

[Shri K. Ramachandras Reddy]

[Need to construct percolation tanks, check dams and soil conservers to increase sub-soil water in drought prone areas in the country.] (17)

"That the Demand under the Head Ministry of Water Resources be reduced by Rs. 100."

[Need to establish Water and Land Management Training Institutes in Anantapur district in Andhra Pradesh.] (18)

"That the Demand under the Head Ministry of Water Resources be reduced by Rs. 100."

[Need to develop and solve irrigation and ground water problem in Rayalaseema in Andhra Pradesh.] (19)

"That the Demand under the Head Ministry of Water Resources be reduced by Rs. 100."

[Need to introduce on a massive scale the sprinkler irrigation system in drought prone areas.] (20)

"That the Demand under the Head Ministry of Water Resources be reduced by Rs. 100."

[Need to bring more land under irrigation by using surface and underground water.] (21)

"That the Demand under the Head Ministry of Water Resources be reduced by Rs. 100."

[Need to allocate funds to energise all agricultural wells in Rayalaseema in Andhra Pradesh.] (22)

"That the Demand under the Head Ministry of Water Resources be reduced by Rs. 100."

[Need for liberal Central assistance to Anantapur and Chittoor districts in Andhra Pradesh for in-well bores in irrigation wells.] (23)

15.59 hrs.

DISCUSSION ON THE STATEMENT OF PRIME MINISTER REGARDING APPOINTMENT OF A SUPREME COURT JUDGE TO ENQUIRE INTO ISSUES CONNECTED WITH UTILISING FAIRFAX GROUP OF USA

[English]

MR. DEPUTY SPEAKER ; Now we will take up matter under Rule 184. Shri Somnath Chatterjee.

(Interruptions)

SHRI C. MADHAV REDDI (Adilabad): This is not the motion that was agreed upon to be discussed in this House. Moreover, we do not have any information before us. Information pertaining to the Fairfax Affairs is not before us. We thought that the Government would make a statement and on that statement there is going to be a discussion.

(Interruptions)

MR. DEPUTY SPEAKER : No, no. On the statement made by the Prime Minister only, members wanted to discuss something.

(Interruptions)

SHRI C. MADHAV REDDI : That could be under Rule 193.

MR. DEPUTY SPEAKER : It could have been discussed under 193 also. But many members suggested Rule 184.

(Interruptions)

SHRI C. MADHAV REDDI : We have a different motion. We have given notice for a different issue.

SHRI S. JAIPAL REDDY (Mahbubnagar) : All of us gave notice for some other motion.

(Interruptions)

SHRI BASUDEB ACHARIA (Bankura): We have demanded that a Parliamentary Committee should be constituted.

(Interruptions)

MR. DEPUTY SPEAKER : Nobody told that there is going to be a statement.

SHRI C. MADHAV REDDI : This type of Motion is no good. This type of Motion is nothing.

SHRI BASUDEB ACHARIA : What can we discuss now ?

MR. DEPUTY SPEAKER : What can we do now ? You only suggested that.

SHRI BASUDEB ACHARIA : How can we discuss, Sir ?

(Interruptions)

PROF MADHU DANDAVATE (Rajapur) : Sir, 193 can be a general thing. When a Motion is moved.....

(Interruptions)

MR. DEPUTY SPEAKER : 193 cannot be once again discussed. It has already been discussed. Under 193, we cannot discuss this matter.

(Interruptions)

SHRI INDRAJIT GUPTA (Basirhat) : Who has drafted this Motion ? This is not our draft. Our draft was different.

SHRI C. MADHAV REDDI : There are a number of Motions. which we have given.

(Interruptions)

MR DEPUTY SPEAKER : No, I will tell you. One of our Member has written like this only. Mr. Somnath Chatterjee has given this.

(Interruptions)

SHRI SOMNATH CHATTERJEE (Bolpur) : I gave notices of two Motions. One was for appointment of a Parliamentary Committee.....

(Interruptions)

MR. DEPUTY SPEAKER : This one we have accepted. We have accepted this only.

SHRI SAIFUDDIN CHOWDHARY (Katwa) : What about others ?

(Interruptions)

SHRI INDRAJIT GUPTA : Sir, the two can be combined, even now.

(Interruptions)

MR. DEPUTY SPEAKER : We cannot combine now. Already it is accepted.

SHRI INDRAJIT GUPTA : They are all arising out of the statement made on that day.

(Interruptions)

SHRI S. JAIPAL REDDY : We made a specific and concrete demand.

SHRI BASUDEB ACHARIA : These Motions can be clubbed. Both these Motions can be combined.

SHRI AMAL DATTA (Diamond Harbour) : It is possible to combine both.

MR. DEPUTY SPEAKER : Under 193, we cannot discuss the same matter because we had already discussed it. Another suggestion which the Hon. Member made was that under 184, we can discuss this matter on the PM's statement. That is what he had made.

SHRI BASUDEB ACHARIA : Under 184, you can combine both these Motions together.

MR. DEPUTY SPEAKER : Which Motion ?

SHRI BASUDEB ACHARIA : Regarding the appointment of a Committee.....

(Interruptions)

MR. DEPUTY SPEAKER : If you want to give anything new, you can give that only through a substitute Motion.

(Interruptions)

SHRI C. MADHAV REDDI : This is the Motion...

(Interruptions)

PROF. MADHU DANDAVATE : In addition to that, all of us have given this Motion that this House recommend setting up of a Parliamentary Inquiry Committee to Inquire into the FAIRFAX episode and related matters involving FERA violation and illegal accumulation of funds ..

(Interruptions)

SHRI S. JAIPAL REDDY : What are we discussing now ?

(Interruptions)

MR. DEPUTY SPEAKER : Mr. Acharia, please take your seat. This is the Motion, which was received by the Speaker and he had also accepted this only one motion. Therefore, there is no point. This was the Motion which we had received first and this was accepted. We will go through this one. That is all.

(Interruptions)

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

MR. DEPUTY SPEAKER : What is your point of order ?

(Interruptions)

MR. DEPUTY SPEAKER : He is on his legs. First I will call him and then I will come to you.

(Interruptions)

SHRI S. JAIPAL REDDY : Mr. Deputy Speaker, Sir, I believe that the names of all people who have tabled Motions under 184 were put to ballot. Our names were also put to ballot. But then our Motions were differently worded...

MR. DEPTTY SPEAKER : No, No.

SHRI S. JAIPAL REDDY : Sir, therefore, how is this Motion valid ?

(Interruptions)

MR. DEPUTY SPEAKER : I will look into that.

SHRI S. JAIPAL REDDY : Why were other Motions not put to ballot ?

MR. DEPUTY SPEAKER : There is no ballot in this. This was the Motion which was received first. Therefore, whichever Motion was received first was accepted. So, this is not permitted.

(Interruptions)

MR. DEPUTY SPEAKER : There is no ballot. So, there is no question of ballot here.

(Interruptions)

SHRI S. JAIPAL REDDY : Sir, you have not given your ruling. Under 184, it is not like that. What is the procedure ? You have not given the ruling.

MR. DEPUTY SPEAKER : That is the ruling. I have given.

SHRI S. JAIPAL REDDY : Sir, I want to know whether my name was put to ballot or not ? If my name was not put to ballot, then why was it not done ? Then, why was the Motion differently worded ?

(Interruptions)

SHRI SHANTARAM NAIK (Panaji) : Sir, in the morning, it was clearly mentioned what was to be discussed. Kindly allow me also to submit this.

(Interruptions)

MR. DEPUTY SPEAKER : I have to dispose first thing first, then only I can come to you. If at all we receive the Motions at the same time, then only the question of ballot arises. We had received Mr. Somnath Chatterjee's motion first. Therefore, that is accepted. There is no question of ballot here. That is all. That is my ruling.

(Interruptions)

SHRI C. MADHAV REDDI : There should be scope for substitute Motions for which no time has been given to us.

(Interruptions)

SHRI DINESH GOSWAMI (Guwahati): Will you listen to my point of order ?

MR. DEPUTY SPEAKER: What is your point of order ?

SHRI DINESH GOSWAMI: Under Rule 184 resolution for a Motion can be given. If you kindly look to Rule 191, the Motion shall have to be put to vote. The question is to be put at the appointed hour. Now, the Motion is that Prime Minister's Statement is to be discussed. Therefore, if this House, after it is discussed, supports the Motion and decides that the House should discuss Prime Minister's Statement, are you going to have another discussion on the Prime Minister's Statement. *(Interruptions)* Please, Please. I am not asking a hypothetical question. What are you going to put in this Motion under 191. This is the point.

(Interruptions)

MR. DEPUTY SPEAKER: No, no. *(Interruptions)* We have received one Substitute Motion also. That is given by Shri Bhattam. After Shri Chatterjee's speech is over, he can move that.

(Interruptions)

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT): There is no objection to the Substitute Motion being discussed. There is no problem for us. We are prepared to face any Motion that is accepted. *(Interruptions)*

SHRI BASUDEB ACHARIA: When you have no objection, Sir, why these two Motions have been clubbed ?

(Interruptions)

MR. DEPUTY SPEAKER: That when he is moving Substitute Motion, at that time he will give. That is all

(Interruptions)

SHRI SAIFUDDIN CHOWDHARY (Katwa): I have a different point. Now, Sir,

for some days, we have been discussing this issue. Today also we are going to discuss about the appointment of a Judge consider to the Fairfax issue following the announcement by the Prime Minister. The Deputy Finance Minister in the course of his reply said that they did not engage...*(Interruptions)*

MR. DEPUTY SPEAKER: No, no. That we are discussing at that time. Let us not take it up now. *(Interruptions)* You can speak Mr. Chatterjee.

(Interruptions)

SHRI H. K. L. BHAGAT: That is to be the Motion. What is wrong about that. We have no objection. *(Interruptions)*

MR. DEPUTY SPEAKER: During the discussion you can say that. Why are you now discussing ? *(Interruptions)* Nothing will go on record.

*(Interruptions)***

Nothing will go on record. *(Interruptions)* Mr. Chatterjee please, carry on.

