

16.33 hrs.

DISCUSSION RE: ANNOUNCEMENT BY
THE CHIEF PUBLIC PROSECUTOR OF
SWEDEN REGARDING INQUIRY INTO
THE ALLEGED BRIBES PAID BY BOFORS
IN THE HOWITZER DEAL

[English]

SHRI SOMNATH RATH (Aska): Sir, I
am on a point of order?

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

SHRI SOMNATH RATH: The rules of
this House are being infringed upon. The
rules of this House are infringed upon if
the discussion under 193 raised by Prof. Madhu
Dandavate is going to be allowed. Sir, I invite
your attention to the rules of this House with
regards to Committees. (Interruptions) So,
Sir when this matter has been referred to a
Joint Committee and only after the Report
has been received and is placed on the
Table of the House, there can be a discus-
sion on this issue and not otherwise. That is
the general rule of the Parliamentary
Committees.

(Interruptions)

SHRI SOMNATH CHATTERJEE
(Bolpur): Which rule?

SHRI SOMNATH RATH: Please read
Rule 253 onwards. You also read Rule 268.
It says: "all persons other than members of
the Committee and officers of the Lok Sabha
Secretariat shall withdraw whenever the
Committee is deliberating." The Committee
had been elected. There are Members of the
Committee who are sitting in this House and
this matter is being taken up. Do you think
that the elected Members of this Committee
will take part in this discussion? When there

is already a Committee, as per rules, under
this Chapter, this can be discussed only after
the report of the Committees is placed on the
Table of the House.

Then coming to Rule 193, it says: "any
member desirous of raising discussion on a
matter of urgent public importance may give
notice in writing to the Secretary-General
specifying clearly and precisely the matter to
be raised.

(Interruptions)

MR. DEPUTY SPEAKER: Let him finish
his point of order. I will give my ruling. Why
are you in a hurry?

SHRI SOMNATH RATH: This matter
had been discussed in the House more than
once. Even you yourself.....

(Interruptions)

MR. DEPUTY SPEAKER: Okay. Take
your seat. I want to give my ruling.

SHRI SOMNATH RATH: Sir, I am sub-
mitting. You please hear me. This is a very
serious matter. I am asking you whether
after the Committee is elected, the same
matter can be discussed in the House, under
Rule 193? By doing this you are creating a
precedent. It will be quoted later. This is not
a small matter. So, I want a ruling from you
that a Committee having been elected,
whether the same matter or the issue con-
nected with that matter can be discussed in
the House under Rule 193? It is a very
serious matter. According to me, it cannot be
discussed because it infringes the rule of the
House.

SHRI S. JAIPAL REDDY (Ma-
habubnagar): Sir, you will kindly note what
has been admitted by the Speaker after
issuing the business paper cannot be ques-

tioned by any Member.....

(Interruptions)

MR. DEPUTY SPEAKER: You please take your seat. First let me dispose of this matter.

SHRI S. JAIPAL REDDY: Mr. Azad, after the constitution of Committee had tabled a Motion under Rule 184 and got it adopted without discussion.

(Interruptions)

MR. DEPUTY SPEAKER: Now, I will give my ruling. I want to inform the House and the hon. Member also that the Committee has not yet been constituted because the election is not completely over. We have not finalised the Chairman. After finalising the Chairman, the Committee will be announced. That is one point.

The second point is that the Business Advisory Committee has accepted this and thereafter if was adopted by this House. Therefore we cannot stop it. That is my ruling.

SHRI SOMNATH RATH: I cannot question your ruling. The Members of this House have been elected. But I said, the ruling is subject to review.

MR. DEPUTY SPEAKER: Result has not yet come. That has not been announced till now in the House.

(Interruptions)

SHRI SOMNATH RATH: Okay, but with due respect to your ruling it is subject to review.

SHRI BRAJAMOHAN MOHANTY (Puri): I have a point of order.

MR. DEPUTY SPEAKER: What is your point of order? Let me finish all the points of order, first.

PROF. MADHU DANDAVATE (Rajapur): All right, you finish off everything!

SHRI BRAJAMOHAN MOHANTY: I welcome the discussion on the subject. But the fact remains about the admissibility under Rule 193.

The question remains about the admissibility, under Rule 193. *(Interruptions)* Under rule 193, the Speaker or the Deputy Speaker have no authority to violate the rules. Only the House has got the authority. I am quoting proviso to rule 194:

"Provided that if an early opportunity is otherwise available for the discussion of the matter the Speaker may refuse to admit the notice."

So, the early opportunity was available. My submission would be that the only course open to us is to suspend this provision, and then start the discussion.

MR. DEPUTY SPEAKER: No, no. As you are saying, the Speaker or the Deputy Speaker is not supreme. I accept that. Either the Speaker or the Deputy Speaker is not supreme enough to do any-thing. *(Interruptions)*

Listen to me. That rule is there. Already, the Business Advisory Committee has also placed it before the House, which is more supreme than the Speaker and the Deputy Speaker; and the House has already accepted it. What can I do? Therefore, the House is supreme. *(Interruptions)*

SHRI BRAJAMOHAN MOHANTY: My submission would be that this is specifically what I want....*(Interruptions)*

MR. DEPUTY SPEAKER: This has already been accepted. At that time, you could have objected; not now. That is all. (*Interruptions*)

SHRI BRAJAMOHAN MOHANTY: All right; you go through the record: how many times you did it.....(*Interruptions*)

MR. DEPUTY SPEAKER: You could have objected at that time. (*Interruptions*)

PROF. K.K. TEWARY (Buxar): The only submission that I have to make is that you have to consider the rules, and the importance of setting a precedent in this House. This subject has been discussed *ad nauseam*. This is the fifth time that we are discussing this matter; and for the future, you are opening the flood gates. (*Interruptions*)

MR. DEPUTY SPEAKER: He is not discussing my ruling. (*Interruptions*)

PROF. K.K. TEWARY: I do not know whether the hornet's nest has been disturbed. We are discussing this issue for the fifth time. You know it, Sir. There is the other consideration. (*Interruptions*) In the same Session, no topic, however important it may be, can be discussed more than once; and that has not been adhered to. Therefore, I think there is a clear-cut policy or rule, and we are setting a very bad precedent. (*Interruptions*) It will be resorted to time and again by anybody who wants to tarry on on a certain issue, and take political advantage of this. Therefore, this is a very material issue, and I urge you to seriously think over it, because when there is a specific rule, and that rule.....(*Interruptions*)

I am only asking you to reconsider it. (*Interruptions*)

MR. DEPUTY SPEAKER: I will give a ruling for Mr. Tewary also. Don't worry. He is not challenging my ruling. (*Interruptions*)

PROF. K.K. TEWARY: Every time there is this plea which they take...(*Interruptions*)

MR. DEPUTY SPEAKER: Mr. Tewary, please take your seat.

PROF. K.K. TEWARY: If you have to run the House according to the rules, I think the rules should not be violated, and no unhealthy precedents should be set in this House.

MR. DEPUTY SPEAKER: We are not at all violating any rules. We are always following the rules and regulations perfectly. Also, in this discussion, the rule is not violated because this is not the same subject. This is about a different development. We are discussing only the announcement of this Public Prosecutor of Sweden. It is a new development. We have never discussed it. Therefore, it does not violate the rule. So, Mr. Tewary, please take your seat.

PROF. K.K. TEWARY: There is nothing new. No new subject has come.

SHRI SOMNATH RATH: Every time they will collect something.....(*Interruptions*)

MR. DEPUTY SPEAKER: But this aspect is somewhat different.

SHRI SOMNATH RATH: It is not the question. In fact, the matter has been referred to a Committee. (*Interruptions*)

MR. DEPUTY SPEAKER: Now Prof. Madhu Dandavate. The time allotted is two hours. I request Members to be very brief, and give whatever points they want to make, because there are many other subjects which we have to discuss.

PROF. MADHU DANDAVATE (Rajapur): How can we finish in two hours?

MR. DEPUTY SPEAKER: That is there. But if the House decides other-wise, it is an entirely different matter. I am speaking about what was decided earlier. Please try to be very brief, and try to come to the point.

PROF. MADHU DANDAVATE: Mr. Deputy Speaker, Sir, despite many manipulations in the past to see that the motion that I had proposed in different forms was tried to be sidetracked and discussion evaded.....(*Interruptions*)

PROF. K.K. TEWARY: This is not correct.

PROF. MADHU DANDAVATE: Don't start right from the beginning, You will have enough opportunities in the course of my speech to intervene. (*Interruptions*) Despite that because of the ingenuity of the rules of procedure of the Business Advisory Lok Sabha and also the determination and vigilance of the opposition and the consideration of the Committee followed by the consideration of the House in adopting the BAC's Report, I have been able to have this opportunity for discussion on the subject. I rise to initiate the discussion on the announcement by the Chief Public Prosecutor of Sweden regarding enquiry into the alleged bribe paid by Bofors in the Howitzer deal.

It is in the fitness of things that one particular criticism that has been voiced against us in this House and outside, I, should take cognisance of it is a cardinal point that has become extremely crucial in the discussion of the entire subject. After the announcement of the Chief Public Prosecutor of Sweden regarding the enquiry to be taken up in the Bofors, a question was posed to the opposition; is it in keeping with the dignity of this Parliament and the dignity of this country that we should seek the assistance of an agency outside the country to investigate into the matter. As a Member of

Parliament, I consider myself accountable to this House. Even a veteran like Prof. Ranga had doubt about our respect for the nation's prestige and about patriotism. I consider myself answerable to a veteran like Prof. Ranga, who is the founding father of our Indian Constitution. In that spirit, I would like to raise certain points.

Much is made of the fact that when we have an investigating machinery in our country the investigating agency in our country. Is it patriotic and in consonance with the dignity and the prestige of our land that we should seek the assistance of a foreign agency, and request them.....(*Interruptions*) I would like to put the record straight. Some points were already raised; but sometimes the public memory is very short and therefore I must try to narrate four or five points.

As early as in 1975, you may recall that when Maharani Gayatri Devi had gone to the United States of America and the diamond jewellery was stolen. Mrs. Indira Gandhi was the Prime Minister. Mrs. Gayatri Devi lodged a complaint; and with the consent of the Prime Minister, a foreign agency was engaged, hired to detect this theft of the jewellery; and the same agency was asked to go into the assets of Gayatri Devi. That was not the agency from India. It was the foreign agency engaged by the Government.

SHRI B.R. BHAGAT (Arrah): Engaged by whom?

PROF. MADHU DANDAVATE: Naturally by the government; your government. In that hectic period of emergency you were the Speaker. So, you must remember it very well.

SHRI SOMNATH CHATTERJEE: He has held so many offices; he has forgotten.

PROF. MADHU DANDAVATE: Then there is a statement by Shri Bhure Lal before the Thakkar Commission as the Director of the Directorate of Enforcement that he was compelled to hire Fairfax agency because he has no separate agency of investigation abroad. Earlier Shri Vedhvan, Joint Secretary, Ministry of Finance had gone abroad and reported that no investigation was possible on our own. I would like to point out to you a third important instance. The appointment of a foreign agency, in principle, was approved by the Prime Minister on two or three occasions, when Bhure Lal saw him and when Shri V.P. Singh saw him.

Fourth: There has been a confession by the Directorate of Enforcement that "we have no means of investigations abroad and therefore we have dropped the German Submarine deal investigations."

MR. DEPUTY-SPEAKER: Professor, why do you....

PROF. MADHU DANDAVATE: Sir, this has appeared in the Press.

MR. DEPUTY-SPEAKER: Whatever you are stating, how is it connected to this?

PROF. MADHU DANDAVATE: It is connected. I am trying to reply, whether foreign agencies can be utilised. Let me develop my own arguments. You may differ, Mr. Deputy-Speaker, but there is a logic. I am trying to put forward an argument by giving instances that hiring a foreign agency for a proper purpose is in keeping with the dignity of this country and there is nothing unpatriotic in that.

The details about Ajitabh Bachchan's apartment in Switzerland were found out by a private detective agency in Geneva.

MR. DEPUTY-SPEAKER: Listen to me.

When you are bringing certain names here....

PROF. MADHU DANDAVATE: I beg of you not to disturb my line of thinking. My line of thinking is, it is not against the dignity of the country and the patriotism in seeking investigation by foreign agencies.

MR. DEPUTY-SPEAKER: It is up to you. You can have your own way of bringing your point. I have no objection. But then if you are bringing in names of certain persons who are not in the House and if you make any allegations that I will not allow to go on record. I want to make it clear.

PROF. MADHU DANDAVATE: I have not made any defamatory remarks. I have only stated a fact that the agency was employed.

Again, when General Vaidya died at Pune, the investigation of the murder was handed over to a foreign agency.

In Charles Shobhraj's case, who was in the Tihar jail, an international smuggler involved in corruptions and collusions, Interpol's cooperation was taken to investigate.

You will be surprised that as far as the Bofor's problem is concerned, I have with me a copy of the Swedish report. The Indian Government requested the Swedish Government to investigate the details about the Bofor's episode, etc. And today only, the despatch from Stockholm has confirmed that. Therefore, it is my submission in the context of our welcoming a Chief Public Prosecutor's inquiry in Sweden, that it is perfectly in order, it is consistent with our patriotic intentions and it is consistent with the dignity and honour of the country, that whenever it is in the interest of the country, in the interest of carrying out the investiga-

tions and in the interest of the security, it is perfectly in order to utilise any foreign agency. The Stockholm despatch of August 25, 1987 states:

"The Swedish Prime Minister, Mr. Ingvar Carlsson, has been under strong Indian pressure to investigate allegations that Bofors bribed Indian officials to win the Howitzer gun contract in February, 1986."

I would like to urge that we are more interested in loss to our exchequer and whether bribes are received by Indian officials and politicians or whether they are received by non-Indian relatives either of politicians or officials, we are just not concerned about it. And, therefore, we will insist that when this inquiry is being conducted in Sweden, let there be no distinction at all, between the Indian officials and their relatives who are non-Indians and Indian politicians and their relatives who are non-Indians, we are not concerned about it. We are concerned about the threat to the nation's security caused by corruption in Defence deals.

The Swedish Foreign Minister, Mr. Anderson has also suggested that a citizen's commission also probing the deal be permitted to scrutinise documents normally kept confidential for state security business secrecy and not available.

Sir, I welcome the statement and I hope in the light of that without bringing into the question, the matters like business secrecy or the question of nation security, the matters will be gone through.

In this very House whenever the question of enquiries were raised and especially when the enquiry is directed, towards finding the truth about the acts of corruption and skeletons of corruption and it is sought to be

done by some agency outside the country, there has been often a talk of destabilisation. I do not want to dwell on this in detail. But I want to remind this House once again about it.

Sir, it is corruption that destroys the democratic fibre of the country and it is corruption that destroys the stability of the country. The fight against corruption never destroys the stability of the State, it never destroys the stability of the system, it never destroys the democratic fibre of the country.

I mention in this House that in the famous Lockheed scandal in Japan, the Prime Minister of Japan was involved. It was established that he was responsible for the scandal. But, even then the Japanese system did not become unstable. No less a person than President Nixon was involved in the Watergate scandal. Ultimately, when the Members of his party threatened that he will be subjected to impeachment, they were not at all alleged that they are contributing to the process of destabilisation. Similarly, here whenever we demand enquiry into corruption in high places either by an agency inside the country or by an agency outside the country, it should never be taken as encouragement to the process of destabilisation. On the contrary if all corruptions and scandals are unearthed and skeletons are taken out, in that case, the democratic fibre of the Indian democracy will not be destroyed, it will be strengthened. That is our contention.

Sir, as far as the probe by the Chief Public Prosecutor of Sweden is concerned, the question is posed that when the Parliamentary probe has already been set up by our Parliament, what is the propriety of having this?

The nationals of Sweden can be summoned only by the Swedish Government. It is absolutely clear. When the Bofors are

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involved, just as some persons in India might be involved in the corruption and in the scandals, some nationals of Sweden might be involved. Some others might also be involved. When our Parliamentary probe goes into the matter, can we bring them to book? Our Joint Parliamentary Committee may go ahead with this work. I wish them good luck. But at the same time, if there are foreign nationals in Sweden who are guilty of collusion with the Indian Officials and Indian politicians and they are they are guilty of having perpetrated a fraud-in that case, it is very necessary that they should be investigated by an agency which has the right to summon them, which has the right to bring them to book and they should be within the jurisdiction of the laws of the country, in which they might have committed the crime. This is an important aspect.

There is a precedent of pre-trial enquiry about Bofors itself and that is in Singapore. Sir, pre-trial enquiry had taken place and there again, Bofors were involved. Bofors seem to be very famous for the international frauds and here they are involved in India today. There, they were involved in Singapore.

As far as the question, "why not the Parliamentary Joint probe and why do you insist that this probe will be able to give a successful result?" is concerned. We have made our position absolutely clear. We did not emphasise in our letter to the Prime Minister so much on chairmanship of the Joint Parliamentary Committee and the composition of the Committee, but mainly the powers of the Committee. I any repeat, when you pose the question to us that, "when the Parliamentary probe is already set-up, why do we want the Chief Public Prosecutor to go into the problem" we had demanded four important powers for the Parliamentary Committee.

17.00 hrs.

(1) That Committee should have the power to go into all decisions and policies regarding the defence procurement and storage ever since 1980 because we are repeatedly told that the decision not to have..(*Interruptions*)

SOME HON. MEMBERS: Why not 1977?

AN HON. MEMBER: What is the rationale for that?

PROF. MADHU DANDAVATE: I give the rationale. Since this Government has said that they were concerned about Bofors and one of the former Ministers got up in this House and pointed out that in 1980 when he was the Minister, he remembered that the decision was taken that there should be no middlemen. And if the decision was taken in 1980, it is a logical corollary that in the context of this they should be examined.

(2) There should be the power to summon the Ministers. (3) There should be power to go into the German submarine deal. Lastly, the foreign nationals may or may not come but those who desire to appear before the Committee, this Committee should have the power to hear the evidence. These are the four minimum terms and powers that we had mentioned. Unfortunately, even in the parliamentary probe there seems to be an impropriety. A member who is likely to be the Chairman of this parliamentary committee, he was a member of the Cabinet.....(*Interruptions*)

MR. DEPUTY-SPEAKER: How can you say "likely"? What is the guarantee that the former Cabinet Minister is going to be appointed as Chairman of the Committee? Do not bring it unnecessarily..... (*Interruptions*)

PROF. MADHU DANDAVATE: I accept your ruling. I correct my statement. My suggestion is that while putting any person as the Chairman of this Committee, he must not be a member of the Cabinet at a time when these decisions regarding defence were taken.....(*Interruptions*) Therefore, whoever be elected-it is my humble suggestion to the Government that they should try to avoid the impropriety. I am hundred per cent sure and I agree with you that they are not likely to commit that impropriety. They always respect propriety. I do not think that they are likely to commit that impropriety. But it is a friendly advice that I would like to give.

I would like to say something about two documents. The letter of denial of allegations from Bofors was read before Parliament. And a lot is made out of that. They said that they have not give the commission. They have flatly denied the charges that are being investigated. And it is thrown our face that the Bofors themselves had already sent you a letter and it was read in Parliament that we are not responsible for this. I would like to point out through you to this House the tradition of Bofors. The Prime Minister had already handed over to us the copy of the Swedish National Audit Bureau report. In that very report they have pointed out that Bofors have already told the National Audit Bureau that no agreement existed regarding the payment of commission and they did not make the payment of commission. They have made that statement. After that, the same National Audit Bureau which investigated the entire matter, in the concluding paragraph, came to the conclusion that, on the basis of the evidence, our inference is that there exists an agreement about the payment of commission by Bofors to dot dot dot. Only those dots are to be deciphered. So, if the National Audit Bureau could not accept the bonafides of Bofors, I think Indian Parliament need not be over enthusiastic to accept the bonafides of Bofors only because

the letter of Bofors has been read on the floor of the Parliament. Have we not forgotten that even in the House of Commons in U.K. a very prominent personality holding Defence portfolio had made a statement and for having misled the Parliament he had to tender resignation from the post that he had held. So, remember that the Ministers sometimes have also misled the Parliament, - in House of Commons they have done it - It is quite likely that the Bofors had sent the letter which need not be correct, and I say it on the basis of evidence given by the National Audit Bureau that they themselves rejected the denial of Bofors that they had indulged in the payment of the commission..... (*Interruptions*)

THE MINISTER OF HOME AFFAIRS (S. BUTA SINGH): If a Member misleads the House?

PROF. MADHU DANDAVATE: If a Member misleads the House, he has to give regrets to the House.

S. BUTA SINGH: He can go away with the apology only.

PROF. MADHU DANDAVATE: Sir, I would like to refer to another important document, the most counter-productive document. The Prime Minister made a statement in this very House and many Members welcomed it. He made it clear and said: "I want to make it explicitly clear that I am not at all involved in this Bofors scandal. I am not personally involved, my family members are not involved." So, we respect everybody's words. He has made that statement on the floor of the House. But I feel that it was a very counter-productive statement in the sense that he has only clarified about his family and family, according to our accepted connotation would be oneself, one's wife and one's children. That is supposed to be a family. But

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when these statements are made, what happens about others close to them? What about the colleagues, what about the officers, what about the politicians and what about the distant relatives? They do not fall into the category of family.

SHRI K.P. UNNIKRISHNAN:
Vasudhev Kutumbakam.

THE MINISTER OF DEFENCE (SHRI K.C. PANT): Sir, Prof. Dandavate should listen to Mr. Unnikrishnan. He says 'Vasudev Kutumbakam'. Is that what he is saying?

SHRI K.P. UNNIKRISHNAN: Yes, that is exactly what I said.

SHRI SOMNATH CHATTERJEE: Does that include Tewary also?

PROF. MADHU DANDAVATE: Sir, I am thankful to Shri K.C. Pant because though in the college I was a student of nuclear physics, in the school days I was a student of Sanskrit also. So, I follow what is meant by 'Vasudev Kutumbakam'. I have taken note of that. Therefore, I feel that..... (*Interruptions*).

SHRI S. JAIPAL REDDY: Sir, when he says 'distant relatives', territorial or otherwise?

PROF. MADHU DANDAVATE: There are many Members of the Parliament cutting across party who. They feel very much embarrassed by this statement. They say that he has only given a clean certificate to himself and his family but what about other relatives and what about friends and what about those who publicly said in the statement that they have always stood by the Prime Minister.

PROF. N.G. RANGA (Guntur): That is why the probe committee was appointed by the House and these friends refused to cooperate with it. What sort of logic are they following!

AN HON. MEMBER: Scheme.

PROF. MADHU DANDAVATE: Sir, I have only heard the last word 'shame'. I am very sorry that I have said something which is a matter of shame for Prof. Ranga.

MR. DEPUTY-SPEAKER: No, he wants your cooperation in the Parliamentary committee. That is what he has said.

PROF. MADHU DANDAVATE: All right, Sir. I am happy that the new Minister for Defence, Shri K.C. Pant is here. He is the present Defence Minister..... (*Interruptions*). Sir, I did not mean anything derogatory. Unfortunately my colleagues in the Opposition are making insinuations. I have only stated the fact that the present Defence Minister is here (*Interruptions*).

MR. DEPUTY SPEAKER: Try to be brief. Already you have taken 25 minutes.

PROF. MADHU DANDAVATE: I am initiating the discussion, Sir.

MR. DEPUTY-SPEAKER: But there are others also who want to speak.

PROF. MADHU DANDAVATE: In this very House on 20th April, 1987. I need not read out the whole thing because in one of the notices I have given that.

Defence Minister, Shri K.C. Pant made a statement. He flatly denied those allegations made on the Swedish Radio regarding commissions, payment of commissions, etc. and all the allied problems. But, after that the Swedish National Bureau's Report has

clearly established that these are the things that are already there and, therefore, I think he has tried to mislead the House. Of course, to-day he will speak again and correct himself. I know Shri K.C. Pant-whenver he commits a mistake he is always prepared to rectify. It is very likely that he will change the statement.

SHRI K.C. PANT: Unlike you. That is the whole problem.

(Interruptions)

SHRI K.C. PANT: Otherwise, you would have joined the Parliamentary Committee even now.

PROF. MADHU DANDAVATE: Only the concept of what is right and what is wrong, that is the difference. That is all right.

SHRI K.P. UNNIKRIISHNAN: You make him the Chairman.

(Interruptions)

PROF. MADHU DANDAVATE: Very often, we talk about the names.

(Interruptions)

MR. DEPUTY SPEAKER: Do not waste time.

PROF. MADHU DANDAVATE: Very often there is discussion about the names. Some of our colleagues said, give us the names. At least one name has been discussed all over the world and commonly accepted by Members on both the sides of this House. For instance, Chadha's name has been mentioned. As far as.....

(Interruptions)

MR. DEPUTY SPEAKER: If you cast

any aspersion, I will expunge.

(Interruptions)

PROF. MADHU DANDAVATE: Within the frame work of what the Prime Minister said, I will take up this issue. As far as Chadha is concerned, the Prime Minister, unfortunately, tried to misguide the House on Bofors agreement with Chadha "Bofors agreement with Chadha". "Bofors" is not defamatory; "agreement" is not defamatory; and "Chadha" is not defamatory. I am referring to Bofors agreement with Chadha. The Prime Minister and the Government mis-guided the people. *(Interruptions)*

I cannot misguide you. You are already misguided. *(Interruptions)*

P.M. said "There were no middlemen at the point of signing the contract".

There is reference to Bofors agreement with Chadha. Agreement with Chadha was signed on January 3, 1986. Agreement was signed, there is nothing defamatory. Agreement would be valid upto 31st December, 1990. So, this particular statement and clarification - that is offered by the Prime Minister, to my mind appears very misleading.

I would like to point out to some industrialists without making any defamatory remark. The basis is one of the printed documents which are available. I have with me the House Book of Greeves Cotton 1985-86. I would like to tell you that Shri L. M. Thapar is the Chairman of Greeves Cotton- nothing defamatory. He is the concessional distributor for 'Saab-Scania AB' which supplied tow trucks for the Bofors 155 mm FH-77B Howitzer according to the inhouse booklet of the Greeves group of companies. Photostat copy if he requires, I am prepared to give. I will not give him the original copy.

(Interruptions)

SHRI K.C. PANT: Give it to the Committee.

(Interruptions)

PROF. MADHU DANDAVATE: That is available. In fact it must be with you. Probably, you also can give it to me.

(Interruptions)

SHRI K.P. UNNIKRISHNAN: They are agents for 'Saab-Scania'.

PROF. MADHU DANDAVATE: That is what I say.

Saab-Scania has been sub-contracted by Bofors to manufacture tow trucks. Thapar through his company Greeves Cotton, is the biggest arms dealer. That is nothing defamatory. According to company official book, Greaves Cotton represent 42 Defence manufactures as their distributors. According to informed sources, over the last 4 years, Rs. 14,000 crores worth Defence equipment were bought and 75% of these involved were transacted through Mr. L. M. Thapar. The Chairman of Greaves Cotton, Mr. Thapar has direct access to persons in high places. To have access is not defamatory.

