission has been paid, they are saying that they have not been paid any commission but some other people are involved in it and they are trying to find out their names. In India, wife does not utter the name of her husband, Whenever she is asked to tell the name of her husband, her reply is ask someone else to tell the name. Therefore, the Government is compelling us to name them whereas we want that they themselves should come forward with their names.

SHRI VIR SEN: Are you becoming our wife?

SHRI C. JANGA REDDY: You may become wife or husband but what actually we observe?

Whenever the congress party is in trouble or its power is at stake, they want to keep CPI and CPM on their side. Whenever CPI or CPM is with Congress Party or they cooperate with the Congress, they are not CIA agents and when they do not cooperate with Congress, then they become CIA agents.

When Shrimati Indira Gandhi was in trouble, she imposed emergency and now the ruling party is again creating same atmosphere. Whenever they are in danger, they create difficulties for others. If they are suffering from jaundice, they want us also to be jaundice patient. They are

jaundice patient but we are not. They are trying to hide something.

What this Committee will do? The Bofors Company is ready to disclose the names but the Government does not want it. Recently when Deputy Chairman of the Bofors Company came to India, some queries were made from him about the issue but he expressed his inability to disclose anything for this reason. However, he was prepared to send a delegation of Bofors company with all relevant documents and talk to the Government of India, but our Government did not agree to that. Shri Arun Singh, the then Defence Minister agreed to that but every day they are changing their Defence Ministers. We do not know who will be there tomorrow? Shri Rajiv Gandhi has himself said that after present session major reshuffling in the Ministry will be done. Therefore, it becomes very difficult to remember the names of Ministers. The Bofors Company was then prepared to give more information to the Defence Minister. However, if they do not divulge the names, defence deal with the company should be cancelled. If they do not cooperate with us, we should cancel the agreement. What is commercial in it? We are asking them as to whom they have made the payment? It has been made amply clear in the Audit report that commission has been paid. Now the question is merely to disclose the names of the recipients. They should divulge the names. Why should the Committee go there to ask for the names? It has been made clear in the Audit report that commission has been paid. The Government refuted the charge levelled by the Hong Kong based CIA agent but later on that was confirmed by the radio and Newspaper. Though Shri Gadgil had been Information and Broadcasting Minister, yet he called the newspaper as the game of journalists. He himself consults the newspapers and rushes to the Notice Office. Yesterday he himself quoted from a book which was also written by a British Journalist. What is the difference between the two. Has that book been written by any intellectual? He is also a journalist.

Government does not consider Indian journalists as intellectuals. It does not behave them. Shri Gadgil had been the Minister of Information and Broadcasting, so it does not behave him. Now he is simply a Member of Parliament. Had we not listened to the radio and read the newspaper, this matter would have not come up in this House. It is still a mystery. We know that men in the Government and their friends are involved in it.

Government should send a telegram to the Bofors Company immediately asking them to disclose the names otherwise deal should be cancelled. If deal is cancelled, it will create commotion in Sweden and the company will close down. About 10,000 people are working in this company and they all will become jobless. If it is not possible, then the Government should give an ultimatum to the Bofors Company to disclose the names of the recipients within 24 hours. It will make the position crystal clear. Government should do it as early as possible.

Whenever the Prime Minister wants, he asks the Ministers to resign. As soon as he came to know that Shri Arun Singh had come to know all things, he asked him to resign. He knew that if he continued to hold the post he would expose everything. After taking the resignation, he rushes to the President for the acceptance. Whatever we demand, they do not agree to that. They think that the purpose would be solved by bringing this motion. I once again would like to ask as to why Shri Arun Singh has resigned? Why delegation of Bofors Company was not allowed to come to India? I do not understand as to what is there to enquire into. The thief has been caught. What else the Government want? Have they any charge sheet to file against them?

SHRI SAIFUDDIN CHOWDHARY: We intend to beat them.

SHRI C. JANGA REDDY: You may beat them or file charge sheet against them but we want to have detailed information

[Shri Saifuddin Chowdhary]

about it. The Swedish Government should be told that a furore is being created in our country over this matter and we are being maligned. That is why we should be told everything clearly. Our ex-Prime Minister is dead. She was good friend of mine. Now Shri Rajiv Gandhi has to do this work. He should write to the Bofors Company in a very clearcut manner as early as possible otherwise people will start agitation over it. Bofors Company should be told to disclose the names of those persons who have received kickback. If the Company does not divulge the names, deal should be cancelled. The cancellation of the deal would shake the Swedish Government, unemployment would increase and it would create furore all over the country and the Swedish Government would have to bow down. I think, there is no need to constitute this Committee. Everything will come out automatically if an ultimatum is given to the Swedish Government.

AN. HON. MEMBER: Tell something about lotus also.

SHRI C. JANGA REDDY: You know everything about that. With these words, I conclude.

SHRI PRATAP BHANU SHARMA (Vidisha): Mr. Chairman, Sir, by debating Bofors deal, the Opposition has been trying for the last 2-3 months to create a suspicious atmosphere in the country. They are constantly trying to create suspicion in the minds of the people against the Government which is firmly working for the poor and for the security of the country.

