

473 *Statu. Resolution Re: BHADRA 15, 1913 (SAKA)
Disappr. of consti. (ST) order (IInd. Amend.) ordi. &
Consti. (ST) order (IInd. Amend.) Bill*

*Motion Re: BCCI 474
(Overseas) Ltd.*

standing among the hon. Members. It is a fact that the second Bill has been introduced under political pressure. Please do not compel us to succumb to political pressure on such issues. With these words, I withdraw my statutory Resolution with the permission of the House.

[English]

MR. CHAIRMAN: Has the hon. Member leave of the House to withdraw his Resolution?

SEVERAL HON. MEMBERS: Yes.

The Resolution was, by leave, withdrawn

MR. CHAIRMAN: The question is:

"That the following amendment made by Rajya Sabha in the Bill to provide for the inclusion of certain tribes in the list of Scheduled Tribes specified in relation to the State of Karnataka as passed by Lok Sabha, be taken into consideration:-

New Clause 3

"Page 1, after line 10 insert—

"3. (1) The Constitution (Scheduled Tribes) Order (Second Amendment) Ordinance, 1991 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Constitution (Scheduled Tribes) Order, 1950, as amended by the said Ordinance, shall be deemed to have been done or taken under the said Order, as amended by this act."

The Motion was Adopted

New Clause 3

MR. CHAIRMAN: The question is:

"Page 1, after line 10 insert--

"3. (1) The Constitution (Scheduled Tribes) Order (Second Amendment) Ordinance, 1991 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Constitution (Scheduled Tribes) Order, 1950, as amended by the said Ordinance, shall be deemed to have been done or taken under the said Order, as amended by this act."

The Motion was Adopted

[Translation]

SHRI SITARAM KESRI: I beg to move "That the amendment made by Rajya Sabha in the Bill be agreed to."

[English]

MR. CHAIRMAN: The question is:

"That the amendment made by Rajya Sabha in the Bill be agreed to."

The Motion was adopted

474
14.46 hrs. *Motion*

MOTION RE: BANK OF CREDIT AND
COMMERCE INTERNATIONAL (OVER-
SEAS) LTD. (Motion)

[English]

474
SHRI JASWANT SINGH (Chittorgarh):
Mr Chairman, with your permission, I move:

8 "That this House, taking serious note of the collapse of the Bank of Credit and Commerce International (Overseas) Ltd. (BCCI) expresses its concern about various reports of misuse of funds by this Bank, inclusive of cornering of stocks of Indian Companies and recommends the immediate announcement of norms of conduct by the public financial institutions and the establishment of a Joint

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Parliamentary Committee of enquiry in the matter."

While moving this motion and initiating discussion in this regard, I must at the very outset say that I am aware that the world is indeed not short of financial scandals. In Great Britain, we have had the scandals of National Westminster Bank and, the Blue Arrow affair. Also scandals about insider trading in Frankfurt. scandal of American Junk Bonds which resulted in Michel Milkon having to face the pillory of the public.

Recently we have had that Treasury Bonds Trader in the United States of America, Salomon Brothers being indicated.

Of course, in Japan very recently we had examples of misconduct in Osaka Credit Union, in Nomkra Securities, Toyo Shinkin Bank etc.

In the light of such financial scandals, we then have this great scandal of BCCI.

Sir, before I make my comment about these scandals that I wish to, there is a comment which I find so pertinent to this entire discussion that I would like to share it with the House. I quote:

"The biggest reason for paying special heed to Japanese scandal is that the dirty dozen uncovered so far are not just a bunch of isolated frauds."

Of course, this particular quotation is in respect of what is happening in Japan. But I find it so pertinent and so applicable to India that I wish to share it with the House.

"These scandals are into isolated frauds. They are sown into the fabric of Japan is financial system, its corrupt Politics and even of its business ways. They are systemic not only in nature but also in the risk that they pose....."