MR. DEPUTY SPEAKER: You go on saying, it is not defamatory.

PROF. MADHU DANDAVATE: I am sorry, I withdraw my statement with retrospective effect.

(Interruptions)

MR. DEPUTY SPEAKER: If you go on telling "not defamatory", "not defamatory", it creates suspicion in me whether it is de-

famatory.

PROF. MADHU DANDAVATE: Instead of telling "not defamatory", Shall I say, it is defamatory?

MR. DEPUTY-SPEAKER: Don't use the word "defamatory or "not defamatory". Why are you going on telling "defamatory" or "not defamatory"?

PROF. MADHU DANDAVATE: CBI was tipped off by the Economic Intelligence Bureau and in the raid on Thapar in March, 1987, documents about Bofors deal were found. I would like them to lay them on the Table of the House.

Thapar is the link through whom Bofors pay-offs were paid in Swiss Bank account. I would like to know whether that is a statement of fact. It is because this is the news that has appeared in the economic journals. I would like to ascertain that.

The two trucks brought by Bofors from Saab-Scania were over-valued-by how much amount-by more than Rs. 100 crores and the balance of the excess amount was siphoned off by Mr. L. M. Thapar. I would like the Minister to make an inquiry into it. Even if he hands it over to the Joint Parliamentary Committee, I do not mind. *(Interruptions)*

Now, there is an interesting fact. Thapar was arrested and released on bail, despite his own pleading guilty to 15 of the 18 charges made by the Enforcement Directorate. The cases seem to be shelved. I would like to know what are the facts. Since he is connected with the deals with which Bofors is connected, I would like the Minister to go through all these matters and make necessary statement on the floor of the House.

I would like to say a word about Bofors delegation. The delegation of Bofors to be

sent to India is a very interesting phenomenon. The Bofors first refused to reveal the names on the basis of "customer confidentiality". On June 11, the Nobel Industry, i.e. parent organisation argued that India is a customer. Therefore, where is the question of "customer confidentiality"? On June 27, Bofors argued that those who accepted commission did not want their names to be revealed. Is it to be called "customer confidentiality"? Those who take bribes, will they ever tell Bofors, Yes, you can announce from the house tops that we are guilty and we are the people who have swallowed bribe. They will never say it. After return from a foreign tour, the Prime Minister rejected the idea of delegation, saying, "We do not want to meet the delegation". But when there was a lot of flutter all the country when Bofors are saying that they are prepared to send a delegation, why is it that the Prime Minister is rejecting a delegation coming to India? Against this background, he draws a very fine and subtle distinction. He said, they need not meet me. They need not meet the Government. But meet the Joint Parliamentary Committee which will be set up. That is, he tried to explain away his initial lapse. It does not matter. Even if the lapse ultimately is corrected, and the correct position is taken. I have no objection to that.

SHRI K. C. PANT: Will you join the Committee then?

PROF. MADHU DANDAVATE: Forget us. You have such competent men on the committee, they can go ahead with that.

SHRI K. C. PANT: I thought, you were correcting.....

PROF. MADHU DANDAVATE: No, no. Already you are in search of a very fine Chairman and other things. You can go ahead with the committee.

AN HON. MEMBER: We will carry on for years.....

PROF. MADHU DANDAVATE: Of course, you have the capacity to carry on the same thing for years together.

MR. DEPUTY-SPEAKER: Professor within 5 minutes, you try to finish it.

PROF. MADHU DANDAVATE: They have given an admission that they will carry on for years to come. That is all.

A word about the credibility of the Bofors. What is the type of organisation with which we have entered into a deal? Forget all the laws about our country. But what about the Swedish laws? What about the Swedish guidelines? As far as the Swedish Government is concerned, they had black-listed certain countries and warned all the exporters of arms, that arms should not be sent to those blacklisted countries. There was a reference to Middle-East, Iran and South Africa. But, to all these blacklisted countries, Bofors were able to send clandestinely all these arms.

In addition to that, there was some sort of a collusion in France and in that case, which involved France and Singapore, pre-trial inquiry and already started. That itself shows and indicates what is the type of company with which you are trying to have an arrangement as far as business deal is concerned.

More than that, I do not want to say anything by which India's security will be harmed. I hope that the guns that have been provided are not sub-standard guns. Of course, we have a phenomenon in which we have contract with one country regarding guns and contract with someone else about ammunition.

[Prof. Madhu Dandavate]

Sometimes the complaint is about both. Repeatedly, the newspaper reports have appeared that some of the experts in our army and defence forces have said that the ammunition that we are securing for these guns in sub-standard and some journals have said that even the guns are sub-standard. I hope that this is false.

SHRI DINESH GOSWAMI: You said sub-standard guns. Without firing, the Government has taken them. Still you say that this is sub-standard gun. I think it is the most powerful gun.

SHRI SOMNATH CHATTERJEE: No Member of the Committee should take part.

PROF. MADHU DANDAVATE: Not only the corruption in defence deals is a threat to the country's security but even the substandard quality of the guns is a threat.

I do not want to say anything by which out defence forces will be demoralised.

SHRI K. C. PANT: But you have. I thought you would be more responsible about it. But you have said.

PROF. MADHU DANDAVATE: I have only said that I hope that I will be proved wrong. And, therefore, let them go into this problem and let us assure this House that all this news that is coming about sub-standard quality is wrong, and as far as the quality of the guns and ammunition is concerned, the Government should assure us that the security and defence of the country are not at all in danger.

All those problems that are placed before you make it explicitly clear that there are skeletons in the cupboard. The parliamentary probe might be able to dig out some of them. The Chief Public Prosecutors from

Sweden might be able to discover certain skeletons. The Citizen Commission might be able to do that. But as far as this country is concerned, you go from one corner of the country to another and whatever you may say on the floor of the parliament and whatever the statement the Prime Minister may issue as far as the common man is concerned, he feels that there are certain skeletons which the Government are hiding as far as Bofors deal is concerned and that is why the credibility of the Government has been eroded. The credibility of the Government has been eroded not only on grounds of other issues like communalism, terrorism and unemployment etc. but even on the question of corruption in high places. This Government must seek the fresh mandate of the people.

SHRI K. C. PANT: Now the cat is out of the bag.

SHRI G. G. SWELL (Shillong): A lot of red herring has been drawn across this House back and forth so many times. Red herring has been drawn across the other House. Red herring has been drawn across the country over this question of the Bofors deal. It is true how much red-herrings have been drawn across the country so that it is time that we have a good quiet, intelligent exchanges over these questions especially on the eve of the constitution, a formal constitution of the Joint Parliamentary Committee. As you have said, Sir, once the Joint Parliamentary Committee has been duly appointed and has taken on it the job, it is necessary for us to restrain ourselves and await the report of the Joint Parliamentary Committee.

The first thing I would say is that I am sorry that most of the arguments of my good friend Mr. Dandavate are based on wrong premise and on wrong information. I would like to submit that our Government has never

asked the Chief Prosecutor in Sweden to go into this question. Our communication right through has been between our Government and the Swedish Government. What the Swedish Government does in its own country, how it goes about it, is the business of the Swedish Government and I do not understand why he spends so much of his time and energy in trying to establish that there was nothing wrong for the Government to appoint a foreign agency to go into any particular question. I do not see any relation between the two.

Secondly, I would like to point out to him that this so called Chief Prosecutor of Sweden.....

AN HON. MEMBER: So called Chief Prosecutor?

SHRI G. G. SWELL: Because, he is not the Chief Prosecutors of Sweden. He is the Chief Prosecutor of a District of Stockholm.

SHRI K. P. UNNIKRISHNAN: District means a State there.

(Interruptions)

SHRI G. G. SWELL: Above him, there is another Officer called the Prosecutor-General.

SHRI SOMNATH CHATTERJEE: How do you know?

SHRI G. G. SWELL: We make some study. Unlike you, we make some study....
(Interruptions) I would request my friends on this side to allow me to proceed further.

(Interruptions)

SHRI SOMNATH CHATTERJEE: They are not very sure of you.

(Interruptions)

SHRI K. P. UNNIKRISHNAN: Sir, he is yielding. I am just telling something because.....

(Interruptions)

MR. DEPUTY SPEAKER: No, no. He is not yielding.....

(Interruptions)

SHRI G. G. SWELL: I am not yielding.....*(Interruptions)* I am trying to fill the gap in your information. All right? *(Interruptions)*. Thirdly, Sir, under the Swedish set up, although the prosecutor or the Chief Prosecutor or the Prosecutor-General is appointed by the Government, once he is appointed, he is on his own. He can take his own decision. If you have seen from the Statement of this Chief Prosecutor of Stockholm, where according to my friend Mr. Unnikrishnan, the alleged crime was committed, he has said on the evidence and the documents that he has received, he says that there was a case for investigation.

(Interruptions)

SHRI SOMNATH CHATTERJEE: Is it an established crime?

(Interruptions)

SHRI G. G. SWELL: That is where you are jumping the gun. That is where you are weakening your case. You are so prejudiced. Therefore, I can accuse you now that you are the people who are drawing the red herrings.....*(Interruptions)*

SHRI K. P. UNNIKRISHNAN: Are you saying the Audit Bureau was also wrong?

(Interruptions)

SHRI G. G. SWELL: I am not saying that. I am not coming to that. That is why I was saying that are you jumping the gun.

(Interruptions)

SHRI K. P. UNNIKRISHNAN: It is a matter of common-sense.

SHRI G. G. SWELL: Your prejudices and your wishful thinking are running away with you. This is the problem.

SHRI K. P. UNNIKRISHNAN: Running away with me who has had the last laugh.

SHRI G. G. SWELL: All right.

I would start the argument with my friend, Prof. Madhu Dandavate, himself....

SHRI SOMNATH CHATTERJEE: Why are you abusing him?

SHRI G. G. SWELL: I am not abusing him.

PROF. MADHU DANDAVATE: He can. I have no objection.

SHRI G. G. SWELL: He is a senior Member of this House. He knows very well that I have very great personal esteem for him and I would point the finger to him, to you and to Mr. Unnikrishnan and say, "Your are the spice of the proceedings in this House; without you, in this House, I do not know what we shall discuss". Therefore, I have very great respect for him. He is a senior Member, not only a senior Member, a knowledgeable Member, a very energetic Member, but had also had the occasion to sit in the treasury benches. Now, I would ask him this question. Is he proud of himself or does he feel ashamed of himself....

PROF. MADHU DANDAVATE: I am

humble about myself.

SHRI G. G. SWELL: when as a Member of this House, as a senior Member of this House, he and his colleagues made a beeline to the Swedish Embassy here and paid court to a mere Minister-Counsellor of the Swedish Embassy.....

(Interruptions)

SHRI S. JAIPAL REDDY: They are saying 'shame'.....*(Interruptions)* Should an Indian feel proud when kickback are received from foreign companies *(Interruptions)*

MR. DEPUTY-SPEAKER: Order, please. Mr. Swell, please continue.

SHRI G. G. SWELL: Let me go on. Please think coolly about your decision and my decision. You examine that coolly.

SHRI S. JAIPAL REDDY: We were bothered about the country.

(Interruptions)

SHRI G. G. SWELL: Please all me. Sir, 70 Members.....

(Interruptions)

MR. DEPUTY-SPEAKER: Order, please. Mr. Swell, please continue.

SHRI S. JAIPAL REDDY: I am on a point of order. I would like to draw your attention to the consistent non-human misconduct on the part of a particular hon. Member who is so distinguished that I cannot name...*(Interruptions)* I do not know his name, Sir....

MR. DEPUTY-SPEAKER: I request the hon. Member to be calm. Please be calm. Do

not make noise unnecessarily and disturb the hon. Member speaking.

SHRI S. JAIPAL REDDY: You should take care....(*Interruptions*)

MR. DEPUTY-SPEAKER: I will take care. Mr. Swell, please continue.

SHRI G. G. SWELL: I hope all these interruptions do not take away my time. Please consider that.

70 hon. Members of this House-the papers published their pictures-went to the Swedish Embassy, met a Minister-Counselor of the Embassy-I was told the Ambassador was not there-who was the rank of a mere Deputy secretary or Joint Secretary, you go to pay court to him on a matter on which this Hon. House is the supreme authority of the country are seized. You choose to go and make your appeal to a representative of another country. (*Interruptions*) Is this an action of which any Hon. Member can be proud of? Is this an action of which this House can be proud of? Is this the say, I would not do myself.....

(*Interruptions*)

PROF. MADHU DANDAVATE: When many people came to you and treated you as a link between the Prime Minister of India and the country, you never objected and they never felt humiliated in meeting you.

SHRIG. G. SWELL: Going and meeting a person for a discussion.....

(*Interruptions*)

MR. DEPUTY SPEAKER: Let him say. Later on if you have any objection you can say.

(*Interruptions*)

SHRI G. G. SWELL: Let me explain. Professor Tewary happens to be here. These things are not on par. A very high profiled group of Members of Parliament went there and they went with some kind of representation.

(*Interruptions*)

MR. DEPUTY SPEAKER: Please order.

(*Interruptions*)

PROF. K. K. TEWARY: You are the first person who went and visited and met Ambassadors....(*Interruptions*) I can prove Mr. Unni Krishnan's connections with different embassies..... (*Interruptions*). On the Floor of the House, I am prepared to prove his connections with foreign embassies.....(*Interruptions*) He becomes the spokesman sometimes of bourse which are contrary to the national interest. I am prepared to prove it.

(*Interruptions*)

MR. DEPUTY-SPEAKER: Listen to me.

PROF. K. K. TEWARY: You are very vulnerable Mr. Unni Krishnan I am prepared to prove it.

(*Interruptions*)

MR. DEPUTY SPEAKER: I request not to accuse each other. Don't bring any accusations. Let Mr. Swell speak. Don't interfere.

SHRI SHANTARAM NAIK: You please allow the discussion on CIA which we have asked for. We will prove it.

PROF. MADHU DANDAVATE: As far as the allegations made by Mr. K. K. Tewary are concerned, nobody will misunderstand.

(Interruptions)

SHRI G. G. SWELL: I am not interested in personal exchanges, I am not interested in personal visits made by a Member of Parliament or anybody. He is free to meet anybody and to do anything he wants. But this is a special team of Members of Parliament, a hundred of them, going to the Swedish Embassy and through the Swedish Embassy transmitting a message to the Swedish Government. *(Interruptions)*..... I put a question. Does it not come to the same thing that on a matter that this House is seized of, some Hon. Members have chosen to make an appeal to a foreign Government?

SHRI S. JAIPAL REDDY: That is what you did. That is what your Government did.

SHRI G. G. SWELL: I make a distinction, Sir. There is a legally constituted Government in this country. It is a normal thing that one legally constituted Government corresponds with another legally constituted Government. If you have a problem, this House is to decide. If you have a problem, the Government legally constituted in this country is the authority to deal with that question: it is not some foreign Government.

I won't go to the extent of saying that this is anti-national; but at least this goes against the prestige and the honour of this country.....*(Interruptions)*.

I would like to congratulate Mr. Indrajit Gupta, I would like to congratulate my good friend Mr. Somnath Chatterjee and I would like to congratulate my good friend Mr. Madhu Dandavate that they are now having second thoughts about sending a delegation to Sweden itself.

PROF. MADHU DANDAVATE: There is no question of reconsideration because there was no consideration at all.

(Interruptions)

SHRI G. G. SWELL: If you speak with some authority that the idea of sending a delegation to Stockholm has been given up, I take it and I congratulate you.

PROF. MADHU DANDAVATE: It has been made clear that it is not an Opposition parties delegation. If some individuals have to go, they will go.

(Interruptions)

SHRI G. G. SWELL: I accept the qualification; but still the matter remains that some Hon. Members in the opposition are still thinking of going to Stockholm.

You must have read in this morning's paper what the Foreign Minister of Sweden has said in an article which was published in the Stockholm Daily. In that he has said that there has to be public washing of dirty linen. Now when these friends go out of India to wash the dirty linen in Stockholm who is going to.....

PROF. MADHU DANDAVATE: Their suggestion is that we should join the Parliamentary Committee probe.

SHRI S. JAIPAL REDDY: We agree that there is dirty linen to be washed.

SHRI G. G. SWELL: Sir, I am sorry I have to speak on these terms and in this tone. Normally I do not do it. But I say so much confusion, so much of prejudice has been created, so much of dis-information has been spread in this country over this question that I feel it is necessary to meet my friends in the Opposition head-on over this question.

PROF. MADHU DANDAVATE: We do not mind head-on but let there be no kick-

back.

SHRI G. G. SWELL: In karate if you get a kickback you are finished.

SHRI SOMNATH CHATTERJEE: That is going to happen to you.

SHRI G. G. SWELL: All right. Now let us come to more substantive questions. (*Interruptions*) Actually I begin my real speech now. The pith and kernel of the Opposition charges against the Government is that the Government has been prevaricating over this question, that the Government has been trying to stonewall this question. That the Government has many things to hide and so on and so forth. Sir, I think, we have to go into the sequence of events.

Let us go into the sequence of events and see whether during this short period between April and August Government has done anything or has not done everything to get to the root of this matter. Whatever has happened is it because of the initiative taken by the Government or is it because of others. I will give a short recital of these sequences. The whole question burst into this House and into this country on April 17 when certain broadcast was made by the Swedish radio.

SHRI SAIFUDDIN CHOWDHARY: What is the broadcast?

SHRI G. G. SWELL: You know what is the broadcast. Immediately the Government came to know about it, it came before this House on April 20- the earliest opportunity- to make a statement. Simultaneously the Government asked our Ambassador in Stockholm to find out the facts; to ascertain the facts both from Bofors and from the Swedish radio. As a result of the efforts made the Bofors company wrote to our Ambassador in Stockholm on April 24 when

it made certain statements. On the basis of this our Government asked the Swedish government to find out the facts.

SHRI S. JAIPAL REDDY: Why was the document provided by Bofors on the 24th April not made public?

(*Interruptions*)

SHRI G. G. SWELL: The contents are known.

SHRI S. JAIPAL REDDY: Let the Minister answer this single question. If he can answer this question I will resign.

MR. DEPUTY SPEAKER: The Minister is there he will answer. Why are you so agitated? Please take your seat.

SHRI S. JAIPAL REDDY: Why the Government kept away the document of the Bofors from the people of India?

(*Interruptions*)**

MR. DEPUTY SPEAKER: Not allowed.

SHRI G. G. SWELL: There was never the question of keeping away any document. The contents are known and, I think, it is not the practice of any Government that every time a letter should be laid on the Table of the House or be made public. That is not the practice.

(*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY: What is their in the letter?

SHRI G. G. SWELL: Everything is there. I can tell you even now. Bofors give their explanation.

SHRI SAIFUDDIN CHOWDHARY:
What is there?

SHRI G. G. SWELL: They explained how they operate, that they don't have marketing facilities, that they don't have representative offices abroad.

(Interruptions)

SHRI S. JAIPAL REDDY: They agreed on April 25.

SHRI G. G. SWELL: I am going by sequence, Sir. On April 24, our Government took more action on that.

SHRI S. JAIPAL REDDY: What action?

(Interruptions)

SHRI G. G. SWELL: On April 26, Sir, the Swedish Government asked the Swedish National Audit Bureau to go into this question—just two days later. They went into this question. Sir, naturally the Swedish Audit Bureau had to take some time. But even so, we must say to the credit of the Swedish Audit Bureau that they took a little over a month to produce the report. On June 1, the Audit Bureau, Sweden, sent its report to the Swedish Government. On June 4, the Swedish Government transmit the report of the Swedish Audit Bureau—although it has expurgated, some parts were taken out of that report—an expurgated copy of report of the Swedish Audit Bureau. That report of the Swedish Audit Bureau was received here on the 4th June. Immediately on receipt of the report, the Government met with Opposition leaders and told them about this report—may be on June 4 or June 5. I don't know the date of the meeting. Also, the Government, on June 11, approached the Speaker and the Chairman that they should constitute a joint parliamentary committee to go into this question, especially because certain por-

tions of the Audit Bureau report were left blank as to the names of the recipients, as to the amount received, as to why, for what services they were paid. All these questions were left blank. Naturally there was a question of finding out the truth.

SHRI S. JAIPAL REDDY: Why not earlier?

SHRI G. G. SWELL: That is a different matter. On July 29, the Government—the Defence Minister—came forward with a motion before this House to constitute a joint parliamentary committee. The form of the motion, as it was, was entirely unsatisfactory to the Members of the Opposition. And we had seen scenes in this House of the Members rushing to the well to protest against this all. Naturally there was communication and discussions with the Members of Parliament. In response to the issues of the Opposition, the Government, on August 6, came forward with an amended motion in which practically everything that the Opposition had wanted—everything that was possible—was accommodated and mentioned in the revised motion before the House which was later on passed. Of course, it took a little time to get it passed here. It took a little time for the motion to be passed in the Rajya Sabha. We know for one full week, the Rajya Sabha was involved in discussions and it could not be passed. So, it took a little more time

In the meanwhile, there comes this announcement from Stockholm that the Chief Prosecutor of Stockholm would go into this matter. Naturally, the Government also wanted to find out the facts and it was on the 20th of August that the Government again wrote to our Ambassador in Stockholm to go all out and get unexpurgated report of the Swedish Audit Bureau, because without that it would be difficult for the Joint Parliamentary Committee to proceed with its work. Within this short period, so many things have

been done, so many steps the Government have taken to get at the truth of the matter. How can you say that the Government has not done anything? How can you say that the Government has side-tracked the issue?

SHRI V. SOBHANDREESWARA RAO (Vijaywada): You have not explained how Win Chadha was allowed to go out of this country after this information came.

SHRI G. G. SWELL: That is a different question.

SHRI V. SOBHANDREESWARA RAO: It is connected with this. He is the agent of Bofors.

SHRI G. G. SWELL: If I have the time I would explain all that. As an example of the red herring I would like to mention this. In the press and everywhere it has been put out that Bofors had this agreement with Win Chadha and the agreement with Win Chadha would run upon 31st December, 1990 and you say that all has been wound up. Where is the winding up when the agreement with Win Chadha goes on upto 31st December, 1990? The facts of the matter are here. This is where I want to fill up the gap in your knowledge. I want to prove and explain how it is a red herring. Bofors from whatever little information we have had have made it clear.

The negotiation of the deal for the purchase of Bofors guns has started as early as 1977. Now it is ten years. The deal was signed on March 24, 1986. I think, 1977 was the time of the Janta Government, when the negotiations of the deal were started, and the contract was signed on March 24, 1986. So long it was through middleman. The Bofors company had said: "We do not have sales establishments, we do not have representative officers and, therefore, our way of practising is to have people in different coun-

tries to help them for consultancy, people who know about the country, people who know about the developments, people who are in a position to advise them what to do". I suppose this is a natural commercial practice every where. And it was only when our Prime Minister came on the scene that he insisted that there should not be any middleman on this question, and that the whole thing has to be negotiated between the Government and the Company directly. In response to that, Bofors said: "We felt compelled to sever connections with people and companies or groups with which we had this discussion before in response to the Prime Minister's insistence that there should be no middlemen. We wound up those agreements and this agreement with Win Chadha is a new agreement only for administrative purposes." Therefore, that agreement with Win Chadha which is still pending is new and is not the same thing as the one that was before, but you make it appear as if it is the same thing, as if the Government is telling a black lie everywhere. This is what I say is an example where you laboured on a point which is not a point. Now, I will come to my last point. I would like to know.....

[*Translation*]

SHRI V. TULSIRAM (Nagarkurnool): Mr. Swell, have you been promised a Ministerial berth in the reshuffling?

18.00 hrs.

[*English*]

SHRI G. G. SWELL: Sir, I would like to put this question to Prof. Dandavate, Shri Somnath Chatterjee and my other friends.....

AN HON. MEMBER: Not, Shri Tulsiram.

SHRI G. G. SWELL: Sir, I would like to

[Sh. G.G. Swell]

ask on what ground do you still persist to stay out of this Joint Parliamentary Committee?

PROF. MADHU DANDAVATE: It is a powerless Committee. It does not even have 10 horse power.

(Interruptions)

SHRI G. G. SWELL: Alright, what is it that you wanted? First you said, we wanted to go through all the procedures and regulations of procurement of weapons and system. Then you wanted to get the name of the people who have received different amounts. All right, it is there. Then you wanted...*(Interruptions)*

SHRI G. G. SWELL: This is the point. You talk of Bofors.

PROF. MADHU DANDAVATE: And also of submarines. *(Interruptions)*

The moment I said submarines, I do not know why you are getting angry. I am not alleging anything against you.

SHRI G. G. SWELL: Then you said, you wanted the services of Comptroller and Auditor General; you wanted the assistance of the Attorney General and the investigative agencies of the Government. All that is there in the Motion. And then you wanted to find out things from the Sweden itself. They are saying that, "if you want to send a team to Sweden for some specific reasons, if the Speaker agrees, we do not have any objection." Then you wanted the Chairmanship; that is a different matter, that is under the rules of the House. You cannot insist upon.

(Interruptions)

SHRI SHANTARAM NAIK: Don't you have faith in the rules and regulations?

SHRI G. G. SWELL: You wanted the Ministers to appear before this Committee. The Minister of Defence had given a commitment in this House in which he said that he will have no objection.....

SHRI SOMNATH CHATTERJEE: How long will he remain a Minister, nobody knows.

SHRI K. C. PANT: This is not a West Bengal Government. If a Minister makes some commitment, he fulfils it.

SHRI SOMNATH CHATTERJEE: You may have to eat your own words. I do not know why, Sir, but he has got some inferiority complex when it comes to West Bengal. May be it is only when you compare the performances of both the Governments.

SHRI G. G. SWELL: Sir, the Minister, Shri K. C. Pant, made this solemn commitment to both the Houses of Parliament that he will have no objection to any Minister appearing before the Committee, if the Speaker permits.

SHRI SAIFUDDIN CHOWDHARY: why, 'If the Speaker permits'?

SHRI G. G. SWELL: It depends on an issue. In any case, we have solemnly decided, by the Constitution of this Country, to follow a certain system of Government and the system of Government is the Westminster system. It is not an American system of Government. In American system, the Ministers have to appear before the Congressional Committee. But under the Westminster system that we are following, the Ministers have never appeared before any Committee. As a matter of fact, even the hon. Members of Parliament cannot be hauled up before any Parliamentary Committee unless it is a question which specifically relates to them, if they violate the

privileges of this House or something like that. Now, you cannot throw the entire system overboard just to suit your convenience on a particular issue. But even so, the Government have gone out of their way and they have said that they would agree even to this.

Now you talk about the Official Secrets Act. Now, the Official Secrets Act is a statute. My friend Mr. Somnath Chatterjee will agree that a statute cannot be undone by a motion in this House. But even so, they have agreed. The Government have said that any kind of information that the Committee want, will be given to them. What else do you want? (*Interruptions*)

If Government have accommodated all your wishes, what else do you want? I would like to know what more objections you have. If you still persist.....

