

Varma, Shri Ratilal	Yadav, Shri Ram Lakhn Singh
Veerappa, Shri Ramchandra	Yadav, Shri Ram Saran
Verma, Shri Shiv Sharan	Yadav, Dr. S.P.
Vijayaraghavan, Shri V.S.	Yadav, Shri Satya Pal Singh
Virendra Singh, Shri	Yadav, Shri Sharad
Wasnik, Shri Mukul Balkrishna	Yadav, Shri Surya Narayan
Yadav, Shri Chandra Jeet	Yumnam, Shri Yaima Singh
Yadav, Shri Devendra Prasad	Zainal Abedin, Shri
Yadav, Shri Ram Kripal	

NOES

Nil

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MR. SPEAKER: Subject to correction,\* the result of the division is:

17.14 hrs.

Ayes: 348

DISCUSSION UNDER RULE 193

**Delay in import of Sugar resulting  
in steep rise in its prices**

Noes: 000

[Translation]

The motion is carried by a majority of the total membership of the House and by a majority of not less than two thirds of the members present and voting. The Bill is passed by the requisite majority in accordance with the provisions of Article 368 of the Constitution.

*The motion was adopted.*

SHRI RAM VILAS PASWAN (Rosera): Mr. Speaker, Sir, please allow discussion under the Rule 193. In today's agenda two issues have been listed for debate-one is on import of Sugar and second is regarding Jain Committee. I would like to know whether both the issues will be taken up today itself or discussion on Jain Committee will be taken up tomorrow.

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\* The following Members also recorded their votes for Ayes:-

Shri V.R. Naidu Palacholla, Shri Mrutyunjaya Nayak, Shrimati Chandra Prabha Urs, Sarvashri Govinda Chandra Munda, Bherulal Meena, Vijay Kumar Yadav, Janardan Mishra, Lakshmi Narain Mani Tripathi and Yoganand Saraswati.

[English]

MR. SPEAKER: If you are willing to sit late in the night, we are ready to take up both the things. Otherwise, we can take up the other one tomorrow.

SHRI RAM VILAS PASWAN: Sir we want a discussion on the Joint Committee Report whether it is today or tomorrow.

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow): I would like to know whether the Minister of Home Affairs going to make a statement regarding situation in Bombay.

[English]

MR. SPEAKER: We will find out. Is the Home Minister going to make the statement?

THE MINISTER OF WATER RESOURCES AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI VIDYACHARAN SHUKLA): Yes, Sir.

MR. SPEAKER: I think it will come a little later.

17.15 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

[Translation]

SHRI NITISH KUMAR (Barh): Mr. Deputy Speaker, Sir, the whole country and particularly this House has been worried about this issue. I am very much worried as to who would be replying on behalf of the Government on the issue when it is being debated here. The

Minister of Food is present here. All the Members who participated in the discussion were not confined to the particular Ministry alone. The Ministry of Finance and The Ministry of Commerce are also involved in it. An institution called P.M.O., which finds no mention in the Constitution of India, is also involved in it. Cabinet Secretary has been mentioned again and again during the discussion on this issue. I would like to know that who will reply to our question. This issue is not related to food Ministry only. Not only that, several other things related to this have also come to the notice and I am at a loss to understand that who will reply to it.

Mr. Deputy-Speaker, Sir, last time also when this issue was discussed by way of adjournment Motion no proper reply to the question was given. The Food Minister himself has clearly blamed others and Newspapers have blamed the Food Minister and the Minister of Food has given so many clarification in his defence. Last time when the issue was discussed in the House, the reply of the Minister of Food had made it clear that everything will be done according to the wishes of the Prime Minister. The reply given to the question raised by Shri Chandra Shekhar revealed that it was done on the orders of the Prime Minister. The Prime Minister is not present here and no reply has been given on his behalf. The Minister of Food has to give reply whereas the Secretary of his Department has levelled several charges against him, and several news items have also been published against him.

Mr. Deputy Speaker, Sir, we have seen that earlier the Minister of Food had overruled P.M.O. This dispute would not have taken place if Kalpnath Raiji would have cancelled the global tender invited by F.C.I. This issue has been debated

upon several times but this issue took a new turn when Prime Minister made announcement that an enquiry would be conducted into it. Earlier the Government outrightly denied any such scam having taken place. But when the circumstantial evidences pointed towards the person holding the highest post then they started covering up by giving orders to hold an inquiry.

Mr. Deputy Speaker, Sir, who will hold enquiry into the matter? I do not want to say anything about any person. This matter, which is called scam by the whole nation will be investigated into by a former CAG. It has also come to the notice that the said CAG had an association with a Sugar Mill. When such is the situation what will be the result of this inquiry. Earlier it was said that report of the enquiry will come within a month but now more time than that has elapsed but no report of the inquiry has been received. It seems that tenure of the inquiry Committee will be extended. There is no indication whether the inquiry is going or not?