Thereafter, the quotation, of course,

speaks of the risks that are posed to the global financial system because of corruption in industry, trade or commerce in Japan. It is this risk which is uppermost in my mind, the risk to the very fabric of the nation that has persuaded me to move this Motion.

Sir, in all these scandals, a price has been paid and that is the point that we have to take special note of. I am given to understand that the Finance Minister of Japan Mr. Ashimoto is thinking of resigning. That is not my suggestion for the Finance Minister here. But there is this aspect that a price has been paid in each of these scandals that I have listed whether in Great Britain, or Germany, or in Japan or in the United States of America. And no matter how high the business house, no matter how high the office of the political person who is responsible, there is a price that has been paid. The Salomon Brothers possibly are the oldest and the most renowned firm trading in Government Treasury Bonds. The Chairman has lost his job on account of BCCI, venerated public figure like Mr. Clifford, an advisor to successive Presidents of the United States has, at this stage of his life, had to pay the price. That is where I am extremely concerned because in India we did have a period soon after Independence when public misconduct, misappropriation of funds or even the risk or suggestion of lack of accountability were not put up with. Responsibility was fixed and one had to pay a price. The Jeep scandal was the first, followed by the Mundra scandal. Of course, that it was also about the financial institution. Some of my senior colleagues would remember the Tulmohan Ram scandal. There was accountability in all these affairs. Somebody paid the price. That is why I brought forward this Motion because ever since we entered those infamous decades— I do not have to list those decades where public accountability, integrity in public life in industrial, financial, commercial ventures in those decades evaporated — — such responsibility or accountability evaporated. It just went away. But much more importantly, for us as a nation, public institutions, even financial banks and if I may with great sadness suggest that even the Reserve bank of

India's governance and Government became part of this huge fraud and hoax on the nation.

I do not have to give very many examples. Take the infamous example of Bofors. It is possibly the most monumental scandal involving national security and procurement of weapons system for the country. A price has yet to be paid for those Rs. 65 crores. Politically, possibly, a price has been paid but the accountability of this Rs.65 crores is yet to be. Take the example of Snam Progetti and the fertilizer deal or Sumi Tomo or the Kuo Oil Deal and so many other examples. I am saddened to have to point out that in none of these, the guilty party has ever had to pay any price. Therefore, when they not paid the price, inevitably, the nation has to, and the nation has already paid that price. It has paid that price in the spread strait of corruption, because corruption has now become all-pervasive. It is all -pervasive both in the quantitative sense and in the sense of the atmosphere of corruption. It is the price that we have paid because we have been guilty of not bringing to book those that are responsible. The nation has paid a price because of this all-pervasive cynicism that now really has spread; in the sentiment expressed is the kind of catchword,

[*Translation*]

there is no proper system, nobody is responsible, nobody is accountable.

[*English*]

You can get away with anything that is currently the cynical mood of the nation. I put it to you that a consequence of all this is that the moral and executive authority of the State of India is weakened. The very fibre and sinews the of State are not just enfeebled, they are not just destroyed: Much more worrisome to me is that they, in fact, become the contaminating source of corruption. That is the real import of this Motion. That is why, I have been struggling ever since this session began to get an opportunity to raise this huge scandal of BCCI.

What are we discussing? The text of the Motion I have read out. We are discussing the collapse of the Bank of Credit and Commerce International (Overseas) and its implications to us. We are also discussing the aspects of public financial institutions and their accountability or involvement in all of this. But we are, above all, discussing the Government's conduct, role and responsibility in this entire affair. We are also not just by implication, but much more directly by the fact that we have taken up this Motion for discussion. Therefore, what is now on test is the duty and the efficacy of the legislature itself in which we are today sitting, in a sense this legislature is also on test in what we do today or fail to do in respect of this particular Motion. There are aspects of national security which we cannot overlook. Just yesterday, in the discussion on the Demands for Grants, Ministry of Defence, indeed the Minister of Defence himself said that 'internal' is now an aspect of the totality of only national security. In 'internal', he pointed out that the aspects like Narco-terrorism, trafficking of drugs, all have now become part of national security. And if in an examination of the conduct of the BCCI, we find these the aspects of national security are concerned, then I think, it is my duty and the duty of this legislature also to apply its mind to this particular aspect.