PROF. MADHU DANDAVATE: I have told very categorically that there are four points on which real power is not available to this committee. If you permit me to speak for just two minutes, I can again tell you.

SHRI G. G. SWELL: All right. Tell me what are those.

(*Interruptions*)

PROF. MADHU DANDAVATE: I have pointed out in my speech.....

SHRI G. G. SWELL: You may repeat them.

PROF. MADHU DANDAVATE: Mr. Deputy Speaker Sir, through you, I would like to tell the hon. member.....(*Interruptions*)

SHRI BHAGWAT JHA AZAD (Bhagalpur): Why should he repeat all that?

MR. DEPUTY SPEAKER: Mr. Swell,

you please continue.

SHRI G. G. SWELL: My submission is that the Government have gone out of their way, have bent over backwards to get the cooperation of the Opposition. And if the Opposition stay off, it is because they have other political motives. They have other axes to grind. That is the truth.

Therefore, I have to make this last appeal.

PROF. MADHU DANDAVATE: Why last appeal? you will live long.

SHRI G. G. SWELL: Last appeal, in this speech. And I will be making many more speeches.

SHRI SOMNATH CHATTERJEE: On which side, we do not know.

PROF. MADHU DANDAVATE: He is smiling approvingly.

SHRI G. G. SWELL: Sir, I will make this last appeal at the end of this speech. Whatever we may do, whatever differences we may have, let us not do a disservice to this country. Let us not bring down the prestige and the dignity of this country. There is no court of appeal in this country, except this House and the people of India. Therefore, they must join the Parliamentary Committee appointed by the free will of the members of this House. Even when the members of the Opposition stayed out, it was the exercise of their free will.

PROF. MADHU DANDAVATE: That is right.

SHRI G. G. SWELL: They must join this Parliamentary Committee. It is an extension of the dignity and power of this House. It is an extension of the dignity and sovereignty of the people of India. Let us not go to any court

[Sh. G.G. Swell]

of appeal outside the country. Let us find out the truth through this committee.

SHRI D. N. REDDY (Cuddapah): Before I start my speech, I would like to place before this House description of this Bofors Company in the words of the Swedish Government itself. Swedish Government has described Bofors as a company which has taken export credits from the quota earmarked for the development of third world countries and used it for weaponry. So, this is the company with whom we have been transacting so long. The effort to unravel Bofors mystery is not to expose the culprits but to(Interruptions)

MR. DEPUTY SPEAKER: Silence please. I request the members not to make noise. Those who want to leave the House do so without disturbing others.

SHRI D. N. REDDY: I would like to start my speech again because there has been a lot of disturbance. I would like to give you the description of the Bofors' company with whom we have had transacted so long in the words of the Swedish Government itself. This company has taken export credits from the quota earmarked for the third world development and used it for the weaponry. This is the company with which we had so many transactions all these years. So the effort is not to just unrivel the culprits in this Bofors mystery but also to defend the country's security. A company which sells arms under dubious circumstances is bound to sell our secret also. In this, we were very eager to cooperate with the Government but unfortunately they refused to take out cooperation and gave misstatements and mis-directions all through. An occasion arose after some time when the Prime Minister of this great country had to stand in the House of Parliament and admit that either he nor his family had received any payments. We felt very-

very sorry for it. Because the circumstances had come to such a pass that the Prime Minister had to come here and defend himself.

In the last Session, if I remember, when the Opposition Parties wanted that a Parliamentary Committee should be constituted so that it may probe into the affairs and bring out the culprits as early as possible, but the Government said 'No'. As a matter of fact they stalled all the proceedings for forming a Parliamentary Committee. They said, there were no middlemen. Now, it has been proved that there were middlemen. They said, there were no kickbacks. Now it has been proved that there were kickbacks and corruption has been rampant in this transaction. Now, they have come forward to form a Parliamentary Committee and they want us to form part of it. As a matter of fact, I question the necessity of forming a Parliamentary Committee at this stage when it is already established that there were middlemen and there were kickbacks. Therefore it only remains to name the culprits. For that the Government of India is far more competent to get the names either from the Bofors or from the Government of Sweden and the formation of a Parliamentary Committee now, I say is redundant and is not at all necessary.

The hon. Member who just spoke before me Prof. Swell-I am sorry he is not here made a very emotional speech and made much of about 100 MPs from the Opposition side going to the Swedish Embassy. I cannot understand this question at all. Who is he to question us? We did not go there with a representation. We went there and demanded that the Government should bring out the culprits at once because you are taking such a long time in investigation. We demanded that the Government should show the culprits to us and prosecute Bofors as early as possible. That was our stand. As

a result, you may see in today's paper itself, the Government of Sweden has agreed to give out all details and to wash off dirty linen in public in the weapons' deal: your dirty lines. You have created the dirty linen and it is for us to get it cleaned as early as possible. That is why we went to the Embassy and asked them to take early steps to wash out your dirty linen. So you have no point at all. We have got every right to go anywhere so that justice is done to our country and defend our country's security and resources. He also pointed out that a representative Committee is going to Sweden. We have got every right. If I feel that you are not doing right thing and if I feel that I am capable of getting some more evidence and bring the culprits to court. I will certainly go on my account and then get it. What right have you got to question my position? You yourself admit that we are sovereign Parliamentarians. We have got every right to be anywhere in the interest of the country and not anywhere else. I am very sorry to note that all through, from the beginning of the discussion here, we had been misled and misguided in the House as well as outside. The public also have been misled. As I had submitted before, it has been established already that there has been a lot of mischief by way of middlemen and kickbacks and at this time, the Parliamentary Committee is redundant and probably it may not be effective all. All through, our suspicion is the Government is trying to shield some culprits because they have been giving elusive statements and to bring forth my argument, I will give you few points which happened before.

(a) When Bofors company's vice-chairman arrived in India and expressed his readiness to reveal the names orally, Government said 'No'.

(b) Next, Bofors wanted to send a high-powered delegation, and Government said

no, because they were afraid that if a delegation of Bofors came here, apart from the Government the Opposition parties might meet them or the newspaper men might meet them, and the names might come out. So, they prevented that delegation also.

(c) Then, most important of all, the Prime Minister's assurance to Bofors that the contract would not be cancelled on any account shows that it was a bait to Bofors not to reveal the names. I have already discussed what Bofors is, and the Prime Minister gives an assurance that the contract will not be cancelled on any account. So, it was a bait to them, so that they do not reveal the names, and that they will be paid in full. If Government of India really wants the names, the Prime Minister ought to have threatened Bofors that unless they give the names, their contracts will be cancelled. But he did not do that. Government has got a responsibility to answer this question.

(d) The Bofors company originally said that they would disclose the name if we, the customer, wanted. But later, they strangely changed their stand, and said that commercial confidentiality prevented them from revealing the names. When the transaction is between the customer and the Bofors, I cannot understand to whom the commercial confidentiality is attributed. Government of India is the customer, and Bofors is the dealer who has supplied the ammunition. So, the confidentiality is only between these two parties. So, this particular commercial confidentiality does not hold good at all.

The impression universally created in the House and outside-I am sure Government also understands this point-is that Bofors are obliging Government of India in not revealing the names; and as a reward, Government is reassuring them that the contract will not be cancelled. This is a very serious allegation and I am very sorry that

[Sh. D.N. Reddy]

Government has created this image, and have lost all credibility in and outside the House. That is the thing which is most precious for a Government. If credibility is lost, everything is lost.

Now, the Public Prosecutor of Sweden, with the approval of the Attorney General, based on the National Audit Bureau's report, considers that there is a *prima facie* case to initiate investigation. There is a misconception about the object of this investigation, that the country is compromised, in sending a request to the Swedish Government. As I said before, they have already started their investigation. So, we had to go there; we asked them and demanded, not submitted, that the investigation should be completed as early as possible, and the culprits handed over to us.

Moreover, Indian culprits cannot be prosecuted in Sweden, as far as I know. Only those who are in Sweden will be prosecuted, and probably sentenced. Indians will go only as witnesses, whereas they can be hauled to India, and here they can be prosecuted for violating various laws, including FERA. Hence, to say that the country is compromised, is only a desperate attempt to place a lid on this scandal.

Now it has come out that Bofors supplies the guns, and that another company from Belgium supplies the ammunition. That is a very strange thing in Defence deals. I am sure the Defence Minister, in his reply, will tell us the reason why ammunition was also not bought from the same company. This arrangement is strange in Defence deals. We should have a direct dealing with the Belgian company, rather than through Bofors, as otherwise both Bofors and the Belgian company will make profits; and naturally, the kickbacks will be more. This ammunition from Belgium is supplied to

Bofors, and we buy ammunition, again from Bofors. That is very strange indeed.

Again, there are two notorious personalities who have been mentioned frequently in this country. One is Mr. Chadha, and the other is Ajitabh Bachchan. I do not mean Amitabh Bachchan who has resigned, or made to resign. I have absolutely nothing against him; and I am very sorry, also, to miss him in the House.

I am referring to Ajitabh Bachchan. So much has been said about them. But the government is still silent about what they propose to do. Yesterday, some Congress I Councillors from Delhi Municipality had written to the Prime Minister saying that why he is not being prosecuted for such and such issue. When that is the case, why should there be delay in prosecuting such a person.

Chadha as allowed to run away from the country. It has become an old issue. He was allowed to go to our Embassy there. Now you want him to be sent back to us, the government; and the USA Government says that it is not in their hands; they cannot. He was in our control in our country and he was not arrested. Later on, we woke up and then asked for him. Is this the way that we should deal with such a criminal, who has gone into this deal and deceived his own country; and he was not arrested.

About the composition of the Parliamentary Committee, it is not our concern, because it is true that we refused to participate in its deliberations for this reason that it is redundant and has absolutely no power except for some propaganda purposes. The Government of India can get the names from the Swedish Government or from the Bofors. Why the Parliamentary Committee? What are they going to do? You want to involve us and make us a figure head in that. We do not want that. Moreover, the opposition parties

wanted more powers as has been just now enumerated by Prof. Madhu Dandavate. So, I need not repeat them. They were not willing to concede. So, we refused to cooperate with them and take part in the Parliamentary Committee. So, for all these reasons the hon. member has no right to say or comment on our going to the Swedish Embassy and asking them to give us more information to start the proceedings as early as possible.

The two-news items read as follows:

"More openness in government called for by 28 distinguished persons in the country. The amount of secrecy that the government has in mind about this deal has brought us to this position."

They are leading social workers, people of high integrity, leading politicians, ex-judges etc. The names have been mentioned in the paper. So, I need not repeat them. They have all appealed to the government to be more open minded in their dealings and take the people and the Parliament into confidence I appeal to the government that neither the Government of Sweden nor the gun manufacturing company shall be permitted to hold to ransom a great country like ours, its people and its government. With this idea in our mind, we are very eager to see that the culprits should be brought forth as early as possible and prosecution is launched and see that such nefarious deals shall not occur in our country for ever.

SHRI B.R. BHAGAT (Arrah): Mr. Deputy Speaker, Sir, from the discussion regarding enquiry by the Chief Public Prosecutor of Sweden, it appears to me that there is hardly an, relevance for this discussion. According to our standard practice or the parliamentary practice, whenever an enquiry is ordered there is no discussion on that; discussion takes place only when a report of the enquiry comes. I do not know-they are very senior

hon. members-why did they raise that discussion on the enquiry by the Chief Public Prosecutor? When he spoke, I was more than convinced that he himself realised the utter futility or irrelevance of this discussion on the enquiry by the Chief Public Prosecutor of Sweden, because he did not focus squarely or pin-pointedly on the aspects of the enquiry or the matter connected with the enquiry.

But he went backward and forward, vertical and horizontal, travelled wide, and covered all kinds of things. He indulged in insinuations, innuendoes or even allegations and produced the moth eaten arguments repeated so many times, discredited arguments about this.

So, this has become another debate. The Joint Parliamentary Committee is going to come into force. But even then, I think the hon. Member will be satisfied that at least he has repeated these issued before the Joint Parliamentary Committee is about to meet.

My colleague, the honourable Prof. Swell has very ably dealt with this question and refuted the arguments put forward by the hon. Member. But I would like to raise only two or three points. First is, about the subject matter, the inquiry by the Chief Public Prosecutor of Sweden. The first point is that this is an inquiry ordered by the Swedish Government. They are empowered to order an inquiry by whomsoever, or whatever be the agency, they choose, it is for them. They have neither consulted us nor are we involved about it. The Government of India has not been consulted about this investigation, but all the same, he should welcome it. The hon. Member, he did not say anything except making wild allegations, repeating them. He did not even say that anybody who brings the truth about this matter is welcome. And our attitude is that we welcome it. But certainly, as a Govern-

[Sh. B.R. Bhagat]

ment as a sovereign country, we will not like to deal with any subordinate agency of any Government. I think this is an insult to a friendly Government of Sweden for a country like India to deal with a subordinate agency of that institution. And in that respect some hon. Members have taken objection on certain conduct be some hon. Members of the Opposition. Members of the Opposition when they went to the Swedish Embassy-I do not know, I do not want to comment, but I read it in the papers-that the Swedish Ambassador was himself embarrassed; and he even said so. I read in the papers, he was embarrassed. He said, "All of you, hon. Members of Parliament, when you have come I do not know where to make you sit, how to do this..." But certainly, in this way you embarrassed a friendly Ambassador and I think it has not added to your prestige.

SHRI SOMNATH CHATTERJEE: That is what you think.

SHRI B.R. BHAGAT: Our Parliament is known for its very high position; and in many matters in parliamentary practice and traditions we have set the trail, which even the Mother of Parliaments copies, our traditions. And, I think this action is not on the lines of that.

Then, secondly you have yourself seen the futility or absurdity of sending a delegation to Sweden and you have just given it up. I am happy, of course you have seen wisdom, you have seen reason at least in this respect.

18.27 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

So, the point is, that the Public Prosecutor of Sweden is concerned since this matter

relates to this and apart from welcoming, I do not want to go more into it. But I am saying that obviously it will function under the Swedish laws and regulations. Whatever report it will bring now under the Swedish laws the paying of commissions is no crime, and even if it discovers some commissions or that some money has been paid, it is not violating any Swedish laws and even payments, legal and regular payment has been made to either Swedish nationals or foreign nations or anybody else, it does not violate the Swedish law. According to their procedure of work they may not even publish the report. He may keep it to himself. That is the law. That will not serve our purpose.

MR. CHAIRMAN: Now, the time permissible under the rule is two hours. Shall we extend the time?

SEVERAL HON. MEMBERS: Yes.

MR. CHAIRMAN: The time is extended.

SHRI BASUDEB ACHARIA (Bankura): Upto what time?

THE MINISTER OF STATE IN THE MIINISTRY OF PARLIAMENT AFFAIRS (SHRIMATI SHEILA DIKSHIT): This debate should end. We have to sit upto that. I would like to take this opportunity to inform the hon. Members that we are going to serve dinner here.

SHRI BASUDEB ACHARIA: If it is not finished today, then tomorrow will it continue.

(Interruptions)

MR. CHAIRMAN: For the present the discussion is extended upto Eight.

(Interruptions)

MR. CHAIRMAN: Everything is for the time being always. Let the time come, we will decide.

SHRI B.R. BHAGAT: The point that I was making is that-after the investigation, the Chief Public Prosecutor of Sweden is not able to submit the report because he finds that there is no violation of Swedish law. So far as we are concerned, the Government is trying persistently to find out the truth, even the names, payments and other related matters right from the beginning. This is our track record. Prof. Swell has pointed out and I think it needs repetition. What is your record and what is our record. When this matter was reported by the Swedish Radio in April 1987, we immediately on 21st April 1987 got in touch with the Swedish Government and asked them to supply full information. During the period between April and June, we contacted the Swedish Government through our embassy in Stockholm and through their mission here and helped them in the appointment of the Swedish National Audit Bureau. When the report came on fourth June, we immediately took it up with the opposition leaders. Then, we made a reference to the Speaker for appointment of a Joint Parliamentary Committee.

I would like to say here that in the Budget Session there was a demand from the Opposition members that a Parliamentary Committee should be formed to look into the matter. When we consulted the leaders of the Opposition and suggested that a Joint Parliamentary Committee be appointed, they started heckling and agitating. Then, they came forward and said a number of things. This Committee is inadequate and all that. This is not unparliamentary, but uncharitable. This has never been the tradition of this House. They have termed the Committee as 'white wash'.

(Interruptions)

SHRI K.C. PANT: It only reflects their total lack of confidence in themselves.

PROF. MADHU DANDAVATE: We never said it white-wash. We said it eye-wash.

SHRI B.R. BHAGAT: You may not have said that, but others have said that. I can produce reports that have appeared in the papers attributing these remarks to the hon. Members.

PROF. MADHU DANDAVATE: I always use the correct words. I said 'eye-wash'.....*(Interruptions)*

SHRI B.R. BHAGAT: If you think that eye-wash is an honourable term so far as the parliamentary committee is concerned, well, you are very....

PROF. K.K. TEWARY: His English knowledge is poor.

PROF. MADHU DANDAVATE: I am prepared to take tuitions from Prof. Tewary.

SHRI B.R. BHAGAT: You may stick to your own remarks. The point was that Prof. Dandavate today, although it was not the occasion, raised a debate on inquiry. I want to repeat that the parliamentary tradition is that whenever any inquiry is ordered, the debate begins only after the report of the inquiry. Prof. Dandavate was outwitted in his earlier motion and we agreed to it because it keeps his prestige. But this is not the occasion for a debate. The debate on the inquiry can be only when the report comes. But you went on to the parliamentary committee. You explained why you did not agree to this and then you raised several matters-the Official Secrets Act....

PROF. MADHU DANDAVATE: What we have lost, you are reading that.

SHRI B.R. BHAGAT: You have raised four objections-right to call for the Minister's testimony. It should be able to have evidence from foreign nationals and foreign companies. And all those matters have been agreed to except the official secrecy. The Official Secrets Act is an Act of Parliament. You know better that nobody can override the Act of Parliament. Even a motion of this House cannot. Still the Government gave an assurance that they will try to cooperate to the extent possible and provide all facilities. The Auditor-General and the Attorney-General will be available.....

PROF. MADHU DANDEVATE: Do you think, we seek Speaker's permission to call the Prime Minister before the Committee? Unnecessarily you are putting him into this situation.

SHRI B.R. BHAGAT: You are an experienced parliamentarian. Can you suggest any way to eliminate the Speaker from a parliamentary committee? Is it being done? You have said that it is a special committee, extra-ordinary committee. Whatever it is-it is a special committee, extra-ordinary committee, historic committee, momentous committee. But tell me the way in which the Speaker's power, right, prerogative can be eliminated.

SHRI K.C. PANT: Perhaps, they want to leave it to the Chairman of the Committee.

PROF. MADHU DANDEVATE: As far as this Committee is concerned, it cannot be compared with the Committee like PAC or Estimates Committee.

SHRI BIPIN PAL DAS: When you demanded a parliamentary committee, you compared it.

PROF. MADHU DANDEVATE: Why do you intervene like that? I am taking up the

point with him. I say that in those committee like the PAC and PU, the money matters originate from Lok Sabha and then they go to the Rajya Sabha. That is why, I can understand certain powers being vested with the Speaker. But this is an unprecedented joint committee in which why the presiding authority of only a particular House be unnecessarily intrusted with a very embarrassing responsibility? I will ask you a simple question. If you ask the Speaker shall the Committee summon the Prime Minister before it, you are unnecessarily creating embarrassing position for him. I do not want to say anything more.

SHRI B.R. BHAGAT: I will only say one thing. This is a Joint Parliamentary Committee. This is a parliamentary committee of any nature, extraordinary, I agree, but I quote him only the May's parliament: "A Speaker is the corner stone of the parliamentary edifice." You remove him and the whole structure falls. How can you think of eliminating the Speaker? Then it means malafide, I am sorry to say this.....(*Interruptions*).

PROF. MADHU DANDEVATE: I am speaking about bonafide and you are talking about malafide.

SHRI B.R. BHAGAT: Because you have moved recently a motion of No-Confidence against the Speaker. Although it has been lost but you have no faith in the Speaker. That is why you are saying this. Why do you say that in a body like this, an hon. person like the Speaker will function not in the interest of the State or the parliament? This is denegation of the Parliament. You cited examples unnecessarily. Who is saying that you do not....(*Interruptions*).

PROF. MADHU DANDEVATE: All right, forget him. You were once a Speaker. I may take your illustration. During the Emergency if you were handed over such a

case, you would have felt embarrassing.....
(*Interruptions*).

SHRI SOMNATH CHATTERJEE: Sir, in the history of Parliament many accidents have happened.

PROF. MADHU DANDAVATE: Sir, he was the Speaker during Emergency. If such discretionary powers were to be given to him, normally he was feeling embarrassing during Emergency and that would have embarrassed him more.

SHRI BHAGWAT JHA AZAD: Sir, I think you should authorise him to speak on behalf of Shri B.R. Bhagat so that you should hear him.

SHRI B.R. BHAGAT: This is really the hub of the whole thing, the whole process. I am sorry this was a very important occasion. Corruption in high places, as you say, is a vital matter. All of us are interested. Government is more interested and we have said it that we want to eliminate this. The Prime Minister has said times without number that whoever may be involved, however high his position may be, he will not be spared, and you make a mockery of this statement. I am sorry it is most unfortunate, to say the least. That is why I say it is a very great occasion in which we could have sent the correct friends, would have educated the people, built the morale of the country, strengthened the parliamentary and democratic institutions of the country. These have been misused mainly because you have been persuaded to believe that here is an occasion in which you can destabilise or even derail this Government, democratically elected Government by the will of the people. You want to subvert it politically. You want to subvert it and all your actions have been motivated by that. I am sorry to say this. But this is a fact which cannot be denied. Otherwise what is wrong in your participating in it? Instead of

participating in this parliamentary process of investigation, you are going helter-skelter. Now you are saying you are supporting. Nobody is objecting to the investigation, the best investigation possible, even by a foreign agency because we know that for a matter which concerns in a foreign country, the powers of the agencies here are limited. But in that spirit you cannot support the employment or the engaging of a body like the Fairfax which is openly, covertly and overtly a CIA agency. Mr. Indrajit Gupta, will you support it?

SHRI INDRAJIT GUPTA (Basirhat):
But are we discussing Fairfax?

SHRI B.R. BHAGAT: But he has discussed it. I am answering to him. He has discussed it. That is the point I am making. On the matter of investigation, he has raised all these questions. I am making this point because.....(*Interruptions*).

SHRI INDRAJIT GUPTA: Then do you have to repeat it also? Whatever he says, do you have to repeat?

SHRI B.R. BHAGAT: I am only replying....(*Interruptions*). Well, I do not repeat it.

SHRI DINESH GOSWAMI: Are you now admitting that this Government at one point of time engaged a CIA agency?

SHRI B.R. BHAGAT: I am not saying that.

SHRI DINESH GOSWAMI (Guwahati):
What else? Fairfax was engaged by Mr. V.P. Singh who was a Minister at that point of time.

18.45 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

PROF. P.J. KURIEN (Idukki): That is why he is out.

(Interruptions)

SHRI B.R. BHAGAT: Fairfax has been engaged.

(Interruptions)

SHRI B.R. BHAGAT: By Government, I say. Are you disputing the fact that Fairfax has a CIA connection? I want to know.

SHRI DINESH GOSWAMI: I do not know.

(Interruptions)

SHRI DINESH GOSWAMI: This Fairfax was engaged by your Government. If this is your admission that this was engaged then this Government is guilty of engaging it.

SHRI SAIFUDDIN CHOWDHARY: Who engaged Fairfax? Tell us that.

SHRI B.R. BHAGAT: I leave it here. The Chairman of the Fairfax himself said that he was involved in Watergate and all that I leave it at this stage.

The last point I am making is that your track record is you have been trying to make use of it for your political purposes, stonewalling it and hedging it and putting all sorts of difficulties in finding out the truth. Our track record is, as I said right from 17th April, we have done everything possible, persistently and consistently to find the truth and even today we want the truth. We want the names and we want to know whom the payment was made. This is our position. You are not able to answer and the main reason for it is...

(Interruptions)

SHRI BIPIN PAL DAS: If they want to

join the Committee, they are welcome.

(Interruptions)

SHRI B.R. BHAGAT: One more thing. I am sorry to say and Shri Indrajit Gupta will not like me to raise it. Prof. Madhu Dandavate has raised it. I am sorry to say this. It is for the Defence Minister to say, if he has said repeatedly. What he says is that these are sub standard guns and will affect the morale of the Army. Defence Minister has objected to it. This is a point. You are charging the highest man, the most important person with all kinds of allegations. It is most sensitive and most important matter like defence of the country, the morale of the army. You make a pronouncement without any evidence whatsoever! I say this is harmful to the country and I know your patriotism, your service, your love for the country and great love for the citizens, I am second to none in believing it. My submission is it is for the Defence Minister to say how good the gun is, and the morale of the Army and security of the country is not threatened. That is my only point. This matter should not have been raised here.

The point now is where do we go? The Joint Parliamentary Committee is about to meet. Now even belatedly you have not participated. Well, the avenues can be created. You can participate. But your contention is that this Committee will not bring out the facts. Let us all honestly try. We can assure you even without you we will most honestly and most sincerely try to find the facts. We will approach Swedish Government, everybody, approach all avenues to find out the facts.

Another point I am to make is, Government is not in the dock. This should be noted. The point which you are making, the media unfortunately in the country is making is not correct. Government has nothing to hide because from the very first day Government

has been doing its utmost to ascertain full facts.

PROF. MADHU DANAVATE: He has directly come back.

(Interruptions)

SHRI B.R. BHAGAT: Why? You object to going to Sweden? (Interruptions)

All strange things are happening. The Government has been doing its utmost to ascertain the full facts and has been constantly keeping Parliament and nation informed. If Government did have something to hide, it would not have done so. Nor would it have persisted with the establishment of a parliamentary committee. It has also been pointed out not only by Government but by others as well, that in the highest traditions of the parliamentary democracy, the Committees of Parliament function beyond party lines. This is what I am appealing. It is our tradition. We do not function in the committee on Party lines. If you wanted more Opposition Members on the Committee, they could have been there. It is indeed unique for a Government to invite the formation of a Parliamentary Committee and to share its sole executive authority with Parliament.

It has become equally clear that while Government is doing its very best through all possible means and through the modality of the Committee to obtain the full facts the Opposition, I am sorry to say, are now resolute in trying to stall any further progress in the matter. In fact, in their latest letter of the 6th August, 1987, Bofors have, besides denying categorically the payment of any kickbacks to any Indian citizens, Indian Government officials or political figures-this is the point, I am telling-they even assured cooperation to the Committee.