Mr. Deputy Speaker, Sir, we are raising this issue with not only great anguish but with great anger also because in this country whenever an issue or a question is raised it is treated in such a way that it loses its importance. Some discussion is held, some statements are published in newspapers, the issue is debated upon in the House and the whole matter is over. But in this case a great injustice has been done to the consumers in the country and they are worse affected. And that too when we had an earlier experience of the type. Such an incident had taken place in 1989 and at that time Shri Sukh Ram was Minister. At that time also the whole issue came into light. It was inquired into

by PAC. Chairman of PAC Shri Atal Bihari Vajpayee presented its report before the House during the regime of Shri V.P. Singh. At that time it was noticed that serious irregularities have been committed therefore, CBI inquiry was conducted into it. Its report has already been submitted to the Prime Minister but no action has been taken on it. I am raising this issue with a great anguish. This Ministry had given Action Taken Report on the basis of PAC report and PAC has accepted it for discussion. Nothing concrete came out during the discussion. We cannot discuss the proceedings of PAC in the House but it puts a question mark on the Parliamentary system itself. Committee was not allowed to function on such a petty issue.

The PAC had the right to discuss on Action Taken Report but on a very minor question this Committee was not allowed to transact its business.  
(Interruptions)

[English]

SHRI SRIKANTA JENA (Cuttack):  
Sir, I am on a point of order.

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

SHRI SRIKANTA JENA: Before he proceeds further, I would like to have a ruling from the Chair. The point is allegations have been levelled against the PMO and the Commerce Ministry. I would like to know whether the Minister of Food will reply only from the point of view of the allegations levelled against his Ministry or about the allegations levelled against the PMO and the Commerce Ministry. There is a direct allegation against the PMO and the Commerce Ministry also. Why the Prime

[Shri Srikanta Jena]

Minister, the Commerce Minister as also the Finance Minister are not present in the House during this debate? They should take the House into confidence. Where are those Ministers? Why are they not present here? First, it should be clarified.

[Translation]

SHRI NITISH KUMAR: Mr. Deputy Speaker, Sir, I had also raised this issue while initiating the discussion. Now the hon'ble Member has raised this question through a Point of Order. This question should be solved.

MR. DEPUTY SPEAKER: What is your Point of Order?

SHRI UMRAO SINGH (Jalandhar): The point, which is being raised by Mr. Nitish Kumar, has already been discussed in the House. The discussion had taken place in the House and these questions have already been replied. This is all repetition. Now there is no use of repeating all those things; you may raise any new issue if you wish.

SHRI NITISH KUMAR: There should be some regulation regarding this so that further discussion can take place.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (DEPARTMENT OF YOUTH AFFAIRS AND SPORTS) AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI MUKUL WASNIK): Sir, Shri Kalp Nath Rai, the hon. Minister is representing the Government and he will reply to the

debate. I do not think what Shri Srikanta jena and Shri Nitish Kumar have raised has got any valid argument. This discussion had taken place on an earlier occasion in this House. Then also Shri Kalp Nath Rai replied to the Debate. Now also, he will be replying to the debate.

SHRI SRIKANTA JENA: No. Shri Kalp Nath Rai, on the previous occasion, had said that on the direction of the PMO, there was a tender issued which he subsequently cancelled. That means, the PMO's direction was there for the global tender. How can he answer that aspect? If he says that he will answer on behalf of the PMO, that is a different question altogether. We are interested to know from the Prime Minister himself.

[Translation]

SHRI LAXMINARAYAN PANDEYA (Mandsaur): The discussion has already been taken place on this issue and while replying the Minister of Food had said so many things in respect of Commerce and PMO. The Members were not satisfied and so the resolution has been brought again. If the same situation persists even today. There will be no use of this discussion both the hon'ble Ministers are not present here. General discussion has already taken place. So they should be present here positively. They should be called here. While supporting the question of justification, which has been raised here, I request you to give your ruling on it.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF

STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): I am sitting here. The Minister concerned will reply.

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow): You might remember that an adjournment motion was brought in the House in regard to sugar muddle during the last session. A discussion was held on this adjournment motion. Even today if this issue is being raised again it does not mean that same Member should give the same answer. The questions, which remained unanswered, should not be left unanswered now and the matter should be clarified. This discussion is not a mere ritual but this is being made so. I can not understand why the hon'ble Prime Minister is not present in the House on this occasion. The Public Accounts Committee was making an enquiry in this case. The enquiry was obstructed and in the meanwhile orders were issued by the prime Minister's office for conducting a fresh inquiry. What was the use of conducting a separate inquiry? What is the progress of this inquiry? Whether Mr. Kalpnath Rai can give some information in this regard? Now the time has been extended for the inquiry. Mr. Kalpnath Rai was made scapegoat in the entire matter. I can understand his position if he comes forward to save his skin I can understand but he is making all efforts to save the Government as a whole which is beyond my imagination. But I know what would be the result. Hon'ble Minister of Commerce is not present here... (Interruptions)..

SHRI KAMALUDDIN AHMED: I am present here.

SHRI ATAL BIHARI VAJPAYEE: The importance of the entire matter is

being minimised. It is being made a simple issue whereas it is related to a big scandle. There was a shortage of sugar, and the same was sold on the higher rates. People were compelled to buy sugar at the rate of Rs. 20 per kg. during summer and marriage season and this matter is not being taken seriously. I do not think that any solution will come out by making discussion like this. We want to register our protest over it.