15.00 hrs.

I would broadly identify the dimensions of the functioning of this Bank, BCCI. I have to per force rely upon some reports, quite exhaustive reports, that have appeared because here in India we have been stymied by the hon. Finance Minister's original statement on the subject because of which the whole scope has been perverted and has been mis-shaped. We are informed that this Pakistani bank became:

"...a powerful player in the other world of international arms. Using the clandestine routes and alliances originally created for money laundering, BCCI has brokered, financed and, in some instances, initiated transactions that have

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often upset the uneasy techno-military balance sought by the U.S.....Moreover, government sources, former BCCI bankers, and arms merchants doing business through BCCI have described the bank's more sinister role in providing nuclear-weapons technology for Pakistan, Iran, Iraq and Libya - nations widely believed to be pursuing development of the so-called Islamic bomb to counter the nuclear force they assume Israel possess. According to these sources, BCCI has also been busy providing Pakistan and other customers throughout the Middle East with the capacity to deliver such weapons."

It is not just procurement or production of weapons, but also of the delivery system. The description of the BCCI is that:

"It is a vast, stateless, multinational corporation that deploys its own intelligence agency, complete with a paramilitary wing and enforcement units, known collectively as the 'black network'. It maintains its own diplomatic relations with foreign countries through bank 'protocol officers' who use seemingly limitless amounts of cash to pursue their goals."

MR. CHAIRMAN: What is the magazine you are quoting from?

SHRI JASWANT SINGH: I am quoting from a magazine which normally I don't read: It is "TIME" magazine of September-2 issue.

MR. CHAIRMAN: Is it the American Time?

SHRI JASWANT SINGH: It is "TIME International". I don't know where it is published. I think they have Singapore publication also.

"Through its practiced use of false documentation, the deployment of billions of dollars in unbooked letters of credit..."

I will give examples of what they have done. They have done this kind of activity in India also.

"..and clandestine arrangements with compliant government officials.."

It worries me a great deal when I come to the details of it.

"...in numerous countries, BCCI was ideally positioned for its role as arms marketer to the world, particularly the Middle East."

I am further informed :

"BCCI did more than finance or broker arms deals between nations that couldn't risk exposure of politically embarrassing relationships. Arms dealers from Europe and the Middle East, as well as a high-level operative from BCCI's Karachi - based black network, have separately provided TIME with nearly identical descriptions of some of BCCI's elaborate services for the sale of conventional weapons."

They could handle everything-brokering, financing, letters of credit, false end-user certificates, shopping, spare parts, training and even personnel.

With that kind of muscle, BCCI was able to secure substantial business from one of the pre-eminent makers of military aircraft; Dassault Aviation, and that is of particular relevance to us.

According to Arif Durrani, who formerly worked for BCCI and is an arms dealer, now doing time in a US federal prison for illegally providing Hawk anti-aircraft missiles to Iran, one of the biggest Mirage dealers in the world is a Pakistani by the name 'Asaf Ali'. I would not go into other details. But Asaf Ali is backed financially by BCCI in his worldwide deals and that he brokers Mirages, including some top-of-the-line Mirage 2000s that were sold, amongst other countries, to Iraq, Libya and Abu Dhabi.

Then, what is most disturbing is, displaying the political dexterity of a super power, this Asaf Ali brokered the sale of 49 Mirage 2000s to India and then, to maintain parity, provided Pakistan with a similar number of new Mirages, and that is where the Mirage scandal of Peru gets linked. I do not want to go into the details of the Peru scandal. This gentleman, connected with BCCI, re-routed two dozen mirages sold only in name to Peru, then supplied to Pakistan.

SHRI SOMNATH CHATTERJEE (Bolpur): \$ 50,000.