The only inference which can be drawn from the Opposition's continuing dissociation is that rather than wishing that full facts may become evident, it wants to use insinuations and allegations to further its own political designs and does not dare to run the risk of true facts emerging. They probably fear that true facts will set these insinuations at rest and will end the controversy. This is very very sad because in the process of utilising these insinuations for political gains, it is distracting the focus of the nation and of the Houses of Parliament from other major issues like the unprecedented drought and has permeated the forces of destabilisation which have always been working in a country like ours. The destabilisation forces never stopped. When a country weak and divided, they start operating and in this case, these forces are out to undermine the democratically elected Government in this country. You had ignored this aspect also because of your political motivation to bring down the Government. This is not strengthening the democracy. Even at this late hour, I hope you will reconsider your attitude and participate in the process of parliamentary probe into unearthing true facts about this matter.

SHRI SOMNATH CHATTERJEE (Bolpur): Mr. Deputy-Speaker, Sir, so far as Prof. Swell is concerned, my respect for him so is so much, I cannot say that; his was a command performance. And so far as Mr. Bhagat is concerned, of course, naturally, all hopes are always eternal. He has abused the Opposition of indulging in *mala fides* and destroying the parliamentary traditions. He says, We are denigrating the Parliament image. Of course, Prof. Swell was seeing red herrings drawn across the country. Of course, he has not accused us of lack of patriotism. If the Opposition is like that, why are they eager to get us into this committee? If we are such a bad people, we are doing *mala fide*

SHRI K.C. PANT: Shall I answer that? It is because we respect democracy; because we have faith in democracy and the Opposition, unlike some people here. It is the institution.

SHRI SOMNATH CHATTERJEE: Very well, here, Mr. K.C. Pant wants us only for the sake of the institution, not for the truth. It is very well. It is not for ascertaining the truth. I find that this is the second speech of Mr. Bhagat today. Probably he is a little exhausted. He wanted to get the record on behalf of the Government strength. He referred to track record. I also want to put the record straight and I hope you will give me the time.

Please do not forget that it started with the report of the Swedish radio accusing political functionaries in this country of having been paid bribes and of the political functionaries of the ruling parties of having been paid bribes or commissions.

The only one statement we have got so far from the leader of the Government in this House is of the nature Nothing else we have got and an amazing statement coming from the Prime Minister of India when the whole House of the country was waiting with bated breath that some important announcement will be made, he comes and reads out a written speech saying

"Neither I, nor any "member of my family" has taken any part in consideration of this." (*Interruptions*)

We have been saying that there has been a very determined attempt on the part of this Government to prevent exposure and disclosure of the real state of affairs and we felt it was our duty to compel this Government to take all necessary steps to find out the truth and they are talking today and, if I may say so, without being misunderstood,

shedding crocodile tears. If it is parliamentary probe or not, I do not know. They are shedding crocodile tears.

MR. DEPUTY SPEAKER: As a parliamentarian, you know!

SHRI K.C. PANT: Crocodile as far as you are concerned.

SHRI SOMNATH CHATTERJEE: I stopped to give emphasis on this. You will appreciate this.

SHRI K.C. PANT: It is crocodile tears as far as you are concerned.

SHRI SOMNATH CHATTERJEE: Mr. Pant possesses such snavity and such patience he exhibits always but I find whenever Bofors comes, he loses his patience. I have the good fortune of knowing him for a long number of years. Of course, he has been changing his portfolios often. But he is now been losing his balance.

In that context, it was the Opposition who had asked for a parliamentary committee probe. Who opposed it resolutely? It is this Government.

SHRI BIPIN PAL DAS: On what grounds?

SHRI SOMNATH CHATTERJEE: There they opposed it. They resolutely opposed it and therefore in the situation we find there is no other mode or method of finding the truth. When a very competent authority in Sweden, the Public Prosecutor of Stockholm, had taken now a decision to investigate into the charges of bribery in the matter of the contract entered into with the Government of India and Bofors, we cannot but congratulate him.

Mr. Bhagat also congratulated him and he has taken this stand in spite of very

resolute and sickening attempts on the part of the Government to prevent disclosure. I wish to make an effort to establish that this Government has been trying to conceal and not to reveal the facts. It cannot suit them. And in their panic, they have said many things, at many times, and the terms of reference of this Committee will establish to the hilt that this is not even an apology of a parliamentary committee. The country is being taken for a ride by the pretence of a parliamentary probe. They are now eulogizing the Committee. I am sorry for Shri Shankaranand; he has lost his Chairmanship and he has lost his Ministership also. (*Interruptions*)

19.00 hrs.

We have seen him on the Treasury Benches for many many years. Now he has to find out a place in the last bench. This is the way of functioning of this Government. The Prime Minister wants to get rid of a Minister, dangles before him the Chairmanship of a Committee and then even that is also taken away.

SOME HON. MEMEBRS: He is coming

...

(*Interruptions*)

SHRI SOMNATH CHATTERJEE: I wish him a long life and a return to the Cabinet also (*Interruptions*). We are also happy that this Swedish Foreign Minister has pledged to the public, if I may quote Professor Swell when he said: "This will be a thorough and public wash of all dirty linen in the weapons deal"...

SHRI INDRAJIT GUPTA: Indian Linen or Swedish linen?

(*Interruptions*)

SHRI SOMNATH CHATTERJEE: No.

The point is that Professor Swell was saying that the delegation will got to see the dirty linen.

AN HON. MEMBER: To wash the linen?

(*Interruptions*)

SHRI SOMNATH CHATTERJEE: He said: "to see the dirty linen they will go". Well, I am not holding any brief for them nor espousing whether they would like to see the dirty linen, that is their object or not. But what you are afraid is the water, that the dirty water which will come out of the washing, will swamp you away.... (*Interruptions*). Therefore, you are afraid. Why this enquiry is taken up? This Government in its nervousness is now saying - even probably they are afraid - that the report will be adverse. What they are saying? They say: "no, no. We shall not be bound by the findings of the Chief Public Prosecutor" They will not agree, until and unless this great Committee points out, whose credibility to the people in this country is zero if not minus...

(*Interruptions*)

PFOF. P.J. KURIEN (Idukki): What are you saying? We are elected by the people... (*Interruptions*). We are elected as you are elected by the people.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE: You have not got that credibility to go to that Committee...

(*Interruptions*)

PFOF. MADHU DANDAVATE: I think, you are not in the Committee? Are you there?

(*Interruptions*)

SHRI SOMNATH CHATTERJEE: Let us hope that Mr. Ringberg is a free agent in his country and he will not be a party to any conspiracy to conceal facts and that he will relentlessly pursue the matter to the end, as he has already found—this is very important—the reasons to suppose that bribery has been committed by the Swedish Company. This has unnerved this Government. In this background, what has been the attitude of this Government? Let us see to it. We are reminded, *ad nauseam*, by every hon. Speaker from the Treasury Benches that as if this Government wanted an enquiry. Our demand for a Parliamentary probe was rejected. What was the action taken by them? They wrote a letter to the Swedish Government. Was any action taken in India? When I asked this question, the hon. Minister did not reply last time. Did this Government know or did not know that Win Chaddha was an agent of Bofors in India or was a contractor of Bofors in India? If they knew, then they should have taken steps. What steps did they take? They were supposed to have instituted an inquiry or investigation, so far as he was concerned. But what happened? He was a person who could have been or would have been able to give relevant evidence in this matter. But he was allowed to fly with his son, dangling your Indian Passports which were not even impounded; not even cancelled at any moment of time. He was not arrested. Have you tried to get any information in this matter? What effort was made to launch a prosecution here? Has any FIR been lodged? Has it been lodged here, I would like to know. Has any complaint been lodged with any police station, in any court of law, against anybody? How did you expect that you would get the facts? You felt that your letter was sufficient to the Swedish Government. The Swedish Government, on that basis, held an inquiry through the Audit Bureau, and the Audit Bureau has said that illegal payments have been made. The Audit Bureau has said that bribes have been paid,

commissions have been paid. They have even identified the amount and they have left certain blank spaces because, according to them, Bofors were unwilling to disclose. Therefore, it depends only on the Bofors' good wishes, according to this Government which has accepted this; that was the Minister's statement on the floor of the House: "What can we do?". And this Committee will go on a ceremony and ask for information from Bofors and Bofors will say, "No; we have refused to the Government of India; we have refused to others; we refuse to this Committee also". Then they will end up with the matter...

SHRI K.C. PANT: Why did you ask for a Committee?

SHRI SOMNATH CHATTERJEE: Sir, shall I have to go on answering the Minister at every stage? I shall, but you should allow me adequate time. Now, may I read out from the Audit Bureau's report? (*Interruptions*) Why did I ask for a Committee? I asked for a real committee, not an apology for a Committee. I asked for a genuine Committee. Now, what is the report of the National Audit Bureau?

"Only A.B. Bofors is in a position to give a full account of his own payments."

This is the position faced by this Government. Will the Government tell us or will even a member of this Committee which has been set up, tell us as to how they propose to go about in this matter? There should be a proper investigation and inquiry. Admittedly, money has been paid; money has been paid not only as a bribe but as commission. We have been told times without number that there was winding up cost, no commission to any agent or any middle man. Why? The Prime Minister has said, the Government of India has said, that there would be no middle man or no agent. Admit-

tedly, Mr. Win Chadha was a contact man, it is said; not an agent or a middle man, but a contact. Then they got rid of the contact because they valued the Rs. 1470-crore contract more. Bofors were in tottering, economic and financial condition. They were in financial difficulties. They had no pending orders with them. There were transactions with Iran through Singapore, illicit transactions, and when they came out in the open, there was prosecution against Bofors. So, it was a God-sent opportunity to Bofors to get a contract of this value, Rs. 1470 crores, which would keep the Bofors busy for another five or six or seven years. They were lacking in orders even. Therefore, this was a God-sent opportunity for them; to please the Indian Prime Minister and the Government of India, they said, "Very well; we shall not have any agent". Therefore, what do they say? They say, "We had to pay winding up cost to our contact man". That is what the Audit Bureau Report has said. I am referring to that. And the contact man, who would have got in five years Rs. 1.2 crores, has supposedly been paid Rs. 50 crores. Not even children will believe this. Only sycophants will believe this story that against a possible demand of Rs. 1.2 crores, a winding up cost of Rs. 50 crores was paid to this so-called Indian contact by the Bofors. Then the other sums - the three sums which were mentioned in the Motion for constituting the Committee -, that is, SEK 170-250 million, SEK 2;9.5 million and SEK 2.5 million were paid as commission and not as bribe. This is the finding of the Swedish Audit Bureau. Commission is paid to whom? Commission is never paid to a contact man. Then there must have been some sort of an agency or some sort of middle-men, some sort of commission agent. Commission would not be payable to a contact man who was to arrange only hotel accommodation, booking of plane tickets, arranging for cars, etc. This is the position. Then the commission has been paid to whom? The million dollar ques-

tion is: to whom has the money been paid? They have said that they have not paid to an Indian. They say that they have not paid to an Indian concern or company. Therefore, when money has been paid, if it was in India, then there must have been some record in the Reserve Bank of India. The Reserve Bank of India is not asked to tell. We have not been told so far whether any Indian has received through the Reserve Bank of India. Then, somebody has been paid in foreign currency. It has to be found out whether a foreigner or NRI or any person of any other nationality or any concern in which NRI or Indians may be interested as shareholders or as owners has been paid in foreign currency.

Now, Sir, the question is very simple. Who would have been paid this money? Bofors would pay this money for securing the contract. Now for securing the contract they pay money to somebody who would help them in securing the contract. Now who would help them in securing the contract? Who could take the appropriate decision to influence the Government to enter into the contract. Who could take a decision on behalf of Government of India to enter into the contract? The Defence Minister and the Prime Minister who happened to be one and the same person at that time. Therefore, this is a very simple step by step analysis. Bofors are paying huge sums for the purpose of getting a contract. This is admitted that they have paid it. In spite of our Prime Minister's very keen desire to see that there should not be any middlemen and Mr. Olof Palme's efforts to make it sure that there was no middleman it has been paid. When the identity is concerned who can find out whether Bofors have indulged in any illegality or criminality or not, except the Swedish authorities themselves. When we asked for a parliamentary probe, this Report had not come out. We thought that something wrong has been done in India. We wanted that

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Indian parliamentary committee to go through the records we did not know about the disclosure at this stage. But they could not believe and trust the Indian parliamentarians for whom today they are saying so many things, trying to persuade us to enter this still born Committee. At that time, we never said that. After the Swedish Audit Bureau Report, what have they done except writing a letter to Bofors stating, "please send us the names", at the same time, making it clear, assuring Bofors that even if they don't give the names, they will not suffer. We make it certain, we make it clear, we announce this in Parliament of India that Bofors contract will not be cancelled. This was what the Government did. I had told the Hon. Minister at that time that please don't say that in Parliament of India, please don't commit yourself that you would not cancel this contract. The threat of cancellation might have worked because they are seeing this possibility of contract being cancelled. But the Minister has solemnly assured Bofors, "come what may, whatever may happen to his country, this Govt's credibility may become zero, people may suffer, huge amounts may have gone out of this country, when money is being collected in foreign banks, that does not matter; but your contract will not be disturbed. I, K.C. Pant, the Defence Minister, assure you Bofors that our contract will never be disturbed." And if I am not the Defence Minister, Others will be bound by the assurance given in the Parliament of India. How do you expect the Bofors to give you the names when they refused to give it to their own Audit Bureau, to their own Government? Now what would have happened to this Parliamentary Committee with opposition members? They will say, "well, we wrote to Bofors." Bofors said that we are sorry, we won't give you names. Then Committee's job will be over. Then the Government will trumpet to the outside world that even the opposition members stalwarts

like Shri Madhu Dandavate and Indrajit Gupta have not been able to find out the names, why do you blame us. Therefore, we won't be a party to this. And what is this Committee? Sir, a good deal of effort has to be expended by my Hon. friends here to show that a grand Committee has been set up. Everybody says, this is the first time in the 40 years history of the Parliament that a most unusual committee, an investigative committee, has been appointed by the Parliament. But this unusual committee will have only usual powers! Wonderful argument of this Government!

We are only always reminded of the fact that after all it is a Parliamentary Committee; rules are there. Mr. Somnath Rath, who is my name sake, who is a little upright - today I don't know what happened to him, probably he is also having his hopes on that side - suddenly quoted the rules relating to Parliamentary Committee and said that how can a usual Parliamentary Committee...

SHRI SOMNATH RATH: I have read the rules and I have raised a legal question.

PROF. MADHU DANDAVATE: I think if you were in the Chair, the debate would have ended!

SHRI SOMNATH RATH: Even then the rules would have prevailed, it was immaterial whether you were in the Chair or myself

SHRI SOMNATH CHATTERJEE: May I request the Hon. Members to kindly bear with me for a few minutes more?

AN HON. MEMBER: It is very difficult to bear.

SHRI NARAYAN CHOUBEY (Midnapore): Because it bites!

PROF. MADHU DANDAVATE: Let him

explain as to what does he bear.

SHRI SOMNATH CHATTERJEE: Let only the Home Minister bear me. He is a substantial man aided by the Minister of State for Communications!

[*Translation*]

SHRI BALKAVI BAIRAGI (Mandsaur): Today is the first day during the last one and a half years when Mamtaji is listening to you patiently.

KUMARI MAMATA BANERJEE (Jadavpur): If I speak, he will get nervous will not be able to speak further.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE: I would like the Hon. Defence Minister to tell us, if my knowledge of English is inadequate, about Clause 8 of this Resolution. May I read it with your permission, Sir? It has been mentioned that if the Committee wishes to nominate a Sub-committee to visit a foreign country for specified purposes - then Mr. Kaushal, Mr. Shankaranand, I hope he can at least go to Stockholm, and Mr. Kurien, probably he says that he is a member.

PROF. P.J. KURIEN: I said 'we' not 'I'.

SHRI SOMNATH CHATTERJEE: And then my good friend from Calcutta, Mr. Asutosh Law, I don't know where he has gone!, the whole Committee cannot go, kindly see, it is important - connected with the inquiry, the matter will be referred to the Speaker - I don't envy the Speaker in this respect - who may take such decision and give such direction as he thinks it - viz., five persons may go or four persons may go and they may stay in a four bedded room or four persons in a bed room, etc.(*Interruptions*)

They will have nothing to do. If you read this clause you will see that such a Sub-Committee shall not hold sittings - no sitting, only standing all the time - shall not record evidence ...(*Interruptions*)... Nobody has read this clause, it seems to me. It says that the Sub-committee shall not hold sittings, shall not record evidence or take decisions in a foreign country. Kindly think of the fate of this Sub-committee. I do not see. I do not hear. I do not speak. Sir, it is worse than a still-born child. It is a deformed child pre-generated by some corrupt elements in this country and Sweden. And today I do not envy the thirty hon. Members of Parliament who have to hold this de-formed baby and try to put cosmetic treatment to it and bring it back to India and say nothing has been found. you are a very good looking healthy baby. And you want us to be a party to this!

THE MINISTER OF HOME AFFAIRS (S. BUTA SINGH): Sir, the great lawyer and my hon. friend is trying to mislead the House. We have physically picked up these provisions from the Rules book which are applicable even to the Public Accounts Committee, the Estimates Committee and the Public Undertakings Committee today. Today it is happening inside the country. PAC sub-group cannot have a sitting, cannot record evidence and cannot take decision outside Delhi. If that is happening with PAC what is wrong with this parliamentary committee?

SHRI SOMNATH CHATTERJEE: Sir, I am not misleading. I was reading this unless Shri K.C. Pant has prepared a misleading document.

Then a sub-committee goes to Stockholm. They cannot hold any sitting. They cannot record any evidence. Even if Bofors want to give evidence there they will say we cannot record. Parliament has not permitted us to record.

S. BUTA SINGH: Parliamentary committee can have evidence here in Delhi. This procedure is followed in all parliamentary committees. So why not in this parliamentary committee!

PROF. MADHU DANDAVATE: You go all along to Sweden and do not record.

(Interruptions)

SHRI SOMNATH CHATTERJEE: They cannot record any evidence. They cannot hold any sitting.

MR. DEPUTY SPEAKER: A sub-committee need not necessarily take evidence. They can gather information and pass on to the Committee. That will save time.

SHRI SOMNATH CHATTERJEE: What is this tamasha? If a sub-committee goes to Sweden and does not do anything there.

(Interruptions)

PROF. MADHU DANDAVATE: Sir, it is no challenge to your authority.

SHRI SOMNATH CHATTERJEE: I am now convinced that you have not read it earlier.

MR. DEPUTY SPEAKER: I have read it and that is why I am telling.

(Interruptions)

SHRI SOMNATH CHATTERJEE: I hope our good friend, Prof. Swell-inspite of your today's speech I still have respect for you-said on what ground you stay away? Do you realise it now? You are not allowing us to call any Minister because it is obvious that the first on the list would have been the Prime Minister and you cannot possibly allow the

Prime Minister to be interrogated even by Members of Parliament. He is untouchable so far as you are concerned. That is why you do not permit the Ministers.

SHRI G.G. SWELL: This is the system we follow.

SHRI SOMNATH CHATTERJEE: What system?

SHRI K.C. PANT: Mr. Chatterjee, the Prime Minister is required to answer your questions every day of the week in the House. This is our system. We do not have the American system which you seem to admire. They have sub-committees in which Ministers appear but not in our system. In spite of that I did say that Ministers could appear but it must be relevant in the eyes of the Speaker and the Committee. Is this very unreasonable?

PROF. MADHU DANDAVATE: The evidence which he is supposed to give before the committee will he give in the House?

SHRI SOMNATH CHATTERJEE: Obviously it has to be reasonable and obviously the Committee has to decide. The Committee cannot just call anybody. The Committee has to sit jointly and take a decision and even if that unanimous decision is taken to call a particular Minister what the Speaker will do! Will he sit an appeal over the decision of the Committee as a whole? Is there any Committee whose decisions can be overruled by the Speaker?

SHRI K.C. PANT: What are you afraid of. That is exactly the point. I am glad you have raised this point. I want to pin you down on this. If the Speaker cannot over-rule the Committee what are you afraid of?

SHRI SOMNATH CHATTERJEE: Sir, I would like to know why do you bring in the

highest office in the Parliament in the possibility of conflict.

PROF. MADHU DANDAVATE: Sir, Speaker himself that day said: "Don't involve me in this." He said it from the Chair....

AN HON. MEMBER: It is on record.

PROF. MADHU DANDAVATE:unless that has been expunged

SHRI SOMNATH CHATTERJEE: Sir, no reason has been given. Only putting me questions: Why are you concerned; why are you concerned? What was the reason which prompted them to include the Speaker here. Not a single reason has been put forward. And then, Sir, what would happen?

(Interruptions)

SHRI BIPIN PAL DAS: Home Minister had explained.

(Interruptions)

S. BUTASINGH: Why are you objecting here? You can't go to Shillong and you want to go to Stockholm without the permission of the Speaker.

(Interruptions)

SHRI SOMNATH CHATTERJEE: Which rule of procedure contemplates as concerning such ugly facts like kickbacks, I would like to know. Which rule of this House contemplates? Therefore, let us not try to be over-smart in this matter. You have an unusual committee with usual powers. That is what I am saying. How can you function in this? Ministers cannot be called. Well, I know Official Secrets Act is a statute. But there is no question of obliterating the Official Secrets Act. That depends on the Government's attitude for taking a plea

under the official secrets Act. That is the point. We wanted it to be in our motion. It has all been rejected. And you want us to give credibility to your committee! You want to sell it to the people by including the Opposition in it with no power, with almost a husk committee - nothing.

SHRI K.C. PANT: Will you allow me?

SHRI SOMNATH CHATTERJEE: I don't know why you are interrupting me.

SHRI K.C. PANT: Because you are saying ... *(Interruptions)* ... I have great respect for you. You are putting forward your point of view. But factually it is wrong to say that on the Official Secrets Act, the Government has not said anything. In the upper House, this question was raised and I made it absolutely clear that the Official Secrets Act will not come in the way. The Government will cooperate in every way possible. I made that clear. I just wanted to put the records straight.

SHRI SOMNATH CHATTERJEE: Sir, our resolutions, our amendments said certain things. Even then you have only relied on your statements made in the House. But you don't wish to make it a part of the motion appointing the committee. That is our objection there.

Now, Mr. Deputy Speaker ...

SHRI K.C. PANT: Can a motion override a statute? You at least know this.

PROF. MADHU DANDAVATE: But that was not the main part.

SHRI G.G. SWELL: Point of order, Sir.

SHRI SOMNATH CHATTERJEE: I am not saying over-rule a statute.... *(Interruptions)*... Therefore, now the object is: Go and accuse and abuse the Opposition, if you can. And Mr. Swell, I don't know what point of

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order.

(Interruptions)

S. BUTA SINGH: What have you been doing?

SHRI SOMNATH CHATTERJEE: Will you allow me to go and interrupt the Home Minister in that manner? He will take my time. Even the Home Minister, who is unable to manage the affairs here is also going there.

S. BUTA SINGH: I am trying to make you straight.

SHRI SOMNATH CHATTERJEE: Sir, Prof. Swell said, we had made a beeline for Swedish Embassy with regard to an alleged crime. Mr. Swell, crime is here 'admitted', not 'alleged'. Please do not forget that. You have been carried away by emotions in your unusual role today. We did not make a beeline for the Swedish Embassy. We had wanted to give a letter addressed to the Swedish Prime Minister. Now, you have written to the Swedish Government. Haven't you? Haven't they written to the Swedish Government for inquiry? Do the Members of the Opposition have no locus stand to write to foreign Prime Minister?

PROF. MADHU DANDAVATE: Many of them are here, Prof. Swell, to be handed over to Indian Prime Minister.

SHRI SOMNATH CHATTERJEE: Sir, he was our distinguished - I hope he is distinguished - envoy in two countries.

(Interruptions)

AN HON. MEMBER: For not giving a petition.

PROF. MADHU DANDAVATE: Ask him

whether it was given or not.

SHRI SOMNATH CHATTERJEE: He knows nothing about foreign missions. If somebody goes there, would you treat him as they have come to pay court to you? The trouble is in your present company, you are habituated to pay court to one person. You have lost your sense of prestige and dignity. That's why you find in others that we go there to pay courts. We are not here at anybody's mercy. *(Interruptions)*. Sycophancy is not my credential; your credential to become a Minister is syophancy ... *(Interruptions)*. Sycophancy is not our credentials. ... *(Interruptions)*.

SHRI BIPIN PAL DAS: To this we object very seriously. It is a very bad remark, a wrong remark. We are all elected Members of Parliament. All Members of Parliament here are as much elected as Shri Chatterjee is. We must object to this. It is an insult to electorates. What are you talking? What do you know about us?

(Interruptions)

SHRI SOMNATH CHATTERJEE: Very well, Sir, loyalty to the leader ... *(Interruptions)*

SHRI BIPIN PAL DAS: We are loyal to our leader. Are you not loyal to your leader? At one time you were loyal to a foreign country... *(Interruptions)*. What is wrong in it if we are loyal to the Parliament, to our constituents and to our leader? *(Interruptions)*.

PROF. P.J. KURIEN: You were loyal to the leaders of another country.... *(Interruptions)*.

SHRI BIPIN PAL DAS: He should be controlled; he should not be allowed to go on like this.

SHRI SOMNATH CHATTERJEE: I assert that the opposition parties had discharged their duty to the people of this country in trying to see that the real culprits are brought to book and since only the Swedish authorities can find out the real culprit in this matter and there is a complete incompetence and unwillingness on the part of the Government to find out the facts, we had no alternative, but to approach the Head of the Government in Sweden, the Swedish Prime Minister, to make efforts for the purpose of discovering the truth. And you are trying to take credit that you want the truth to be discovered. That is why when on the first day, Mr. Ringberg's statement came out in the press, what was your reaction? Your reaction - at 6.25 in the evening, Mr. Azad moves a motion and it is passed at 6.28. Bravo for the motion that came in!

I hope that Mr Ringberg who appears to have received the support and the concurrence of the Swedish Government — the Foreign Minister of that country has come out with a statement - will go through the over this procedure according to law. we cannot dictate to him. Opposition cannot command him to do anything... (*Interruptions*). I am not afraid. It is known who is afraid.

Never in this country a Government has been found exposed as the present Government in this matter. This Government is fighting a rearguard battle to save the image of its leader. That is why they are prone to accuse the opposition; with the help of the mass media they want to give misinformation to the public, as they are always utilizing this media. It is clear that the days of this Government are numbered and the sooner... (*Interruptions*)

SHRI BIPIN PAL DAS: Are you in the dreamland? Are you dreaming?.... (*Interruptions*)

SHRI SOMNATH CHATTERJEE: The sooner ... (*Interruptions*)

KUMARI MAMATA BANERJEE: I know so many things about them Charity begins at home ... (*Interruptions*).

MR. DEPUTY-SPEAKER: No interruptions. Please conclude now, otherwise I am going to call the next speaker.

SHRI SOMNATH CHATTERJEE: The sooner this Government goes to oblivion, the better it will be for the country.