[English]

SHRI MUKUL WASNIK: We respect the views of honourable Member, Shri Atal Bihari Vajpayee. But to say that we do not attach any importance or any seriousness to the discussion is very unfair, to say the least. As I have mentioned earlier, Shri Kalp Nath Rai will be replying to the debate on behalf of the Government. He will try to reply to all the points raised during the debate.

[Translation]

SHRI LAXMINARAYAN PANDEYA: Mr. Deputy Speaker, Sir, this is the repetition of the same thing. Mr. Kalpnath has already given the reply. He is not going to say anything new. It is not fair that only Mr. Kalpnath should give reply and the other Minister remain absent from the House. It can not go like so.

SHRI SATYA DEO SINGH (Balrampur): Mr. Deputy Speaker, Sir, the question, which has been raised by Nitish Kumarji, is very important. Hon'ble Atal Bihariji has also given stress upon it. Now what more clarification will be given by Mr. Kalpnath. I want to quote the statement which has been made by the head of the PMO's office and has been published in the 'The Pioneer' of this month.

[Shri Satya Deo Singh]

[Translation]

[English]

I want to quote it. While giving an interview to *The Pioneer*, he said, "No, it was the Commerce Ministry which had to decide the entire issue."

He further says: "On the Prime Minister's bidding, FCI was told to import sugar."

[Translation]

Whether Prime Minister will not give any clarification in this regard?

[English]

He was the Cabinet Secretary very recently. He was very much whatever involvement was there – in this entire issue. The Prime Minister is not here. Who is going to explain the conduct of the Prime Minister's office or the Prime Minister's bidding? The former Cabinet Secretary says about it openly in a very important newspaper. That is why the point raised by Shri Nitish Kumar and subsequently by Shri Srikanta Jena is very important. If you want to have a serious discussion, if you want to come out with the truth from this type of muddle into which this Government is involved – earlier, scam and now sugar – then it is very important that the Prime Minister should be here. The explanations or the suggestions made by the hon. Minister of State for Parliamentary Affairs holds no water.

SHRI SHARAD YADAV

(Madhepura): I also want to say something on the point of order which has been raised by Mr. Jeena and which has also been put forth by hon'ble Mr. Atal Bihari in very clear words. The matter is very serious. This session has witnessed the many scams.

Today this is a very serious matter and this matter is much more serious than that which has taken place recently. Mr. Kalpnath will reply on behalf of the Government. He himself clutching at straws. He has been intercepted in this case by the many allegations made against him and this matter has been made controversial. He can also only defend himself but CBI has also submitted its report and the Chairman of PAC Atal Bihari Vajpayee has also submitted his report on that very report of CBI. In his report he has explained the modus operandi in the matter of import of sugar in the future and Government has approved this report. In spite of the Governments' approval all these things have been violated. This matter is so relevant, that it is not fair if Mr. Kalpnath Rai alone is asked to explain the position. Whatever just has been read out by Satyadeoji includes several statements given by Minister of Food, Finance and Secretary of Food Minister and both have attended the Press Conference separately.

Therefore, on behalf of 4-5 ministries, one person could reply and it would be better if the hon. Prime Minister is present here and reply the debate. But the hon. Prime Minister is not present and Shri Kalp Nath Rai will reply on behalf of the Government.

I do not think that Shri Kalp Nath Rai is competent to do so because he, himself is involved in this controversy. If he starts covering up the whole issue to save himself that would be a great injustice with the issue.

Mr. Deputy Speaker, Sir, I rise here because I know that you speak less and give rulings rarely. You are a thorough gentleman that is why this matter has come out today through you and you have given the right direction...

SHRI NITISH KUMAR: It means that other persons who sit in this Chair are not gentlemen.

SHRI SHARAD YADAV: I mean that one who speaks rarely carries more weight. I rise to say that you should give your ruling on this issue because the Government is taking the issue so lightly that except some State Ministers, no Cabinet Minister is present here. All the five Ministers, who are sitting here, are State Ministers. You can tell me as to how the Government is serious about it. Mr. Wasnik is saying that the Government is quite serious about it.

But if the string is pulled a little he will be saying as to what he can do? Here he is saying with great enthusiasm but in the lobby he would say as to what he can do. Sir, you may not say anything but you are also aware of the fact as to how much the Government is serious about it. It has cost the poor people thousand crore of rupees. I do not know whether this country would come out of such scandals or not? They are celebrating the third anniversary of their Government with great enthusiasm but

how they have completed these three years. During this period they have given birth to scandals in quick succession one after the other as the goat gives birth to the kids.

Today's discussion is on a very serious matter. A large number of Members have left the House. We wished all of them to be here during the discussion so that the truth may come out. The truth, which has been lying buried under this dome, is not coming out of this House for the last three years. We wish that the truth regarding sugar scandal should come out of this House. We were very generous and wished them to mend themselves because after much difficulties they have acquired this position but they have done the same again. You are thinking that today also we would hold discussion, make long speeches and go away but it would not be so. Although we are less in number but even then we shall not allow you to escape. Now you are taking it lightly but we shall make you serious on this issue.