SHRI SOMNATH CHATTERJEE: Sir, I only hope Mr. Bhagat...*(Interruptions)*

MR. DEPUTY SPEAKER: I will read Mr. Bhattam's Substitute Motion also.

"That the House may appoint a House Committee to go into all aspect of the Fairfax episode".

That is his Substitute Motion. That is all.

PROF. MADHU DANDAVATE: I was wondering whether that also referred to Fairfax.

SHRI SOMNATH CHATTERJEE: I hope Mr. Bhagat's statement that there is nothing to be afraid of, will be reciprocated by his fellow Members. *(Interruptions)*

SHRI H. K. L. BHAGAT: I wanted to make the position of the Government clear, viz. that Government was prepared for a discussion on any kind of Motion. That is

**Not recorded.

[Shri H. K. L. Bhagat]

all. (*Interruptions*) So long as the Speaker permits it, there is no problem. We are not fond of any voting. We are not fond of voting at all. If you want a Motion of that kind, i.e. if it is to be voted, we are prepared for a vote. I had said only this. (*Interruptions*)

PROF. MADHU DANDAVATE : You should catch their eyes, or ears—whatever you choose.

SHRI SOMNATH CHATTERJEE : Sir, I beg to move :

“That this House do consider the statement made by the Prime Minister in the House on the 3rd April, 1987 regarding appointment of a sitting Judge of the Supreme Court to enquire into the issues connected with the question of utilising the Fairfax Group of the United States of America”.

We are constrained to raise this issue again, as the whole country is anxious to know the truth of this matter; and the truth, again, appears to have been (*Interruptions*)

MR DEPUTY SPEAKER : Please order ...order please. (*Interruptions*)

SHRI H. K. L. BHAGAT : I wish to say one thing, viz. that the Speaker in his ruling had mentioned in the morning that nobody from any side should interrupt anybody.

PROF. MADHU DANDAVATE : There are only two sides; and the third side is the Deputy Speaker.

MR. DEPUTY SPEAKER : I have no side, Sir.

SHRI SOMNATH CHATTERJEE : The country is anxious to know the truth of this matter; and the truth, again, appears to have been made a victim by this Government, which is now limping with a guilty conscience. (*Interruptions*)

MR. DEPUTY SPEAKER : Please..... order please. No interruptions. (*Interruptions*)

SHRI SOMNATH CHATTERJEE : The right to know, which should be the unquestioned right (*Interruptions*) of the people of this country, and of this Parliament as representing the people of this country, appears to be an anathema to this Government. That is why an attempt has been made to keep the facts from this Parliament; and now to put a lid over a free and frank discussion of all the issues inside the House, and on a proper enquiry by a Committee appointed by this House.

We have demanded in the past, and we still demand, that an enquiry be held by a Committee of this House, as the matter primarily relates to questions which are of economic, political and procedural nature. There are no legal niceties or legal questions involved in the matter, that the Judiciary should be involved in the process.

The Prime Minister made a statement on the 3rd of April; and today we had another statement from the Minister of Parliamentary Affairs, which show that this Government is even unable to think coherently, and with a proper perspective. That is why it is coming out with statements in dribbles; and even with all the combined wisdom of this Government, they were unable to perceive on Friday last, that it was necessary to say what would be the legal status of the enquiring officer—which they did not mention on the last occasion. But by giving a statutory garb to the enquiry, this Government cannot remove the people's suspicions and doubts which they have. And what the people are saying is that a time-consuming process has been evolved only for the purpose of de-fusing the issue. What I have said on the last occasion has been more than justified by the subsequent events, viz. that there are many skeletons in the cupboard of this Government, which they wish to hide. That is why they want to take the matter out of the jurisdiction of this august House.

Sir, how did the matter arise? It all came to light out of some searches and arrests of two persons—one Gurumoorthy and one Janakiraman—and in the course of their remand proceedings, a letter came to light, which was produced very significantly by the CBI before the court. And that letter implicated several persons including high

government officials who have supposedly been participating in violation of the Foreign Exchange Regulation Act and also other persons. Now the letter was alleged to be a forgery by the supposed writer of the letter and a good deal of comments were made as to truth or otherwise of that letter. On the last occasion when we had that discussion, a very pointed question was put to Mr. Brahma Dutt to which, as expected, no reply was given as to how CBI got that letter in its possession and from which source; and when did CBI get that letter in its possession. Does CBI know that the letter is genuine or a forgery because on that finding and on the understanding of the matter by the government as to the genuineness or otherwise of that letter, the entire course of the enquiry will change. I would expect and hope that Shri Brahma Dutt has been at least given that much of information now to say whether that letter, according to the government, is a genuine letter or a forgery. After those things came out during the remand proceedings of the two arrested persons, a large number of publications came out, reports came out in newspapers and various periodicals. But then government watched all that as a dead and dumb spectator and never responded to the public query. Ultimately, the Hon. Speaker allowed a discussion in the House; and now it seems that thereafter the ball started rolling and rolling very vast. We are finding now contradictory statements from the Minister and this government; and the government now clearly appears to be on a panic run. (*Interruptions*) Let us see who laughs last and which of the Minister laughs last. I think your beloved leader dynamic leader has said that it is an important matter; and I am quoting him that "it is an important matter". (*Interruptions*) But he has donned the mantle of the Finance Minister of this country but he never condescended to appear and participate in the debate, which, according to him, related to an important matter, and which now calls for a judicial enquiry, according to the government. And now our good friend, Mr. Brahma Dutt was put forward as the sacrificial goat. (*Interruptions*) The absence of the Prime Minister was either due to his studied indifference to this House or he was not sure of his position.

Now Mr. Dinesh Singh, our distinguished friend here, a member of the House, as well as Mr. B. R. Bhagat, another disting-

uished member of the ruling party, both are former Foreign Ministers—and they have ex-Ministers by dozens—in their speeches clearly proceeded on the basis that this USA concern, which has CIA connections, had, in fact, been engaged. But both of them had tried in their speeches—as I have been in my humility, able to understand—to emphasise that they did not approve of that appointment. Their speeches meant that the Finance Ministry was in that matter remiss in appointing such an agency and the other most important aspect which came out from their speeches was that in any event the Prime Minister could not be held responsible for this appointment.

SHRI C. MADHAV REDDI : The King can do no wrong.

SHRI SOMNATH CHATTERJEE : And, the intended refrain of the speeches from the ruling party was that—as Mr. Madhav Reddi has just now said—he could do no wrong. Therefore, well, I do not know why Mr. Vishwanath Pratap Singh is so willing to stick his neck out and he has stuck his neck out and he has taken upon himself the responsibility as Neelakantha but I do not know whether he will be able to keep the poison suppressed within him or blow it out or throw it out.

During the discussion that we had, several Members from this side, our side of the House, put a number of specific questions. But none was answered. Sir, I do not know whether his today's brief will permit those answers to be given but I would again implore the Treasury Benches, implore the Government today to take this House into confidence and tell us when was this appointment made and how.

AN HON. MEMBER : And by whom, for what ?

SHRI SOMNATH CHATTERJEE : At what level was the appointment made ? At the highest level ? What was the enquiry made of this concern ? Was the enquiry of a general nature or with regard to specific sources for individuals ?

Sir, today we have seen Shri Bishwanath Pratap Singh's statement to the Press. He

[Shri Somnath Chatterjee]

had said and when he made it is feet were not on the mother earth but I hope it was not a flight of imagination that he was engaging himself in. I would not ascribe that to him because, we have high regard for him although he has been in the process being cut more and more to size. But, Sir, I would like to know what was the highest level at which the appointment was cleared. And then, whether any report has up till today, up till date, been submitted or not and if so what is the report. This matter does not pertain to any Defence secret and Mr. Vishwanath Pratap Singh, I am thankful to him for reminding the country that matters concerning the commission of offences of an economic nature by howsoever high a person may be, can never be a matter of secret nature. Therefore, you have to, today take the country into confidence, keeping with the present Defence Minister's categorical statement which is a correct attitude and I congratulate him for that, that it has nothing to do with the security and the integrity of the country or the safety of this country. Therefore, you must take the House into confidence and tell us who are the persons who are involved in this report.

It is being said that the report was submitted, that some information was received. Now, of course, Mr. Brahma Dutt—I do not know why he switched over to Hindi that day, his English is so good, but probably he wanted to be less articulate in answering the question. He said :

[*Translation*]

"Shri Somnath Chatterjee wanted to know the credentials, traditions and experience of the Fairfax. Sir, these things are enquired when we engage some one as our employee. We have not employed them. We do not ask for these antecedents from those whose capacity is of an informer only. They will give information and will get money for that. Therefore, nothing was asked from them."

[*English*]

What a wonderful confession of the total lack of thinking, total lack of functioning

and total lack of perspective on the part of this Government. And this is a confession by the Minister himself. I would like to know whether Mr. Brahm Dutt, in his temporary capacity as the Minister of State for Finance, agrees with his senior colleague in the Cabinet, the former Cabinet Minister of Finance, that there was an engagement and that the affairs of a particular company which Mr. Vishwanath Pratap Singh has named, were required to be gone into, not like what you tried to tell the House on the last occasion. Well, you waited for the information to come and what information came or did not come, you never told us. But Mr. Vishwanath Pratap Singh has categorically named a big concern whose affairs were required to be investigated by Fairfax agency, namely, the Reliance Industries. In today's papers it has come and if Mr. Vishwanath Pratap Singh has not been correctly recorded, one would have expected before the start of the debate that he should have clarified it as he did during his private intervention on the last occasion. None of those questions were answered. And if I am not misunderstood I will say in regard to Mr. Brahm Dutt that he is a glaring example of a good man in bad company.

THE MINISTER OF STATE OF THE
MINISTRY OF PETROLEUM AND
NATURAL GAS AND MINISTER OF
STATE IN THE MINISTRY OF FINANCE
(SHRI BRAHMA DUTT) : Not Fairfax.