During last session, our Prime Minister had categorically stated that no middleman or agent was involved in Bofors deal. The Government of India had very clearly told the Bofors Company and the Swedish Government that in this important deal, the Government of India would not like the involvement of any middleman or agent. That is why the gun deal which was of the order of Rs. 1800 crores in the beginning came down to Rs. 1427 crores in our

national interest. It would not have been possible if some middlemen or agents would have been there. There has been a convention in the international market to have commission agents or middlemen. It is for the first time that deviating from the established practice Government of India greatly emphasised that it would not like to engage any middleman or agent in this deal. I am surprised to see that our opposition leaders are saying that some middlemen have received commission.

When it was said that some outsider has received commission, the Government of India asked the Bofors Company and the Swedish Government to enquire into the allegation of kickback as announced by the Swedish radio on 16th April. The Government of India asked for the factual position. On the request of our Prime Minister and the Government of India, the Swedish Government took the decision to conduct an enquiry by its National Audit Bureau. Now the Government of India has decided to constitute a Parliamentary Committee so that the names of the persons to whom payment has been made and to whose accounts money has been credited, may be brought before the people.

But today the people of opposition parties are retreating. Instead of debating it in the House, they want to picket here. Instead of submitting concrete evidences, they are depending on certain newspaper reports and articles by some journalists. If the opposition has any proof, any name, then please bring it before the House. Raise discussion on it and demand action on that. We are surprised on this point too that when the matter of their becoming member of the Joint Committee comes, then they pretend by one way or the other that more representation should be given to them, the Chairman of the Committee should be from their party and he should be given so and so powers.

17.00 hrs.

[MR DEPUTY SPEAKER *in the Chair*]

If they sit with the Government and have

discussion on some, selected issues in the real sense then there will be no doubt that no one wants to hide anything. If any commission or bribe has been paid, the factual position in this regard should come before the House and the people of the country. Our Hon. Prime Minister had categorically denied the involvement of middlemen in this deal. He had also assured the House that stern action will be taken against those who have received the payment. In the same manner when he received the report of Swedish Government, he again emphasised on the disclosure of names mentioned in the Audit Bureau report. What can be more open than this? When we can openly discuss all the issues of public importance on the floor of the House, then what is the difficulty with the opposition. When we are talking about the ratio of their representation in the Committee as per the well established Parliamentary conventions, the opposition is retreating. Above all, our opposition is also divided on this issue—some are favouring and welcoming the constitution of Committee, some are asking for the Chairmanship of the Committee and some are demanding more representation of their party. Instead of making it a controversial issue, we should sit together and create a cordial atmosphere. There are no two opinions that facts should come out.

So far as corruption is concerned, this is for the first time since 1981 that in 1984-85 the Defence Ministry strictly followed the principle that in any international defence deal no middlemen would be accepted by the Government of India and no role would be played by any middleman in such international deals.

In the past also, many deals were concluded and suspicions arose on those deals whether it was Jaguar deal or Sale of Gold but neither any demand was ever made for any enquiry nor any powerful Commission under the Chairmanship of a Supreme Court Judge or a Joint Committee like this was ever constituted. The

reason for this is that our Government's intention is very clear and Prime Minister has clearly stated that whosoever is found to be involved in it will not be spared. Opposition should co-operate in this matter and bring forward information based on facts before the Committee. This is our opinion.

Apart from this, if we consider the procedure adopted in the defence deals for purchase of defence equipments, we will find that such decisions are not taken at the political level. Such decisions are taken by the experts in the Defence Ministry after ascertaining the needs of the country, utility and quality of the equipments available and after rigorously testing the equipments in different conditions. No deal is finalised before-testing the quality of the equipments. We will have to go into the background of the Bofors deal deeply. Negotiations were going on for the last so many years to purchase the 155 mm Guns. When our neighbouring countries have already acquired weapons having a firing range of 30 to 40 kilometers and when security of our borders is threatened, we can not defend our borders by using a gun having a firing range of only 5 Km. or by using old and outdated weapons. In the circumstances, our defence experts and commanders felt the necessity of acquiring a long range gun and they had been suggesting to the Government from time to time to acquire this gun in view of its utility and suitability. Today, if we are raising accusing fingers against it, it tantamounts to question mark against our security system. Today, the morale of our defence forces is highest in the World. Hon'ble Members of opposition should think about this aspect also. In such matters, we should work like a team and no one should be allowed to take any political advantage out of it. We should try to find out the facts and take action against the culprits.

It is observed that our opposition colleagues are side tracking the main issue and trying to derive political benefits out of it. Efforts are being made to malign the

[Shri Pratap Bhanu Sharma]

Government and implicate the Prime Minister Shri Rajiv Gandhi in it. Today, the persons who themselves are involved in many scandals and corruption charges have come in the fore-front to level such charges. We will also have to see whether Bofors Company is really a culprit in this deal and if Swedish Government gives protection to them, we will have to devise ways and means and pressurise them so that they are unable to achieve their designs and the truth comes before our Government and our Committee. No one has made any query or given any concrete suggestion in this regard. On the contrary, efforts are being made to take political advantage out of it and create an atmosphere of suspicion. But when the truth comes out, the opposition will be greatly disappointed.

AN HON. MEMBER: Anyhow, truth should come out.