Mr. Deputy Speaker, Sir, therefore, I would like to request you to give your ruling and reprimand them. It is an evening time. The Prime Minister and other Ministers who are involved in it should be called to the House. Shri Gian Prakash, who has been appointed as Chairman of the Committee, has a wonderful personality. I do not know whether he was a good or bad person. Today we have to point out everything as where are these persons who have been appointed to probe into it. Mr. Deputy Speaker, Sir, you should give a ruling on it so that the truth which remains buried under the scandal, may come out. It is my humble submission to you.

[English]

Secondly there are rulings...

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): Sir, I have a similar point to make. But it is somewhat different. It is different in the sense that the sugar muddle, has not only cost the people crores of rupees, but also the Government has lost crore of rupees. This will bring our budget to a very difficult position because subsidy is given.

(Interruptions)

MR. DEPUTY SPEAKER: The Chair has no power to enforce the attendance of any particular Minister in the House. This is the ruling. There is also elaborate discussion on this point. Therefore, I request that the House can proceed and Shri Nitish Kumar can start.

Sir, my point is that, this issue has brought into focus the functioning of the Cabinet itself. All the Ministries are involved, beginning from the Prime Minister, the Commerce Minister, the Finance Minister and all others. Not only that, the CCPA is also involved. The dimension of the problem is very big. The whole CCPA has not met for three months. Who is responsible for that? So, if the Government wants to hear the view point of the Opposition, let all concerned be present here and give some serious thought to this. When the Government is taking it so lightly we think that they want to make this House a talking shop. ....(Interruptions)

(Interruptions)

SHRI SRIKANTA JENA (Cuttack): So far as your ruling is concerned, it is final. But, there was agreement that it will be taken up under Rule 193. The issues are the same as before. That is why we are demanding that the Prime Minister should be there. Who will reply about the Cabinet Secretary's interview in the Press, who will reply to the Commerce Ministry's tender notice?

The CBI Report is lying before the Prime Minister. Who is going to reply about that?

MR. DEPUTY SPEAKER: I think you are right. You have raised a Point of Order. Meanwhile, the hon. Member has risen to speak. Shri Nitish Kumar has raised the Point of Order. Shri Srikanta Jena has also raised the Point of Order. The question is that they want all Ministers to be present in the House. They demanded from the Chair to get all the concerned Ministers to be present here. For that my ruling is, the concerned Minister is present in the House. The Members can make their points more effectively and the concerned Ministers who are present here, will hear them, and at the suitable time, the concerned Ministers will answer.

MR. DEPUTY SPEAKER: You can demand whatever you want at the time of the final reply.

(Interruptions)

SHRI SRIKANTA JENA: The Prime Minister instituted an inquiry. ....(Interruptions)

MR. DEPUTY SPEAKER: There is no rule which provides the presence of any particular Minister in the House during the debate. Hon. Speaker also has no power to make sure the presence of any Minister in the House.



SHRI SRIKANTA JENA: That is not the issue, Sir.... *(Interruptions)* The issue is concerned with the PMO. So, the Prime Minister has to be present in the House and he should reply to the debate.

MR. DEPUTY SPEAKER: At the time of final reply you can demand for that.

SHRI SRIKANTA JENA: If that is your ruling, Sir, and if you direct the Prime Minister to be present in the House and give reply to the debate, then we can continue with the discussion.... *(Interruptions)*

MR. DEPUTY SPEAKER: There is a principle of collective responsibility. The Minister of Commerce is present in the House. The Minister concerned is also present in the House. Let us advance our arguments. At the time of the final reply you can demand whatever you like.

SHRI UMRAO SINGH (Jalandhar): You may please read the text of the motion, Sir.... *(Interruptions)*

MR. DEPUTY SPEAKER: I have given my ruling. It is up to you to respect it or not. The Chair has no power to demand for the physical presence of any of the Minister in the House. Secondly, you have every right to demand for the presence of any Minister at the time of the final reply.

... *(Interruptions)*

MR. DEPUTY SPEAKER: If you go on arguing like this, it will serve no purpose.

SHRI BUTA SINGH (Jalore): Deputy Speaker, Sir, the House is grateful to you

for the very clear ruling that you have just now given. This House cannot be run without rules and procedure. The rule says that at 4.00 O'clock – now, we are much behind the time – Shri Nitish Kumar will raise a discussion regarding delay in import of sugar resulting in steep rise in its prices. You cannot bring hypothetical situation here, as is sought to be done today even by the hon. Leader of the Opposition. Let the debate continue. Ministers are sitting here. There is what is known as the collective responsibility of the Cabinet. Most of the Departments are represented here. Let the discussion take place.

After your reading the rule, there should not be any issue left. I request you with utmost respect to ask the hon. Mover of the Resolution to continue his speech. This kind of obstinckion is nothing but the political gimmick on part of various political parties. Let us not take this as a political issue. Let us go on the merits of the issue. Let Shri Nitish Kumar continue with his speech, Sir.

SHRI CHANDRA JEET YADAV (Azamgarh): Sir, I want to say a word or two in view of the opinion which you have expressed. The debate is very serious and the Prime Minister and other Ministers should also be present. We protest that the Government is not taking this debate seriously. This is a major scandal in which the common people of this country suffered because they had to pay very high prices for sugar for the three to four months. At the same time we want that the facts also should come to light. As you have said, we hope that at the time of reply the Prime Minister and other Ministers will be present. With this protest, I request you to allow Shri Nitish Kumar to continue.