Sir, this toothless Committee with almost semi-deaf ears and the diminished vision is there for the purpose of selling this Government to the people of this country and to paint the picture of credibility so far as this Government is concerned. But the people are not accepting it and that is why this Government is on a panic run. That is why we say that if you think people are with you, this is the opportunity to show your political morality. Dissolve the Government and see what the people think about them.

SHRI BHAGWAT JHA AZAD (Bhagalpur): Mr. Deputy Speaker, Sir, while welcoming the debate, I would like to emphasize that we want to prove and prove beyond doubt that we are also very much interested to know the name of the person who has taken considerable amount as commission as was stated by the NBA. Sir, It is not that the Opposition only is interested to know the truth, we on this side, every Member of the Congress Party is equally interested to find out the facts. But we are not like the Opposition who started insisting on the formation of a Committee without any prima facie case. Sir, it is they who insisted upon the formation of a Committee and not we. We are not like this gentleman lawyer, who spoke before me, who can make the black white and the white black. We opposed at the first instance

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because there was no prima facie case to establish a Committee. But since now there is some doubt as to the payment of Commission, we immediately agreed to the Opposition's demand and now it is they who are receding back. Now, they are giving all sort of arguments, saying the Parliamentary Committee as toothless, a still-born child and what not. Sir, to my mind they are abusing the Committee because they are not fully aware of the power that the Committee possesses. Some of these young friends hardly know how the Committee exactly functions.

Now about the Rules, which he has quoted, like this Committee will visit the foreign country but will not have its sitting, will not have evidence, will not have decisions, these rules were not framed by some small lawyers or a Professor in the Physics Department. They were framed by very eminent constitutional pandits of this country. We did not frame them and nor he framed the rules. In the preceding speeches delivered in this House, Sir, our friends from the opposite have called us sycophants, bonded labour etc. I would like to say that we in the Congress Party believe in democracy. The democracy believes in a Leader. We do not belong to the party where bonded labours sit. One of my friends to my right is saying do not go beyond that. But I would ask why should I not go beyond it? You have gone much beyond the Indian frontier in the matter of whips. We take help from our Leader. We have a Leader, we believe in him and we follow him. That is what the democracy say. We are not like the totalitarian party which calls others as sycophants. I would say that all the sycophants and bonded labours are there in the CPI(M). Therefore, Mr. Deputy Speaker, I ask my friends on that side not to indulge in this sort of cheap talk. Let them try to understand my argument. They should learn how to speak. These rules were

framed with a purpose. The meaning given by my great learned advocate is not correct. There have been many Parliamentary Committees in the past 40 years. They had visited many parts of this country. But Committees, when they go out, do not sit and take evidence and they do not take decisions. But Sir, when they go, they do sit. They do not stand. When they go to West Bengal or Tamil Nadu they do gather information. What do they do when they go outside? They meet all kinds of persons who are available and gather evidence but they do not take evidence. That is the difference between taking and gathering evidence. Mr. Deputy Speaker, the Committee is not meant to go to Stockholm on a sight-seeing tour. It is quite apparent. I am surprised how this gentleman did not understand this point. If the Committee has to go there, it would go there for gathering information. One can wake up a sleeping man. But how can we wake up somebody who pretends to be asleep?

SHRI SOMNATH CHATTERJEE: Sir, he is going on abusing me. I said that the Committee cannot record evidence. What does he mean when he says 'taking evidence' and 'gathering evidence'? He should explain it properly.

SHRI BHAGWAT JHA AZAD: Mr. Deputy Speaker, which is the word in my speech that he considers as abuse? Let him point it out, I will withdraw it and apologise to the House. No, you cannot answer me. You cannot meet my arguments and you cannot stand the sting!

SHRI SOMNATH CHATTERJEE: I have referred to the recording of evidence. He is drawing a great distinction between 'taking' and 'gathering' and what not! What is this distinction?

SHRI BHAGWAT JHA AZAD: Why do

you shout? That is my interpretation. You are a lawyer. I too am a lawyer though I am not practising and taking money like you. That is the only difference. Of course, I also practise for the people in Parliament but I do not take money. (*Interruptions*) I have really not spoken even a single word which would match the abuse that they showered on us. What all did he say? Have I said just one word like that? But even so, it is pinching the hon. lawyer.

SHRI SOMNATH CHATTERJEE: 'The Committee shall not record evidence'. What does this mean?

SHRI BHAGWAT JHA AZAD: Please sit down. Try to hear this also Mr. Lawyer. It is just the beginning. I have a lot more to say. This is only the first round, rather a *na-moona*.

What I have been saying all along is that the rules are purposely framed. You cannot do the same sort of things in a foreign country as you may be doing in your own country. Therefore, it does not preclude meeting persons who are responsible or who can be of help to the Committee. That does not really preclude it. It was simple common sense. You do not go there for the honeymoon of a young member of the committee. Nor do you go there for sight-seeing. When you go to Stockholm, you go there to gather evidence. When you go there, you can meet persons of responsibility. If the Parliamentary Committee goes there, it will be treated with respect. It is not like the opposition members going there, just for the sake of going. They are waiting eagerly as to when they could go. Well, they have issued a statement. Madhuji and Somnathji have not agreed to go on the Committee. Very good. I am happy. Madhuji is quoting rules, the decisions of the Business Advisory Committee, and the debate in Parliament. At least this much faith he had in the Indian Parlia-

ment and only in the Committee he has no faith. He believes in raising the debate time and again in this House. He talks about the rules of Parliament. He talks about the Business Advisory Committee. But he does not believe in the Parliamentary Committee because it does not suit them. It is not a powerless Committee as the Defence Minister has stated. I would not like to go again and again into that argument. Mr. Swell and also the Minister have explained about the Official Secrets' Act and all that. I do not want to say anything about the Ministers appearing before the Committee, if the Members want them.

Now it is said why refer to the Speaker? I quote two instances. As you know there was a deadlock between the Government and the Opposition in the case of Shri L.N. Mishra. Day in and day out, it was there. (*Interruptions*) If you shut your mouth and open your ears, you will understand me better. For one month the deadlock between both sides continued. This deadlock was there in Tulmohan Ram's case and Shri L.N. Mishra's case. What was the way out? The Government was not at all prepared to say in a language which the Opposition can understand. The Opposition was not even prepared to understand the language of the Government. What happened in that case? It was left to the Chair for mediation. In that case, in the Speaker's Chamber, the papers were shown and the controversy was resolved.

Now I quote another instance. Shri Biju Patnaik, the great leader of the Janata Party, who is now on the Opposition and Shri Surendranath Dwivedi, the great man who is not on our side now but who was on this side, they have not seen and I have seen them and I do not want to refer the books, there again another controversy-Report.

PROF. MADHU DANDAVATE: The

[Prof. Madhu Dandavate]
Defence Minister was also on this side.

SHRI BHAGWAT JHA AZAD: That is right. There are many like that. Some of you do like that. I do not know which day, you will show your true colours.

PROF. MADHU DANDAVATE: I have never defected.

SHRI BHAGWAT JHA AZAD: But it is a very small life. You have a long life and let us see what, you will decide. That is the question.

I quote another instance. It is again another deadlock. What happened again? Again there was a reference to the Speaker. Therefore, in this case, I would plead with my Opposition friends that, it the Resolution says about the visit, the rules do not bear the meaning, as interpreted by my learned Advocate, has put before the House, that is misleading the House. The real meaning was that they may not stand. He said it in a literary meaning. But the figurative meaning was that they can gather evidence. They are not going for sight-seeing or for honeymoon.

Regarding the four points which Prof. Madhuji has said, these have been explained by the Defence Minister in his statement in this House as well as in the other House and the other point was made clear by Prof. Swell.

I think there is no logic now, no ground for the Opposition to say that this is a toothless Committee, I cannot join this. It is a still born child. You can only do that. If it is a still born child, then you are responsible for that. But thanks to the resilience of the Indian democracy, the Parliamentary Committee will function and it will not have a still born child, but it will be a healthy child which will show to the world that Indian democracy

functions. You have very which resented our telling you that you have denigrated the Parliament. What else have you done? You have done an unprecedented act. By a Resolution of this House, you have called upon a Committee but you did not believe. You believed more in the Public Prosecutor - District Public Prosecutor. He is not there for the whole of Sweden. He is only for the canton. You believed more. Even if this Committee which we have set up, if I can concede for a moment, just for the sake of discussion that it has certain limitations, even then a Parliamentary Committee is much better than a District Public Prosecutor of a foreign country. I hold and believe and so also my friends on this side that he had denigrated the parliamentary institutions. I repeat, it has shown the helplessness and the pitiable condition of the Opposition who are crying what can I do, excepting going to the Embassy. I do not challenge you right. Please go every time you like. (*Interruptions*) On the second occasion, if you have a difference with the judgement of the Supreme Court, go to the American Embassy and say: ' Let the Supreme Court of U.S.A. decide this.' (*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY: Sir, they went to America.

SHRI BHAGWAT JHA AZAD: All right; I will add another point: if you had any difference with the Government about investigation of a particular case, you can call for Mossad from Israel, or call C.I.A. (*Interruptions*) If you like, you can call KGB also. I have no objection.

What I say is this: I do not claim perfection for this Committee. Madhu or my friend Indrajit may have their apprehension; and possibly, in the working of the Committee, that might have been proved true to some extent. I do not challenge that point, mind you. But what I say is this: to start with the

presumption that the Parliamentary Committee is much worse than a Public Prosecutor is to insult the Indian democracy.

SHRI SAIFUDDIN CHOWDHARY: It is a ruling party Committee.

SHRI BHAGWAT JHA AZAD: My young friend says it is a ruling party Committee. I do not agree to this. Why does he say this? We do not want to make it a Politbureau Committee, like your party. We have not agreed to that. But the question is: You see it from any angle, from any side; you will find that this Committee is the most competent. Today, since you have boycotted it, I do not say that it is still that powerful. I do not say it. Let us state the facts. A Parliamentary Committee of all parties would have been much more powerful, would have carried much more weight when we want to have evidence, than the Committee as it is. But who is responsible for this? (*Interruptions*) You alone. You wanted to denigrate the Parliamentary Committee. That is the position today.

Therefore, I would request sincerely, not for argument's sake - it is possible I am again repeating -, Madhu, Indrajit and Somnath may have an apprehension that this Committee is hedged in by limitations, and may not function effectively. At some stage in its working, if some of us find it to be so, will you kindly come before us and give suggestions for the removal of the difficulties and to start in a better way? But to start from the premise that it is nothing and useless, and that the Public Prosecutor is better, is the height ...

Mr Dandavate had talked about that businessman, the great grand Thapar. His house was raided. Some Bofors documents were produced. I believe him. Will he not send them to the Public Prosecutor for examination? Or, will he like them... (*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY: We will examine Bofors.

SHRI BHAGWAT JHA AZAD: That is right. It would have been better if you could have shown it in this Committee itself. (*Interruptions*)

Sir, let him speak first. Then I will speak. (*Interruptions*) What is the use, Mr. Deputy Speaker? I do not like this running commentary.

MR. DEPUTY SPEAKER: I want to know one thing. Mr. Chowdhary, do you want to answer every point of Mr. Azad? (*Interruptions*) You listen to me. Do you want to answer every point he makes now? When he is speaking, let him speak. (*Interruptions*) Listen to me. If you want particularly to speak about something, you can ask me. I will give permission for you to speak. I will give it. He goes on telling you 'listen, listen' but you do this. This is not correct. Dont interfere.

SHRI BHAGWAT JHA AZAD: Mr. Deputy Speaker, I agree with Mr Chowdhary, the young man, that the country wants to know the names of those persons who have taken considerable amounts. (*Interruptions*) I do not disagree there. Mr. Chowdhary, again you are shouting. Please hear me I say that we on this side want to know the identity of the persons who have taken the money.

This Swedish Government have done injustice to us by putting those dots in the report. We wanted to know what those dots mean; whether they are the names or they are the bank accounts or they are something otherwise. We want to know who are those persons? Not only that, we also want to know for what purpose that considerable amount has been given? Only hotel booking and reservation of a car cannot draw that much of amount. We have said that; the government has also said that. We want to know how

[Sh. Bhagawat Jha Azad]
much was paid and for what service? We want further to know under what contract it has been given? We still want to know when was that contract signed. It is precisely for for this that we have formed a Parliamentary Committee. We cannot do it individually; we cannot allow the government to do it; we wanted that let this Parliamentary Committee function. Wherever you want some Minister to come, let the Speaker decide in between. You cannot always see that you and we will agree and see eye to eye; there must be some referee as in this House we have the Speaker. Therefore, we say that this Committee is the only right instrument in the parliamentary democracy to have this. But now the opposition is going back on its demand about that. I want to know from the government whether Hinduja are involved in this. Let them not say that they are the only champions; they are no champions; we are the champions of the truth and this country. We demand from the government that Win Chadha, dead or alive, must be brought back to this country. (*Interruptions*)

SHRI BASUDEB ACHARIA: Why was he allowed to go away?

SHRI BHAGWAT JHA AZAD: That is your point; that is where you always make mistakes. Government allowed him to fly away. Government did not allow; our is a democratic government, not a totalitarian government where if anybody does anything, he will be more; we do not want to do that. He escaped away, no doubt, but we wish he would not have escaped. It is unfortunate that when we are trying all our best to find out that truth, a lot of suspicion, an atmosphere is being created in the country that we are not serious about it. What else can we say? A Committee is there and a reference is clearly given. We have seen the Audit Bureau Report. We have ourselves protested why those blanks are there; fill up

those blanks. We have from the beginning asked the Swedish Government to give us information. There are ways and ways of functioning. The opposition has a right, a mind to immediately rush to the Embassy. Our government cannot; government will talk to government and in that we have not failed; government have written to the Swedish Government and we are trying to find out from them the facts. I wish the Swedish Government would have given forthright the elaborate statement. They have said today that they will find it out. We are asking them from the 21st of April. But, somehow, I think the Swedish Government have their own problems; there the government consists of different parties; they may have their own differences; I do not know. I only wish like our democracy so is the method and code of conduct and functions of the Swedish Government democracy also. If it is not, I think, at least the basic tenets are the same. And even now, rather to give information, Bofors public prosecutor will be well advised; they will do the job better. If they give it to the Indian Government to pass on to the Committee, that will be a graceful, decent way of functioning and in the national code of behaviour and system; that will be better for the Swedish Government to do. The Swedish Government knows that the late Prime Minister, Palme asked special favour from the Indian Prime Minister; and the Indian Prime Minister put two conditions; (1) the weapons must be the best; and (2) they must have the lowest price.

20.00 hrs.

I think, Mr. Deputy-Speaker, that we the Indian Government has fulfilled its commitments. It has got the best weapons, it has got at the lowest price.

SHRI SAIFUDDIN CHOWDHARY: We have to sell or buy?

SHRI BHAGWAT JHA AZAD: Now, of course a Professor says...

MR. DEPUTY SPEAKER: Why are you interfering? Why are you wasting time? When the Minister replies you can ask. I cannot allow like this. (*Interruptions*)

SHRI BHAGWAT JHA AZAD: I cannot yield to this young man. (*Interruptions*) This young man must learn some decency in Parliament.

MR. DEPUTY-SPEAKER: Take your seat, Mr. Chowdhary.

(*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY: He has yielded.

SHRI BHAGWAT JHA AZAD: I am not like you.

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI SONTOSH MOHAN DEV): Are you ready to stand before the gun when it fires?

(*Interruptions*)

SHRI BHAGWAT JHA AZAD: Mr. Deputy-Speaker, two important things concerned with this deal, have been fulfilled quite adequately. One is, we have the best guns and secondly we have got them at the lowest price.

SHRI BASUDEB ACHARIA: Without any middlemen?

SHRI BHAGWAT JHA AZAD: Now, a Professor from a laboratory says that they are sub-standard. Who will decide that? A lawyer, a Professor, a public worker, who will decide? The best judges for the guns are the Army personnel. The Chief Commander or

the technical committee that is there.

SHRI SAIFUDDIN CHOWDHARY: Middlemen?

SHRI BHAGWAT JHA AZAD: We are not going to believe in the words of a professor. We believe more in the words of the experts of the Army, and therefore the guns were not sub-standard, but a sub-standard remark by sub-standard Opposition Member has brought down the morale of the Indian Army. But I am confident that the Indian Army will not be demoralised by such casual unknowledgeable remarks of an honourable professor.

SHRI PIYUS TIRAKY (Alipurduars): Were there any middlemen or not?

MR. DEPUTY-SPEAKER: Mr. Azad, you sit down. We had decided that the debate will continue up to 8 O'clock.

(*Interruptions*)

SHRI BASUDEB ACHARIA: There was an agreement that we will sit up to. (*Interruptions*)

SHRIMATI SHEILA DIKSHIT: You were not in the House last evening. We said we will continue and finish the work today. (*Interruptions*) If the hon. Members of the Opposition would like to participate in the debate they are welcome to do so.

SHRI BASUDEB ACHARIA: There are number of speakers.

MR. DEPUTY-SPEAKER: Madam, one minute.

Already in the Business Advisory Committee we decided that today itself we have to finish this debate. The record is there. This is also adopted by the House.

[Mr. Deputy-Speaker]

This is what we have decided. "To be concluded on the same day" that is what has been decided.

PROF. MADHU DANDAVATE: You can continue tomorrow.

MR. DEPUTY-SPEAKER: Therefore, I think we will continue.

SHRI BHAGWAT JHA AZAD: Mr. Deputy-Speaker,.....

MR. DEPUTY-SPEAKER: Let all the other Members be brief. Because after that the Minister has to reply. As far as possible, if you all cooperate we can finish it. Mr. Azad, you continue.

SHRI BHAGWAT JHA AZAD: Mr. Deputy-Speaker,....

SHRI PIYUS TIRAKY: Was there a middlemen or not?

(Interruptions)

SHRI BHAGWAT JHA AZAD: Mr. Deputy-Speaker, our friend Madhu Dandavate had quoted five cases where the help of foreign agency has been taken. He had quoted the case of a jewellery theft of Maharani. He had quoted the instance of Charles Shobaraj, a great offender of law. He had quoted the instance of Fairfax. In none of the cases, Prof. Madhu Dandavate very conveniently forget that Parliament had taken a decision of appointing a Committee. When the Parliament takes a decision to appoint a Committee or appoints the Committee to go into it, all the examples of Madhu do not apply in this case. Though he might have thought that I had given the instances and I felt very happy the Member, it is not so. They were just small, but not like this. Here, Parliament has spent twenty hours and fifty two

minutes already to discuss this and appoint a Committee. Therefore, Madhuji your logic is completely not a logic, but tenacity of a logic.

PROF. MADHU DANDAVATE: What about Fairfax?

SHRI BHAGWAT JHA AZAD: Mr. Deputy-Speaker, I would say that the Committee from all pointed angles are the best instrument that we should adhere to find out the truth. It has been said that by Prof. Madhu Dandavate that corruption established, it destroys and destabilises the democracy. I agree with him. But the rumour mongering of so-called corruption not established brought forward by pitiless and helpless Opposition, talking and singing this song and creating an atmosphere in the country, that will really destabilise and that really bring defame and bring difficulty in the path of functioning of our democracy.

PROF. MADHU DANDAVATE: When allegations in watergate were made against Nixon, President Nixon initially said this is all rumour mongering. There is no substance in this. This is scandalising by the Press and only later on, it proved to be correct.

SHRI BHAGWAT JHA AZAD: Mr. Deputy-Speaker, that does not apply in this case. Nixon met the fate of the time for lies. Our Prime Minister said on the first occasion that unless we have some prima facie case, we should not hazard upon the investigation of the Committee. The moment we have a prima facie case, we have formed the Committee. How this example is applicable in our case. This example is applicable only in your case, because in spite of your demand nor seeing the Committee is going to function, you did not join. You have behaved in the opposite side of Nixon and not wanting Indian Democracy to find out the truth. Therefore, I would still say that let the Oppo-

sition come and join the Committee and I repeat again, at any point of time if they feel difficulty in functioning, it is open for all of us we will join with you and remove that obstacle from your way so that this Committee can find out the truth. I would only say this. This only shows the quality-not only what we have so far done what they have said-by not agreeing to this Committee, shows their helplessness, the mightiest word that I can use, but it shows the quality of the opposition. A Democracy can function. It is a right inherent of the opposition to always keep the Government on tip toe, always trying to find out the corruption, but any stick is not good enough to beat the Government in that name. It shows the intention of the Opposition not to find out the truth, but to browbeat the Government by any stick that they can have, even by rushing to the embassy and asking the Prosecutor, replacing the parliamentary democracy, to give the judgement. They can have their own judgement. May God forgive them they know not about what act they are doing to the democracy and to the country. I hope, they will realise very soon that this is the only method that we can do. And I hope, we all are equally interested, rather more interested than the opposition, to find out the truth. I repeat that we, the Members of the Congress Party of this House, want to know the truth. After two things-procuring the best weapon at the cheapest price-if some money has passed over as the reports say, the moment Government knew about it, the Prime Minister, on the very same day, took the opposition into confidence. And we tried to find it out because you do not appreciate and understand it.

SHRI NARAYAN CHOUBEY: Repeating.

SHRI BHAGWAT JHA AZAD: Yes, I am repeating Mr. Choubey. I will not repeat now. Mr. Choubey has understood the point. So

far he was not understanding. So, I would not repeat. I would say, please come and join the Committee and let us find out the monster, who has got this huge amount of Rs. 50 crores.

SHRI INDRAJIT GUPTA (Basirhat): I cannot reply to an abuse by an abuse. Secondly, I am not an artillery expert like Mr. Bhagwat Jha Azad.

SHRI BHAGWAT JHA AZAD: I did not claim that. I said, Army experts, neither Madhu Dandavate nor Indrajit Gupta.

PROF. MADHU DANDAVATE: I also did not claim that. I said, let the experts give the opinion.

SHRI INDRAJIT GUPTA: You took about 45 minutes. Now keep your mouth shut.

SHRI BHAGWAT JHA AZAD: All right. I accept your advice, but please keep your anger shut.

SHRI INDRAJIT GUPTA: I have to be brief because the time is running out. I do not have the luxury of going on yap, yap, yap, yap.

SHRI BHAGWAT JHA AZAD: I belong to the Congress Party and not the Communist Party which is having 11 Members.

SHRI INDRAJIT GUPTA: What a great man. It is pity that he is neither in the Committee nor in the Government.... (Interruptions) should I go on replying in the same way?

SHRI BHAGWAT JHA AZAD: He should not refer to me and I will not reply.

SHRI INDRAJIT GUPTA: I am not an artillery expert like some people who profess to be. Therefore, I am not going to this aspect

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at all because I do not consider it desirable to argue whether the gun that we have procured is the best gun or not, whether any better gun was available or not. I am not going into those questions. And I believe that there is nobody sitting in this House who is capable of deciding that question. But the question which I had raised in the earlier debate and to which no satisfactory reply has been given so far, and this is one of the points on which I personally have had very great reservations about this whole inquiry, was the question whether this negotiation for this gun and the amount that we have contracted to pay for it, includes or does not include the purchase of technology for manufacturing this gun indigenously in our own country. After all, we are interested in the security aspect or only in the money aspect? The future of the defence and the security of the country, I think, is no less important than to find out who has taken this money. I had raised this question much earlier. The Government has got to say here clearly before the House whether they are really interested in developing the indigenous manufacture of this gun or not. If they are interested, then they have to acquire the technology from the Bofors. And for acquiring that technology, I am sure, they are not able to get that technology within this Rs. 1457 crores..... (*Interruptions*) Some say Rs. 1410 crores, some say Rs. 1425 crores, some say Rs. 1470 crores-whatever it is. I am quite convinced from all the discussions that have taken place and what has been revealed so far by the Government that this amount does not cover the cost of the technology. I think, the Government is not interested in developing indigenous manufacture or is it interested? If it is not interested, then tell us what are we going to do after a few years? By purchasing 400 guns which will take, I suppose, about four years to be supplied to us, and will take, perhaps, five years to equip these 20 artillery regiments. If

there are six guns per battery, as I believe is the standard specification, six guns per battery, and three batteries per regiment-then only 20 artillery regiments can be equipped by these Bofors guns in a period of five years. If we start producing this gun here in India-I do not know whether they intend to do it or not-then that production can only begin after a period of about ten years and by that time perhaps this Bofor's particular gun and system may be obsolete also. But they are not replying to this question because various reports have appeared which say that if we are to purchase this technology, then we will have to enter into yet another commercial agreement with Bofors. What will be the worth of that contract, I do not know. Perhaps you see, there are some estimates - I do not know whether they are correct or not-that they are demanding some 2.5 billion dollars for the technology. So, in that case another contract with its kick-backs and its commissions may be in the offing, we do not know. Mr. Shiv Raj Patil that day, in the debate I believe, said-if I did not misunderstand him, he did remark-that they are interested in manufacturing this gun and some sort of project has been prepared, and so on. But no amount of project being prepared will work unless Bofors gives you the technology. Now, Sir, what I find from the terms of reference of this Committee, even in the modified form which Mr. Pant has brought subsequently by various amendments which I welcome, is that he did respond to some of the points which were raised in the debate, and did try to modify the original terms of reference to some extent. But this question is not covered. The whole emphasis in the debate also is only on finding out who has taken the money. Well, that is an important aspect of course. If there is a corruption of this magnitude where these big sums have been paid illegally, either as bribe or commission, naturally we have to find out who has taken the money, and that is very necessary also in order to clear, once for all,

this cloud of suspicion which has been generated and which has not been generated by the Opposition. This cloud has been generated. It is in the interest not only of the ruling party, I say not only of the Prime Minister, it is in the interest of this country that this matter should be cleared up as to who has taken this money. Whether they are Indians or whether they are people abroad, non-resident Indians or some foreign agents working on behalf of the company, or who they were, we do not know. This has to be found out. But my point is that is this going to be the end of the matter. The attempt of the Government seems to be to finish off this whole committee by concentrating only on this one aspect of who has taken the money I do not agree with this viewpoint at all. This is probably one of the biggest arms contracts that we have ever entered into. And what is the purpose of it after all? I do not go into all those questions about the range of the gun or whether it is better or inferior or superior to guns which Pakistan has got, or other people have got. That we will just leave to the military experts. We are helpless in this country. We cannot do anything about it. But I think Mr. Pant knows, he has noted the fact that very recently an hon. Member of the other House has addressed a very detailed letter to the Prime Minister which has appeared in the Press also, which has given some very disturbing facts regarding the procedure by which this gun was acquired. I do not know whether those facts are true or not but it should be inquired into by this committee.

Shri Arun Singh before he resigned has told this House that the selection of a weapon system is an arduous process. He said that in the first phase there is techno strategic evaluation which anticipates future requirements. After this comes the parameters required for fixing the operational requirement of weapon system. This is known as General Staff Quotation Requirement-

GSQR. Then potential suppliers are identified. Their data are matched with GSQR. Then comes the users trial, when the competing suppliers bring their system to be tested by the users i.e. the Army. This is the outline of the procedure which he claims at that time has been laid down as long ago as 1980 and has to be rigidly and scrupulously adhered to whenever any defence equipment is to be acquired.