SHRI SOMNATH CHATTERJEE : We had almost a comical reply from the Minister of State for Finance which suppresses more facts than reveals. Not a single specific question was answered on the simple ground 'what I can answer; there was no engagement of any agency'. Of course, his statement shows utter disregard for a person who may be employed as a domestic help in a house. However, even then his whole attempt and his whole answer was 'what are these questions to be answered because there was no engagement of an agency' which is of a dubious nature. Now, immediately after his speech, came the denial from the Chairman of Fairfax. And as I said a little while earlier, now is the statement of Mr. Vishwanath Pratap Singh. It has further appeared in the press that high officials of the Government of India went to USA for the purpose of

appointing an agent so that ugly facts could be revealed to the country, to the Economic Affairs Department. Even the Embassy of India in the United States was not aware of it. They did not even take the help of Indian Embassy in USA. And it appeared in today's papers that the Indian Ambassador in USA has even written to the Government here either protesting against that or enquiring about the procedure that was adopted. What is the method of this Government's functioning we do not know. We also read in the papers—well, Mr. Vishwanath Pratap Singh is not here now—about not so friendly conversation between Mr. Dinesh Singh and Mr. Vishwanath Pratap Singh, each accusing the other of stabbing in the back...*(Interruptions)*

SHRI K. P. UNNIKRIISHNA (Badagara)
Friendly exchanges.

SHRI SOMNATH CHATTERJEE : We have not been told about the method of appointment of this agency even till today. about the content of the report, what report was specifically asked for and what information has been given...

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI JAGDISH TYTLER) : Why do you not come out with something new ?

SHRI SOMNATH CHATTERJEE : If you are not happy, why do you not have a flight to somewhere else ?

We must recount the background of our Prime Minister's profound statement on the last occasion...

SHRI S. JAIPAL REDDY : He must be sent in a Donier.

SHRI SOMNATH CHATTERJEE : With the door closed I hope.

Then came Shri Brahma Dutt's *suo motu* statement on Friday morning. It is very important.

He said :

"Mr. Speaker, Sir, Government will make a statement on the issues connected with the Fairfax."

"Will make a statement on the issues connected with the Fairfax before the Houses rises to-day."

"Statement on the issues". And now, how our Hon. Speaker, who is the custodian of our rights, how did he understand ? I am now quoting Mr. Speaker.

"He is going to make a full statement on the floor of the House to-day".

PROF. MADHU DANDAVATE :
That was a directive.

SHRI SOMNATH CHATTERJEE :
Therefore, this is what the Hon. Speaker understood him to mean. Even then he could not believe that the Minister of his Government, of course, should have been a little if I may say so, without meaning any disrespect more astute because he is dealing with the Government also. We are dealing with them as we are—that this Government believes in verbal jugglery more than anything else. Then, what was the product ? Where was the statement on the issues concerning Fairfax ? No statement as promised came, far less a full statement as the Hon. Speaker understood and directed them to make. The Prime Minister's statement...

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKHRAM) : That is wrong.

PROF. MADHU DANDAVATE :
What is wrong ?

That is in the record.

SHRI SOMNATH CHATTERJEE :
This is not my compilation, nor this is Fairfax compilation.

(Interruptions)

SHRI S. JAIPAL REDDY : All inconvenient records are wrong.

SHRI K. P. UNNIKRIISHNAN : It is in the records of the Lok Sabha Secretariat.

(Interruptions)

SHRI SOMNATH CHATTERJEE :

The Prime Minister's statement is nothing but an exercise in escapism and suppression. The brevity of the statement does not display wit but shows the Government's nervousness. I am sorry, I cannot but charge the Prime Minister that he has said something which is farthest from reality and has no nexus with the truth. He said in his statement—page 15194 of the Lok Sabha debates of Friday, April 3, 1987. He said—

“Mr. Speaker, Sir, on 31st March, 1987, this Hon'ble House had a comprehensive discussion on the question of utilising the Fairfax Group of the United States of America.”

The next sentence is very important—

“The Government placed before the House the information that was available. Nevertheless, questions continue to be raised.”

I ask solemnly and with all humility also, all the Members, my Hon. friends on the other side, are they of the view that all the information that is available with the Government has been disclosed in this House during the debate by Shri Brahma Dutt ?

SOME HON. MEMBERS : No.

SOME HON MEMBERS : Yes.

(Interruptions)

SHRI SOMNATH CHATTERJEE : If what Shri Brahma Dutt said on that occasion was all the information that was available with the Government, then there is no necessity of an enquiry by a Judge of the Supreme Court. A Committee of the House can do that effectively and very effectively.

(Interruptions)

KUMARI MAMATA BANERJEE
(Jadavpur) : Now the cat is out of the bag.

(Interruptions)

SHRI ASUTOSH LAW (Dum Dum) :
Sitting on his own judgement—how is it possible ?

(Interruptions)

SHRI SOMNATH CHATTERJEE : Is it believable that up till to-day at least on the day when Shri Brahma Dutt spoke in the House, that the Government did not know how the appointment was made ? It was not stated here. Was it known to the Government at what level the appointment was made ? That was not stated here. Whether any particular persons affairs were required to be looked into and particular concern's affairs were required to be looked into, that was not disclosed. Did they know or did they not know ? What was the report ? Whether any report has been given or not, that was not disclosed and the Prime Minister said 'every available information was given to the House.

(Interruptions)

MR. DEPUTY SPEAKER : You take your seat. Let him speak.

(Interruptions)

PROF. P J. KURIEN (Idukki) : Sir, how could this question be relevant here when no appointment has taken place at all ? *(Interruptions)*

MR. DEPUTY SPEAKER : I will call your name and at that time you can speak.

(Interruptions)

MR. DEPUTY SPEAKER : I would request the Members not to interfere when he is speaking. Please don't interfere. Let him speak.

SHRI INDRAJIT GUPTA (Basirhat) :
Let him speak when his turn comes, Sir. You teach us when you speak, Mr. Kurien.

SHRI SOMNATH CHATTERJEE :
Sir, I am stating again the sentence in the Prime Minister's speech. He said "the Government placed before the House the information that was available."

AN HON. MEMBER : As on that date.
(Interruptions)

SHRI SOMNATH CHATTERJEE : Then, Sir, if Mr. Viswanath Pratap Singh is part of the Government, the information that was available to him was not disclosed to the House. He is going outside and making the statement. You don't have the courage, you don't have respect for the Parliament. I would request him to make a statement so that it becomes the property of the House. This is the why you are taking this House for a ride. You want to take this House for a ride. You want to take this country for a ride. *(Interruptions)*

DR. G. S. RAJHANS (Jhanjharpur) : Sir, he is distorting the facts.

(Interruptions)

SHRI ASUTOSH LAW : Sir, wild allegations have been made by him.

(Interruptions)

SHRI SOMNATH CHATTERJEE : Sir, if this Government had no information except what was made available to this House through Mr. Brahma Dutt then this Government on their own statement was not aware of any of the important questions and matters, then this Government is not fit to run this country. This is of course a total bankruptcy in the functioning of the Government. They are not fit to remain in power for a minute more. They know nothing. *(Interruptions)*

KUMARI MAMATA BANERJEE : Our Government is doing very well.

(Interruptions)

SHRI S. JAIPAL REDDY : In what language was she speaking ?

SHRI M. RAGHUMA REDDY (Nalgonda) : Sir, we need a translator for her remarks.

(Interruptions)

SHRI SOMNATH CHATTERJEE : Sir, we would like to know that even till today the Prime Minister has not been able to gather necessary information. I am asking about your Prime Minister personally. I shall go on asking for umpteen times until

the facts are placed before this House. *(Interruptions)* Sir, all the information have been deliberately suppressed and the truth has been jettisoned. Sir, a young man like him should not revel in inexactitude. We would only hope that everything will be all right. Now Commission's declaration has been made. It seems that I have to go on repeating for the seventh time. Otherwise you won't understand. The difficulty is that they get annoyed with my language. *(Interruptions)*

MR. DEPUTY SPEAKER : Please order.

SHRI SOMNATH CHATTERJEE : Now, today Mr. Bhagat has said, finding the reaction in the country, they have now condescended to hold a Commission of Enquiry. Now, with regard to terms of reference, they have not been able to think of even during the week-end. Probably they were so busy in dealing with the files. Even today they could not be made wiser. I think Mr. Brahma Dutt will have the honour of disclosing the terms of reference. But we would like to know what time-limit is provided for the Commission to make this report. We want a commitment from this Government, if ultimately a Commission of Inquiry is appointed, that there should not be a claim for a private inquiry or inquiry *in camera* like the other recent Inquiry Commission.

SHRI ASUTOSH LAW : You remember the Committee appointed by...

(Interruptions)

SHRI SOMNATH CHATTERJEE : The Hon. Member from Dum Dum is referring to the functioning of the West Bengal Government. The people have given their verdict.

SHRI ASUTOSH LAW : Two Committees were appointed, but by...

(Interruptions)

SHRI SOMNATH CHATTERJEE : Instead of giving lectures to me, go and express your condolence to the Prime Minister. *(Interruptions)*

[Shri Somnath Chatterjee]

Sir, we want a categorical assurance from the Government that as Mr. Vishwanath Pratap Singh has said, this does not relate to any sensitive issue, there would not be any claim for privilege with regard to production of documents and evidence. Sir, we would also like to have a commitment from this Government that they would lay the unabridged or unedited report of the Commission as and when it is obtained. Of course, Sir, this is all subject to our protest against referring the matter to the Commission. I still insist that the matter should be probed into by a Committee of the House.

Sir, I only hope and I would appeal to the highest judiciary in this country that they should not get involved into this unsavoury matter. *(Interruptions)*. As another Chief Justice of this country had refused to be a party to...

(Interruptions)

MR. DEPUTY SPEAKER : Please order.

SHRI SOMNATH CHATTERJEE : Sir, as another learned Chief Justice of this country refused to make available the services of a Judge to bail out this Government, I hope, Sir, the present Chief Justice for whom I have the greatest respect...

(Interruptions)

SHRI BRAJAMOHAN MOHANTY (Puri) : Sir, I am on a point of order.

(Interruptions)

KUMARI MAMATA BANERJEE : Sir, he has a point of order. Please allow his point of order.

MR. DEPUTY SPEAKER : Mr. Mohanty, what is your point of order ?