[Translation]

SHRI RAM NAGINA MISHRA (Padrauna): Mr. Deputy Speaker, Sir, the hon. Speaker had told that the Home Minister would make a statement. At present the hon. Home Minister is present here so I would like him to make a statement... (Interruptions)

SHRI NITISH KUMAR: Mr. Deputy Speaker, Sir, at the outset of the discussion I have said that a complete discussion on this issue is not possible, till a competent Minister, who could give reply on behalf of all those persons who are involved in this scandal, is present in the House and the Prime Minister can only be that competent Minister. All these things, like the questions of PMO, statement of Food Secretary, letter of Commerce Secretary, the statement of Commerce Secretary against the Cabinet Secretary etc. are very serious things. The Minister of Food is himself under cloud in this controversy. Whatever the bureaucrats have said about him is not a minor thing. It is a matter of stigma on the entire system of Parliamentary democracy. If a Minister is involved in the scandal, some punishment should be fixed for him also. I favour the practice prevalent in China that the persons involved in corruption are hanged. Similarly if we also want to adopt it here I would like to say that the corrupt politicians should be hanged first. What the Government have to say about their own Minister. The way the notes are being circulated and allegations are being made therein, is really making it a very serious matter. Keeping all these things in view, I had demanded that the Prime Minister should remain present here during the discussion and I am thankful to all those members who have supported this demand.

Mr. Deputy Speaker, Sir, an interview of Cabinet Secretary Shri Saifulla was appeared in 'Pioneer' dated 8th August 1994, in which he had stated that it was done at the behest of the Prime Minister had the PMO says that the Prime Minister is not at all involved in it. The Minister goes on tour and global tenders are invited. The Minister returns from the tour and tenders are cancelled. This scandal is of a wider magnitude. This entire scandal has become intricately scandal (Jalabia Ghotala). There is also a Jalebia valley in Bihar. There are scandals within scandal which makes it a complicated one.

That is why I had demanded the presence of the hon. Prime Minister here. Now who will reply all these queries? The V.P. Singh Government had ordered an CBI inquiry and the said report has been submitted to the Prime Minister. Last time Shri Umrao Singh was saying which has not been given due attention that all these things have already been raised here. We have not gathered here merely for the sake of convention. Two qualitative changes have taken place in situation. Firstly, the Public Accounts Committee has started its inquiry on the 'Action taken report' but it has not been allowed to work. Secondly, the hon. Prime Minister has announced that the former CAG, Shri Gian Prakash would inquire into it

Thirdly, the report of CBI inquiry has reached the Prime Minister. After this incident these three things came into light. That is why it has its own significant and it has already been discussed in the House as to what were the rates of sugar during this period.

All these points have been discussed. Therefore, we are demanding today that the hon. Prime Minister should

have been present in the House because except him no one is able to give reply to these points. We are bound to go by your ruling. You have said that you cannot compel anybody, it is true. Whenever any allegation is made against the Hon'ble Prime Minister, he disappears from the House. All this thing is happening in this Government's rule. Here, everything is done by blackmailing. Shri Kalpnath Rai has thrown the directives issued by the P.M.O. in the dustbin. I would like to appreciate him for this. A global tender was floated without his knowledge. When he came to know about it, he was told that it would be cancelled. PMO's directive has its own importance. But in this case, the Hon. Minister has shown his courage. As regards other matters, he is involved in various disputes. Who is the authority in PMO? The Hon. Prime Minister should issue directives directly and write on the file. A new precedent has been set up in the country, though there is no such provision in the Constitution or in the law and in the executive business. However, all the things are done by the Prime Minister's Office. It seems to me that the Ministers have not got any power\*. Just now, they were talking about the collective responsibility. What will they do? The Ministers have no respect at all. When the so called directive comes from the PMO, the Ministers start trembling and change their decisions within two minutes. Where there is such a situation, how can we hope for an accountability or collective responsibility? Keeping these things in mind, we cannot accept the entity of the PMO. There are Government employees and officers in the PMO. The people elect their representatives and thus, they become political executives. There political executives are accountable to the Parliament, and the PMO performs behind

the scene. Who will give reply after that? That is why, I had requested that the hon. Prime Minister should have been present here. We do not want to escape from the discussion but we rather want to bring the facts to the fore. If he tries to give an evading reply, neither we nor the public will be satisfied with that. Then, whose fault is it anyway? The Ministry of Finance prepares the Economic Survey before every budget. In the report for 1993-94 it has been stated that:

[English]

"However, sugar stocks are at a comfortable level and thus there are no dangers of supply bottlenecks in the country."

[Translation]

Thereafter, the figures have been given. The copies of Economic survey are distributed among the Members in February. The sugar season starts from October and ends in September. And after that it is said that our stock position is alright. When Economic Survey gives a good picture, a fear of scarcity is created so as to enable the traders and the mill owners to earn more and more profit and thus, the outsiders are given a chance to earn through kickbacks. If the Government give the plea that it cannot be mentioned in the economic survey that the stock position is not satisfactory, and we will have to import sugar because in these circumstances the prices of sugar will be increased in the foreign markets. Keeping this thing in mind that no uncertainty remain in the minds of the people and the speculation may not start in the market though the position has been stated satisfactory in the economic survey, it was the duty of

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\* Expunged as ordered by the Chair.