SHRI JASWANT SINGH: So much more, Not just these Mirages, I am going to come to the details. So the arrest last month in Frankfurt of Brigadier Inam ul-Haq, whose arrest was sought by the United States of America since 1987....

MR. CHAIRMAN: Mr Jaswant Singh is making some very telling points, Therefore, I hate to interrupt. But there is no time fixed for this particular discussion. I would like to have the consensus of the House as to what sort of time you would like to fix. The cut-off thing is that there is the Private Members' business. Private Members' business, once started, I believe, has to go on for 2 1/2 hours. That is due to commence at 3.30 or so. So, seeing the time, it is up to the House whatever time you would like to fix. (*Interruptions*)

SHRI GEORGE FERNANDES (Muzaffarpur): This discussion will go on next week. (*Interruptions*)

SHRI JASWANT SINGH: In the Business Advisory Committee, a decision was taken. The Hon. Speaker accepted the fact that this discussion-which will start today-will be carried forward and will go on the next week. The day on which it is to be fixed next week is yet to be decided. But for today up to the Private Members' Business will be after this motion. It will carry on the next week until it is concluded irrespective of time.

MR. CHAIRMAN: All right.

SHRI GEORGE FERNANDES: Thank you.

SHRI JASWANT SINGH: Sir, I was on the question of arrest of Brigadier Inam ul-Haq at Frankfurt. His arrest had been sought by the United States of America since 1987. It is well known that his arrest was sought in connection with the purchase of nuclear weapons-grade steel for Pakistan's bomb-development. US Justice Department has now accepted that the BCCI was Brigadier Inam ul-Haq's financier.

There is some more on BCCI's nuclear connection.

It is now established that the BCCI has been providing financial services to agents of the Pakistani Government for the illicit purchase of nuclear weapons-related commodities and technologies wherever they find it in the world. BCCI further operate and functioned as the owners' representative for Pakistan's nuclear-bomb project. I would not go into the aspects of missile assistance which BCCI was providing to Pakistan. While ammunitions-control experts in the US have evidence that BCCI played a role in the delivery of immunities-grade nuclear hardware and technology to Iraq and Iran, it is the Pakistanis who are the chief beneficiaries of Abedi's multifarious services. "You can't draw a line separating the bank's black operatives and Pakistan's intelligence services," says an international arms broker. This is particularly noteworthy. I had started by saying that the Bank was operating a secret network called 'Black Network'. And here is the confirmation of what I have been saying for sometime now. It is not just that the ISI, the Inter-Service Intelligence of Pakistan, used BCCI as its principal banker. In fact, the Bank's Black Network could hardly be separated from Pakistanis intelligence network. Sir, all this was based in Karachi.

The next point which I would like to speak on is about the missile-delivery system and nuclear hardware supply from China. This is also known by now, Sir, that China is a supplier to Pakistan. This was something

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which the hon. Minister for defence pointed out yesterday to the House that the Government is concerned about China's supply of nuclear hardware to Pakistan and here is a confirmation again. China is a supplier of nuclear hardware for Pakistan as well as missile-delivery systems for Pakistan, Syria, Iraq and Saudi Arabia including a BCCI brokered sale of mid range ballistic missiles to the Saudis. Now, I have occasion also to point out that a great deal of all this, that is, whether it goes to Saudi Arabia or elsewhere, it was the BCCI that financed it through China. The example of 300 tanks being gifted recently by Saudi Arabia to Pakistan only underlines the concern that I am pointing it out here. I could go on endlessly with these examples. But the point that I wish to make is well enough made in some of these examples that I have given of the total ramifications. But why do I give these examples? I, for a minute, cannot believe that if this was what the BCCI was doing internationally, somehow on account of some peculiar alchemy by coming in touch with the Reserve Bank of India and the Government of India, since the decade of 1980s and that some peculiar alchemy worked so strangely that the BCCI Bombay Branch became innocent-exemplified. That is what the hon. Finance Minister, in his previous statement, had attempted not just to inform the House but indeed to tell the rest of the country. Whereas the BCCI, ever since the early years of the decade of the 1980s had been doing everything all over the world but when it came to Bombay, they were really innocent babes. I find it very difficult to believe all that, Sir....(Interruptions).... I can only attribute this to either extreme gullibility or treating us, the rest of us in this Parliament or outside in the country, with absolute contempt. No matter what is served from the Treasury Benches we must believe. I do not wish to use harsh words when it comes to hon. Finance Minister. But the point is that no matter how insulting the implications of what he has served may be, we will buy it, the nation will buy it and the nation will just accept it as God's own truth even if it be so