SHRI BRAJAMOHAN MOHANTY : Sir, I have a point of order. I have to invite your attention to Rule 188 which says :

"...Provided that the Speaker may, in his discretion, allow such matter being raised in the House as is concerned with the procedure or subject or stage of enquiry if the Speaker is satisfied that it is not likely to prejudice the consideration of such matter by the statutory tribunal, statutory authority, commission or court of enquiry."

(Interruptions)

PROF. MADHU DANDAVATE : Sir, has any Commission been appointed ? Even a Judge is not appointed.

(Interruptions)

MR. DEPUTY SPEAKER : Mr. Mohanty, there is no point of order.

SHRI BRAJAMOHAN MOHANTY : Sir, the Members sitting to your right are all governed by the same rules of procedure.

MR. DEPUTY SPEAKER : No, no. Inquiry Commission has not yet been appointed.

SHRI BRAJAMOHAN MOHANTY : My submission would be, the last part of his submission is prejudicial to the inquiry. So, that must be expunged.

(Interruptions)

MR. DEPUTY SPEAKER : There is not yet any inquiry commission. Therefore, there is no point of order.

PROF. MADHU DANDAVATE : Sir, even after the appointment of a Commission the matter will not be considered *sub Judice*.

SHRI INDRAJIT GUPTA : Sir, the Commission has not been set up yet by the Government.

MR. DEPUTY SPEAKER : That is why I am telling, there is no point of order.

SHRI SOMNATH CHATTERJEE : Sir, as I said, I hope the present honourable Chief Justice of India would not get involved into this even by implication.

Sir, the matter was raised in the House, the matter was discussed in the House without a full disclosure by the Government. The House is in seisin of the matter. The whole thing is the property of the House now, and therefore, we want that this Parliament is competent and in the nature of things should deal with the matter and probe into the matter. That is why, Sir, I demand the appointment of a Parliamentary Committee and I hope the Government would accept my demand.

THE MINISTER OF STATE IN THE DEPARTMENT OF PUBLIC ENTERPRISES IN THE MINISTRY OF INDUSTRY (PROF. K. K. TEWARY) : Very poor performance.

(Interruptions)

SHRI SOMNATH CHATTERJEE : If you had appreciated it, then I would have been unhappy. *(Interruptions)*

MR. DEPUTY SPEAKER : Motion moved :

"That this House do consider the statement made by the Prime Minister in the House on the 3rd April 1987 regarding appointment of a sitting Judge of the Supreme Court to enquire into the issues connected with the question of utilising the Fairfax Group of U.S.A."

Now Shri Bhattam.

SHRI BHATTAM SRIRAMA MURTY (Visakhapatnam) : I beg to move :

"That for the original motion, the following be substituted, namely :

"This House, having considered the statement made by the Prime Minister in the House on the 3rd April, 1987 regarding appointment of a sitting judge of the Supreme Court to enquire into the issues connected with the question of utilising the Fairfax Group of the United States of America, is of the opinion that a Committee of

the House may be appointed to go into all aspects of the Fairfax episode." (1)

MR. DEPUTY SPEAKER : Motion moved :

"That for the original motion, the following be substituted, namely :

"This House, having considered the statement made by the Prime Minister in the House on the 3rd April, 1987 regarding appointment of a sitting judge of the Supreme Court to enquire into the issues connected with the question of utilising the Fairfax Group of the United States of America, is of the opinion that a Committee of the House may be appointed to go into all aspects of the Fairfax episode."

Okay. You can speak afterwards. Now, I will call him next.

SHRI C. MADHAV REDDI (Adilabad) : When he has moved the motion, he should speak. He has the right to speak.

MR. DEPUTY SPEAKER : I will call him afterwards.

(Interruptions)

SHRI SHANTARAM NAIK (Panaji) : Point of order. The Substitute Motion has not been circulated. We do not know what it is.

MR. DEPUTY SPEAKER : He has already informed it. It has already been read out.

(Interruptions)

MR. DEPUTY SPEAKER : Shri Chandulal Chandrakar.

(Interruptions)

MR. DEPUTY SPEAKER : Order please, Shri V. N. Gadgil.

SHRI V. N. GADGIL (Pune) : Sir, I have carefully listened to the speech for half-an-hour of Mr. Somnath Chatterjee, a person belonging to my caste—the same caste of lawyer. I was trying to find out what he is driving at. Apparently, they want the truth. We also want the truth. The only question is, by what method. The only point of dispute appears to be by what method, shall we find out, whether by an enquiry by parliamentary committee, parliamentary probe, or shall we do it through a Judge of the Supreme Court. That is the only point of dispute, both sides have.

Mr. Bhagat has made it clear that the enquiry will be under the Commissions of Inquiry Act and the report will be laid on the Table of the House. There will be discussions. Therefore, there is no dispute that both sides wanted the truth. The only question is, by what method. Therefore, all the elaborate arguments that he advanced, I do not find very effective. I am reminded and he will recollect the famous judgement in the Appeal Court and the Appeal Court was hearing a lawyer, someone like him. "The learned counsel has made five points. There is nothing in the first point. Five times, nothing is nothing, appeal dismissed." Sir, he had given over and over again the same argument which we have heard earlier also. The only new point is, what shall be the method. Shall it be by a parliamentary probe or a judge of the Supreme Court ?

Now, Sir, some people may not like it my describing it that way. But the method of Government we have adopted, more or less, we have modelled on the British House of Commons. Now, their history shows that they have stopped parliamentary committees since 1911. Why ? Now, Sir, I have got a study of the inquiries made, probes of Parliament earlier to 1921. There were a number of inquiries before 1921. In fact, the Commissions of Inquiry Act of 1921, on which our Act is modelled, was introduced because the House of Commons found that probe by Parliament is ineffective in finding the truth, it runs on Party lines purely, almost that a Party whip is issued, and there is majority and minority. Now, what will happen is, if there is a parliamentary probe, the argument

will be, majority has decided this way, minority has decided that way, we do not accept the report of majority. That kind of argument was advanced. It went to such a ridiculous extent that there was an allegation against a higher officer of Navy that he showed favours to one of his ladies who was his mistress. That was the complaint and on that there was a parliamentary probe. What was the finding ? The finding was that she was not the mistress of the Naval Officer but she was the mistress of the complainant himself.

I ask my friend Shri Somnath Chatterjee (*Interruptions*). You recollect this study "Trial by Tribunal" and what it says about parliamentary committees. I will quote four or five lines :

"Although the Select Committees attempted a thorough investigation, they were hampered by the recalcitrance of witnesses, in some instances by the non-production of documents, and above all, by the lack of dominating legal guidance through the tangle of assertions and counter-assertions which these inquiries evoked."

My friend Shri Somnath Chatterjee says there is nothing legal about this. There is very much legal about it. There are allegations and counter-allegations and an independent mind is required, a mind trained in legal matters is required. Otherwise, this is what will happen. Further what happened ? For these Committees, Party considerations became very relevant.

"The reports produced by these committees and commissions are today deservedly forgotten, for they were no more than manoeuvres in the unending political conflict and game."

This is the history in England. And, therefore, necessarily the findings of such committees would involve political judgements and it is hard to see how Members of such Committees would, in the last resort, decide on grounds other than political.

So, the decision will be political. There will be a majority report. There will be a minority report.

PROF. MADHU DANDAVATE : What happened to Kuo deal ?

SHRI V. N. GADGIL : Therefore, the method of inquiry by a judge of the Supreme Court or a parliamentary probe, that seems to be the only point of dispute. In our country also, various inquiries, Pratap Singh Kairon inquiry—I need not mention all of them,—were there. We have found that if you entrust it to a judicial mind, an independent mind, unaffected by political considerations, then you are more likely to get the real truth, rather than any probe by parliamentary committees.

Therefore, this motion that it should be referred to a parliamentary probe will end, if accepted, in some kind of a part of a political game or political battle and nothing more.

I may also point out that their one time beloved leader, Mr. Morarji Desai has welcomed Commission of Enquiry because he has administrative experience of 40 to 50 years, parliamentary experience and he has also found that a probe by Parliament is not good. Your beloved leader at one time, not today.

PROF. MADHU DANDAVATE : Mr. Dinesh Singh is also efficient. Take his opinion on that.

SHRI V. N. GADGIL : I thought I will not refer to that aspect about what they said about Members of my party because,...

SHRI AMAL DATTA : You did not cooperate with Shah Commission.

SHRI V. N. GADGIL : What is happening is if Members of my party speak on the same lines, they say 'Oh! monolithic party', all put together, or if there is some difference, they say 'Oh! Dissensions have started'. They want it both ways.

Let me tell my Hon. friends that the party is united. The party is firm and you will not get anything out of this. You may get some publicity. I do not grudge that because we are all politicians. I told my friend, Prof. Madhu Dandavate, once : it is legitimate that we should get publicity because our ancients have told us :

*Ghat Mindyat Patam Chhindyat Kuryatara-
sabhroshanam
Yen Ken Prakaren Prasiddho Purusho Bhavet*

You break the pot, you tear the cloth, you ride a donkey, but somehow you get the publicity. I do not grudge that because we, all politicians, need that ; I do not grudge that. You may get publicity. Besides getting publicity, nothing will come out of this kind of a Motion.

If you want the real truth, what is to be done ? We on our side want it and, therefore, we show our seriousness by entrusting it to a judge of the Supreme Court, an independent person with a judicial mind, unaffected by political considerations. I am very sorry to hear Mr. Somnath Chatterjee almost making an appeal to the Supreme Court not to accept this kind of work. *(Interruptions)* I am not saying in anger...

SHRI SOMNATH CHATTERJEE : Because I am concerned about the judiciary.

SHRI V. N. GADGIL : So am I. Mr. Somnath Chatterjee, you and I have practised in High Court and Supreme Court and we both have concern for the judiciary. What I am saying is as much with concern for the judiciary. If we do not entrust such kind of work for them, what are they for ? Only to decide rent and tax matters ? They are there for some serious matters to be decided. We have solemnly put them, appointed them, and this is precisely the kind of work which should be entrusted to a judge of the Supreme Court. Therefore, a judicial inquiry under the Commissions of Inquiry Act is the proper remedy

PROF. MADHU DANDAVATE : What the judiciary got during Emergency has not been forgotten, I think.