[Shri Nitish Kumar]

the Government to go ahead with the import of sugar. The Food Secretary states that the Ministry had written a letter in November. On the other hand, the hon. Minister has already given a statement in the Rajya Sabha and elsewhere that he had written a letter on 24th January. Then, this thing came into light later on that as a Food Minister he had made a speech in the meeting of Mill owners in December that sugar will not be imported at any cost. There are different versions from different quarters and one does not know the factual position. When there is a crisis, the Food Minister says on 24th January that sugar should be imported. Then, why was it not done so? During the period from 24th January to 9th March, the meeting of the Cabinet Committee on Prices (CCP) was postponed six times. After all, why was it done? Suddenly, the meeting was held on 9th March and a decision was taken that free sale sugar should be imported under Open General Licence. The hon. Minister of Food had written that to sustain the Public Distribution System, about ten lakh tonnes sugar would be required and it should be imported so that any scarcity could not arise. However, no decision was taken on this and the option of import of sugar under open General Licence was exercised. Was the quota released in May sufficient to meet the requirement? May is the month of marriages and during the summer season the consumption of sugar increases. This month only 4.90 lakh tonnes sugar quota was released. Why? However, the quota was increased in the following months. The sugar came in the market after importing it through Open General Licence. I think it has been done deliberately. This has been done to reduce the quota in the month of May

so that the prices may shoot up. When there was no shortage of sugar under free-sale then why the quota was reduced? Government will have to give reply to it. No decision has been taken in regard to the import of 10 lakh tonnes of levy sugar but a decision is taken regarding free sale sugar. Why the shortage of 10 lakh tonnes of sugar had occurred. The shortage occurred as a result of the wrong policies adopted by the Government.

Earlier, the mill-owners used to give 60 per cent of their production in levy sugar and 40 per cent in free sale. Later on, this proportion was changed and it was fixed 50:50. Thereafter, a decision was taken to give 55 per cent for free-sale and 45 per cent for levy. Ultimately, it was changed to 60:40. The ratio of levy sugar was reduced continuously as a result, the stock of levy sugar depleted and the shortage was estimated to be ten lakh tonnes.

The Minister of Food states that at that time it was written, then why the decision was not taken. The Ministry of Finance will also have to give reply. The Ministry of Commerce was told that FCI was not authorised to import sugar.

Similar was the view of the Minister of Food. On this basis the tenders were cancelled. Last time, when the scandal had taken place the Public Accounts Committee had made an enquiry into it and suggested that sugar should be imported through State Trading Corporation and not through any unregistered company. Anyway, I do not think it proper to quote the details of that report as lot of discussion had already taken place on it during the debates held earlier. Thereafter, comes the Action Taken Report. In that Report, the Hon. Minister of Food wrote that import will be

done either by STC or MMTC and not through FCI or any unregistered company. Several promises have been made in the Action Taken Report because the PAC has suggested that a clear cut policy should be formulated in regard to import of sugar so that there would not be any possibility of any scandal or fraud. The Food Minister had wrote all these things in the Action Taken Report. But the Action Taken Report was submitted to PAC in February. Then, under which circumstances, FCI is suddenly asked to import sugar particularly when it was involved in the earlier sugar scandal. This is the reason why this situation was created. There was a recommendation of PAC and everything was made clear in the Action Taken Report even then they say pressure was exerted. I do not know how do they talk of collective responsibility? Commerce Secretary says something and Cabinet Secretary says something else and even Food Minister and Food Secretary speak in different languages. The Hon. Minister of Commerce comes in the picture only after 9th March, when a decision was taken to import sugar either through STC or MMTC. The Hon. Minister of Commerce says that in such a situation, who will bear the burden of giving subsidy? As this sugar is required to be imported for PDS and it has to be sold at Rs. Nine and five paise per Kg. In these circumstances if sugar is purchased on higher rates, then who will bear the burden of giving subsidy? Which authority decides about it? Whether these things are not discussed in the CCP meeting?

18.00 hrs.

The Finance Minister, Commerce Minister or concerned minister must be in the CCP and even they cannot decide such simple matters. Had the people at lower levels committed such lapses, they

would have been punished. The Committee simply took a decision that import will be done through STC or MMTC and the issue of subsidy was left unresolved.

[English]

MR. DEPUTY SPEAKER: Shri Nitish Kumar, how much time more do you need?

SHRI NITISH KUMAR: I need five to ten minutes more.

MR. DEPUTY SPEAKER: Shall we extend the time?

(Interruptions)

MR. DEPUTY SPEAKER: The Minister is ready with his statement, immediately after Shri Nitish Kumar concludes his speech, he will make the statement.

So, is it the desire of the House that we shall sit up to 7.30 p.m.?

SEVERAL HON. MEMBERS: No, Let us continue tomorrow.

MR. DEPUTY SPEAKER: It is better to conclude it today. Many Members want to participate. Tomorrow, it will be very difficult to accommodate all because we have got the Private Members' Business also.