SHRI PRATAP BHANU SHARMA: When in accordance with the Parliamentary traditions, our opposition colleagues can freely express their views in the House in spite of massive majority of Cong. (I) and Ruling Party members hear them patiently and extend them co-operation, why they are agitated over the representation given to them in that Committee in accordance with their strength. The people have only that much faith in them. Why do they say that they should have been given more representation in that Committee and Chairman of the Committee should be from the opposition. According to our Parliamentary conventions, we have to honour this committee. The recommendations, observations and suggestions contained in various reports of the Parliamentary Committees, whether it is Committee on Public Undertakings or Estimates Committee or Public Accounts Committee, have always been given due consideration and no one has ever opposed them. I think, the motion moved by our Defence Minister Shri K.C. Pant, in the House is quite comprehensive and it makes the intentions of the Government clear. The Committee being set up through

this motion will go into the question of commission or bribes paid to certain individuals by Bofors Company after the agreement was entered into with them.

In the end, keeping in view the arguments advanced by the opposition and the firm determination of the Government to go into the question of payment of commission to certain individuals by Bofors Company in violation of the agreement with a view to find out the facts and take suitable action under the law, the appointment of this Committee is most desirable. The opposition should not adopt a negative attitude in it and on the contrary it should extend full co-operation in the matter so that we may maintain our Parliamentary traditions and work as a team to find out the facts and bring true picture before the countrymen. Political gains can't be above national interest. The opposition has presented the facts in an exaggerated manner which are far from the truth. They have simply quoted some newspapers in support of what they have said. They are perhaps expecting some news from Sweden Radio like before. They have already wasted one week's time of the House and intend to take a day or two more. This is not proper. I feel, the Government has taken a right decision. All the ruling party Members have hailed the decision of the Government that a Committee should go into it. Those who have violated the agreement and the Indian laws should be awarded severest punishment. I would also like to point out that security requirements of the country and the atmosphere being created around the country by some big powers compel us to arm our defence forces with latest defence equipments and keep their morale high so that the security of the country can be guaranteed. In view of the above, we should not do anything which may demoralise our defence forces and jeopardise our security arrangements. We should proceed with this belief and strengthen our Parliamentary traditions. So far as formation of the Committee and its scope are concerned, the opposition should give it a serious thought and co-

operate with the Government in the matter.

With these words, I conclude.

[English]

DR. DATTA SAMANT (Bombay South Central): Sir, corruption is becoming regular in this country. It is coming to a little higher level and when there is a slightest suspicion that the highest level in this country is involved in corruption including commission or bribe, I think, it is the duty of this Highest House to go into all the details, find out, notify it and bring it before the public. It is not at least my intention to bring somebody and criticise somebody. But the whole thing is happening in the last 5 or 6 months, let it be Fairfax or Submarines. Even I have got certain evidence, certain things about whatever the defence projects executed from 1983 onwards in this country. But I am coming to this point.

This Swiss Radio is announcing and giving the exact date, the time and the amount of corruption given in second decimal. It is not only that. But subsequently, at the request of the Indian Government, the Swiss Government had appointed the Swiss Audit Bureau. And this Audit Bureau made investigation and admitted it. It is done by their Government. It says that as per the Swedish Bank, Skandinaviska Enskilde, which is of the Bofors the money is transferred from this Bank to the Swiss Bank. In that, some middlemen were there and money is put on the Swiss Bank on some others' names. Actually, there is no question of finding out whether the money is paid. Rs. 35 crores to Rs 50 crores money has been paid from the Bofors account to Swiss Bank. This money has been transferred in the Swiss Bank in the name of certain people. That is already found out. That is the case, at present.

Subsequently, it is going further. If you see all the consequences that happened in the last two or three months, it is quite

interesting. I think, everybody has to take note of these things: that the Defence Minister is resigning; the Minister of State for Defence is resigning; the hon. Member, Mr. Bachchan, one of the Members of the House is resigning. One of the so-called middlemen, Mr. Chadha who has made affidavit in the Delhi High Court and who has admitted that he was taking Rs. 2 lakhs per month, up to 1990, who was fixed for as Bofors agent for booking hotels, cars etc., has disappeared. I am not going into the details. He just disappeared. He was here till recently. The Government knows that this man is involved. If the Government is sincerely desiring to find out the details, he was the best man to have detained and interrogated. I am making the charge against the Government that the Government has not arrested him or detained him. They allowed him to go out and now they say, he disappeared. Four days back, I saw in the TV the photographs of missing person, Mr. Chadha and sons. It is just shown to create a case that they wanted to arrest him but he is not here. All such consequences are there.

Mr. M.R. Rao, Liaison Officer of the Bofors in India, an ex-Navy Officer was working for Bofors for the last two years. He was staying in Maurya Sheraton. He is missing for the last one month. Above all, there is one Martin Arbdö who has negotiated on behalf of the Bofors and he was in India last year when the deal was struck. When all such things had happened, this man Mr. Arbdö has resigned from the Bofors and disappeared. If you take note of all these consequences one by one, it would be very clear to you, the Swiss Radio announcement, the Swiss Audit Bureau giving the details regarding fixing money. Further, they have not given information. It is dot, dot. Under whose name the money is paid, it is not known. Then, subsequently the resignation of two or three Ministers, resignation of the Member, disappearance of this man, disappearance of Mr. Rao, and the resignation of one Mr. Arbdö from Bofors who had been dealing with Bofors in India,

[Dr. Datta Samant]

all these things had happened. You forget of *prima facie*. I am not a lawyer. But the money is paid to the extent of Rs. 50 crores. Money is accepted by somebody. It is transferred from Swedish bank to Swiss Bank.