SHRI AMAL DATTA : Did you cooperate with the Shah Commission ?

SHRI V. N. GADGIL : These are old bats. This has been answered several times. Why do you want me to repeat the same answer ?

SHRI AMAL DATTA : Say whatever you want. But your leader never appeared.

SHRI V. N. GADGIL : What appears to me serious is this. I see a certain pattern. I am really worried. My mind goes back to a few years—communal riots, language riots, pressure on elected representatives, character assassination, whispers, innuendos, all kinds of things; make one person a target. This is the old imperialist game... (*Interruptions*) You may laugh...

SHRI AMAL DATTA : You started it.

SHRI V. N. GADGIL : I am not speaking in anger; I am not saying in opposition to what he says...

SHRI AMAL DATTA : As if the Opposition have appointed the Fairfax.

AN HON. MEMBER : You are engineering facts.

(*Interruptions*)

SHRI V. N. GADGIL : What worries me, Mr. Datta, is that, if it had come from any other Party, perhaps I would have understood. You know the pattern. You yourself have indicated several times. We take a certain stand in the Commonwealth Conference. We take a certain stand in the Non-Aligned Movement, and the pressure builds up. That is the pattern I am seeing, that is the danger I want to point out, and I want to utilise this Motion not so much to score debating points, legal or otherwise, but to point out the danger which this country is likely to face. Therefore, it is not a question whether your Motion is accepted or not. That does not worry me. What worries me is the invisible thing. That one, with political perception that you possess, Mr. Somnath Chatterjee, you should be able to see, I do not want to spell out in great

detail. You are a highly, politically-conscious person. You know what I mean. And that is the danger I wanted to point out, taking the opportunity of this Motion.

Therefore, Sir, in my humble submission, an inquiry by a judge is the most appropriate remedy to find out the truth. As I said at the outset, I do not want to make a long speech. I do not accuse the Opposition of anything.

17.00 hrs.

I am not accusing. But if they think that by this kind of thing they might be able to bring the Government in some kind of trouble, they are sadly mistaken... (*Interruptions*)

Let me conclude by only one sentence for the benefit of my friends there. This Motion and the speeches and voting will show that the nation has no alternative to Congress and the Congress has no alternative to Mr. Rajiv Gandhi... (*Interruptions*). It is very clear. Therefore Sir, what I have said is that the minute you entrust it to a Parliamentary Committee to probe, this is precisely what will happen. The truth will not come out. They will make one person the target and try to bring all sorts of political considerations. Truth will never come out. If you are really serious about the truth, the best way is to have an inquiry by a judge of the Supreme Court. Thank you.

(*Interruptions*)

AN HON. MEMBER : The Government is not moved.

PROF. MADHU DANDAVATE : Government is an immovable property.

SHRI BHATTAM SRIRAMA MURTY (Visakhapatnam): It was argued that it might be the intention of the opposition to bring the Government into some sort of trouble and it is not possible for them to do so by this Motion. May I respectfully inform the learned friend who just preceded me that the Government knows the art of bringing trouble for itself ?

This is a trouble which the Government has created for itself The Fairfax is not

appointed by the opposition and the entire subject of discussion has come up before the House only because of certain deeds and misdeeds of the Government. Therefore, let him not be under the false illusion that we want to bring somebody into trouble, somebody into difficulty and fish in troubled waters.

We want certain facts to be brought out. The country should know certain basic issues which it is facing. Let us know at what point of time the Prime Minister has come before the House with the announcement for a judicial probe into this matter. The Minister in charge of the subject has earlier solemnly stated on the floor of the House that he would place all the facts, full facts before the House in the evening. Instead of doing that, the Prime Minister stated that a judicial probe will be instituted. What does it mean? The Prime Minister wants the facts to be shut out from the Parliament. Necessary information will not be placed before the Parliament.

We did not ask for a probe, we have not demanded for a probe. At that stage we were only discussing the issue. The issue was being debated and discussed. We wanted to know certain facts.

Sir, my first point is that the Government's intention is to overlook, to side-track the issue, to ignore the Parliament and to take out from the Parliament the right of discussion of certain vital issues and place them before the judiciary, so that we will not be able to discuss. That is my first charge.

Shri V. N. Gadgil said that it is certainly a legal matter because there are arguments and counter-arguments, points and counter-points, and allegations and counter-allegations.

Sir, just because there are two points of view does the issue become suddenly a legal issue? I do not know what the interpretation of the legal matter is. Certainly there are two sides of the issue and, therefore, this is not at all a fit case to be referred to judiciary at all. The matter was being discussed in this august House. The Hon. Members wanted the Government to place

certain facts before the House which they did not do and at that point of time they also gave a solemn assurance that information will be placed before the House. Instead of doing that they want to shut out all facts from Parliament and then introduce a new factor—a judicial probe. They have taken recourse to this. We are not able to appreciate this. The sovereignty of this House and the Supreme authority of this House is sought to be undermined by the Government on a number of occasions and in a number of cases. This is one such occasion again.

Now may I once again remind when the matter was under discussion we wanted to know who had appointed the Fairfax and on what terms it was appointed. What was the timeframe? When it was expected to produce its report? What are the terms and conditions? Why was the Fairfax alone appointed? What are the considerations in appointing Fairfax? What was the report-preliminary or otherwise? What information was furnished by Fairfax? Is it in respect of corporate houses or about certain highly placed individuals or both? This is all that we asked for. The information is not forthcoming. As my learned friend, Shri Somnath Chatterjee, has ably placed the case of the Opposition earlier, right from the Minister of State for Finance upto the Prime Minister the replies are so worded that with the information available to us these are the facts. So, they are not able to say with a certain amount of certainty that this is the information, this is the truth and this is the fact. They are not able to say that. From the facts available to them. They tender the information. Are we to understand that all facts are not available to them? Can we understand that certain facts are not sought to be placed before the House? Is there any truth that certain information is not available to them because certain files are missing? There was report to that effect also in the Press that a very important and crucial file is missing. Therefore, the main issue is that the information which was sought by the House is not being placed before this august House.

ii.

Sir, another thing we want is—as I tried to say earlier—that the supermacy of the House, the sovereignty of the House and the authority of the House cannot be under-

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mined and, therefore, the House has every right to look into all the aspects of the issue. That is the crux of the matter. You want to side-track the issue and go into different lanes and take recourse to judiciary.

Now, may I refer at this stage to one of the important statement made by Shri V. P. Singh which appeared in the Press today? He says, "I bear responsibility for what I have directly done and constructive responsibility for what my officers have done". So, he has borne constructive responsibility for what his officers have done. But what about the collective responsibility? What he has done, the entire Government must own it. This is the collective responsibility. Why not the Government themselves say: this is what we have done? The Minister was not able to say that Fairfax was either retained or just an informer. According to the Ministry of Finance, there was an arrangement made with Fairfax and they have deliberately taken a decision to refer this matter to the investigating agency in America to gather some information about certain organisations and business houses. If that was so, why should not the Minister of State say that? So, the versions of the Minister of State and the former Minister of Finance are different; they are divergent; they vary. Therefore, there is something to hide. Why exactly this has happened? What is the reason for doing that?

Sir, it was definitely and categorically asserted that Fairfax had a definite appointment order with them. On the basis of that order, they have proceeded with investigations in certain matters. Is it a fact or is it not a fact that the Government have issued certain appointment orders to the Fairfax? I wish to know is this information placed before the House? Why do you want to conceal this issue? Were order issued; what are the terms; what are the conditions; when were the orders issued? Under what circumstances Fairfax was selected; by whom it was selected? Why was the relevant information not placed before the House. After all what is it that we wanted? What did we want the Government to do? We wanted this information. Also, they were not able to categorically say that they have

not retained Fairfax. Fairfax chief says that they have turned over significant information. Not only that. They also wonder why this Government have failed so far to act on the information which was so far furnished to Government? Is this a fact? or, is it not a fact? Why not the Ministers say something about it? Nothing is said about it. They want the judiciary to come and sit and give a judgment. So, they want the Members to close their eyes and ears, and finally listen from the judiciary only. Is it the position to which this House is going to be reduced, Sir? Of course, we have got all respect for the judiciary. I am not going to speak any derogatory terms about the judiciary. But the position to which the august body, over which you are now presiding, Mr. Deputy Speaker, Sir, is reduced, kindly examine. This House is sought to be overlooked, ignored, bypassed. This is the Policy of the Government. We take objection to this. We want to restore its sovereign authority. Therefore, the House Committee should sit in judgment over this issue. This is not a legal matter. What are the legal issues? What is the Act which Congress Speakers are quoting now? Of course, when it is appointed, it will be appointed under the Commissions of Inquiry Act. True, but what are the terms of reference? That is yet to be spelt out. It is now clearly known. What is the time-frame? When will the report come? Whether it will be an open inquiry, we do not know anything about it. So, some light may be thrown on these aspects in course of time. What we want is all the Members of this august body should be participants in a discussion of this matter in which the entire nation is exercised. That is how we wanted a discussion in the House. We wanted to discuss. We wanted a probe by a House Committee.

Sir, now I would like to point out one issue. It was stated in parts. It is not merely Fairfax but some of the facts have been reported. The two more foreign detective agencies, one U. K. the other Swiss, were involved in enquiries into the assets of Indians and non-resident Indians abroad. Is it a fact? If so, will the Hon. Minister throw some light on that also? It was also mentioned in the press that Fairfax itself had appointed some other companies in different parts of the world to

get at the facts. Is it a fact? Not merely that, the information so far gathered reportedly implicated prominent people in the country and abroad. It was in the press. Is it a fact? Is anybody prominently figuring in public life involved as mentioned in the report. We wish to know that. The country should know that. It is again from the press that we know that Fairfax had connections with the C I A. The detective agencies have come to possess very incriminating information which would prove dangerous for the country. This is the opinion of some of the Congressmen themselves. This is what the press says. Their speeches in the party forum, as published in the press, go to this extent, saying that the country's future, national security, itself is prejudiced, is in jeopardy, because the company associated with the Watergate was appointed specifically by the then Finance Minister for this purpose.