Publicly some allegations have appeared, have been made ostensibly based on reliable sources—that in the whole process this negotiation and selection which went on for so many years, some very serious default have taken place. That thing is now public. It can be enquired into, and because it has not yet been enquired into, I am not prepared to say like Shri Bhagwat Jha Azad that we have really got the best guns at the cheapest price. It is a big order. These firms were competing for it. Finally even when it was short listed to the Swedes and the French there was very keen competition as to who would bag the order. I have said in the last debate that your selection or negotiating committee which consists of seven people is a Committee which has to be investigated very thoroughly I should say the personnel of that Committee some of whom may not be available any more. Some have been transferred, I am told, before the final contract was signed. It is even alleged that as far as the French Gun was concerned, only its prototype was seen. That gun was not tested according to the procedures laid down and the GSQR which is normally a very detailed technical document has to be on the face of it, requirements of the Army as elaborated in the GSQR. The technical detailed document, such a document was not prepared in this case. It was a very sketchy kind of one page document on the basis of which it was decided to go in for this gun.

My point is that the scope of this

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Committee, the first Parliamentary Committee of this type, going into such a vital matter effecting our security cannot be sought to be limited in this way to the question of who has taken money. That is the only question which seems to agitate the people.

(Interruptions)

SHRI K.C. PANT: I am reading from the Motion.

"The Committee shall enquire into the following matters:

1. Whether the procedure laid down for the acquisition of weaponry system were adhered to for the purchase of Bofors Gun."

Exactly, it is a point which you have raised.

SHRI INDRAJIT GUPTA: It was the point injected into the terms of reference after the last debate. I welcome that. But my information is that in order to carry out this first part of the terms of reference, then we come up again to those obstacles which have, unfortunately, prompted the Opposition not to take part in the Committee—what will be its powers? Whom it can call? Whom it can examine? Whether in every case it will have to take the consent of the Speaker, permission of the Speaker.

SHRI K.C. PANT: You know better.

SHRI INDRAJIT GUPTA: I do not know better. It is the first Committee of its kind. It remains to be seen, how the government deals with it. The negotiations for this technology, I am told, were begun only last March by another team headed by one Mr. Bhandarkar, belonging to the Ordnance Department and nothing has materialised

yet. As I said it may take more than ten years to start the production by which time this whole Bofors system may be obsolete. So, what is the perspective? We have to have some security perspective and some defence planning. I presume there is some defence planning. We had agreed to start defence plan long ago after 1962 events. This is one big factor, in my understanding that in the absence of going into these things, thoroughly it really will render the Committee, I consider, to be infructuous and futile. It is only to find out who has taken the money, which is a factor which can be revealed, without the committee also. It can be revealed by external sources also. Without the help of those external sources, I doubt very much whether this committee or any other committee will be able to reveal, unless those sources, particularly Bofors itself is willing to divulge and willing to cooperate. Up to now, there is no sign of it.

Then, Sir, as far as the commission agents or middlemen or these people are concerned, who have shared in these kick-backs, I presume, there is some network of people who were operating. There is nothing in these terms of reference, in my view, which will enable this committee to go deeply into this question. I am not concerned with any agent who may have been there operating abroad and who may be beyond the scope of your Committee inquiry. It is because, you would not be able to lay hands on them. I am not talking, for the moment, about Win Chadha because, he was here; he was very much an Indian citizen. He was here and he could have been put in a position which would have made it possible for the Committee to find out quite a lot. He was allowed to run away. Now all these things are being said here about getting hold of Win Chadha and all this but the Government has not explained why they have allowed him to get away like this, and allowed a very valuable witness, I should say, to escape. But

there were other people. There are other people. Because we now know that this deal envisages putting together of a great deal of sub-systems for the gun. It may be sold to us in the package deal but there are sub-systems which are manufactured or provided by other firms, not Bofors. So, their representatives are in this country. Government never told us also whether any investigation has been carried out. There is, for example, one Mr. Vinod Khanna, who is an agent in India for the Saab Scania trucks which are used for towing. He may be just an employee of Mr. Thapar, I do not know. He lives here in Golf Links. At the time when the news broke out, the money being taken, he was perhaps away on a visit to England. His house was raided here. I do not know, whether anything was found or not. He has told nothing. No action, no further action has been taken against Mr. Vinod Khanna. Obviously if you raided his house, you had some idea that he may be connected in some way with the whole network of kickbacks money. There are also Volvo B-20 Auxiliary power units which are used on the guns. They are not manufactured by the Bofors. They are manufactured by Volvo and their agent here is, Mr. Jagannath Rao, who runs a firm called Jagat agency. He is very much here and available. There is the Marconi Defence system which mainly consists of the computer which is integrated with the gun. Here, we have got Mr. Rajiv Choudhary and Mr. Sudhir Choudhary who are the agents for this Marconi defence system. They are here in India. Have you tried to do anything? How is this Committee going to function, how is it going to find out? What have been the operations and dealings of all those people who are connected in one way or another with the whole system, the Bofors Defence system, Bofors artillery system? Since these things have not been brought to light and nobody has informed about it, Parliament has not been given any information about this matter, we continue to have doubts as to

what extent, you are willing to really find out the whole truth.

Once the audit report has come out from Sweden, of course, you have no other alternative but to appoint this parliamentary committee because it was a *prima facie* case of money having passed hands, Rs. 50 crores or more than that. Now the whole attention is being focussed only on that aspect of it. So, Sir, I do not agree with this outlook at all and as I had said in the earlier debate, I would have been satisfied if Mr. Pant himself said, the point which he himself has said, he has written a letter to Bofors, asking them to furnish this information within a fortnight. He has given specific points and mentioned them here. If those points had also all been incorporated in the terms of reference, I would have understood him. I quoted them that day. These are Mr. Pant's points, not mine.

"The precise amounts which have been paid", now, that we know the amount shall be paid, we have only to find out who took the money. That is not what he wrote in the letter to Bofors. What he wanted to know from Bofors was,

- (1) The precise amounts which have been paid and the amounts which are due to be paid by Bofors by way of commission, secret payments etc. in connection with the Indian contracts;
- (2) the recipients of such amounts whether they be persons or companies and in the case of the latter, their proprietors and President;
- (3) the services rendered by such persons or companies with reference to which such amounts have been paid.

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He mentioned this matter. After all, they rendered some services. Otherwise, why were they paid? How does it come here in this terms of reference, I do not know.

- (4) copies of contract agreements and correspondence between Bofors and such recipients; and
- (5) all other facts, circumstances and details relating to these transactions in their possession.

This would have been something which, I thought, would be incorporated in the terms of reference. But, that has not been done.

Whether the question of selection of the guns was done strictly according to procedure is going to be a very very difficult thing for a Committee of this sort to find out. How will you know? Here we have said that test trials were held. The report is that the test was only done in one area. You are claiming that testing has to be done in different areas of the country where different climatic conditions exist from the deserts of Rajasthan to the mountains of North-East or wherever it is. Reports say that certain sources were supposed to be in the know that in this particular case the testing was done only in one area. It is well known that the hydraulic system of this gun during the test trials has not functioned properly. They failed. There are a number of hydraulic systems on which a gun operates. Bofors was asked to rectify defects in the gun. Whether they have been rectified or not, I do not know. We should have been told something.

Then there is the question of the identity of the swiss company which, according to Bofors was paid for marketing and counter-purchasing. Have you been able to identify any such company which has been doing marketing and counter-purchasing on be-

half of Bofors and, if so, in what commodities they deal? You do not know. Will it be covered by this Committee's limited terms of reference which have been given here? Out of four terms of reference, one is who has taken the money and second, to determine the Indian laws which are violated and then there are only two terms of reference here. One, of course, is about the procedures of selection; and the other is whether there is any prima facie evidence that Bofors have made any other payments also for securing Indian contracts. So, we felt that with the truncated powers which the Committee was given and which, at every stage would have to refer to the Speaker for his permission to call witnesses and examine them—I am leaving aside for the time being the question of going abroad; that has been referred to sufficiently by my colleagues, the impediments which have been put in the way there—it would be quite a futile exercise. I wish this Committee well. If this Committee can do anything and bring out the truth about all these aspects, I will be very happy because it will help to dispel the cloud of suspicion which has grown that you are trying desperately to hide the truth. You consistently refused the idea of a parliamentary committee until the Swiss Committee's report came out. Before that, you were opposed to that very idea. That has created certain impression not only amongst us but among the people of the country at large.

Now, therefore, what I wish to say is that what has happened now, the Committee has been formed and, therefore, I do not wish to say anything about it. The Committee has been already formed and established. But you have still to appoint the Chairman, perhaps. I do not know who is going to be the Chairman. To kindly make rather a side remark, it is not very advisable at this time when the country is going through the worst drought in 100 years to change the Minister for Water Resources. What kind of message

does that send out to the people in the drought-stricken areas? I do not know about it. Whether he is made the Chairman or not, I am not concerned with it. That is their look out.

SHRI DINESH GOSWAMI: There are no Ministers to reply to the flood situation. Mr. Mirdha had to reply.

(Interruptions)

SHRI INDRAJIT GUPTA: It is not a very right thing to do so.

PROF. MADHU DANDAVATE: He may irrigate the Defence deal.

(Interruptions)

SHRI INDARJIT GUPTA: When the worst possible drought has overtaken this country, why do you meddle with the Department of water Resources? I think it is a tactless move that they have made. That is what generally they do in all these matters. They don't think of the implications of all these things. So, all I would say is; finally the Committee has been set up and it has got certain members on it-of course they are strictly speaking members of the Congress Party-and if the committee is really able to function effectively, I wish them well. Certainly, we will not try, in any way, to impede their work. If we have any other information or any other useful data which can help the work of the Committee, we are, at any time, prepared to see that it goes to the Committee. The Committee should also try to take the help of people who are willing to give them some data or material on which they can pursue further, if they are serious about it. But I am afraid that a lot of damage has already been done by the mere fact that the way in which the Government finally agreed to this whole idea of the Parliamentary Committee, the kind of terms of reference

which they came forward with in the beginning, then the kind of limitations and restrictions which are sought to be placed on the Committee's functioning, all these have created a situation where it was not possible for the Opposition to cooperate or participate in the Committee. It is no use imputing motives. There is no question of that, you see. I personally am of the view that it would have been a good thing if the whole of the Parliament could have been represented on this Committee. So, I think that for that as you are talking here about traditions and conventions of Parliament and all that, the whole attitude which has been taken up from the beginning was not very much in keeping with the convention. Anyway, now the Committee has been formed. Let it set about its work. This is going to be pre-occupied with the question of who has taken the money. Then, they may be preempted. They may be preempted by this Swedish authority, the Public Prosecutor and the other people. The names may come out long before this Committee can buckle down to this task. So, in that case, of course we will be spared of a lot of trouble and time because I don't think they are going to go beyond that. They are not bothered about the other security, long-range security aspect of this whole deal at all. I would request the Government finally to tell us- now or on some other occasion they must take the country and the Parliament into confidence-about their whole planning regarding this gun; whether it is going to be manufactured or not; if it is not going to be manufactured, then why not? If it is going to be manufactured, where is the technology? If the technology is to be acquired, how much more money we will have to pay for it? And, if we have to pay a big sum additional for getting the technology, whether that will be free of kickbacks and illegal bribes. We do not know who is to be dealt with. Finally, in the process of manufacturing this gun over a period of 10 years, the whole Bofors weapon system may become obsolete in which case

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we will again have to start a fresh.....

(Interruptions)

PROF. MADHU DANDAVATE: The
Committee will be obsolete.

(Interruptions)

SHRI INDRAJIT GUPTA: The Commit-
tee may become obsolete....*(Interruptions)*.
I think that the whole way in which this thing
has been handled has led to this situation in
which the Opposition, despite their wanting
very much to serve on this Committee. I can
assure you.

SHRI K.C. PANT: Only some of you. I
would like to thank you. You took a reason-
able attitude.

(Interruptions)

SHRI INDRAJIT GUPTA: From the
beginning, they had every desire to be part of
this Committee.

SHRI K.C. PANT: You speak for your-
self. I will accept it.

(Interruptions)

SHRI INDRAJIT GUPTA: When we
began spelling out all the details and wanted
all the clarifications on these various points,
we ran up against some obstacles which
have become unfortunately an impediment
which prevents us from joining this Commit-
tee. That is the situation now, and I think it is
no use going on appealing and requesting
us. You have formed the Committee. You
have elected your Members. Now you select
your Chairman. Let it start its work.....

SHRI K.C. PANT: That is exactly what
we are doing.

SHRI INDRAJIT GUPTA: Do that. Do
not go on repeating to us, "Please come and
join even now", etc., etc. You do not do it at
least. Let your Members do it.

SHRI K.C. PANT: Now it is no use.

SHRI INDRAJIT GUPTA: Finally, I will
just say that, if the names are brought out
ultimately either by the efforts of this
Committee or by the Swiss authorities or by
a combination of both, of course, whoever
are the culprits, we will have to lay our hands
on them - I do not know whether we will be
able to-and see that they are properly pun-
ished. If those names are such that it can be
said that the Prime Minister himself is not at
all connected with those people, it is a good
thing. But if it turns out to be something else,
then I am afraid the Prime Minister will have
to go. We do not know. We have no proof or
evidence at the moment.....

SHRI K.C. PANT: Why say such things
when there is not a shred of evidence? He
has come to the House and made a state-
ment. It is highly unfair.....

SHRI INDRAJIT GUPTA: How do you
say beforehand?

SHRI K.C. PANT: Because he has
come to the House and he has made a
statement. It is on that basis, I say. It is highly
uncharitable and highly unfair.....

SHRI INDRAJIT GUPTA: You do not
expect somebody to come and say that he is
involved. Do you?

PROF. MADHU DANDAVATE: I would
say that one Member of this House rose on
a personal explanation and contradicted
certain reports, and later on, actually, exis-
tence of assets outside the country was
established. And he says that he is very
close to the Prime Minister.....*(Interruptions)*

SHRI H.K.L. BHAGAT: It is an allegation—even hypothetically stating and casting reflection on the Prime Minister. It should not go on record.

(Interruptions)

PROF. MADHU DANDAVATE: Not on the Prime Minister. He did not say that.

(Interruptions)

SHRI INDRAJIT GUPTA: Is it not a fact that the Prime Minister himself, from the very beginning when the whole question of kick-backs, commission and all that in this deal was raised and was first leaked out from Sweden, went on saying repeatedly that “the whole thing is a fabrication, it is all lies, it is an attempt to discredit the Government, it is a conspiracy to destabilise the Government and the country”. Did he not say all this?

(Interruptions)

SHRI K.C. PANT: Did the Prime Minister not say that if somebody was found to be guilty, he would be punished whoever he might be? Did he not say that here? Did he not make a statement about himself? Is it charitable on your part now to raise this question?*(Interruptions)* Is it charitable to make this remark? You are a fair person, Mr. Indrajit Gupta. I did not expect this from you.

SHRI INDRAJIT GUPTA: I have said that if he is cleared....

(Interruptions)

SHRI H.K.L. BHAGAT: How can you say that when there is not a shred of evidence?

(Interruptions)

PROF. MADHU DANDAVATE: Mr.

Defence Minister, you yourself said that what was said on the Swedish radio was mischievous and baseless. That was what you said on the 20th April in a written statement. But that has been proved to be false.

SHRI K.C. PANT: Professor, you can say what you like about me. But the Prime Minister has made a statement. I consider Shri Indrajit Gupta as one of the most responsible Members of this House. Therefore, when he says a thing like this, I object to it. There are other Members who might say this, but I would not object to that because that is expected of them.

SHRI INDRAJIT GUPTA: Let me repeat what I said and conclude. Please listen. What have I said? I have said that I welcome this attempt, in whatever limited way it may be undertaken, to clear the suspicions and doubts which are in the minds of the people. If the identity of the names is established—which is also a big ‘if’; I do not know whether this will be done—, if the names are found out, if the identity is established, then it will either clear the Prime Minister or involve him. We do not know. You have already come to a conclusion, but we cannot come to that conclusion. If it clears him, it is well and good for him and for your Party.....

SHRI K.C. PANT: For the country.

SHRI INDRAJIT GUPTA: But the country is not identified only with one single individual.....

PROF. MADHU DANDAVATE: That has been the tragedy all these years.

SHRI INDRAJIT GUPTA: But if it does not clear him, then whatever consequences are to follow must follow. You know about it. What is there being uncharitable about it? That is also a part of parliamentary democracy. Is it not? If he is found to be involved in

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any way, I hope, he is not, if he is..... (*Inter-
ruptions*) Anyway, we wish your Committee.
Well we will not try to impede it or obstruct it
in any way. Let it go ahead. We are prepared
to help it with any other information or data
which may become available. You please
carry on. We wish you well. Let us see what
happens?

SHRI V. KISHORE CHANDRA S. DEO
(Parvathipuram): Mr. Deputy Speaker, Sir,
we are today discussing the decision that
has been taken by the Chief Prosecutor of
Sweden regarding kickbacks in the Bofors
deal.

Mr. Deputy-Speaker, Sir, members on
the other side who had spoken on this issue
have charged that the opposition after hav-
ing demanded the formation of the parlia-
mentary committee ran away from the
Committee. I would like you to recall the
circumstances under which we demanded
the parliamentary committee in the month of
April, based on a report that emanated from
the Swedish Radio broadcast that bribes
were paid and kickbacks received on this
contract between the Bofors and the Indian
Government.

Mr. Deputy Speaker, Sir, it was at this
time when the ruling party members, the
Prime Minister and the Defence Minister
termed the allegations as baseless, false,
fabricated, concocted and said that it was
a part of a process of destabilisation. Between
the time when this Report appeared and
when we could raise this issue in Parliament,
the Working Committee of the ruling party
also met and sat overtime and passed a
resolution to say that this was a part of a
grand process of destabilisation.

Sir, we were asked whether the opposi-
tion was willing to believe what the Govern-
ment said, what the Prime Minister said or

whether we would go by what the Swedish
Radio had broadcast. This is the kind of reply
that we got. Again one and a half months
after that, the Swedish National Audit Bu-
reau gave its report, after having been ap-
pointed by the Swedish Government. Due to
public pressure in that country, the Govern-
ment decided to form this Parliamentary
Committee. Sir, I would very emphatically
state that the purpose for which we wanted
the parliamentary committee in April was to
establish the truth whether money was paid
at all, whether bribes were given at all, and
whether kickbacks were received at all by
whosoever it may be. But when the Govern-
ment decided to form this Parliamentary
Committee, there was no question of any
prima facie case being established because
it was completely established that bribes
were paid, money has changed hands. Nei-
ther the Government nor Bofors came out
with refutals or denials that this amount of
Rs. 50 crores or, maybe more, was not paid
by way of bribes or kickbacks. Under these
circumstances, when the Government
choose to form this parliamentary commit-
tee, as far as I am concerned, I had very
strong reservations whether this Committee
was being formed to unravel the truth or
rather to put the truth under the carpet.

Mr. Deputy Speaker, Sir, you will appre-
ciate that this information emanated from
Swedish Radio and that a private company
in Sweden made the payments through the
Swedish National bank and maybe through
other organisations which could have been
connected with this. It is obvious from this
that no truth could come out as far as this
issue is concerned, unless you interact with
these four organisations and institutions
who are connected with this issue. There-
fore, when this Committee was formed, we
asked the Government to allow this Commit-
tee to go abroad only to record the evidence
there. Now Shri Bhagwat Jha Azad, a senior
member of this House said that you could

gather evidence but you would not be allowed to record it. I do not understand the difference between gathering evidence and recording the evidence. How can you gather evidence by not recording it and the Committee by going to Sweden and seeing the Swedish landscape certainly will not be able to unravell the truth. So what was the purpose of this Committee at all? Was it really to find out the truth or it was just to let this matter drift completely? Government has itself conceded that the formation of this Committee was without precedent. So how could the rules be precedent? Those who framed the rules naturally did not make any provision fro a Committee like this because in those days whoever the political pundits or wisemen who framed, I am sure, never foresaw a situation when a Government in our country would be faced with a situation like this for having received kickbacks and that too for purchase of defence weapons.

Therefore, Sir, this Committee is not only a new precedent as far as we are concerned, this would be precedent for other parliamentary democracies also. I hope other parliamentary democracies would not have to face a situation like this because this would arise only if there is this kind of large-scale corruption and kickbacks. But when we are doing it then I would have expected the Government also to come out genuinely and sincerely to see that this Committee came out with some kind of finding but that did not seem to be the basis with which this Commitrtee was formed.

Several members have expressed reservation about some of us having gone to the Swedish Embassy to hand over the letter to the Prime Minister of Sweden. There were shouts of shame when one of the hon. Members referred to it. Are my friends and colleagues on the other side not ashamed that the fate of our Government today is in the hands of a foreign company. What bigger

shame can there be to any Indian citizen and patriotic citizen? I am ashamed that today the fate of my Government, my Prime Minister, is in the hands of a foreign national or in the hands of a foreign company. There is nothing more shameful. It was after this kind of public opinion or pressure was created that it was decided by the Swedish prosecutor to launch this prosecution. Even if the parliamentary committee wants to find out the truth they could always take help of this Chief Prosecutor. Why not? What authority does the parliamentary committee of India have over Bofors, a private company in Sweden over which the Swedish Government itself has no control? If I am wrong the hon. Minister may correct me. Afterall Sweden is a country where they also follow the principle of Ombudsman and arising out of several conventions, practices and procedures that they have followed they have this Chief Prosecutor, whose decision has also been approved by the Attorney General of that country.

Well today a report in the newspaper has also mentioned that a minister of the Swedish Government has stated that the entire truth will be unravelled. So how does this come in the way of the Parliamentary committee I would like to know? Should we not welcome it rather than to condemn it and if it is going to help this parliamentary committee which really wants to find out the truth then what is the wrong with the process that has been set in motion today by the Chief Prosecutor of Sweden?

I am sorry to say that there are apprehensions in the minds of the people even today as to whether Government really wants to unravel the truth or push it beneath the carpet. Today we also heard rumours in the Central Hall that Swedish radio is going to announce some names tomorrow. My senior and honourable colleague Shri Bhagwat Jha Azad wanted to know whether

[Sh. V. Kishore Chandra S. Deo]
the Hindujas were involved. He also took some other names because somebody else was involved, all this is a part of disinformation that is being spread.

Mr. Deputy Speaker, I would like to know whether Lotus A. G. Lugano is involved or not, whether Mr. Walter Vinci is involved or not. Report had appeared in some newspapers. 'The Hindu' had come out with a front-page news. If it is a company, well who are the shareholders of this company? Was it really necessary, I would like to ask Pantji, to have a parliamentary committee of this type to get this simple information. As I have already stated, the Audit Bureau in its report said that this money was paid. There is no question of prima facie case being established. They established the fact that crime had taken place or the commission was paid. The Prime Minister said there were no middlemen. Well, what are we to presume? Do we presume that the payments were then made directly or under direct instruction. The Prime Minister comes suo motu in this House and said that his family members were not involved. Well, what is the concept of family? Does any sociological or legal definition of family go beyond your dependant children and your wife? What about relatives? The Defence Minister himself went on record to say that neither any Indian company nor any Indian national had received this money of kickbacks. What is the inference then? It is obvious that there was a non resident Indian, foreign national, foreign company or a company owned by NRIS. Whether it was somebody from the constituent, somebody from the States, we are not bothered. But it is obvious that the money that was paid....

SHRI K. C. PANT: This is not my statement. I read out a letter from Bofors.

SHRI V. KISHORE CHANDRA S. DEO: Well, Mr. Deputy Speaker, Sir, that was a

letter which Shri Pant read out from Bofors and it was not Pantji who paid this money. It was Bofors who paid it. Bofors, who actually had paid the price or the commission-what-ever the case may be-had themselves written to Shri Pant the letter which he read out and stated that this money was not given to an Indian national or to Indian company. So, what I mean to say is that why should Bofors have paid to a non-Indian company or to non-Indian citizen for an Indian contract? These are glaring questions which are staring at before us. Why should Bofors or any other company pay to a foreign national or to a foreign company or non-resident Indian for a contract with India? Will any business pay a commission to any third person who has no contact with the buyer? I mean it is common-sense and those who have done business, know what business is all about. I mean there are no two ways about it. These are glaring facts which are staring at our face today.

As many of my other senior colleagues, who earlier put it, have said, I feel the quicker the Government gets out of this cloud of suspicion that has developed over them the better it is for them and for us too. You said that we are not interested in the truth. Are they interested in getting the truth, Mr. Deputy Speaker?

SHRI K. C. PANT: Yes, yes.

SHRI V. KISHORE CHANDRA S. DEO: It is not we who signed the contract. It is not we who processed this contract; it is the Government. It is more in their interest that they get the truth out more than us. Though we are also interested to find out the truth. It should be more in their interest to find out the truth. Is this the way, they feel, they would find out the truth by letting the committee go to Sweden by not to record evidence or to examine anybody in a foreign land. If the committee is going to stop the Swedish Government there-I mean, doing whatever bit they can to find out about this kickback

because of the pressure within their country-how will you then be able to find out the truth? How can you keep letting this situation drift? Therefore, Mr. Deputy Speaker, Sir, I would like to appeal to the Honble Minister of Defence to take also the help of the Chief Prosecutor who has ordered this inquiry because that would ultimately help the committee. Because there certain areas where it would have no access at all, which would be accessible to the Chief Prosecutor of Sweden. Therefore, Mr. Deputy Speaker, Sir, today the position that we are in is that the names of the people, of the companies is what we want. If they can do it with a parliamentary committee, may be even without the parliamentary committee, whatever way it is, we want the truth. If they are also interested in the truth, I hope they will get at it very soon. Otherwise I am afraid, the wrath of the common man, of the public is also growing and it will be very difficult for this Government to continue in office.

21.00 hrs

SHRI DINESH GOSWAMI (Guwahati): Mr. Deputy-Speaker, Sir, I would be very brief and would not repeat most of the points, but I thought that within a couple of minutes, I would like to state the position of my party.

So far as we are concerned, we demanded a parliamentary probe and the reason was that at the time when this issue came up, it was disputed that no commission was paid and, therefore, the question that was to be adjudicated was whether any commission or bribery was paid. And that is the point of time we demanded a parliamentary probe.

In fact, the position of the opposition has been vindicated by the report of the Swedish Audit Bureau. It is not that we want to run away from the Committee. I was all along of the view that subject to the terms of reference being to our satisfaction, we should be in the Committee, but the terms of reference

and the other conditions were not such which could give us the confidence to be in this Committee.