Now the question is coming. Is it not a single duty of this Government to find out who has done this deal and on whose name this money is lying in the Swiss Bank? I am asking this Government, what honest efforts have they taken in the last three months. In the statement of the hon. Defence Minister, he said that on April 20, 1987, Shri Ozha, our Ambassador in Stockholm met the representatives of Bofors. He tried to meet the Executive of Bofors. He tried to meet the External Affairs Minister. He tried to see the other Minister. Have you given authority in writing? You say, you are making efforts. You are making your case, as Mr. Chadha disappeared. You are making your case in your statement that Mr. Ozha tried to see so many people, the bank people, Government people but nobody has given us the details. This is an indirect way of avoiding and hiding. The Government is not honest to make their sincere request because they do not want that his name should be disclosed and, therefore, I am making the charges against this Government.

I am coming to Committee. The Committee is appointed as Government wants. How this committee is going to function? Whom are you going to summon? Chadha has disappeared. The Fairfax man has disappeared and resigned.

PROF. MADHU DANDAVATE: Even Mr. Brahma Dutt has disappeared.

DR. DATTA SAMANT: Hon. Defence Minister is not here but I am told, subject to correction, that the files and details of the Bofors which were in the Defence Ministry, are also not traced and are disappearing. Whom the Committee is going to see? I want a reply to this. As per my knowledge,

subject to correction, the files, the details of the agreements, are also disappearing.

PROF. MADHU DANDAVATE: Only the former Defence Minister is disappearing.

DR. DATTA SAMANT: If this is the state of affairs, how this Committee is going to function? This is democratic committee. You call us and ask us, "Have you seen that somebody is taking money?" How can I see? While making such transaction, is anybody going to give evidence? And then you will say that there is no evidence at all!

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL): You say that the files are missing. It is not correct.

DR. DATTA SAMANT: All details are there with you! Is the Committee empowered to go and study details of each paper of the Bofors in the Defence Ministry? I do not think. Nothing is clear. The Committee is going to call 3 or 4 people. They will not give evidence. The Fairfax Committee, with Shri Natarajan, is appointed. You know the fate of this Committee. They have summoned and gave a questionnaire. Shri Gurumurthi who is involved in this affair refused to come before this Committee. He refused the summons. Hershman who is involved in the inquiry refused to appear before this Committee or he refused to give the forms which were to be filed. That is the fate of the Fairfax Committee appointed by the Supreme Court judge! Who is going to give evidence and come before this Committee to find out the facts? These are my allegations.

It seems that the treasury benches and the Government is not much interested to find out these things. If at all, I will not be there on the Committee. There is no question of my being on the Committee. If I want to go to Sweden or America, I can go. My workers can give that much money.

But some allegation is made by the Bengal M.P. that Opposition wants to be on this Committee and to move about the country. That is why, this Committee is being appointed. I never accept this allegation. When this Committee goes to Sweden, Bofors is going to say that this is my professional secrecy. I mean that is his professional secrecy. If you go to Sweden, they will say, it is my business secrecy. I think this Government wanted to maintain professional secrecy and business secrecy, because they do not want to disclose who has taken this money from the Bofor bank to the Swiss Bank and in whose name this amount is put and, therefore, if at all the committee is appointed, without terms of reference and without giving it wide powers, after three months, these people will refuse to give evidence and again our Prime Minister will ask "Has Opposition got any evidence?" I do not know. The entire thing is done in the Defence Ministry discussions.

Money is transferred to Swedish Bank. Shall we go and see it? You want evidence how this money is given. Shall I see this money is given? I do not know. What is this argument?

Now the Audit Bureau has given the report and they have admitted the fact that the money is transferred. Subsequently, there are a number of developments taking place. Because this Bofors are in the bad books of the Swedish Government and they have started inquiry regarding whatever they have supplied to Rangoon and Singapore, why not the Government demand all these details from them? They should continue this process. They should also ask for these details from our Indian Bofors dealers also.

Sir, I have got some more details. I would like to give them now. The Swedish Government and the Chief Prosecutor of Sweden has launched a pre-trial investigation into the Bofors Defence deal itself. They have already started this enquiry.

The pre-trial criminal investigation enquiry has started. In this connection I would like to put forth one important thing to this august House i.e. why not this House pass a Resolution unanimously and ask: "this is the desire of this Parliament which is the highest body of the land; this is the desire of all the 70 crore people of India that similar to that of the pre-trial enquiry prosecution, you start an enquiry regarding to whom the money was paid in the Bofors deal, as far as our India is concerned". We can pass a Resolution like this. I am making this demand. Instead of appointing this Committee which is not going to work out anything in future, I think that if you could put pressure on the Swedish authorities, something useful can be brought out. Why I am saying this is because of the fact that the ball is now in the court of the Swedish Bank and the Swedish Government and not with the Indian Government. This is the demand I am making before the hon. Minister. Again, I would like to reiterate that this House, instead of appointing this Committee, can pass a unanimous Resolution requesting the Swedish Parliament to ask the Government of Sweden to release, in full, the portion of the National Audit Bureau's report which the Government of Sweden has withheld. I do not have any suspicion. On the contrary, I am making the accusation against our Government that it is indirectly telling the Swedish Government as to not to disclose the further portion of the report. The Swedish Government has got the National Audit Bureau's report and it has also got the two pages of the report which says that 'A has given to 'B' and 'B' has given to 'C'. It is not a case of *prima facie* suspicion. It is a proof that the Government authorities want to delay the whole matter. We can come to this conclusion from the way how the Government authorities are dealing with this matter. These things are going to happen in this country. We can definitely look into the matter and find out the truth.