Normally, as per the usual method, our Embassy would be consulted in such matters. Through the Embassy everything goes on. But in this case nothing was known to them. Even when Bhure Lal went to America and discussed with the Ambassador, he never mentioned this, and therefore, the Embassy was completely in the dark. They are not aware of it. Why was it not done? Why was this extraordinary procedure adopted?

When the Finance Minister owns responsibility for what has happened, can we take it that the entire Government has taken the responsibility for this, the Cabinet has taken the responsibility for this and the Prime Minister has taken the responsibility for it. If it was so, they would have come forward and said: "That is our responsibility, we have appointed it." But what do they talk? Why could they not say that?

Fairfax, it is not a charitable organization. The Minister claims that no payment was made to them and the former Finance Minister states that as and when they turn over worthwhile information, depending on the utility and usefulness of the information, they would pay suitable remuneration based on certain proportion. May be, that is true, but then, have you paid at least stringent fee? My information is that

Government of India paid stringent fee of five thousand dollars for routine regular information to one foreign such investigating agency. To Fairfax they paid thirty-three thousand dollars to start with. This is the information which is available with me. The Chairman of Fairfax Group claims that they have turned over significant information. After all, they were engaged since September, 1985. For all these six months, they did not work for nothing. This is not a charitable organization; they must have been paid. Were they paid by the Government or paid by some other agency and under what circumstances? Why did the Government think of Fairfax at all? There are a number of agencies in America. Out of all, why Fairfax was thought of? Was it because it was associated with Watergate? Some papers say that this is the Watergate of Rajiv Gandhi. I do not know what it would turn out to be! Why was this Fairfax appointed? By whom was it selected and chosen, for what reason and under what circumstances? All these should also be made known to the House. It is not for the judiciary to inquire or to look into all this. Even now, at this stage, can we know from the Minister whether the arrangement with Fairfax still continues? Or have they discontinued it? The Chairman of the Fairfax says that they are still undertaking the job and that they are going ahead and doing the work. What is your reply to that? The Ministry is not able to say anything about this. I would like to know whether Fairfax has conducted investigation of economic and commercial nature any time earlier. I do not know but according to the information available to us, it has never undertaken similar work, but now it was particularly appointed to do this work. Why?

It is said that it has got its own links with the CIA. I do not know anything about it. But could you say that it has no links with the CIA? If the Government assents categorically that it has nothing to do with the CIA. We will only be very happy to know that. For what reason this was not done?

Finally, I would like to refer to one aspect. A preliminary report prepared by

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the Economic Intelligence Bureau of the Finance Ministry on Indians having huge illegal funds abroad was said to be missing. On the basis of this report, they thought of appointing an investigating agency abroad. And one U. S. agency was appointed to carry out further investigations in pursuance of the recommendations or suggestions contained in that preliminary report. Sir, is it a fact that some such report was produced and that it is missing now? What was the report about? Has it got any connection, remote or otherwise, with the present episode? I would like to know something about this too.

Before I conclude, I would like to say that the Minister while giving answers to various questions stated from the beginning that he was furnishing the information according to the information available to him. He was not able to assert clearly and categorically that this was the correct and accurate information. Why should he say that as per some information available to him he was furnishing the information? Why should he allow us to presume that all information was not available to him? Is there anything in it? Sir, all these dark areas must be exposed to light and we must know the facts. After all, we want cleanliness in public life.

Even big people are involved in this. When the then Minister of Finance, Shri V. P. Singh conducted raids over a number of business houses, corporate bodies and organisations, we have not said anything about that. But now all this was done because certain proceedings were initiated which would endanger the future of somebody, which would implicate somebody, and which would harm or hurt somebody, who may be closer to the higher-ups. It is said that that is why all this is being thought of. This is the impression or the feeling that the country is having.

Therefore, this is the right forum and correct body to look into these aspects. This Parliament this august body is the correct institution to go into this matter. So, a House committee should be constituted to

probe into all aspects of this whole thing. I totally disagree with my learned friend Shri Gadgil who said that the findings of this body would only be partisan and that they would not be accurate. If that is so, the entire Government itself is partisan. This is a majority government and therefore the Government itself is going to be partisan. I say that the question of partisanship cannot be attached to this House. I am not referring to the Government or to the Opposition. This is a House Committee and the consensus of the House Committee is the consensus of both the Congress and the Opposition. It is going to a Committee constituted by the House. If you say that this committee is going to be partisan, then you are attributing *mala fide* to it. If you are going to pre-judge the entire House, you are very well mistaken. I oppose this, I resent this and I detest this.

SHRI CHANDULAL CHANDRAKAR (Durg): Mr. Deputy Speaker Sir, the whole subject behind this discussion just started from the fact that the economic offenders must be brought to book. That was the main theme on which the whole discussion started a long time back. But today, it seems, the whole issue have been sidetracked, the appointment a Commission by a discussion here in the Parliament. The first thing is that the Government wants to bring economic offenders to book, whether in India or abroad. That is the objective of our Government. With this objective, in fact, when this thing was announced a long time back by our, the then Finance Minister and our Prime Minister, it was welcomed by the Opposition. They were saying that effective steps must be taken to bring to book these economic offenders. Now, when effective steps are being taken and since they are in the Opposition, they have got to say something or the other. When the Speaker admitted this Motion today they should have taken this stand that after all the Government has appointed a Commission for inquiring into the whole thing and that their objective was the same. They should in fact say that that was their objective and they should have taken the credit. No. But instead of saying so, now they are saying the only thing, and they have been saying all the time throughout--I have heard both the speakers very carefully--that their objective is that a House Committee should

discuss the matter. That is the main thing which they have been saying repeatedly. Sir, we have nothing to hide. This we have made it clear in the very beginning. Our stand is that, we have nothing to hide. We will be very clear and also our Minister of State for Finance Mr. Brahma Dutt had made it clear that whatever subjects were raised—some of the issues, some of the points, some of the questions—of course, the Minister will be replying. But one thing is certain. They are saying, what will be the terms of reference for this Commission which is being appointed? Well, I am sure and I would also request the Government that the terms of reference should be quite wide. I am sure you have got a lot of points to say about these things, i. e. bringing the offenders to book. You have got plenty of opportunities to bring it before the Commission. I am sure, as soon as the report is brought out by the Commission, of course the whole detail will be disclosed by the Minister. Maybe in a day or two or something like that? So, as soon as the report is out, you will have one more opportunity to discuss the whole affair. We had already discussed more than once. Now, the Commission has been appointed under the Commission of Inquiry Act, under that Commission, the whole discussion, the whole inquiry will take place. And I am sure that is what my predecessor speaker Mr. Gadgil was very correct in saying that there is no question of talking the same ideas in the Commission. You will be saying one thing, the Congress Party might say other thing and there will be no conclusion. So, from all fairness to the whole country, it is fair that a judge is being appointed to inquire into the whole issue. That is why our Prime Minister has made it very categorically that the whole issue will be discussed and the judge will give his findings and we will discuss that subject. Now, what I have to say is the Prime Minister's statement about appointing a judge is certainly a welcome thing. I am sure the country will welcome it and I am sure whatever the confusion which is being created by the Opposition will be cleared by the appointment of a judge and his whole findings will be made public.

Sir, in fact, today Opposition has very little to say except creating some confusion in the mind of the people. In fact, we have

been repeatedly saying that in this issue or any such issues Government would be very happy to bring everything to you and will not hide anything. Whenever we say all these things, being a newspaperman, I know very well, sometimes papers also take it. That is their duty. After all, Press' duty is to bring the news to the public. So, they have done it. But at the same time, we should be very fair enough that we should not confuse the people who are here in Parliament.

Now, Sir, we have been here discussing it. Mr. Chatterjee has been saying, Mr. Bhattam has been saying that there are so many things to hide, I have been saying our Minister had previously said that it is not so, some of the issues you are trying to bring out from the Statement of Mr. V. P. Singh. I have nothing to say about Mr. V. P. Singh's statement. He was very clear in his mind when he appointed the firm, his objective was to bring the economic offenders to books. Here, we may say that every attempt is being made to see that such offenders will not be allowed to escape from the clutches of enquiry. There will be no question of such people being allowed to escape whether it is anywhere in India or abroad, that is the contention throughout. We have been told that facts have not been revealed in the House. The fact is some of the facts have been revealed. I am sure, our Minister will tell something more. But, at the same time, we certainly request you, please do not create any confusion because the whole issue is such that we should not take it very lightly. The whole thing relates to economic offenders. You know economic offenders have many wings, they have got lot of scope to see how not to bring these things into book, how to see that these issues are made non-issues. So, I would request the Opposition Members that from real issues we should not side-track the issue and go to the non-issue. After all, what do we gain by non-issue? The objective of the House, I am sure, whether the Opposition or the Treasury Benches, they are all one that the economic offenders should be tried and that they should not escape. And now, some of these things which our Shri Ramamurtyji has said we have been saying the same thing. Certainly I am sure, whatever has been said

[Shri Chandulal Chadrakar]

here, we should remember very carefully when we are bringing economic offenders to book, they will try many methods. They have got many wings to destabilise Government. So many things they may do. But, without knowing the implications, people raise issues.

But, Sir, I would request in this respect, we should not leave our path of finding out the culprits. They should not be allowed to side-track the issue and escape that way. Here, the whole object is to bring them to book and not to allow them to destabilise the Government, we have been trying our best to find out offenders and punish them. We know that the Prime Minister has made a statement regarding the appointment of a Commission. I think that is the right step, because the whole House was asking that the whole thing must come to light. That Commission will discuss it. Certainly, everyone, whether Members of Parliament or outsiders, will have ample opportunities to bring facts before the Commission; and after finding out the facts, the Judge will give his own judgement.