damaging to the future of the country. After all what for we are here? Let me just encapsulate the international aspects of the BCCI's functioning and all that. What are we attending to address ourselves through this Motion? We are attempting to establish the BCCI's nexus with Pakistan's Inter-Services Intelligence. We are attempting to establish that the BCCI was operating, whether in India or abroad, as a financier, as a conduit, as a recipient, as a launderer of narcotics money. We are attempting to establish here that the BCCI in its total operations - whether the Bombay Branch or the London Branch - was involved in gun running, in weapons' brokerage, in weapons' procurement and the 303 Rifles and the Mirages are only the tip of the iceberg that we are talking about. We are attempting to establish here that the BCCI, in its operations - whether here or abroad - and with particular relevance to India, was the financier and the banker of the terrorists organisation. It is well-known that Abu Nidal was holding his account in the London Branch. It is well-known that CIA was operating through the BCCI. It is well-known that Manuel Noriega, who is now on the verge of serving a sentence, is also involved in this. If such things are happening all over the world and if narcotics arrive from Pakistan and move through Rajasthan and go into Bombay, are we really to believe that this operation of BCCI in Bombay was merely a red Cross operation as my good friend Shri Somnath Chatterjee has said? It is an incredible suggestion for the Government to advocate. What are we attempting to prove? There did exist - now it stands established - that the BCCI was not just the broker or the procurer but in fact almost an Attorney holders of Pakistan for procurement of nuclear grade material, and for nuclear technology. It stands established in the context of Pakistan, Libya, Iraq and Iran. Are we therefore to think that it is happening all over the world? Why only isolate Bombay?

Sir we are next attempting to address ourselves to the subversion of institutions which the BCCI's role in India exemplifies. I do not think that requires even a proof. To my mind that is possibly the most important

thing. Because that lies at the heart of our concern. It has been established that there is a nexus between the politicians, the industrialists, the Banks and corruption. I did say that India has not always been like this. This Legislatures have called into account and the Government has responded to it. It is not merely that it has responded to Jeep scandals or the Mundhra scandal or the Tulmohan Ram's case. The Government has responded to the concerns of the Legislatures. It is only when we entered those infamous decades and it is in those infamous decades that this nexus between the politicians, the industrialists and the corruption have got established and that is what has perverted the systems.

MR. CHAIRMAN: It is enough ammunition for the House to chew upon for the time being.

SHRI JASWANT SINGH: Would you like to go on to the Private Members Business now?

MR. CHAIRMAN: No. I think, we could have the amendments moved.

SHRI JASWANT SINGH: I have much more to say.

SHRI ATAL BIHARI VAJPAYEE (Lucknow): He has just begun!

SHRI SOMNATH CHATTERJEE: He has just begun. This is the Preface. You, please leave something for us.

SHRI JASWANT SINGH: This is the Bank. I have found it necessary to draw the profile of this Bank that sought entry into our country. The honourable the Finance Minister suggested that the origins of this Bank lay in 1977. That is correct. But because for whatever information that we have about the origins of this Bank in India we are now largely dependant on the Government of India - - - for all information - - - therefore I have with great regret, to preface whatever I have to say with a brief comment about the honourable the Finance Minister's statement.