Sir, I will not take much of your time. But there are one or two things which I would like to put before this august House.

[Shri Datta Samant]

Certain things are happening. I think, Shri Unnikrishnan has mentioned about them. I have got certain details about the defence budget from 1976 onwards. During 1976-77, our Defence budget was hardly Rs. 2600 crores. After a period of 10 years, it has gone up to Rs. 12500 crores. During the year 1983, the contract for the supply of 90 Mirage-2000 aircraft—which has been done to counter the challenge of U.S. F. 16s being supplied to our neighbours—ran into Rs. 3500 crores. I am making a request in this House that even this thing may also be included in the terms of reference. Enquiry on this matter should also be done, as to how this contract has been given etc. In the year 1984, a contract worth Rs. 3000 crores was entered into in order to purchase the British Harrier vertical short take-off and landing aircraft for the Navy with Sea King Helicopters and Sea Eagle missiles. The amount involved in this deal was Rs. 3000 crores. In the year 1985, for the supply of 21 Westland Helicopters, The Government has spent about Rs. 65 crores and the purchase of the aircraft carrier Hermes cost about Rs. 150 crores.

Sir, I would like to say that it is quite disheartening that during all these years, in the defence purchase, such type of things are happening and middlemen and some agents have been involved. It is not a question of corruption. But, apart from this, it is a demoralisation of our military.

The third point is this: if such type of things are repeated, agents like Shri Win Chadha are knowing your details. Regarding the Bofors gun deal, could you tell us that the version of Shri Win Chadha is correct? The Prime Minister is telling us that everything is secret and it cannot be disclosed in this House in the interest of national security. But everything can be disclosed to Win Chadha who is as an agent of Bofors, in this country. This is the fate of the defence of this country. People who came in-between while the contract process was going on, all such people have intervened. There is no secrecy of our

defence. Secrecy is for us, for the Members of Parliament. Crores of rupees are being spent on the defence purchase deals. When the contract with Bofors was signed and when the contract was terminated and when the further things happened, with all respect, I would like to say that the Prime Minister Shri Rajiv Gandhi was in the control of the Ministry of Defence. I do not want to make any allegation. When the highest man of this country, who is the Prime Minister of this country, was there, during his regime, all such things—1,2,3,4,5,6, and 7— have happened. Therefore, it is for you—and not for me or for the Opposition—to show that you are honest. You are in the glass chamber and you have to show that you are honest. I think, that is what is required. Therefore, at any cost, it is for the Government or the Treasury Benches to tell us, the money from Bofors has been taken by such and such people and that it is lying in the Swiss bank in the accounts of these people. The Government can do this in one minute, and no law will come in between. We are the buyers from Bofors. Let us pass a Resolution: "We are the buyers; you, M/s. Bofors, do not have the professional secrecy; you give us the information in whose names the money has been transferred". You can pass a Resolution and tell the Swiss Bank and even the Swiss Audit Bureau. You can pass a Resolution and make a request to them that they may start a pre-trial prosecution against those who have taken the money as they have already launched against Bofors in respect of supplies to Singapore and other people. Even that sort of a criminal prosecution will solve the Bofors issue. I am afraid, the Treasury Benches and the Government are not prepared to do this thing because they know that the highest and the top people are involved in these. I am making this accusation. That is why they are avoiding to give evidence, that is why they are delaying this inquiry, that is why they want to have this type of a Committee with such terms of reference. Are they going to call the MPs to give their evidence in all these dealings? The Prime Minister must be called because he was

the Defence Minister then. Everybody is equal before a Committee. Are you going to call the Prime Minister before this Committee? Whom are you going to call? I do not know who is going to be called. This is just a white wash to avoid it. After three or four months, on the T.V. and the radio the Government is going to come out with a statement: "A highest Committee of MPs was appointed and they had gone to Sweden and everywhere, but it is regretted that nothing has been found out". Therefore, to get a clean chit, the Government is making all these efforts—just to save their skin. I am accusing the Government of this, and I ask them to withdraw this Motion.

Thank you, Mr. Deputy-Speaker, this time you have given me more time.

MR. DEPUTY-SPEAKER: I have always given you enough time and not only this time.

[Translation]

SHRI VIR SEN (Khurja): Mr. Deputy Speaker, Sir, a number of hon. Members in the House might have studied the English literature. They might have heard the name of Sheridan a writer. He has written some plays. One of the plays he has written is "School for Scandal". The only business of the School for Scandal was to create a scandal and start discussion on it everywhere. What I feel is that the House is being treated as a school for scandal by our colleagues sitting on this side. On getting a small hint, they start making uproar over it. Whatever scandals are raised, it is very peculiar that we take them as authentic and accept them. Even in Ram Charit Manas, there is a reference to Sita who had to face an ordeal only because a washerman said that he could not keep a woman with him who had lived with some other person. Similarly, these scandals are being brought and they are fully relied upon even if there is not an iota of truth in them.