So many things are said about the Judges, but we know that ultimately in a matter like this, prejudice will not help; and here, our ideas and thinking should not assume the role of a Judge. It is the Judge who can see what the problems inherent in the main issue are. The Judge will be able to give a judgement in a proper perspective. Whenever they take up such issues, the Judges will do all these things. We are hoping that all the points of view will be heard very carefully, and the Judge's report will bring in the culprits and all the facts before the House. We will certainly get a chance to discuss the whole thing in this House.

When we discuss this matter in the House, we must discuss the main issue, and not side-track it. The most important thing is that we must discuss the main problem seriously, I am sure the Opposition will cooperate in this task of finding out a method to bring these economic offenders to book.

Thank you very much.

SHRI S. JAIPAL REDDY (Mabbubnagar): Sir, we are passing through one of those rare phases, when our Prime Minister is his own Cabinet Minister for Finance. On the 31st march when this issue was discussed in this House, he kept himself away. Today again, when the matter has come up for discussion, like a political ostrich he is hiding in his office room in Parliament. *(Interruptions)*

PROF. MADHU DANDAVATE: They say he is not there also.

SHRI S. JAIPAL REDDY: If he is hiding in a far-off place, I cannot trace him.

Winston Churchill had said in one of his great books, viz. "Great Contemporaries"—

"That Prime Minister derives his strength from the House of Commons."

In the instant case, it is our Parliament. *(Interruptions)* The Prime Minister who runs away from Parliament and who plays truant with Parliament, not only damages himself, but damages the institution of Parliament. *(Interruptions)*

THE MINISTER OF HOME AFFAIRS (S. BUTA SINGH): This is an insinuation on the Prime Minister...

SHRI S. JAIPAL REDDY: What is the insinuation in it?

S. BUTA SINGH: He is not only the Prime Minister, but also a member and leader of this House. *(Interruptions)*

PROF. MADHU DANDAVATE: In all Parliaments of the world, this has been used.

MR. DEPUTY SPEAKER: I will go through...

S. BUTA SINGH: 'Nobody is running away from Parliament. *(Interruptions)*

PROF. MADHU DANDAVATE: Winston Churchill said this about Attlee, when, he was out.

S. BUTA SINGH : He should realize that the office of the Prime Minister is not such an ordinary thing that he can pass such a remark about it. (*Interruptions*) Yes; he is the leader of the House (*Interruptions*)

[*Translation*]

SHRI GIRDHARI LAL VYAS (Bhilwara) : Why would our Prime Minister run away? He has the support of more than 400 M.P.s in the House, whereas the opposition does not have even 100 Members with it.

[*English*]

MR. DEPUTY SPEAKER : Order please...

SHRI S. JAIPAL REDDY : Now, he is not only the Prime Minister, but also the Minister of Finance. (*Interruptions*) I am not yielding.

PROF. MADHU DANDAVATE : In the Mundhra debate, if I quote what Feroze Gandhi had said about Krishnamachari, I think they will tremble at the truth. (*Interruptions*)

SHRI S. JAIPAL REDDY : It was on 31st of March that our Minister of State for Finance, Mr. Brahma Dutt, denied having hired the services of Fairfax. He threatened to fix the Fairfax. Now, we know who has fixed whom. He is hoist with his own petard. In response to a privilege motion, he told us that he would make a statement on facts of the Fairfax case. But then our Minister for Parliamentary Affairs, Mr. Bhagat added us that the statement would be made at 5 O'clock. But at 5 O'clock our Prime Minister suddenly entered Parliament. Well, our ruling party members dutifully thumped the desks as he entered the Parliament House. But what followed was a classical illustration of anticlimax instead of making a statement he made a cryptic announcement. Why did he agree for a judicial enquiry? If he agreed then why did he not then tell us at that time that this enquiry would be made under the Commission of Enquiries Act? Why did he need so much protest from the opposition

to make a statement today? (*Interruptions*) Why did the government have to clarify today that the enquiry would be held under the Commission of Enquiry Act? Why could they not tell us on the very first day? But I take this as a notable victory for the public opinion and for a vibrant democracy in this country, though I think this does not go far enough. The whole tortuous exercise is an essay in evasion, equivocation and prevarication. Why did the government hesitate to place all the facts before the Parliament? There are many questions which have remained unanswered. A charge was levelled that the former Finance Minister, Mr. V. P. Singh was transferred from Finance Ministry to Defence Ministry to scuttle an on-going enquiry. (*Interruptions*) Mr. Brahma Dutt made many allegations against Mr. Ram Nath Goenka who was their ally for nearly two years; and now Mr. Ram Nath Goenka has denied all the allegations and referred to the Minister's statement in the House in contemptuous manner. Will the Minister answer the allegation of Mr. Ram Nath Goenka? (*Interruptions*)

PROF. MADHU DANDAVATE : You kindly give the ruling that whatever is amenable to them must be said.

SHRI S. JAIPAL REDDY : It is widely believed that Mr. Bhure Lal is an officer of outstanding integrity. The House has not been told why he was relieved of the charge of Enforcement Directorate.

What is this?

I am not yielding. I seek your protection.

MR. DEPUTY SPEAKER : I will give.

SHRI S. JAIPAL REDDY : I must only tell them that they will not be heard.

(*Interruptions*)

MR. DEPUTY SPEAKER : I request the Hon. Members to keep silent.

SHRI S. JAIPAL REDDY : It is believed that Mr. Pandey, Revenue Secretary is also an officer of outstanding integrity. I would like to know from the Finance Minister why

[Shri S. Jaipal Reddy]

the Enforcement Directorate was withdrawn from the Revenue and attached to the Economic Affairs.

The mystery of the forged letter has not yet been unravelled. Then, I would like to know from the Minister as to how the junior officers of C.B.I. could interrogate such senior officers like Mr. Bhurelal and Mr. Pande.

(Interruptions)

PROF. MADHU DANDAVATE : They are the best officers.

SHRI S. JAIPAL REDDY : In the *Statesman* of 20th March a new item appeared : The Prime Minister himself made an enquiry with Mr. Bhure Lal as to whether any investigation was made on the alleged Swiss Bank account of a Member of Parliament. This question has not been answered so far. *(Interruptions)* I am not mentioning any names. I am only raising questions.

SHRI GIRDHARI LAL VYAS : You are irritating.

SHRI S. JAIPAL REDDY : Okay. If the truth irritates I really cannot help it.

Sir, Mr. Gurumurthy and Mr. Janakiraman told the Press that they were not interrogated by the CBI officials in regard to the file of Reliance—the stolen file of Reliance—but about the information sent by Fairfax about certain people of the ruling party.

AN HON. MEMBER : It is *sub judice*.

MR. DEPUTY SPEAKER : It is not *sub judice*.

(Interruptions)

PROF. MADHU DANDAVATE : Tell him the difference between *sub judice* and *prejudice*.

MR. DEPUTY SPEAKER : Order, order.

SHRI S. JAIPAL REDDY : This charge of Mr. Gurumurthy and Mr. Janakiraman has not been so far contradicted much less answered by the Government. Then, this House has not been told about the details of the information given by the Fairfax group be it authentic or inauthentic; I am not holding a brief for Fairfax. If the Fairfax group has unpleasant antecedents, it is for them to explain and not for me to explain. They are in the dock.

Then, I would like to put a question, whether one Mr. Sharma who is an Executive Director of the Reserve Bank of India...
(Interruptions)

AN HON. MEMBER : He is Varma.

SHRI S. JAIPAL REDDY : He knows better ! *(Interruptions)* He (Shri Sharma) was relieved of his charge of Industrial Credit and Export. *(Interruptions)*

SHRI H. A. DORA (Srikakulam) : He shall be installed as the President of the Youth Congress.

SHRI S. JAIPAL REDDY : On 2nd of March. This particular portfolio was given to him, and on 11th of March 1987 he was relieved of this particular portfolio and may I further tell you that The house of the Executive Director of the Reserve Bank of India was also raided on the 13th of March? That was the day when the residences of Mr. Goenka and Mr. Gurumurthy were also raided. I would like to know as to what is the underlying connection among all these raids.

(Interruptions)

Mr. Brahma Dutt had told us the other day that when Mr. Hershman came here he was the host of a Bombay firm. I would like to know, whether a Minister in this Cabinet has substantial shares in the Bombay firm he referred to. I just would like to know it.

SHRI K. P. UNNIKRISHNAN (Badagara) : Why do you not say the name? Bombay Dyeing !

SHRI S. JAIPAL REDDY : Now I leave it to the Minister. *(Interruptions)*

SHRI K. P. UNNIKRIISHNAN : Who has got the maximum hold in Bombay Dyeing ? (Interruptions)

MR. DEPUTY SPEAKER : No dialogue. Let him speak.

SHRI S. JAIPAL REDDY : Now that Mr. Unnikrishnan has mentioned the name of the firm, I expect the Minister to mention the name of the Minister. (Interruptions)

Why did the Government offer this judicial inquiry ? Everybody knows that there are 11 vacancies on the Supreme Court bench and the arrears are heavy. Going by the procedure, it will be a few months before the Commission can get going into the matter. And that will be naturally after the Haryana elections and not before that. The whole idea is to put the whole scandal in the cold storage.

The other day, Mr. Brahma Dutt, was referring to hiring of Fairfax information sent by it as though they were so many myths. But may I tell you that the myth of 'Mr. Clean' that has been so elaborately built up through computerised campaign, now stands exposed and exploded. Otherwise, why is this hesitation to take the House into confidence ?

Now, what are the terms of reference ? Will all the questions raised here, be covered by the terms of reference ? Will the Government assure us in this House that the inquiry will be held in the open ? I am borrowing these points from my senior friend, Mr. Somnath Chatterjee. I have no hesitation to learn from my seniors.

I do not want to cast aspersions on commissions. I have got great respect for judiciary. But then, when you involve judges in matters of this kind, the result is disastrous. If the recent experience is any indication, any guide, we must learn. If like the French Bourbons 'we learn nothing and forget nothing', then God only can help us.

What happened to the report of the Mathew Commission ? What happened to the Venkataramaiah Commission ? What

happened to the Desai Commission ? Is Desai Commission still on or is in cold storage ? Well, I do not know whether I will be allowed to refer to Thakkar Commission report because it is supposed to be secret.