[Translation]

SHRI NITISH KUMAR: Mr. Deputy Speaker, Sir, the Ministry of Finance and the Ministry of Commerce are responsible for stopping the import. Everything is communicated to the Cabinet Secretariat

[Shri Nitish Kumar]

and the decision is taken at the level of Cabinet Secretary and not at the level of Prime Minister. When the discussion does not take place at Cabinet level a scam takes place. The matter gets delayed and at first sugar is imported through OGL. When the market price of sugar gets increased in the international market then we purchase sugar on higher rate. There are two reasons behind this— one is to create a artificial shortage of sugar in the market, and to release an insufficient quota of sugar in the market. Secondly, import of sugar for PDS through STC and MMTC. It created a horrible situation. Firstly sugar is to be purchased through OGL for free sale. After all, which forces take such decisions that create problems? Which forces exercise pressure for an import of sugar through FCI? There must be a force that is why this matter came into light. When the Hon. Minister had issued an order to cancel the global tender, it was followed by a FAX message.

[English]

M/S DATAMATION INTERNATIONAL NEW DELHI REF TENDER ENQUIRY FOR THE PURCHASE OF SUGAR AND RATES QUOTED BY YOU STOP REQUEST KEEP OFFERS OPEN VALID TILL 2100 HRS (IST) ON 21ST MAY 1994, SATURDAY AND KINDLY COMMUNICATE YOUR CONFIRMATION IN RETURN STOP THANKS"

[Translation]

This letter was sent through FCI. The Hon. Minister cancels the tender but it is kept open even after cancellation upto 21st. It makes one suspect the

presence of a superior force. This force exercises pressure on Cabinet Secretary, Commerce Secretary or Secretary of Food and asks them to invite un-registered companies and let them take part in sending tenders as well or these companies should be given a chance to stake their claim in regard to the decision on this tender. Then, the whole scenario of FAC is mentioned in the ATR and that ATR is kept in the deep-freezer. What are the reasons that lead to a statement by Shri Zafarulla even after his retirement that it was done at the instance of the Prime Minister. It has been published in the news-papers that the Hon. Prime Minister is visiting the USA to meet President Clinton but at the time of his departure he worriedly takes aside his Cabinet Secretary takes an immediate decision at his own level disregarding all other matters. Then who will be answerable for this matter? The main culprit in this matter is the PMO (Prime Minister's Office) which is under the Our Hon. Prime Minister. No further action was taken during the intervening period between the rise in the prices of sugar and the import of sugar. It has been pointed out in the Economic survey.

Mr. Deputy Speaker, Sir, I have put forth two points and on that basis the Ministry of Finance is answerable for it. No excuse will suffice to account for the delay as STC and MMTC do not import goods, and Ministry of Commerce and Ministry of Food are responsible for it. All these people are answerable to it but now all of you want to wash your hands off the whole matter. How is it possible?

When these matters are referred to PAC, though I do not want to mention it because the proceedings of a parliamentary committee cannot be discussed in the Parliament, but the

entire nation is aware how the members of a particular party started a propaganda and did not let PAC work. After all, what does it mean?

Sir, through you, I demand that the enquiry report of the CBI into the last scam be placed on the Table of the House and it should be informed about the contents of the report and the people responsible for it. When people forget one scam another scam comes into light. Shri Sukh Ramji has given a statement. This statement is in regard to the last scam. He has said everything and whatever he has said is about the then Prime Minister who is no more. He has said that the final orders were given by the Prime Minister. Everything is crystal clear. All the facts should be made clear. A new scam cannot be created in order to covershadow the earlier one. This Government creates scams. That is why we want information on all these points and demand that the last CBI report be placed on the Table of the House.

Mr. Deputy Speaker, Sir, we should have all the details regarding the points mentioned in the Action Taken Report and the negotiations took place among the concerned secretaries, and the fact that the cabinet secretary made repeated phone calls to the Secretary of commerce and pressurised him to include unregistered companies in the tender. If it is correct then all the facts as to who phoned whom and at what time, etc. must be find out from the Electronic Telephone Exchange. All these facts should be placed on the Table of the House as to how many times Cabinet Secretary of Commerce and how many times they discussed this matter and what transpired between them, etc. If you ask Shri Kalpnath Rai to stand here and give a reply then he would give replies concerning his Department that the

Ministry of Agriculture had said that production of Sugarcane is sufficient and that is why they had said in December that there was no need for importing sugar. It was not his fault because they had come to know later on that Shri Mulayam Singh had made a commitment to supply whole sugarcane to jaggery makers and khandsari makers and then only they had come to know that there was a shortage of sugar. All the sugar mill owners who had visited there also create a scam. This is not an incident.

Mr. Deputy Speaker, Sir, it involves de-control of molasses also. The sugar scam was a well thought one. At the time of de-control of molasses it was said that half of its profit would be given to farmers and the second half would be added to the fund meant for reviving the sick sugar mills. We would like to know as to what percent of the profit earned from molasses was given to farmers and what percent was invested in the fund meant for sick mills. The people engaged in making molasses buy jaggery at a large scale and jaggery makers are giving good price to farmers. When khandsari producers buy a large scale sugarcane, it creates crisis. Why will farmer not sell his sugarcane to jaggery makers and khandsari makers as he gets good price from them? So, it should also be made clear as to why does farmer not get a proper price of his sugarcane and why not they get his balance payment in time? That is why the farmer is forced to sell his produce elsewhere. Shri Kalpnath may stand and defend himself by saying that they had written on 24th January. So it was not his fault. Then who will be answerable to this point?