In the report of the Audit Bureau, it has been stressed that there is truth in it. I have nothing to say if our colleagues sitting on the left believe it, but I regret to say that even people of Government side also believe it and a mention of it has been made in this note. We should deliberate as to what type of report is it. We have never come across an audit report which was prepared without going through the records and without checking the accounts. It has been stated in this report itself that neither the accounts of the Bofors were gone through nor the accounts of the Swiss banks were seen. Perhaps this report has been prepared on the basis of oral statements. How a report which is not based on facts can be relied upon? Should we believe if anything is said or any report is submitted without being based on facts. We have never seen a report such as this which is not based on facts. A report which is not based on facts can not be accepted as an audit report. There is not a single word worth believing in it.

There is, no doubt, a mention in the report that it appears money was given. At the same time, it should also have been mentioned what amount was given. It is not clear from it as to whom money was given. It is not known as to how our people have believed it. Anybody who believes this report and says that this is an authentic report, I would like to make an appeal to him and request him that first of all he should understand that no report is possible without going through the records and without going through the accounts. Can a report, which is not based on facts, be called an audit report. A report not based on facts can not be treated as Audit Report and relied upon.

The entire arguments of our opposition parties are based on this baseless report. On the basis of it they have made a futile attempt to prove that all the people here are criminals and culprits. Can they define the often used term kickbacks. Kickbacks means repayment to buyer as consideration with a view to win over the contract. If it is misinterpreted and allegation is clandestinely made against people head-

[Shri Vir Sen]

ing the Government, I do not consider it to be a right thing. This way something can be pointed out but it does not prove anything whereby it could be said that any of the Ministers in this Government or the Prime Minister had received any kickbacks. Doubts can be expressed but it is not proper to make any allegation because this report has no authenticity. The report, of course, gives an impression that some middleman has received some consideration.

There has been prolonged discussion on "winding up charges". It was said that there was some agreement before arriving at the decision and some issue was there. But there is no concrete proof of it. Efforts have been made to make comments only on the basis of that report. Everything is being said on the basis of it and allegations and counter-allegations are being made. If any allegation is proved as to which agent took money, then only it will be possible to know as to who are the people and officials of Governments who have links with them and who have received consideration. But this also requires some concrete proof. I am of the view that we should say something on the basis of concrete proof and we should not talk in the air. We should not believe the hearsay. It will be in the interest of all of us. If we go on accepting every baseless allegation then it will not be proper and we will not be able to protect our high traditions.

One thing appears to be very funny in this matter. Once or twice earlier also I tried to draw the attention of the House towards it while taking part in the debate so that the correct position is brought before the House. No manufacturing company or a business concern will admit that it has paid any consideration for getting the work done. No one would like to spoil his credibility by his own words. No Government of a country will ever want that any aspersion is cast against any industry of that country so that no other country in the world is prepared to establish business connections with it. Despite all these things, if the Swiss radio said something

and we people make allegations in this House that the Bofors company gave money and kickbacks, nobody, can agree to it. After all what was the purpose or objective behind it? Why a Government, a radio or any agency should say something against its own national interest? It appears to me that there is nothing behind it.

I would like to make one more submission. Whatever information has been given, whether it is through the radio or any other media, it was given in pieces so as to make the issue live. Once it was said that kickbacks were given and this was included in the agreement. Later, it was said that it was included in the annexure. These details were given after a gap of two to four days, so that the issue remains live and agitation may continue. It appears to me that if anybody says anything against the national interest, then it is crystal clear that there is definitely some source or agency behind it which is trying to destabilise the country by making allegations. If time and again the talk about the destabilisation of the country is repeated, then it will have to be made clear as to why this thing is going on and why the information is being furnished in pieces time and again. There is definitely some agency or source which is bent upon defaming the Government and thereby create destabilisation in the country.

This thing is going on for the last several days. The opposition emphasised the need for a Parliamentary probe into this issue in the last session of the House. I think, the audit report had not come to light at that time. People were apprehensive that it will make a big disclosure but the report reveals nothing. There is a proverb in English—to develop cold feet. Now these people say that they will not participate in it. I say why they have developed cold feet? It is because they know that nothing will come out of this probe. They have come to know that no Minister is likely to be adversely affected by this report. The opposition has been emphasising the need for a Parliamentary probe during the last

few months but now they say that probe is not required. It is because it is now clear to them that none of the Ministers in the treasury benches will in any way be affected by this probe. They have been saying, that the names of those persons who have taken money, should be made public. The present proposal contains the same thing. The names of the people, who have taken money, may be ascertained and action taken against those people. Action should be taken against those people who have violated the law of this country and accumulated money. They are backing from it now. They are asking about the powers of the Committee. I say that the Committee is vested with the requisite power to call any officer.

Our colleague Shri Datta Samant has said that the file itself is not traceable. I want to know whether Shri Datta Samant is a clerk or a peon in the Defence Department—who has full knowledge about the movement of the files. If the file has been actually lost, the proposed Parliament Committee can call for the papers and if the papers are not made available, then the true picture will be revealed. But as Shri Patil has said, no paper has been lost. Hence everything will be crystal clear in due course of time.