PROF. MADHU DANDAVATE : Even the President cannot get it.

SHRI S. JAIPAL REDDY : The highest dignitary under the Constitution cannot get it.

SHRI SOMNATH CHATTERJEE : You cannot take the name of the President.

SHRI S. JAIPAL REDDY : No, I am not. Sir, he is levelling allegations.

Now we know what fate the Ranganath Mishra Commission has met with, how the greatest scandal of free India wherein more than 2000 people were killed in a space of less than 48 hours, has got buried. What is the fate of this Commission ? Therefore, do not involve our Supreme Court judges in this matter and bring the Supreme Court under a cloud. I am concerned with the reputation of the Supreme Court... (Interruptions)

Who took all such decisions, as, shifting of Mr. Bhure Lal, relieving Mr. Pande of the concerned portfolio and shifting of the Minister ? They were all taken by the Prime Minister. Do you expect a single Supreme Court judge to inquire into the conduct of the Prime Minister ? Does the House realise under what thickening and lengthening cloud our Prime Minister right now is ? Today the Prime Minister is under a cloud and do we expect the cloud to be lifted.. (Interruptions).

SHRI VILAS MUTTEMWAR (Chimur) : This should not go on record, Sir..... (Interruptions).

MR. DEPUTY SPEAKER : I will go through the record. I will not allow...

(Interruptions)

SHRI VILAS MUTTEMWAR : He has no business to say that...(Interruptions).

MR. DEPUTY SPEAKER : I will take care of it. I will expunge it...*(Interruptions)*

MR. DEPUTY SPEAKER : Please take your seats...*(Interruptions)*

MR. DEPUTY SPEAKER : I have already told you. I will go through the record. Please take your seats...

(Interruptions)

SHRI K. P. UNNIKRISHNAN : On a Point of Order, Sir. Suppose he says 'the Prime Minister is up in the sky', will it go on record? Instead of saying that he is under a cloud, suppose he says that the Prime Minister is up in the sky, will that go on record?...

(Interruptions)

MR. DEPUTY SPEAKER : Don't shout like this...

(Interruptions)

SHRI BHAGWAT JHA AZAD (Bhagalpur) : Without any facts and story, to say that the Prime Minister is under a cloud, is wrong. What is the fact and story to say that the Prime Minister is under a cloud?...*(Interruptions)*. This is wrong and this must be expunged from the record of the House...*(Interruptions)*.

PROF. MADHU DANDAVATE : Why Mr. V. P. Singh has been transferred from Finance to Defence? Undoubtedly the Prime Minister is under a cloud...*(Interruptions)*.

SHRI AMAL DATTA : This is absolutely parliamentary. There is nothing unparliamentary...*(Interruptions)*.

SHRI BASUDEB ACHARIA : What is unparliamentary in what he has said?

MR. DEPUTY SPEAKER : I am telling. You listen to me...

(Interruptions)

MR. DEPUTY SPEAKER : We cannot discuss Prime Minister's functioning like this. If you want to discuss it...

(Interruptions)

SHRI AMAL DATTA : Under what rule? You show me the rule...

(Interruptions)

MR. DEPUTY SPEAKER : If you want a discussion, you have to bring a substantive motion. Without a substantive motion you cannot do it. Under a substantive motion only you can do it...

(Interruptions)

PROF. MADHU DANDAVATE : There cannot be a defamatory remark but political attack and criticism is permissible. When the Prime Minister has changed the portfolio of Shri Singh on the eve of the Budget, that has kept the Prime Minister under a cloud and he has the right to raise this issue.

MR. DEPUTY SPEAKER : Under rule 352, it is clearly mentioned :

"A member while speaking shall not ... reflect upon the conduct of persons in high authority unless the discussion is based on a substantive motion..."

(Interruptions)

PROF. MADHU DANDAVATE : I want to raise a Point of Order, Sir. Under the rule which you have quoted, 'person in high authority' is described as a person against whom the conduct can be discussed only through a substantive motion and they are the President and the Governor of a State. These are the persons in high office, not the Prime Minister...

(Interruptions)

MR. DEPUTY SPEAKER : Even the conduct of Council of Ministers also you cannot discuss like this. Without a substantive motion you cannot do it.

PROF. MADHU DANDAVATE : Where is the rule for that?...*(Interruptions)*. Gover-

nor and the President are the persons in high authority and to discuss about their conduct, you have to bring a substantive motion...

(Interruptions)

SHRI BASUDEB ACHARIA : Persons in the high authority means ..Governor and the President *(Interruptions)*.

MR. DEPUTY SPEAKER : Under a substantive motion only you can discuss the conduct of the Prime Minister. You cannot discuss it as you like. Even the Council of Ministers *(Interruptions)*

PROF. MADHU DANDAVATE : In this House, ruling party Members have attacked the Defence Minister...*(Interruptions)* Defence Minister was attacked in the last debate ..*(Interruptions)*.

18.00 hrs.

SHRI AMAL DATTA : He mentioned the state of affairs in the country under which the Prime Minister is under cloud. That is all.

(Interruptions)

MR. DEPUTY SPEAKER : Even the conduct of a Minister can be discussed only on appropriate motion drawn in the form approved by the Speaker.

(Interruptions)

SHRI K. P. UNNIKISHNAN : What is this advice ?

(Interruptions)

PROF MADHU DANDAVATE : First time the ruling party members have attacked the Defence Minister, Mr. V. P. Singh.

(Interruptions)

SHRI S. JAIPAL REDDY : Your ruling implies that nobody can say anything about the Prime Minister in this House.

SHRI INDRAJIT GUPTA : I would request you that you give this matter further

thought. *(Interruptions)*. You have said something un-precedented.

(Interruptions)

PROF. MADHU DANDAVATE : When Mr. Winston Churchill was the leader of the Opposition, he tore Attlee to pieces. Look at the repartee between Gladstone and Disraeli. It was said, "You will either die by hangman's noose or of a vile disease. This was said about the Prime Minister of U.K.

(Interruptions)

SHRI DINESH GOSWAMI (Guwahati) : When somebody says 'Prime Minister is under cloud', it is not allegatory. But it is political. It is always permitted.

(Interruptions)

SHRI DINESH GOSWAMI : It is a very dangerous precedent.

MR. DEPUTY SPEAKER : You take your seat.

When you are making political comments, I have no objection.

(Interruptions)

MR DEPUTY SPEAKER : The conduct of Minister and everything cannot be discussed as you like.

SHRI INDRAJIT GUPTA : Please go through the record and then tell us.

MR. DEPUTY SPEAKER : I will go through the records.

(Interruptions)

PROF. MADHU DANDAVATE : When Adjournment Motion was moved by Herbert Morrison in the House of Commons, he said "Chamberlain is causing the doom of the country and he is responsible for this. Even that was tolerated...

(Interruptions)

SHRI SURESH KURUP (Kottayam) . You are creating such a dangerous precedent;

MR. DEPUTY SPEAKER : I will go through the records. I am not creating dangerous precedent. Please take your seat. Do not make remarks like this.

I told you that I would go through. Why are you saying 'dangerous'. I am not a dangerous man

(Interruptions)

MR. DEPUTY SPEAKER : Have you finished Mr. Jaipal Reddy ?

SHRI S. JAIPAL REDDY : I hope my facts and clouds will both go together on record.

(Interruptions)

MR. DEPUTY SPEAKER : Do not cast such aspersions on the Chair.

(Interruptions)

PROF. MADHU DANDAVATE : Do not refer to the Chair. Concentrate on the Prime Minister.

SHRI S. JAIPAL REDDY : The ruling party in the House has more than 80 per cent Members. On this side of the House also, they have their allies. Why is the Government afraid of enquiry by the House Committee ?

Sir, Mr. Gadgil was referring to the examples of House of Commons of Great Britain. I am not as learned as Mr. Gadgil. I am only aware of Indian precedents. Sir, in our country we have always functioned on the Committees on a supra-partisan basis take for example Public Accounts Committee, Public Undertakings Committee, Privilege Committee, etc. Kuo-oil deal was referred to the Public Undertakings Committee. The Public Undertakings Committee produced a unanimous report, though the Committee was unanimous in finding fault with the Government. Sir, a Parliamentary Committee has many privileges and immunities provisions of the Official Secrets Act which of late assumed manacing proportions will not stand in the way of enquiry by the Parliamentary Committee, but they could and would stand in the way of enquiry by a Judge, Sir. I

want the Government to clarify this point. Shri Shiv Shanker who is a legal luminary is sitting by the side of Minister of State in the Ministry of Finance. The Government can withhold information from the Supreme Court Judge on the plea of executive privilege. The Government will not be able to do that in regard to a Parliamentary Committee. Sir, we do not know the terms of reference. The terms of reference however wide may not some times suffice. The judge will be inhibited. The Parliamentary Committee will not be inhibited. I am try to state as to how an enquiry by the Parliamentary Committee is superior to an enquiry by a Supreme Court judge. In view of these facts I hope that better sense will prevail on the ruling party Members.

18.06 hrs.

STATEMENT RE : CONSTITUTION OF
A COMMISSION OF INQUIRY TO
ENQUIRE INTO THE ARRANGEMENTS
ENTERED INTO WITH THE FAIRFAX
GROUP INC. OF USA

[English]

THE MINISTER OF STATE OF THE
MINISTRY OF PETROLEUM AND
NATURAL GAS AND MINISTER OF
STATE IN THE MINISTRY OF FINANCE
(SHRI BRAHMA DUTT) : Mr. Deputy
Speaker, Sir, the Finance Ministry, Govern-
ment of India, in response to the letter of
the Law Minister suggested the two sitting
judges to constitute the Commission. They
are - first Shri Justice M. P. Thakkar, Chair-
man, second Shri Justice S. Natarajan,
Member. The Government accepted his re-
commendations of according the appointment
of the Commission. The notification reads as
follows :

S.O. WHEREAS the question of utilising
the Fairfax Group Inc. of the United States
of America has been the subject matter of
debate and it is definite matter of public
importance;

AND WHEREAS the Central Govern-
ment is of opinion that it is necessary to
appoint a Commission of Inquiry for the