It is that statement, which after all raised all this. Had that statement been all inclusive, exhaustive and had it separated

[*Translation*]

The milk from the water, it would not have needed now

[*English*]

But I am sorry to say that was innocuous and irrelevant, and it saddens me to say that in a manner it was an insulting evasion of the Parliament's concern. That statement by the honourable the Finance Minister did not behove the outstanding public career that he has had and the undoubted subscription to probity in public life that his conduct and his nature and his past represent. That is why, with great sadness I have to say that a man of such outstanding public career was forced by the circumstances of the political cohabitation that he has now sought voluntarily.....

SHRI INDER JIT (Darjeeling): He has not sought. He has been offered. (*Interruptions*).

[*Translation*]

SHRI JASWANT SINGH: Sir, it is a famous saying that bad association brings bad name. (*Interruptions*).

[*English*]

MR. CHAIRMAN: I am not sure. I hope that cohabitation is not unparliamentary.

SHRIDIGVIJAYA SINGH (Rajgarh): Not in this context.

SHRI JASWANT SINGH: Mr. Chairman, Sir, what is so normal and what happens daily cannot be unparliamentary.

SHRI DIGVIJAYA SINGH: The word is not unparliamentary. (*Interruptions*)

SHRI JASWANT SINGH: So, we are

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Informed that in 1977 when the Janata Government was in power, a request was received for the opening of the Bank in this country I am given to understand that the Janata Government denied permission for the opening of the Bank. The Bank was persistent and somehow in the period of turmoil that followed the Janata Government's inability to cope with its internal intra-party difficulties, and the period of turmoil that followed, this persuasive determined Bank managed to obtain permission for a representative office.

SHRI INDER JIT: Following your withdrawal. *(Interruptions)*.

SHRIJASWANT SINGH: I Will be happy if the honourable the Finance Minister clarifies this.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): I would like to state that opinions can differ but the facts are the same. *(Interruptions)*.

I was saying that the opinions can differ but the facts are sacred and I would now like to take this House into confidence because lot of insinuations have been made. The first thing I want to say is that this Bank was given a representative office by the Government of which the honourable Member's party was then a constituent. Not only that; and since you have been saying, that very Government agreed to give this Bank a Branch. Its Minister of State directed the Reserve Bank to give that permission. *(Interruptions)*.

SHRI JASWANT SINGH: Would you yield for a minute? *(Interruptions)*.

SHRI MANMOHAN SINGH: This Minister of State took that file to the then Finance Minister, who was the then Deputy Prime Minister, Choudhury Charan Singh, got his approval and then said that the RBI should be given a directive that this Bank should be allowed to come in. It is fortunate or unfortunate that soon after that Government fell and

that the whole matter was re-opened. *...(Interruptions)*.

SHRI SOMNATH CHATTERJEE (Bolpur): It fell into your lap.

SHRI JASWANT SINGH: This is what exactly I said. I am very glad about two aspects. One is that the treasury benches found the opening of this office or granting of a representative office status to this Bank in 1977 by the late Choudhury Charan Singh, when he was the Finance Minister, shameful. It is my expectation....*(Interruptions)*.

SHRI MANMOHAN SINGH: It is not a representative office. A fullfledged branch was recommended by the then Government of India....*(Interruptions)*.

SHRI GEORGE FERNANDES: Sir, I think, the Finance Minister is misleading ...*(Interruptions)*

MR CHAIRMAN: Kindly do not put words in the mouth of the Finance Minister.

(Interruptions)

SHRI GEORGE FERNANDES: Sir, I have, here, the statement which was made by the Finance Minister in this House, which I called as 'trash'. This is what it says:*(Interruptions)*.

SHRI A. CHARLES (Trivandrum): You can speak when your chance comes.

SHRI GEORGE FERNANDES: All right, When my chance comes, you would not be here. You listen to me...*(Interruptions)*.

You wait for your chance. I am also waiting for my chance. This is what the Finance Minister says:

"This bank submitted an application to the Reserve Bank of India, RBI in April 1977...."

Janata Party had just entered office at that time. He says:

"...for opening two branches in India. However, BCCI was permitted by the Reserve Bank of India to open only a representative office in June 1977."