Now the issue which is being raised is as to what is the contribution of the Bofors in the amounts deposited with the Swiss banks. Now the plea of confidentiality is being repeated time and again. This is a matter which concerns two sovereign States. Both of them have got their own laws. I am of the view that whether it is the Parliament of India or the probe Committee, it cannot change the laws of Switzerland. Regarding confidentiality, when in India there is a law that deposits in a bank can not be disclosed, they can also have a law in this regard. I feel it is not possible to ascertain the facts from the banks. But the accounts of the Bofors can be gone through. The accounts of the Bofors can be checked by making a request to that

Government. It can be ascertained as to whom they made the payment. Therefore, the hon. Members who are apprehensive about the findings of the probe Committee should keep this fact in mind. I feel, through the good offices of the Government and as the hon. Members have suggested by pressurising them we can scrutinise the accounts of Bofors and find out the recipients of the kickbacks. After the persons involved are identified, the Government can no doubt take stern action against the culprits. Our Prime Minister and other Ministers have repeatedly emphasised that strict action will be taken against the culprits and those people who deserve punishment will not be spared.

Audit Bureau report would have revealed all the facts if we really wanted but they have tried to conceal the facts. If the Parliamentary probe Committee goes into it and Opposition Members extend their full co-operation in it and join the probe, then there is no reason why the truth can not come to light. Once the truth comes to light, appropriate action can be taken against the culprits. There is no doubt about it.

A demand has been made here that the Attorney General should be called. I want to submit that there is no difficulty in calling the Attorney General, but the opinion of the Attorney General will be an expert opinion. Expert opinion of a legal luminary, whether it is given by an Attorney General or any other dignitary in India or elsewhere, does not carry the weight of law or have any legal value. Opinion is only advisory in nature. Hence, it does not make any difference whether the Attorney General is called and questioned or not, because his opinion cannot be a legal interpretation.

In case, a matter is referred to the Supreme Court for their opinion, the opinion of the Supreme Court also cannot be legally enforced. The Supreme Court itself can reject that opinion when a case comes up before them. It will be recalled

[Shri Vir Sen]

that once a dispute arose between the Uttar Pradesh High Court and the State Legislature. In that case, the opinion of the Supreme Court was not acceptable to the High Court. Hence the opinion of the Attorney General also does not carry any special meaning. Similar is the position in the case of our Attorney General also. Likewise, it will not make any difference even if Attorney General of Switzerland is called to give his opinion.

Lastly, I would like to say that our opposition colleagues are very much concerned about our image. They are also worried about the black clouds hovering around us and want to clear them. In this context, I want to make it clear to them that it is our concern and we will see how to clear the clouds. Whatever clouds are there, they will disappear automatically in due course of time because they contain only dust. Not to speak of only one issue, i.e. the Bofors, all those issues which have no weight or truth, will disappear automatically like the dust. This Bofors issue will not last for more than six months.

Now I want to say something about this Committee. As has been said by other colleagues and as all of us know, accusers cannot be judges. It is a well known fact that if somebody is an accuser, he cannot sit in this committee. But if he sits as a Judge, we are prepared to give him powers and he can decide as to who is the criminal and who is the culprit, who has committed a crime against the country so that he can be punished. We are prepared to give this power.

I am of the view that all of us should wholeheartedly support this motion because this Government and this House is giving us powers in regard to all those things about which we have doubts and apprehensions in our mind. Hon. Members themselves can find out the truth and the reality.

With these words, I support this motion and also appeal to the hon. Members of the Opposition to support it whole heartedly.

[English]

SHRI V. SOBHANADREESWARA RAO (Vijayawada): Mr. Deputy Speaker, Sir, I thank you for giving me an opportunity to participate on this very important issue which is drawing the attention of the entire country. I believe it is an issue which has drawn the attention of millions of people throughout the length and breadth of the country

An earlier occasion was the nationalisation of banks which has after all gone even to the common man—the poorest man, the agricultural labourer, the rickshaw-puller in this country. Now this is another issue next to that. Whether my friends on the other side would agree or not, it has gone to the imagination of the poorest of the poor in this country. If they want, they can have their own information—intelligence reports—on how people are thinking, how different sections of the people are reacting to this vital issue.

Sir, unfortunately the ruling party is trying to divert the attention of the people from this important issue. Many a time, they are utilising this bogey of forces of destabilisation at work. Whenever they feel their interests are in danger, when they have failed in certain duties, they try to raise this bogey. You know only the other day, several hon'ble Members had brought photostat copies of a magazine in which the information says that CIA has a scheme to destabilise the Government of this country. Not one or two, Sir, a very large number of people had displayed the magazine's front-page coverage. Then the embassy has contradicted. One of our colleagues had brought it to the notice of the Hon'ble Speaker. A responsible man, who was in the Cabinet, has run down our colleague in the terms which I need not mention again. That is how they are trying to divert the attention of the people.

Some of our colleagues on the other side have been saying: "Give us some proof, give us the information, certainly, we are

going to act on that". How can the ordinary people of this country, the Members of Parliament give the information which is not known to the Government, which is a powerful organization, which is having all powers in its hands. It is only when a Swedish National Radio agency broadcast something, and it was reported in the press, we have brought it to the notice of the Government through this august House. I would not repeat what several of our colleagues have mentioned during their speeches. I would like to say only a few points.