Some reference has been made whether this Committee can go abroad and take evidence or hold sittings. I would like to state that the House of Commons at their Committees in the past which went abroad and held their sittings and if we have to draw any precedent from the House of Commons, we can draw the precedent from the House of Commons that in the past Sub Committees of the House of Commons went to foreign countries and held their sittings.

There is another point on which I would like to have a clarification from the hon. Defence Minister and that is why I am standing. The Hon. Minister has said that the resolution or a motion of this House cannot over-ride a statute. By saying in the motion that the Official Secrets Act will not be applicable will take away and over-ride the statute. I do not know; this is a point on which there may be difference of legal opinion. Whether a collective decision of the House stating that notwithstanding anything contained in the Official Secrets Act, the Government will be entitled to reveal official secrets, whether this resolution will prevail over the statute or not is a matter on which there will be a legal dispute. I had the privilege of listening to the hon. Defence Minister in a TV broadcast under the caption - Focus, where the hon. Minister said that though the motion could not over-ride the Official Secrets Act, they would provide all information to the Committee. The Official Secrets Act is an Act which binds the Government. Also, the Hon. Minister is not above law. If the law prevents any person from giving any information under the Official Secrets Act, the hon. Defence Minister also in violation of the Official Secrets Act cannot provide any information to the Committee. How does the hon. Defence Minister say in one and the same

[Sh. Dinesh Goswami]

breath that by a resolution you would override the Official Secrets Act, and at the same time say that notwithstanding anything contained in the Official Secrets Act, - though in the motion you cannot bring it, you will provide all information. This requires a clarification.

Under Section 3 of the Official Secrets Act, I find that no person - and I am sure the person will include the hon. Defence Minister and the Government also - can give any information for any purpose prejudicial to the interest of the State. All these provisions of the Official Secrets Act either apply or do not apply. If it applies, then the hon. Minister's assurance in public or in the House that notwithstanding anything contained in the Official Secrets Act, they will provide information is against the spirit and the letter of the law, which he cannot do. In that case, an amendment to the Official Secrets Act may be necessary. I cannot say that I am above the law. This is a point on which I would like to have a clarification.

I want to make another point clear. Some members of the opposition have thought of going to Sweden. AGP was the first party to say that they would not associate with any Committee which will go to Sweden. And we had reasons for that. We thought that firstly without the approval of the Parliament and the Government, if some persons go, they would not be able to collect information and secondly, we thought that the battle with the Prime Minister should be fought here and not on the soil of Sweden.

On these few points, I have made my position clear.

(Interruptions)

MR. DEPUTY-SPEAKER: Time is now over. Already I had informed that the time

cannot be extended. Now the Minister.

(Interruptions)

MR. DEPUTY SPEAKER: No. I cannot allow anybody now.

[Translation]

SHRI C. JANGA REDDY (Hanamkonda): Kindly give me two minutes.

[English]

MR. DEPUTY SPEAKER: If you want any clarification, you may ask at the end after the Minister's reply Not now.

[Translation]

SHRI C. JANGA REDDY: I had gone for taking my lunch. I had asked Shrimati Dikshit. Kindly give me one minute. Why are you doing so?

[English]

MR. DEPUTY SPEAKER: Please do not waste the time of the House. You can seek the clarifications at the end. I am telling you repeatedly that I cannot allow anything now. Only at the end, you may ask. Mr. Minister.

THE MINISTER OF DEFENCE (SHRI K.C. PANT): Sir, the essential facts relating to the allegations made by the Swedish Radio first and subsequently discussed in this House on various occasions are known to all the hon. members. These have been discussed threadbare. Therefore, I was thinking that when Prof. Madhu Dandavate insisted on having his motion discussed, he would have some light to throw and he would have furthered the cause which all of us support, namely, to find out the information which we all are seeking. I also thought that

he would go into other aspects of this matter which may be of interest to him. Therefore, I was listening to him very carefully. But I found that while I saw a lot of rhetoric in it, there was not much by way of additional information that I had expected.

PROF. MADHU DANDAVATE: This debate is to find out the truth about the Howitzer deal.

SHRI K.C. PANT: We have had so many debates and we are more or less covering the same ground again and again. Now also I have found that once again you are covering more or less, the same ground. You spent some time on the issue of appointment and hiring of a foreign agency. My colleagues have already dwelt on that point and I do not want to repeat it. But it does not actually apply to this particular case. The hiring of a foreign agency is not involved here and it has absolutely no relevance so far as it goes. It is the Swedish Government's appointee who is being appointed there who would inquire into the matter.

Now my hon. friend and old colleague, Shri Bhagwat Jha Azad made the point strongly that we have been seeking the truth. We have been pursuing it and we have been trying all the time to find out the full facts of this case. Shri Indrajit Gupta said that it is in our interest to find out these facts. I agree with him entirely. When he says that it is in the interest of the Government, in the interest of the Opposition and in the interest of the country, I agree with him. On this, we are one. Therefore, I expected - perhaps I expected it wrongly - the cooperation of the Opposition on setting up of the Joint Parliamentary Committee. Anyway, I will come to that later.

First of all, let me take up this question of whether the Government has pursued this matter in real earnest with M/s Bofors and

the Government of Sweden. Now, all of us have repeated this point. In this House, the dates of letters have been given and the whole sequence of events has been spelt out more than once in this very House. But, if you do not want to believe something, I suppose, you can always avoid believing it. But the fact of the matter is that after the middle of April, when the Swedish Radio first made its broadcast, withi fourteen days, the Government has pursued this matter not only with Bofors, not only with the Swedish Government, but also with the Swedish Radio. But the Radio till today has not given any further information. Nothing solid has come from that source. Just now, Shri Kishore Chandra Deo said something. Just now Kishore was speaking. He said that there is a rumour that the Radio may give the names tomorrow. We have been hearing these rumours right from the beginning. Why don't they give the names? What is stopping them? Please give the names. If he has a direct access to them, please get it for us.

SHRI V. KISHORE CHANDRA S. DEO: I did not get the part of the kickbacks. So how can I get the names?

SHRI K.C. PANT: No, you said it. I did not say it.

SHRI V. KISHORE CHANDRA S. DEO: I said that these were the rumours which ...

(Interruptions)

SHRI K.C. PANT: One should be careful not to depend too much on the rumours. That is the lesson of this *(Interruptions)*

In no other State do rumours spread so fast as in yours. What should I tell? You would not like it nor will you accept it?... *(Interruptions)*

India is the only country where this

[Sh. K.C. Pant]

happens. I know as to what is happening in your State.

SHRI C. JANGA REDDY: This rumour has been proved to be true.

SHRI K.C. PANT: So far as rumour is concerned, Shri Reddy should kindly bear the facts in mind.

SHRI C. JANGA REDDY: Sir, the rumour has proved to be true.

[English]

MR. DEPUTY SPEAKER: Order. Order.

SHRI K.C. PANT: In fact when we wrote to Bofors and the Swedish Government, one thing we made it clear, right at the beginning and that was, we will share these facts with Parliament. I proposed to share these facts with the Parliament. I have shared with them earlier. But once again I will have to repeat some of these facts because I am afraid once again Prof. Dandavate has questioned some of those earlier statements.

Now so far as the Swedish Government is concerned, you remember Mr. Aberg had affirmed on the 17th April that Mr. Palme had told our Prime Minister with regard to the middlemen's question. I won't repeat that. But that is Mr. Aberg's statement. Nobody has questioned it. Mr. Aberg has not denied it. That is the fact. Dis-information upto a point can work. But dis-information cannot work beyond a certain point. Therefore, please don't try it. This is a Goebbelsian technique. Goebbels perfected it long ago, the big lie. Go on repeating the big lie. You questioned what Mr. Aberg said. Mr. Aberg is a responsible man. He is the responsible official of the Swedish Government. You know that it is a fact that he had issued a

statement. Even if you have to question something, think of your own reputation. That is what I can say you. A note verbale was given on the 21 April. In the note verbale, we requested the Swedish Government to investigate the matter and inform the Embassy, if there had been any violation of the commitment made and to take the required action from their side. Now, what can be cleared, than this? This is not now. This was on the 21 April which I am talking about. Therefore, when we say that the Swedish Government appointed the Swedish National Audit Bureau in response to the request of the Government of India, is it anything wrong? Is it not borne out by the facts of the case? Is it not the fact that the Government of India was pursuing this matter? I have the evidence here. I can read out the letters to you, if you like. I can read out the note verbale, if you like. Therefore, we say, it is on our request this was done. I think that it was a good thing that the National Audit Bureau was given this task of conducting this enquiry by the Swedish Government. But as you know, when we got the report, certain parts had been deleted. Now that had been also discussed several times in this House, but the important thing is that did we, after we got that report with the deleted portion tried to conceal that fact? Did we feel guilty about it? We told you on the same day. We told the Opposition Leaders. We told the Parliament. We published the whole document. We did not take even a day. The same day, it was published. It was made public. These are not the actions of the Government which wants to hide something. That is the least which you give us credit for. These are the three things which we did and we decided that we should have a Joint Parliamentary Committee. This Parliamentary Committee should be set up because we felt - I think rightly so - that during the Budget session, almost all the Opposition Members who spoke on this subject, they all asked for the same. If any party did not, even

now I am prepared to accept their word- but as far as I know, I saw the record of both the Houses - every party had demanded a Joint Parliamentary Committee. So, Government on the one hand decided that we will set up a Joint Parliamentary Committee; on the other hand, we kept pursuing the matter with the Swedish Government, and an *aide-memoire* was handed over on 17th June, about which I will not elaborate, except to say that our Ambassador in Sweden also sent a similar note to the Swedish Foreign Office on 22nd June. This document reiterated our request for complete information regarding the findings of the Swedish National Audit Para - and I quote:

"... after such further investigation as may appear necessary."

To leave no room for doubt, the scope and extent of the information required was unambiguously spelt out.

Shri Indrajit Gupta referred to the letter that the Government wrote to Bofors. He mentioned those five points. I think any objective Member will concede that those five points covered all aspects of the matter; and about those five points, he asked: "These are the points. Why did we not include them in the Motion?" and so on. Therefore, he also thinks that the Government did ask the question that they should have asked of Bofors. We asked the Swedish Government the same kind of questions. So, on this also, there is agreement, that the Government did ask Bofors and the Swedish Government for information which we should have asked for, and which we needed. Now, we did not get a reply from the Swedish Government till late August, i.e. till the third week of August.

Shri Somnath Chatterjee is not here. He said something which, I think, he misunderstood.

SHRI P.M. SAYEED (Lakshadweep):

He questioned your credibility.

SHRI K.C. PANT: He is not here; and there is no fun in replying to a person who is not there.

SHRI BASUDEB ACHARIA: We are here.

SHRI K.C. PANT: You are here, but Shri Somnath Chatterjee is Member who enjoys repartee and the sort of quips that are a part of parliamentary life; and I am waiting for the day to see you do the same.

PROF. MADHU DANDAVATE: In the future, you cannot give the repartee with retrospective effect.

SHRI K.C. PANT: Shri Somnath Chatterjee said that we said i.e. Government of India said that AB Bofors alone is in a position to give a full account of its payments, after we received the report of the Audit Bureau. Government of India never said that. The fact of the matter is that the Swedish Government told us: 'Bofors can shed light on this matter. Please don't ask us. Ask them.' So, there is a misunderstanding in his mind. It is not we; it is they who said.

(Interruptions)

SHRI BASUDEB ACHARIA: Swedish Government and the Bofors.

SHRI K.C. PANT: Swedish Government said, and not the Government of India. So, on the 18th August, another *aide-memoire* was given to the Swedish Government giving a reference to the earlier assurances of the Swedish Government, to give us a formal reply and pointing out that the information, after such investigation as might be necessary, was still awaited by us. On the 20th August 1987 the Indian Embassy again reminded the Swedish Foreign Office by means of a *note verbale*; and I am making

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this point, because there seems to be a feeling that the inquiry which has been set up by Mr Lars Ringberg, the Chief Public Prosecutor in Stockholm is somehow the result of some efforts made by other Members, and that Government had nothing to do with. I would submit, with all respect, that here again the Swedish Government responded to the Government of India who had repeatedly raised this issue with them. That is why I had dealt with at some length on the number of times we approached them, and the way our Ambassador talked to them, and that it is then, on the 21st August that the response was finally received from the Swedish Foreign Office. They gave a *note verbale* to the Indian Embassy; and this note verbale conveyed this decision of the Chief District Prosecutor in Stockholm Mr Lars Ringberg to initiate the preliminary investigation into the matter.

The outcome of our repeated requests was that essential and complete information be made available to us after such further investigations as were necessary. So, I would claim that the set up of this enquiry was in response to the request of the Government of India. Then once again in passing I would like to say that the action of the government is not to hide anything; it does not pursue foreign government to keep on enquiring into the matter where it could leave well alone and say, alright so far and no further. We take shelter behind something or the other; we have not done that. We have pursued it; and so the second enquiry has been set up.

SHRI V. SOBHANADREESWARA RAO (Vijayawada): Did you not allow the fish to slip out of the country?

SHRI K.C. PANT: I cannot convince you perhaps. But I can give you the facts. You can ponder over them; you can come

back if you like and we can discuss them. But it will require an open mind if you want to be convinced. (*Interruptions*) I have given you the dates when the radio made these allegations, when the Audit Bureau Board; was set up, how we dealt with it, how we pursued the matter with the Swedish Government. As a result of these efforts, this enquiry was ordered in Sweden. (*Interruptions*) This is the sequence of events.

SHRI V. SOBHANADREESWARA RAO: You have received information by 24th April, from Bofors through our Embassy that in the name of winding up charges somebody got the money. (*Interruptions*)

SHRI K.C. PANT: I am surprised; that is what the whole thing is about. That certain portion was deleted from the Report of the Audit Bureau and payment had been made. That is why of all this the whole thing has arisen. Have you not understood that basic fact yet? Everybody understands that naturally. It is because we want to get at the truth a question of Joint Parliamentary Committee arose (*Interruptions*) Now there was a reference to Bofors's letter of the 24th April in which they have said like this. I would like to mention this because a point was made by one hon. member which deserves notice. He says, why are you accepting to Bofors's position. It is not a question of accepting the position. But in fairness one should share their position; one should know their position; one may accept it or one may not accept it; that is not the point. So, what Bofors says is this. They sent an elaborate reply to the Ambassador in Stockholm on 24th April categorically denying having paid any kick-backs or having violated the assurance of 1986; it took the position that the payment which may have been given comes to an erroneous conclusion. It was something which had nothing to do with the winning of a contract. I am not saying that we should accept it. But this is what they said. Then

after the receipt of the Audit Bureau Report which establishes the fact of the substantial payment, once again, Bofors wrote a letter on 30th June in which they denied and said that this had nothing to do with the winning of a contract. Once again you may accept that; you may reject it. Then we told them look, there is this deleted portion and we must get that information. Shri Indrajit Gupta also read out that part. Then in reply we got a letter on 6th August and again they denied that payment represented any bribe or kick-backs, whatsoever. They have gone so far to say and this is something which was mentioned by some hon. member that nothing was paid to an Indian company or an Indian citizen; and moreover the payment in question would still have to be paid, even if they have not got the contract. Now I am not saying this: This is again a Bofors's letter which I read out in the other House because we had received it at that time when the debate was going on. So, they have taken a consistent position and all that they have said is this. About Win Chadha they have said that they are paying them 100,000 kroners for certain functions which were performed by them.

AN HON. MEMBER: What were the functions?

SHRI K.C. PANT: Those functions were spelt out by somebody. Either you say, one may accept or one may not accept, I am not asking you to accept it or not. Because, that is the function of the Parliamentary Committee. But this is what they say and they have not given us those details and they have talked of commercial confidentiality and their plea is that the principle of confidentiality is sacrosanct to the global business undertaken by the Bofors.

Now the crux of the matter is that we have been pursuing it with both. This is the reply given by Sweden and here is the reply

given by Bofors. We pursued these matters and I think the important point to be made by me is not to go into the details of it, but the important point is to try to establish that the Government had nothing to hide and because it had nothing to hide, the Government was unequivocal in its persistence to get at the truth, both with Bofors and with the Government of Sweden.

Secondly, we had unequivocally stated here, and at the Prime Minister's level this was stated that if somebody is found guilty, action will be taken regardless of who he is.

SHRI BASUDEB ACHARIA: Action will have to be taken.

SHRI K.C. PANT: You have no objection to that. Have you? (*Interruptions*) Therefore, the third point is, somebody asked: "Have you taken Parliament into confidence?" I would say that we have taken Parliament into confidence from day one. In fact, I think right from the first day that we got the information Parliament was taken into confidence. Without any hesitation everything was put before Parliament. Can you blame us for that? Can you blame us for that? Even when the Swedish Radio came out with some thing we came before Parliament. On the 20th, I came back from Pyongyang on the previous day after Easter, the first day when I came before Parliament I made a statement. Therefore, you cannot blame us for not responding to Parliament or hiding anything from Parliament or being tardy in coming before Parliament. We came promptly every time, with all the information.

Then the question was, again the old question, which Shri Bhagwat Jha Azad has answered, "Why did you not set up the Parliamentary Committee when we wanted it?" The answer is, there was no *prima facie* evidence. The moment we got the *prima facie* evidence, the Audit Bureau Report, we

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went ahead and we took a decision to appoint the Joint Parliamentary Committee.

Shri Indrajit Gupta said: "You had no option in the matter. What else could you have done?" Well, I could give him two options straightaway. We could have had an administrative probe. You would not have relied upon that. You would have said that an administrative probe does not answer the needs of the situation.

We could have had a judicial inquiry. Normally, judicial inquiries were set up in many such cases. We could have had a judicial inquiry. I am sure, you would have said that a judicial inquiry is set up only to postpone the inquiry, not to go into it closely. You would have questioned that. Or, would you not have questioned it?

SHRI V. KISHORE CHANDRAS. DEO: In the case of submarines have you given it up?

SHRI K.C. PANT: In the case of submarines, if there is a judicial inquiry, you question that!

SHRI V. KISHORE CHANDRAS. DEO: What was the fate of it?

SHRI K.C. PANT: I am only making a point here. That will be a long discussion in itself. I am only making the point that there were alternatives. It is not as though this was the only option. There were options. But, would you have preferred a judicial inquiry? I ask you, even today, would you say that you would prefer a judicial inquiry? I ask a question.

SHRI INDRAJIT GUPTA: We were demanding a Parliamentary Committee from the beginning.

SHRI K.C. PANT: Therefore, when Mr. Kishore Singh Deo _ I am sorry, Kishore Chandra Deo _ says "Why not a Parliamentary Committee...?"

I have been calling him 'Kishore' for so many years, I cannot remember the other two formal names.

PROF. MADHU DANDAVATE: You call him "K.C."

AN HON. MEMBER: He has always been a 'Kishore'.

SHRI K.C. PANT: The point I was making was that this is the reason why we went for the Joint Parliamentary Committee, because we thought it would satisfy our friends opposite, it would be in response to their demand and in preference to the other alternatives.

SHRI BASUDEB ACHARIA: Without any powers.

SHRI K.C. PANT: I will come to the powers.

Therefore, frankly, we were rather surprised when the Opposition, which had pressed so hard for the Parliamentary Committee in the Budget Session decided to boycott and stay away when finally it was set up. Therefore, will you blame us if we say that you do not want to get at the real facts. You do not want to establish the real facts.

SHRI BASUDEB ACHARIA This Committee will not be able to find out the truth.

SHRI K.C. PANT: It is very unreasonable to surmise so because you have shifted your ground. In the Budget session, you were insisting on the Joint Parliamentary Committee, and when we set it up, then you

shifted your ground completely.

SHRI BASUDEB ACHARIA: Not like this Committee.

SHRI K.C. PANT: I will come to the powers later. But the basic point is that you thought that you had got a good opportunity to exploit politically.

SHRI BASUDEB ACHARIA: No. That is not our intention.

SHRI K.C. PANT: That is what you have thought and therefore you said 'Why should we get involved in this Parliamentary Committee?'

(Interruptions)

SHRI BASUDEB ACHARIA: This type of Parliamentary Committee.

SHRI K.C. PANT: I do not speak for all the Members of the Opposition, but for some I can say, they will be very unhappy if the truth comes out, because then, their main plan would go. Therefore, their crusade is to create suspicion to have a ground. The Joint Parliamentary Committee which produces the results suits them the least. That is the unfortunate fact. It is a tragedy of political life that this should be so. But, unfortunately, you suggested.....

(Interruptions)

PROF. MADHU DANDAVATE: Are you suggesting that we for years together thrive on your corruption?

SHRI K.C. PANT: I do not know that it is supposed to mean. I suppose, it does mean something. I will try to dig it out later. But the point I am making is that you had shifted your position. There is no use of denying the fact that you have first asked for a Joint Parlia-

mentary Committee.

(Interruptions)

SHRI K.C. PANT: You leave yourselves open to the charge that this was politically motivated. You did not want us to get at the truth.

(Interruptions)

SHRI BASUDEB ACHARIA: We never wanted this type of Committee. This Parliamentary Committee has no power.

SHRI V. KISHORE CHANDRA S. DEO: All that you have to do is to get at the truth tomorrow and then say cheers.

SHRI K.C. PANT: Yes. Who will be cheered? We will be cheered and not you. That is the problem.

PROF. MADHU DANDAVATE: Truth will be cheered.

SHRI K.C. PANT: My hon. friends do not know that the cat has been let out of the bag by Shri L.K. Advani, President of BJP. On 24th Aug., he spoke at Hyderabad. What did he say? He is reported to have said. This is a newspaper report. I quote:

"We do not want to remain tight lipped for the next six months by joining the Committee" *(Interruptions)*

What are you shaking your hands at? I am quoting him. I am not talking about you. I made a distinction in the beginning. I am not speaking about the entire opposition.

He was more interested in not being tight lipped for the next six months. That was his main concern.

PROF. MADHU DANDAVATE: Sir,

[Prof. Madhu Dandavate]
while replying he is quoting someone else.

SHRI K.C. PANT: He is the President of a Party. I am not associating any of you with that. I am only saying that I would have expected that every Party would have said the leader of the Party would have said 'I did not join this Committee because it does not have the powers'. I do not agree with it, but I can understand it. But, to say that 'I did not join because I will have to close my mouth for the next six months. I want to exploit the situation to the extent. Let me remain out of it'. What does it mean?

PROF. MADHU DANDAVATE: How can we keep quiet?

SHRI K.C. PANT: Is this a bona fide answer? This is my question to you. Therefore, Sir.....

(Interruptions)

SHRI BASUDEB ACHARIA: How can you shut our mouth?

SHRI K.C. PANT: I am not shutting your mouth. I am only trying to meet your points.

(Interruptions)

SHRI PIYUS TIRAKY: Let me ask a question.

SHRI K.C. PANT: At the end you can ask a question *(Interruptions)*

The point is really very simple. It is a very uncomfortable point for my hon. friends in the opposite because they do have respect for Parliament and perhaps, they are in their heart of hearts know that not joining a parliamentary joint committee will not be strengthening the institution of Parliament. And I have sufficient respect for them to

know that they would like to strengthen it. Perhaps, they made a mistake; perhaps, they mis-judged the situation; perhaps, they regret it today. I will give them all credit. But whatever it is, they chose not to join it even though we tried our level best to see that they join it. We made changes in the terms of reference. But I will come to that later which my friend, Shri Indrajit Gupta, also spoke about.

Shri Reddy spoke _ I think, he has also gone. He said, take the people into confidence, and you are not taking the people into confidence. I think, Shri Jaipal Reddy has gone. He said that you have kept the documents away. I, therefore, felt that we should take another unprecedented step _ we have already taken one unprecedented step - and we have decided to put the entire exchange of notes, *aide-memoires* between the Government of India and the Swedish Government as well as entire correspondence between us and the Bofors on this subject. I beg to lay on the Table copies of the letters and telex messages exchanged between Government of India and the Government of Sweden and M/s A.B. Bofors for securing complete information regarding the payments made by Bofors in respect of their Indian contract. [Placed in Library See No. LT 4856/87]

It is not customary for Government to disclose exchanges with the foreign Governments or exchanges with the suppliers of defence equipment. On this occasion, however, we felt that the Houses of Parliament and indeed the nation as a whole, must be made privy to these documents and allowed to judge on the basis thereof whether it is the Government or the opposition which is keener to ferret the full facts. Let the people judge. I, therefore, take this opportunity of laying these documents on the Table of the House.

SHRI C. MADHAV REDDY: This you could have done earlier.

SHRI K.C. PANT: That shows that you are not happy even now.

PROF. MADHU DANDEVATE: Why do you not lay on the Table of the House the documents that you have found out and collected during the raid on Mr. Thapar's residence.

SHRI K.C. PANT: You can go to the parliamentary committee. I wish you were in it.

PROF. MADHU DANDEVATE: You give the information about Mr. Thapar also....

(Interruptions)

SHRI K.C. PANT: How uncomfortable they are because I have placed all the documents on the Table of the House. Even two of the leaders are so uncomfortable. They do not want the true facts to come out. I thought you would congratulate me...

(Interruptions)

PROF. MADHU DANDEVATE: You do not listen to me. I said, while welcoming the step of laying the documents on the Table of the House, I demand that you should lay the papers you collected from Mr. Thapar's residence...

(Interruptions)

SHRI K.C. PANT: Now, I would like only to make a passing reference which was hurt us and that is the references to the Prime Minister's statement. The Prime Minister comes before the House and makes a statement and he says that he and the members of the family are not involved. Does it in-

crease the respect of Parliament or decrease it? Does it not enhance its prestige? If the Prime Minister of a country comes before the House and makes this statement, it shows....

SHRI BASUDEB ACHARIA: Why has he made that statement?

SHRI K.C. PANT: Because people like you and even responsible people like Shri Indrajit Gupta, they say.... *(Interruptions)*

PROF. MADHU DANDEVATE: I did not say that. Take your words back.... *(Interruptions)*

SHRI K.C. PANT: I am not talking about you... *(Interruptions)*

MR. DEPUTY SPEAKER: If I remember aright, I was presiding at that time and one of the Members at that time mentioned his family also.

PROF. MADHU DANDEVATE: On the contrary I referred to the statement that it is very unwise.

MR. DEPUTY SPEAKER: One of the Members mentioned it.

SHRI K.C. PANT: Sir, I would like to submit that it was an act of respect towards Parliament. Above all, I would like to submit, it was an act of decency, I would submit it was an act of courage, I would submit it was an act of a man who had nothing to hide. Why does it upset you? It upsets you because you feel that until his image is demolished, Congress is strong. That is why it upsets you.

PROF. MADHU DANDEVATE: In spite of his image, you are going to fall down.

SHRI K.C. PANT: He is interested in the

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truth as much as anybody else. So, please don't make allegations. He went to Sri Lanka recently. He has entered into an Accord there. The country's prestige has gone up sky-high on account of that Accord. He has faced there a murderous assault. Now he has come back. The people of this country will judge - you alone will not judge - and they will decide. It is not for us... (*Interruptions*)

PROF. MADHU DANDAVATE: They will decide whether communalism is solved, Punjab problem is solved, terrorism is solved.