Sir, unless a strong decision is taken by the chair regarding directing the Hon. Prime Minister and the Minister of Finance and Minister of Commerce to give reply to the Debate and clarify their

[Shri Nitish Kumar]

position the doubt will continue to persist. The people of this country had to spend at least Rs. 800 crore due to rise in the prices of sugar and the Government is answerable and responsible for it. That is why, through you, I demand that the whole matter should be investigated and it should not be an eye-wash.

Sir, the enquiry conducted by Shri Gyan Prakash will not suffice as he himself might be found involved in it. When he himself is associated with a sugar mill, how he would conduct an enquiry? He himself might be found to be involved in it. Therefore, through you, I demand that a judicial enquiry should be conducted about this whole matter and this should be conducted by the Supreme Court Judge. Only then everything would be made crystal clear otherwise the people in our country would go on creating scams, hurling abuses, sending negative report abroad and levelling allegations and counter-allegations. People would be divided in two groups supporting one and opposing the other resulting in Suppression of justice and to protection to corrupt people. Shri Atal Bihari Vajpayee was right in saying that this discussion should not be restricted to rituals only because most of these points were included in the last debate also. A discussion should be held keeping in view the three important incidents that have taken place after the previous discussion and suitable reply should be given to them.

At last, I demand that the whole sugar policy needs to be reviewed and a review should be conducted to know why more sugar in free sale and less sugar for distribution or levy sugar has been released and a status quo should

be maintained after the review and there must be a policy in this regard.

Today, the people who are importing sugar through OGL, are now saying that they are facing difficulties. Now it is being bought at cheaper rates, the market price has declined but we are not getting it. It is also being said that people who were associated with mill owners took all the benefits by purchasing sugar through OGL in the earlier days. They exported our indigenous sugar and then imported the same after the price hike and thus earned profit twice. So, these points should be clarified.

With these words I conclude and hope that everybody would put forth his views and eventually the Prime Minister would give his reply. If the hon. Prime Minister does not give a reply then we would be forced to believe that the Prime Minister and his people are involved in this scam.

[English]

SHRI CHANDRA JEET YADAV (Azamgarh): Sir, the gentleman sitting in the Officials Gallery is making gestures towards the lobby. The gentleman sitting in the front row of the Officials Gallery must behave properly.

MR. DEPUTY-SPEAKER: Today, in the morning, we wanted that the Home Minister should make a statement regarding the killing of Shri Ramdas Nayak at Bombay. Now the hon. Minister wants to make that statement.

.....(Interruptions)

[Translation]

SHRI MOHAN SINGH (Deoria): The Minister of Home Affairs has to make two



statements—one regarding the morning incident and the other regarding the sugar scam in respect of which the CBI report has been submitted.

[English]

MR. DEPUTY-SPEAKER: Now we will have one statement.

18.12 hrs.

### STATEMENTS BY MINISTERS

#### (ii) **Killing of Shri Ramdas Nayak, Councillor, Bombay**

[English]

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI RAJESH PILOT): The Government of Maharashtra have intimated that today at about 10 AM, Shri Ramdas Nayak, Councillor, Bombay Municipal Corporation, was shot dead by two unknown assailants near Hill Road, Bandra, while he was travelling in an Ambassador Car. His police security guard was also shot dead. The two assailants came on a motor cycle and resorted to heavy firing with automatic weapons while Shri Nayak's vehicle was negotiating a turn. Thereafter, they sped away dropping two empty magazines at a distance of about 200 yards from the scene of incident. They abandoned their motor cycle at nearby suburb called Khar, stopped an auto rickshaw, pulled out the driver of the auto rickshaw and drive away the auto rickshaw themselves. They abandoned the auto rickshaw little away from Khar Railway Station and disappeared. From the abandoned rickshaw, two AK .56 rifles and two empty magazines have been recovered. According to the description given by the driver of the auto rickshaw,

the assailants were fair complexioned having sharp features and about 5 feet 6 inches in height. Both of them were wearing shirts and jeans. The driver of Shri Nayak's vehicle and two passers-by have also received bullet injuries.

The State Administration is fully seized of the gravity of the matter and has launched a massive search for the culprits.

I was talking to Shri Atal Bihari Vajpayee before he left. I know this is a very serious incident and the culprit must be brought to book to set an example that State Government and I am asking the hon. Chief Minister to make a small task force. Whatever help he needs from the Centre, we will extend to him so that time bound he must get into the job and this culprit should be brought to book in future, such incidents should not recur. I am going to offer all necessary help from the Centre, especially in the form of a task sc that we can find the culprit.

Shri Ram Naik has been very vocal. He has been fighting against anti-social elements and against corrupt people. He has been raising his voice against such things. To find out the culprit will be the right tribute we pay to him who has fought such a cause.

[English]

MAJ. GEN. (RETD.) BHUWAN CHANDRA KHANDURI (Garhwal): I want to bring to your notice the total lack of security arrangements in North and South Avenue. I have been bringing this to the notice of the Home Ministry for the last two years but nothing has been done. The way the people are staying there