First of all, some of the hon. Members of the ruling party tried to criticize the genuine fear of the opposition about the fake representation in the Committee. Ours is a Parliamentary democracy and representation to several political parties which are functioning in this country will need to be given. As you know, the chairmanship of the Public Accounts Committee is given to the Opposition. Now, you are having four-fifth of the membership with you. The chairmanship of the Public Accounts Committee to a member of the Opposition is with the noble intention and that is that the Committee will act very effectively and it will examine how the revenues are being spent, whether there is any wastage, whether the amounts are being spent as per the budget allocation approved by the House. Therefore, I see no reason why the Government and the ruling party should not accept the suggestion of the Opposition for granting the chairmanship of this Committee to the Opposition side.

Such a Committee is going to be appointed by this House for the first time in the history of Parliament. I need not repeat the terms of reference indicated in the motion. I would only like to refer to one important aspect which makes us to feel that the terms of reference should certainly be expanded to cover the way in which very huge money, nearly Rs. 40 to 50 crores, was said to have been given to a Swiss agency regarding this arms deal. With the present terms of reference to inquire into and determine the Indian laws,

rules and regulations and so on and so forth, I feel it will not cover that aspect which is a very important one. Earlier, when the discussion was taking place, about news is said to have been given by our Embassy abroad regarding payment of commission to an agent to the tune of seven per cent. In the discussion that took place, I raised this matter and said that about a year back in May 1986.

18.00 hrs.

Serious doubts were expressed regarding the payments to some middleman or agent by Bofors/as well as about the efficacy of these guns which were expected to have 30 Km range. Unfortunately, on that day the then State Minister for Defence, Shri Arun Singh expressed his pains that the Opposition has no faith in his patriotism or his integrity. We are not talking of patriotism or integrity. But, the fact remains that these doubts have to be clarified by the Government of India, which is a feature of very serious consequences. Sir, the moment the news was given by the Swedish National Radio Agency, the Government was trying to say of and on that there was no middleman; there was no agent though by April 24 itself Bofors have given the information through a letter to our Embassy there that the Government is in know of things by that date itself. Certainly the news that was emanated from that radio agency was not baseless. Unfortunately, the Prime Minister of this country told the Army Commanders that "the Bofors deal was meticulously handled" and that "Sweden has confirmed that there was no middleman and no money was paid in Swiss banks." This was the statement given by the Prime Minister to the Army Commanders even after the fact that the Government was aware that something has gone wrong: this Bofors Company has paid some money either in the name of winding-up costs or in other name to some people in India as well as abroad.

MR. DEPUTY SPEAKER: Please wind up.

SHRI V. SOBHANADREESWARA RAO: This has raised serious doubts. And the very fact that a team of high level official persons from Bofors wanted to come to this country and clarify certain things but Government denied their request, further confirmed the serious doubts. The letting off Mr. Win Chadha from this country has further confirmed the doubts that the persons in very high position are involved in this deal and that is why he is allowed to escape from the country in spite of the fact that he is an official Bofors agent in this country. This matter was brought to the notice of the Government as far back as April 16 and by further information from Bofors on April 20.

MR. DEPUTY SPEAKER: Please wind up.

SHRI V. SOBHANDREESWARA RAO: If the Government really desire to bring forward the facts, or to inquire as to who are the persons or the agents who have received the commission, it can do so. Sir, there is one important tool in the hands of the Government. Actually, in the statement made by the Minister of Defence on 24 April, he said that the Government of India would disqualify the firm, in case it came to the notice of Government of India that an agent had been appointed by the foreign firm. The Swedish Audit Bureau has emphatically made it clear that there are agents to whom the Bofors Company has given enormous amounts belonging. India also has given much more amount to some firms located in Switzerland. Only the Bofors and some persons in our country might know as to what purpose and to whom these payments were made.

MR. DEPUTY SPEAKER: Please wind up, Mr. Rao.

SHRI V. SOBHANDREESWARA RAO: If our Government asks the Bofors to supply all relevant information, failing which the contract will be cancelled, then the Bofors has no other alternative. It will certainly give all the information contained

in the dotted portions, left out by the Audit Bureau in its report.

Finally, I would like to say just one thing. It is not because we demand or it is not because we suggest, that this must be pursued. The Prime Minister happened to be the Defence Minister also, when the agreement was signed. It is amply clear that moneys are given. The names of the agents may be known or may not be known to us now. But it is a fact that the terms of the agreement were violated and the firm did not stand upto them. It is a clear failure on the part of the Government and on the part of the Defence Ministry. So, I would say that the Prime Minister who gave a clarion call to his party members during the Congress Centenary Celebrations at Bombay to fight corruption with no bars held, should resign voluntarily. It is the moral duty of the Prime Minister to step down voluntarily from the post of Prime Minister to enable the inquiry to be conducted in an impartial manner so as to bring out the facts.

(Interruptions)

MR. DEPUTY SPEAKER: You please wind up. I have been telling you for the last 20 minutes I cannot allow you to go on

SHRI V. SOBHANADREESWARA RAO: Just one last sentence Sir.

MR. DEPUTY SPEAKER: I gave you 20 minutes. You should have finished. Shri Poojary is on his legs already.

SHRI V. SOBHANADREESWARA RAO: Shri Bir Sen has quoted the example of Sita Devi and a *Rajaka*. It is because the mighty emperor Rama had given so much value to the words of a *Rajaka*, that Sita Devi had to go through fire to prove her purity. It is only because of their highest ethical values that Rama and Sita continue to be the ideal models for millions of people in this country, even after so many centuries. I think, if this Government does not subscribe to any such moral values, then they do not have the right to continue.