So, why is he now trying to confuse? Why is he trying to mix up the issue now?...*(Interruptions)*.

SHRI MANMOHAN SINGH: I am telling you the in-between story of a Government of which you were such a distinguished Member...*(Interruptions)*.

SHRI GEORGE FERNANDES: You were** you were the advisor in that Government...*(Interruptions)*.

SHRI DIGVIJAYA SINGH: The words which he has used about the Finance Minister are derogatory in nature. This cannot be allowed. These words should be expunged....*(Interruptions)*.

MR. CHARMAN: Please sit down.

SHRI MUKUL BALKRISHAN WASNIK (Buldana): Sir, this is not the way...*(Interruptions)*

MR. CHAIRMAN: I would request the Members from this side to kindly take their seats, when the Chairman is on his legs.

(Interruptions)

SHRI MUKUL BALKRISHNA WASNIK: Do you feel that it is not an abuse to say like that? ...*(Interruptions)*.

SHRI GEORGE FERNANDES: Is it abusive? ...*(Interruptions)*.

MR. CHAIRMAN: Shri Fernandes, please sit down.

(Interruptions).

MR. CHAIRMAN: Shri Digvijaya Singh, please sit down. I will refer to the records.

SHRI JASWANT SINGH: I am grateful to the hon. Finance Minister for having pointed out as to how this office finally came into being. I am also considerably emboldened and enheartened at the response of the treasury benches that the opening of the representative office by this bank is found so shameful. Would they also join in shouting' shame when I point out that this office, which was only a representative office finally got established in March 1983 when the Congress Government was in power. I do not hear the 'shame' shouting now...*(Interruptions)*.

SHRI INDER JIT (Darjeeling): We shouted 'shame' against the distortion of facts...*(Interruptions)*.

SHRI MANMOHAN SINGH: I repeat that the then Government had agreed to give this bank a branch in India. That decision was not implemented because the then Government meanwhile fell.

SHRI GEORGE FERNANDES: The government fell in 1979 and not in 1983. the branch was opened in 1983...*(Interruptions)*.

MR. CHAIRMAN: The discussion will spill over to next week and Mr. Jaswant Singh will continue his speech at that time.

Actually I did not hear the words. If Mr. George Fernandes used the words with reference to the Finance Minister that he was* they will be expunged from the proceedings.

SHRI GEORGE FERNANDES: he was Government servant. 'Government servant' is a very honourable term.

SHRI JASWANT SINGH: I have really only just begun and my intervention has been fractured...*(Interruptions)*. The submission that I am making is that as it has already now got fractured, would you please specify that next week—the House has been extended on Saturday, the 14th—this discussion will be resumed on Saturday, the 14th of

**Expunged as ordered by the Chair.

*Not recorded.

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September at 11 O'clock because the House has been extended for that day?...*(Interruptions)*.

MR. CHAIRMAN: I would certainly have done that, but I am sorry, I am not sufficiently in the picture as to what is the business listed for Saturday and next week. So I can only say that I will bring this to the notice of the Speaker. You only gave me to understand that at the Business Advisory Committee it has been decided that this discussion will spill over to next week. So I would only request the Speaker to fix appropriate time for this.

SHRI JASWANT SINGH: On Monday, some other business has already been listed like the Places of Worship Bill for which four hours have been allotted. We have actually extended the House on Saturday...*(Interruptions)*

MR. CHAIRMAN: You only brought to my notice- I was not in the knowledge of the fact- that this discussion was to spill over to next week. You have told me that it has been decided in the Business Advisory Committee that it will spill over to next week. *(Interruptions)*.

MR. CHAIRMAN: I think, we will cut out this discussion now. I will bring to the notice of the hon. Speaker and I will request him that if it was decision of the Business Advisory Committee that this will spill over to next week, to allocate adequate time for it to be continued next week.

(Interruptions)

[*Translation*]

SHRI JASWANT SINGH: You have stopped us from speaking limit allowed the Minister to make the statement.