SHRI K.C. PANT: Therefore, if you try to destroy somebody's image without an iota of evidence, that is a witchhunt, nothing else. What else is it? It is a witchhunt. Well, if you have evidence, produce it.... (*Interruptions*)

PROF. MADHU DANDAVATE: If others publicly say anything about the Prime Minister, you are touchy about it because you do not treat the Prime Minister and other Members of Parliament on the same par.

SHRI BHAGWAT JHA AZAD: Sir, all sorts of allegations have been made by them. When the reply is coming, now they are shouting.

PROF. MADHU DANDAVATE: Sir, his intensity of shouting was more than anyone else's.

SHRI BHAGWAT JHA AZAD: The total amount of shouting by one Mr. Dandavate is equal to all the Members of the Congress party. It is his monopoly to shout everyday. Sometimes we also do, we are contagious, but he does it everyday.

SHRI K.C. PANT: Sir, in the beginning, some friends said - I do not know who began that Prof. Dandavate's motion is not in

order. It is not for me to say because if the Speaker allows it, we are bound to discuss it. But personally I welcome this for one simple reason. I could have got up and raised a point of order because according to the rules I think one could. It may have been rejected but one could raise it. I think there is some ground. He knows it because he knows the rules. But we had nothing to hide. So, we welcomed the discussion. It gave us an opportunity to say something, it gave you an opportunity. Therefore, all along, right from the first day, it is not the Government which was shied away from a discussion. From the very first day we came before the House with the motion. You shouted, you walked out, you stayed away for a week; it is not the Government, please remember. The Government came on the very first day with its motion. Please remember that.

SHRI BASUDEB ACHARIA: Why?

SHRI K.C. PANT: Because we had nothing to hide. That is something which you do not understand.

AN HON. MEMBER: Even today they want to postpone the discussion for tomorrow.

SHRI K.C. PANT: We agreed to suspend the Question Hour to facilitate a discussion. We thought you wanted a discussion. But you did not. Then walk outs have been there. You have not gone through the whole process. You have walked out many times. So, I think on this also ultimately it will be the people who will judge, who are watching this whole thing. So, I would request you to consider the actions of the Government and the Opposition in the light of the facts and not merely in the light of rhetoric. Last week the Public Prosecutor of Sweden decided to undertake the investigation. Prof. Dandavate's motion even suggested Parliament to similarly address the Swedish Public

Prosecutor. Various MPs made such a demand. I think many of them wrote a letter. Now, I do not want to irritate you at the end of the day, so I will not talk about the Swedish Embassy because you see the redrag if I talk about the Swedish Embassy _ how you went to it and so on. I have no intention of doing that... (*Interruptions*). But anyway, you put your faith in the Swedish Embassy processes and I will have nothing more to say about that. But I think it a very fallacious position that you took in this matter and I think, that is why when my friends on this side talked of your going to the Swedish Embassy, many friends felt uncomfortable. I could see it. They felt uncomfortable. They did not like it. Now they wish it had not been done, but they had done it.

SHRI INDRAJIT GUPTA: You have become mind reader.

SHRI K.C. PANT: Well, sometimes one can read faces but may not be able to read mind.

SHRI INDRAJIT GUPTA: What about technology transfer?

SHRI K.C. PANT: I will come to that also. I want to ask only one question. You say that we have set up a Joint Parliamentary Committee and that a prosecutor has set up an enquiry in Sweden. You are boycotting the Parliamentary Committee and you are to-day hoping that that enquiry will give you results. You go to the Swedish Embassy and you are asking for that enquiry. You have to decide what is the best. But suppose roles were reversed and suppose in Sweden they had a Parliamentary Committee and suppose we had an enquiry here, then what would be the re-action in Sweden, I wonder. If the Opposition boycotted the Parliamentary Committee and came to us and said, please investigate think over it.

PROF. MADHU DANDAVATE: It is hypothetical.

SHRI K.C. PANT: It is hypothetical, I agree, but just to bring the thing, home I would like you to consider it very seriously if it has happened in the United Kingdom; it has happened in Germany and it has happened in any democratic country, what would the people of that country feel? Will they feel proud of it or they will feel humiliated by it? It is a question for you to consider. And in all seriousness you should think about this question. Similarly, selection of the agency - we have all along taken the view that the Swedish Government should give us the information. As Prof. Swell said it is Government to Government communication. They chose the Audit Bureau. We said, all right. Audit Bureau did not give us the full information. We said we want the information. Now they choose some other agency. It is their business. Now would you like some other Government in a similar situation? Would you like the German Government to come to us and say, appoint the Advocate General of Haryana to make this enquiry. I mean this is what it is. It only has to be stated to see how ridiculous the position is and Haryana is your Government today. But, no, it is a kind of thing which I cannot understand and this what would bring down the whole image of the country. This is not how we should operate and it is a very good thing that at least the Government has maintained the standards it ought to and has been dealing only with the Swedish Government in accordance with the normal international practices and so we will expect the Swedish Government to give us the information we have asked for after whatever investigation they feel necessary. That is our position and that is what we have also told them. Now some specific questions have been raised by my friends and I think in passing I do not want to take much time of the House. So, I think it is necessary to deal with some of

[Sh. K.C. Pant]
these questions.

About our Parliamentary Committee a lot has been said. Now it becomes necessary for me to deal with them because it is quite surprising how otherwise, well informed people either make mistakes or they choose to tell the House something which may sound rather absurd but which really is part of the Rules. Rule 267 of the Rules of Procedure says -

"The sittings...

(Interruptions)

SHRI BASUDEB ACHARIA: These are for ordinary committees. We know all these things.

SHRI K.C. PANT: I know, you know all of it. Some of my friends do not know it. Why not let them know? Why be uncomfortable?

SHRI BASUDEB ACHARIA: It is not an ordinary Committee. It is a special committee.

SHRI K.C. PANT: That is the problem with you. Shri Somnath Chatterjee would have tried to listen to it and give me a reply.
(Interruptions)

It says -

"The sittings of a Committee shall be held within the precincts of the Parliament House, and if it becomes necessary to change the place of sitting outside the Parliament House, the matter shall be referred to the Speaker whose decision shall be final."

O. Kay. Now what do the directions say?

Direction 50(1) says:

"(1) Sittings of a Committee/sub-Committee, whether formal or informal, at which Officers or staff of the Lok Sabha Secretariat are required to be present, shall invariably be held within the precincts of the Parliament House. If, for any reason, it becomes necessary to hold a sitting of the Committee outside the Parliament House, the matter shall be referred to the Speaker for his directions."

Now, Direction 50(2) says:

"(2) When the Committee is on a study tour, informal sittings may be held at the place of the visit, but at such sittings, no decisions shall be taken nor any evidence recorded."

SHRI V. KISHORE CHANDRA S. DEO: We understand all these points.

SHRI K.C. PANT: Now, he is uncomfortable. Have patience.

SHRI V. KISHORE CHANDRA S. DEO: When these rules were framed, this Committee was not conceived of. This Committee was never conceived of. Nobody thought...

SHRI K.C. PANT: My friend also approached Shri Somnath Chatterjee. Why do you feel uncomfortable? You have said something, that is wrong. I am going to expose you. Please sit down.

SHRI V. KISHORE CHANDRA S. DEO: You are distorting the entire thing. For normal Parliamentary Committees, that these rules were framed. This sort of Committee was never conceived at that time. *(Interruptions)*

MR. DEPUTY-SPEAKER: Is it any

special committee, apart from a parliamentary committee? It is a parliamentary committee.

(Interruptions)

SHRI H.K.L. BHAGAT: Mr. Pant is not yielding. (Interruptions)

MR. DEPUTY-SPEAKER: Please take your seat.

SHRI K.C. PANT: Direction 50(2) says, when the Committee is on a study tour, informal sittings may be held at the place of the visit, but at such sittings, no decision shall be taken nor any evidence recorded.

SHRI BASUDEB ACHARIA: This is for normal Parliamentary Committees, and not for committees like this.

SHRI NARAYAN CHOUBEY: They could have never imagined, such theft and corruption could have taken place.

PROF. MADHU DANDAVATE: Is going from Delhi to Madras the same as going from Delhi to Stockholm? (Interruptions)

SHRI K.C. PANT: Now, Kaul and Shakhder....

PROF. MADHU DANDAVATE: Shakhder himself has given an interview.

SHRI K.C. PANT: I do not want to read out the whole thing because it will take a long time. I am reading it because, Shri Somnath Chatterjee appeared to make fun of the idea; why have you done this? What is this ridiculous thing? Will they stand or sit and so on and so forth.

PROF. MADHU DANDAVATE: Are you quoting Shakhder? If so, also read the *Eco-*

nomic Times despatch today where views of Mr. Shakhder on the same issue are there.

SHRI K. C. PANT: In the next debate, you can quote this. Now, I quote Kaul & Shakhder's from page 633.

"Parliamentary Committee while on study tour may hold informal sittings..."

PROF. MADHU DANDAVATE: Parliamentary committee.

SHRI K. C. PANT: This is not an Unparliamentary committee. This is also a parliamentary committee.

"Parliamentary Committee while on study tour may hold informal sittings at the place of their visit but at such sittings, no decisions are taken nor any evidence recorded." Normally no study tours are undertaken by the Committee when the House is in session."

Therefore, it is not as though we have thought this up just to stem the parliamentary committee. It is part of the rules, part of the directions.

PROF. MADHU DANDAVATE: Unfortunately, Shakhder himself has commented on that. (Interruptions)

MR. DEPUTY SPEAKER: Please order.

SHRI K. C. PANT: One should have the patience to hear something against one also occasionally.

Now, an amazing statement was made by Shri Indrajit Gupta. He said, "Does this Committee have the powers to take evidence". It is inherent in the powers of the Committee to take evidence.

[Sh. K.C. Pant]

Rule 269 (1) says:

"A witness may be summoned by an order signed by the Secretary-General and shall produce such documents as are required for the use of a Committee."

Rule 270 says:

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

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

I have not put the "Speaker" there. This is in the rules. You might think that I have smuggled "the Speaker" in here. Please don't. About the Speaker, how can we escape from "the Speaker". Let us see, what the rule says. This is what rule 281 says:

"A Committee shall have power to pass any resolution on matters of procedure relating to that Committee, "for the consideration of the Speaker who may make such variations in procedure as he may consider necessary."

283 (1) says:

"The speaker may from time to time"

You are not wanting the points made by your own leaders. What is the use of interrupting me? He raised a serious issue. Why do you bring Speaker into it? I am trying to satisfy you. (*Interruptions*) I did not raise the issue. I have been asked, in all seriousness. I think you have missed the whole point. The point

is that the Joint Parliamentary Committee has been set up (*Interruptions*). The charge has been made that the Joint Parliamentary Committee has been set up but the Government has not given it enough powers. "Therefore, we could not join the Joint Parliamentary Committee." Specifically some points were made. I am trying to meet those points because I honestly feel that the Government has gone very far in meeting the points of the Opposition and I think it is very wrong on the part of the Opposition not to help this Committee by getting into it. I am making that very very serious point. If you cannot understand it, I am prepared to explain it to you. But don't interrupt me here.

"The Speaker may from time to time issue directions to the Chairman of a Committee 283 (1): as he may consider necessary for regulating its procedure and organisation of work."

In other words, the Speaker is there whether you like it or not.

"If any doubt arises on any point of procedure, or otherwise, the Chairman may, if he thinks fit, refer the points to the Speaker whose decision shall be final."

How are you going to escape the Speaker in this matter? The Speaker will be there in all cases. I do not want to go through the motion again but I thought Shri Indrajit Gupta was not fair to me.

SHRI DINESH GOSWAMI: I want to raise an official point.

SHRI K. C. PANT: I will answer your point. He raised the point that all that is to be done is to ascertain the identity of the persons who received and the purposes for which they received payment. He himself said "yes. This is a very important point."

Then one important point he said was what are the procedures followed. He read out Shir Arun Singh's statement and he made the point "Do you follow the procedure in the case of the Bofors gun?" I read this out earlier.

SHRI INDRAJIT GUPTA: I have evidence to show that this procedure was not followed.

SHRI K. C. PANT: If he has evidence, a Committee shall inquire into the matter whether the procedure laid down for the acquisition of weapons and guns were adhered to in the purchase of Bofors guns. That would be completely covering that particular point.

SHRI INDRAJIT GUPTA: Can you examine the Deputy Chief of the Army Staff? Will they allow it?

SHRI K. C. PANT: Are you in the JPC?

SHRI INDRAJIT GUPTA: The Army Chief was one Member of that Committee.

SHRI K. C. PANT: I wanted you to be in the Committee, because you will be able to call everybody, talk to them and you will be able to find out. But you chose perhaps to remain out of this was much better. I do not think reasonable people would have stayed out of the Committee and I consider you a reasonable person (*Interruptions*). Because this is important. They are trying to make out that we have not given it powers. We have said that the Comptroller General of India which is what they wanted and the Attorney-General of India will provide assistance to the Committee as necessary.

PROF. MADHU DANDAVATE: There is no difference on that.

SHRI K. C. PANT: Shall I not establish

my case that we have have given you a good Committee? Therefore, if you get up and say "Yes. You gave us a good Committee but we stayed out of it." I will sit down. I have no other point to make.

PROF. MADHU DANDAVATE: We told you about the four points on which we differ. We do not differ on these points at all. Deliberately you have not understood.

SHRI K. C. PANT: It is not that. You have made your four points. I am trying to show to what extent the Government went to accommodate. Am I not entitled to show that? This is whole point because the whole country is watching. Therefore, I am entitled to show that the Government went very far in order to accommodate you. You would like all the time to repeat kickbacks because it suits you. You do not want to get to the truth. You want to stay out of the Committee. What is the use of saying these things, Professor? The Comptroller-General of India and the Attorney-General of India will provide assistance to the Committee as necessary. These are the two of the topmost officials. One is dealing with accounts and the other is dealing with law. The Committee will have access to both. The investigating agencies of the Government of India shall render such assistance to the Committee which may be required by it, for the purposes of this enquiry. Now, without this, the Committee may not have been able to do much. But the investigating agencies of the Government of India will be available to it. (*Interruptions*)

22.00 hrs.

I cannot appeal to them because Indrajitji says ~~no~~. But, if they join, well and good. Even now, it is not too late. That is what we want.....(*Interruptions*) The Parliament reflects the whole country. The Parliamentary Committee reflects Parliament and that is what we would like it to be. You

[Sh. K.C. Pant]
think that we like this Committee without your participation. But I would very much have you in it. In all honesty, there is no doubt about it. Please do not have any doubts about this mater. The Government is unhappy that you are not in it.

(Interruptions)

PROF. MADHU DANDAVATE: Do you think we also like the Opposition without you?

(Interruptions)

SHRI K.C. PANT: In fact, you are there in the Opposition because we are in a majority..... *(Interruptions)*. The question of why the Speaker is brought in, in some cases, arose. I have taken a lot of time. I do not want to go into all these things. But the fact of the matter is that if you see the predicaments into which this group of Opposition leaders who want to go to Sweden, has brought itself into. You would realise as to why the Speaker was brought into. They want to go out. It is all right. They want to go to Sweden. I have nothing against that. Sweden is a beautiful country, by all means. But whom will they meet? Whose evidence will they get? Will they be allowed to go there or not? All these are questions which, somebody, must sort out. Therefore, if we have to take the Speaker's permission, what is the wrong in that? As I explained earlier, if you have to go outside Parliament House and meet them in Delhi somewhere-else, you have to get the permission of the Speaker. Please do not take a distorted view of this. That is why the Speaker was brought in it. In inviting people from abroad, you yourself say that there is a competition amongst various people in the world for the sale of this gun. People are presenting their own points of view. There are vested interests in all these things. You all know about it. Should one not be careful?

I think, the Committee should be careful. Therefore, if the Speaker is in it, in case a question arises it will help. What is the wrong in that? Ministers never appear before Sub-Committees. Normally, Ministers appear here, they are answerable to you and not to the Sub-Committee. That is the American system. This is entirely different. In America, it is true that before the Sub-Committees, the Ministers go or the Secretaries go, whatever you may like to call them. But, in our system that is not the case. We have again made a concession to your desire and we have said: "All right. The Minister can come provided the Speaker wants". The Speaker can judge. Today, you are taking objection to Mr. Shankaranand as Chairman; why should he be made the Chairman?..... *(Interruptions)*. Some people say like this. The point I am making out in all seriousness is, the Speaker has.....

(Interruptions)

PROF. MADHU DANDAVATE: Don't misunderstand. There is nothing against Mr. Shankaranand. That man held the position of a Cabinet Membership while formulating that policy and so propriety demanded that he should not be there.

(Interruptions)

SHRI K.C. PANT: I do not know where all these things come into this. One is a Minister. One is not a Minister. One is a Member of Parliament. My hon. friend seems to attach too much value to the Ministership. We are proud to be Members of Parliament. So, the question really is this. *(Interruptions)*

The question is this..... *(Interruptions)*. Shall I ask in all seriousness?..... *(Interruptions)*. This is an issue on which, one certain matters, in spite of your best intentions and our best intentions, there may

be polarisation within this Committee. Suppose, if you have been there, there would have been polarisation because this is an issue of that kind. In that case, the Speaker, would, if anything is there, help the Opposition. The Speaker would have been there, as I think Shri Bhagwat Jha Azad has said, as a referee. I personally think that it would help otherwise the Committee would may be divided very quickly and the Committee might not be able to proceed with its work. So, the Speaker's inclusion is as much to see that the Committee functions as to give a measure of protection to all sides, including the Opposition and perhaps, particularly to the Opposition. And this is something which I am surprised that the Opposition did not understand. Somebody said that it may be because of a tiff with the Speaker, last time, that would have influenced your judgement.....

(Interruptions)

PROF. MADHU DANDAVATE: Don't bring that element. I object to it.

(Interruptions)

SHRI K.C. PANT: If I don't bring that element, I cannot understand how the Institution of the Speaker can be objected?

PROF. MADHU DANDAVATE: If you are not understanding, what can I do?

SHRI K.C. PANT: You can try to give it to me. I am prepared to be persuaded.....

PROF. MADHU DANDAVATE: Do not bring in the extraneous element of our No-Confidence Motion against Speaker and try to interpret it that way. It is not fair.

SHRI K.C. PANT: What is the institution of Speaker?

PROF. MADHU DANDAVATE: There

was one No-Confidence Motion against late Shri Mavalankar, but it never happened that any Minister carried on that logic further and said that the Opposition was motivated. Nobody gave that argument. Please don't do that.

SHRI K.C. PANT: I cannot for the earth understand why the Speaker is objected to, when the Speaker is the guardian of the House, guardian of all sides of the House. Even in the House this very debate would not have been possible if the Speaker has not allowed. I would beg to submit to Prof. Madhu Dandavate that Speaker, apart from his personal feelings, is an institution, and he has to carry the Opposition with him. You know that very well. He has also to maintain a certain position in the House.....

PROF. MADHU DANDAVATE: Do not make an insinuation.

SHRI K.C. PANT: I do not understand. He is the fairest.....

PROF. MADHU DANDAVATE: Why do you bring in the Speaker?

SHRI K.C. PANT: Because you brought in that point. You objected to his inclusion. I would submit that that objection is very flimsy. This is my point. You are making a very flimsy objection.

PROF. MADHU DANDAVATE: We have been demanding that the Speaker should be kept out of controversy and involvement. To attribute that because there was a No-Confidence Motion we are objecting - I am objecting to this particular logic.

SHRI K.C. PANT: But I do not understand it otherwise.

PROF. MADHU DANDAVATE: I am very sorry you do not understand.

SHRI K.C. PANT: I am sorry about many things. But I do not understand.

PROF. MADHU DANDAVATE: You have decided not to understand.

SHRI K.C. PANT: Like you in many cases; yes.

PROF. MADHU DANDAVATE: You have brought the Speaker into the picture this way.

SHRI BHAGWAT JHA AZAD: No Parliamentary Committee can be thought of without the Speaker.

PROF. MADHU DANDAVATE: I am not saying that, Mr. Azad. I am objecting to the insinuation.

SHRI BHAGWAT JHA AZAD: Every time they are saying, ordinary Committee and Special Committee. Neither May's Parliamentary Practice nor Shakhder's book makes any distinction between Committees—ordinary Committee, Special Committee, this Committee and that Committee. Without Speaker, we cannot move even an inch. Therefore, to the objection in respect of Speaker, the Minister must reply.

PROF. MADHU DANDAVATE: I am not objecting to that. He should not attribute motives to us. I would suggest that you invite Mr. Shakhder before the Committee you have appointed. Then you will come to know.

SHRI K.C. PANT: On this issue, finally, I would say this. It is a very simple point and it is a matter of commonsense. If you had joined the Committee, made the best use of it and if it did not work, you could select the remedies open to it. But you did not give it a trial. After all, we went so far, but you have refused to give it even a trial. That is where your motives become suspect, not other-

wise. Prof. Dandavate, please do not get angry. This is the reason.

PROF. MADHU DANDAVATE: This appears to be a new brand of politics.

SHRI BHAGWAT JHA AZAD: The new brand is being given by the Opposition.

(Interruptions)

SHRI K.C. PANT: I have been trying to rack my mind all these days to understand why the Opposition did not join and I could not get a satisfactory answer. I have put the whole thing to you..... *(Interruptions)* I very much hope that the inquiry in Sweden will give us the information we need and the Swedish Government will send it to us. And it will go to the Joint Committee which has been set up for this purpose.

Now, Sir, one last word I want to add. On the Joint Committee, almost all the editorials advised the Opposition to join it. They cannot all be motivated. All papers minus the *Indian Express*.....

PROF. MADHU DANDAVATE: Since you have referred to editorials, may I say that the Statesman had advised the Opposition to join the Joint Committee, but only three days back they wrote an editorial to say that in the light of the developments in the last three days, they have come to the conclusion that the Opposition boycott was justifiable.

SHRI K.C. PANT: *The Statesman* against the rest. You accept the rest.....

PROF. MADHU DANDAVATE: No.

SHRI K.C. PANT: What is the use of quoting one? Almost every newspaper supported editorially on that day; that, I saw.

Sir, now, on the question of Official Secrets Act, any authorised supply of information even in respect of classified matters is possible. Only unauthorised leakage is an offence.

Now on the question which was raised by my Hon. friend Shri Indrajit Gupta, I would like to tell him about the main features of the Licence Agreement signed with M/s Bofors, Sweden:

Scope: Transfer of technology of gun, amunition vehicle for items covered in the Purchase Contract. The fire arms system being proprietary items are not covered, but the Licensor has undertaken to assist the Licensee for entering into agreement with the manufacturers of these systems.

On the question of *Financial Package:*

(1) Right to manufacture free of charge subject to minimum purchase quantity. This is covered by the supply Contract.

(2) Documentation is free.

(3) Technical assistance and training up to 50 million SEK will be given free. Beyond that, rate for technical assistance will be 2250 SEK per man day and for training 15000 SEK per week for up to 4 trainees.

(4) The Feasibility Report free and DPR free.

Then for supply of product-support items, there are other conditions. It is a long list. If you are interested I can pass the whole thing on to you and you can see.

Now right at the end of the speech, I think, Shri Dandavate talked of fresh man-

date that now the Government should take fresh mandate from the people. That is what somebody else also said. Somebody else also made this point. I forget now who it was.

Sir, so the whole object is that somehow the Government should be ousted. The whole object is now not to get up the truth. But the whole object is that somehow this Government must be ousted. It is legitimate in itself. But it is more legitimate for an elected Government to remain. It is far more legitimate. We are an elected Govt. We are a democratically elected Government.

(Interruptions)

SHRIV. KISHORE CHANDRA S. DEO: Even elected assemblies were dissolved.

SHRI INDRAJIT GUPTA: We are an elected opposition.

SHRI K.C. PANT: You will remain an elected opposition. I will assure you.*

(Interruptions)

SHRI DINESH GOSWAMI: So far as I am concerned, I am left with one year. I would like to remain in opposition.

(Interruptions)

SHRI K.C. PANT: Sir, all I would like to say is that the people of this country have reposed faith in this Government. People of this country have reposed faith in this party.

(Interruptions)

PROF. MADHU DANDAVATE: Now erosion has started.

SHRI K.C. PANT: I would be the last person, in any way, to go by the wishful thinking. It keeps us going. It is one of the

[Sh. K.C. Pant]
things which keeps human beings going. So if you have speculative thought, if you have wishful thinking, well, by all means, have them. I do not mind. But we are not here because you have put us here. The people have put us here and the peoples' confidence is what we want. Your confidence in that respect is immaterial to us. Therefore, we are getting at the truth not because of you, not because of your pressures.

(Interruptions)

SHRI BASUDEB ACHARIA: Why are you afraid of elections?

SHRI K.C. PANT: Why don't you have an election in West Bengal? I am not stopping you. Why are you afraid? Have an election in West Bengal by all means. Am I stopping you to announce the date soon? Are you afraid?

(Interruptions)

SHRI BASUDEB ACHARIA: There the election was held only four months back.

SHRI K.C. PANT: These childish remarks should not take you any further.

(Interruptions)

PROF. MADHU DANDAVATE: All over the world, it is the accepted democratic practice.

(Interruptions)

SHRI BHAGWAT JHA AZAD: We are not Janata Government that we will get away after three years. We will have full five years.

SHRI K.C. PANT: Anyway I do not want to enter into or close on a note of controversy. I would like to end on the note which Shri Indrajit Gupta ended on, namely, that even now we will enlarge our areas of cooperation and understanding and that this we have passed through a phase in which we had to confront each other on this issue. But there are large areas in the country which require our cooperation. We are facing difficult times economically in terms of drought and so on and, therefore, even the extent of bitterness in this matter should not come in the way of our cooperation in other areas of national construction. *(Interruptions)*

I speak in this tone because I believe that there is a better part in all of us and that can respond to each other and the fact that we have had a debate which became bitter sometimes I still think we have enough capacity to work together, to cooperate and, therefore, I would like to end by appealing to you to cooperate in areas of national construction and, I think, this House owes to the country to do so.

SHRI PIYUS TIRAKY: The Minister has told the House that Bofors is a private company and the Government of India has an agreement with the Bofors company. May I know who has signed this agreement? At least his name should come. I want to know the name as to who has signed the agreement on behalf of the Indian Government?

Secondly Mr. V.P. Singh is speaking all over the country over this Bofors deal. Why don't you ask him to explain the entire thing in the House itself?

Thirdly we have come to know that Shri Narasimha Rao has been to Sweden. What

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for he had gone to Sweden?

stands adjourned to meet tomorrow at 11 A.M.

MR. DEPUTY SPEAKER: Would the Minister like to say any-thing?

22.17 hrs.

SHRI K.C. PANT: No.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, August 27, 1987/Bhadra 5, 1909 (Saka).

MR. DEPUTY SPEAKER: The House