[*English*]

Where is the sacrosanctity for Private

Members' Business?*(Interruptions)*.

MR. CHAIRMAN: I think it has been the convention of this House that whenever a Minister likes to intervene with the permission of the Chair.*(Interruptions)*.

MR. CHAIRMAN: He can make an intervention...*(Interruptions)*.

MR. CHAIRMAN: The discussion will continue next week. But this is a current topic.

(Interruptions)

SHRI SOMNATH CHATTERJEE: The Minister cannot dictate as to at what time he will make a statement.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI S. KRISHAN KUMAR): I have not dictated. *(Interruptions)*. There was a demand from the House that a statement should be made. So, I am making a statement.

MR. CHAIRMAN: I believe there was a demand from the House that a statement should be made regarding the accidental death of Maj. General A.M. Malik on 4 September. As it is a current topic, therefore, I think instead of a statement being made later when it loses its topical value, the Minister has very kindly agreed to make a statement, as per the demands of the House and the speaker has permitted it.

SHRI GEORGE FERNANDES: The Private Members' Business time cannot be taken for any other work.

SHRI S. KRISHAN KUMAR: It is in response to the wishes of some of the hon. Members. *(Interruptions)*.

SHRI SOMNATH CHATTERJEE: I want to raise a point. Since your observation that this is the convention has gone on record, I want to tell you that this is not true. Kindly correct it.

MR. CHAIRMAN: My statement, Shri Chatterjee, was that it has been the convention that if the Minister likes to make an intervention with the permission of the Chair, he can be allowed to do so with the permission of the Chair. Why it is only the Minister? I think that even if any other Member wants to speak something with the permission of the Chair, he can always say something.

(Interruptions).

SHRI S. KRISHAN KUMAR: Sir with your permission, I am making a statement.

SHRI A. CHARLES (Trivendrum): The Private Members' Business was to have started at 3.30 P.M. But, Shri Jaswant Singh has already taken five more minutes. In that case, why can not the hon. Minister make a statement for two minutes with the permission of the Chair. (Interruptions).

MR. CHAIRMAN: Kindly allow the Minister to make a statement.

15.30 1/2 hrs.

493 Defence

STATEMENT BY MINISTER

Accidental Death of Major General A.M. Malik, Add. Director General Military Training, Army Headquarters on 4th September 1991 (SH)

[Translation]

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THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI S. KRISHAN KUMAR): Sir,

Maj. Gen. A. M. Malik, who was serving as Addl. Director General in the Directorate General of Military Training, army HQrs., reportedly fell down from the staircase of 'A' Wing, Sena Bhavan, to the ground floor courtyard of the building and died instantly at about 1050 hours on 4th September, 1991.

The Office of the Major General was located on the 7th floor of the 'A' Wing, Sena Bhavan. From the first reports available, it is not known from which floor he fell.

The incident was first reported by the Security staff posted in the 'A' Wing of Sena Bhavan. Immediately thereafter a number of senior officers of the Defence Hqrs including the Vice Chief of the Army Staff and the Chief Administrative Officer, Ministry of Defence, rushed to the site. The Delhi Police, who were immediately informed of the incident, arrived on the spot and are reported to have commenced their investigations. The post-mortem of the dead body, which has since been got done by the Police, indicates that the death of the General Officer was due to the fall from a high level.

Besides the investigations by the local Police authorities, as per Army Regulations, a Court of Inquiry headed by a Major General with two Brigadiers as Members has been ordered to investigate into the circumstances leading to the death of Major General Malik.

15.40 hrs.

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PERSONAL EXPLANATION UNDER RULE 357

[English]

MR. CHAIRMAN: Shri Eduardo Faleiro may now make a statement.

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THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO): Sir, Shri George Fernandes, Member of Parliament, has made certain allegations against me today in the Lok Sabha regarding a Press Conference regarding the Konkan Railway Project, which I held in Goa recently and I wish to clarify the matter as follows:

The Konkan Railway Project passes through the States of Maharashtra, Karna-