

11.15. hrs.

DISCUSSION ON THE REPORTED ANNOUNCEMENT ON THE SWEDISH STATE RADIO CONCERNING THE ACQUISITION OF GUNS BY THE INDIAN ARMY FROM BOFORS OF SWEDEN

(Interruptions)

[English]

MR. SPEAKER : Order, Order,

[Translation]

Let me do my job, you may please do yours. You continue to speak.

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT) : Sir, I just want to say.....

MR. SPEAKER : Do you want to say something ?

SHRI H. K. L. BHAGAT : I want to make a submission, Sir, that the time of this debate may be fixed at 2 hours. It may start right now.

MR. SPEAKER : I think, two-and-a-half hours I will give. Mr. C. Madhav Reddi will start. Please be within your time always. I have got other business also.

SHRI C. MADHAV REDDI (Adilabad) : What is the time fixed for this ?

MR. SPEAKER : Two-and-a-half hours.

SHRI C. MADHAV REDDI : But what is the time fixed for each speaker ?

MR. SPEAKER : I Will give you time. You will have 15 minutes because you are the opener. The, I will give according to the strength of the party.

SHRI C. MADHAV REDDI : Mr. Speaker, Sir, we do not have the benefit of.....

AN HON. MEMBER : Is this discussion under Rule 193 ?

MR. SPEAKER . Yes.

SHRI C. MADHAV REDDI : Sir, just now we heard the statement of the hon. Defence Minister on the Defence deal relating to the purchase of Bofors type field guns from Sweden. He has given a lot of details. These details have already been published in the papers. I do not want to go into all these details because we are not supposed to know all these things. Even if I have to say, I have to say this based on the newspaper reports. But I seriously take exception to certain new items which appeared in the papers regarding the deliberations of the Congress (I) Working Committee.....

(Interruptions)

MR. SPEAKER : If they are relevant.....

[Translation]

Please, sitdown. I shall see what is it.

[English]

SOME HON. MEMBERS : Why they are so much afraid ?

(Interruptions)

MR. SPEAKER : Don't be hasty in your decision. It is I who have to decide whether this irrelevant talk or it pertains to.....

(Interruptions)

MR. SPEAKER : Let me see it. How can you jump to conclusions ? I have to see.

SHRI VILAS MUTTEMWAR (Chimur) : It is based on facts.....

(Interruptions)

MR. SPEAKER : I will see to it. I am not discussing with you. Mr. Muttemwar, you please listen. Let me decide what it is. I will see what it is.

(Interruptions)

[Translations]

MR. SPEAKER : Please sit down.

[English]

SHRI C. MADHAV REDDI : I was referring to the newspaper reports .....

MR. SPEAKER : Mr. Madhav Reddi, I will like you to be relevant to the facts.

(Interruptions)

SHRI C. MADHAV REDDI : I was only referring to newspaper reports as to what actually happened in the Working Committee; whether it is relevant to discuss the deliberations of the Working Committee here.....

(Interruptions)

MR. SPEAKER : You don't talk. I am not asking you.....

(Interruptions)

SHRI H. K. L. BHAGAT : Sir, I make a submission.....\*\**(Interruptions)*

MR. SPEAKER : Mr. Minister will you please take your seat ? You also take your seat. I am not allowing him nor you .....Please sit down. *(Interruptions)\*\**

[Translation]

MR. SPEAKER : Are you taking your seat or not ? Please sit down.

[English]

The party Working Committee and all those things are not discussed on the floor of the House.

(Interruptions)

MR. SPEAKER : I have allowed neither yours nor theirs.....

(Interruption)

MR. SPEAKER : I did not allow that...

(Interruptions)

PROF. MADHU DANDAVATE (Rajapur) : Sir, I am on a Point of order. *(Interruptions)* Just now, the hon. Minister has referred to something.....

MR. SPEAKER : He has not been allowed, Sir, for your kind information. I have not allowed him No question. Without my permission, how can he say ? I have not given him permission at all. No. Nothing doing.

(Interruptions)\*\*

SHRI C. MADHAV REDDI : Just now, in his statement, the hon. Minister has referred to forces of destabilisation. *(Interruption.)* This is the subject-matter which I was referring to...*(Interruptions)*

MR. SPEAKER : I am not objecting to that.

PROF. MADHU DANDAVATE : You are very kind, Sir. Thank you.

• SHRI C. MADHAV REDDI : While talking about forces of destabilisation, he has been saying that forces outside the country and inside the country are destabilising the country.....

(Interruptions)

MR. SPEAKER : Order, order.

SHRI C. MADHAV REDDI : If there are any such forces which are out to destabilise this country, we have the right to know what are those forces.

MR. SPEAKER : What are you doing ?

[Translation]

It is not good on your part.

[English]

Do not interrupt.

SHRI C. MADHAV REDDI : Sir, it is a very serious matter.

(Interruptions)

[Translation]

MR. SPEAKER : Who told you that it is being done. Sit down.

[English]

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI RAJESH PILOT) : Sir, if he yields for a minute.....

MR. SPEAKER : No. Not allowed. I am not allowing.

SHRI C. MADHAV REDDI : As I was saying, it is a very serious matter.....

(Interruptions)

[Translations]

MR. SPEAKER : What is the use of doing so ?

[English]

SHRI C. MADHAV REDDI : When it is said that forces inside and outside country are out to destabilise the country and are threatening the integrity of the country, then the House is within its rights to know as to what are those forces and what are those forces which are also inside the country. In the same context, the Opposition Parties' role in this House and outside is being connected. In what way the Opposition Parties are concerned with forces of destabilisation, we want to know. We would also like to know, if there are any such forces, whether it is right to keep them concealed and then generally accuse everybody.

[Translation]

We have started to feel that the Government has got a habit to treat right and wrong in the same manner. You will say.....

THE PRIME MINISTER (SHRI RAJIV GANDHI) : If I may interrupt, this

is precisely our complaint on the charges that are being laid on the Government. If you make the charge precise and tell us what the charge is, we will answer it.

[Translation]

You say only this much that we treat right and wrong in the same manner, but you do not spell out the charges.

SHRI C. MADHAV REDDI : We have spelt out so many charges, but we did not get reply to any one of them. I do not want to repeat them here once again.

(Interruptions)

[English]

SHRI RAJIV GANDHI : No specific charge has been made yet. We are not aware of any specific charge that has been made either in the newspapers or have by the Opposition. No evidence has been shown. Nothing has been given to us which we can really answer to. All that has been said is that Government is corrupt. That is not a question which can be answered like that.

(Interruptions)

SHRI C. MADHAV REDDI : The contention of the Prime Minister is that our charges have not been very specific. Now, it is my contention that their charge is also not specific at all because he says, "I am telling you this; if the cap fits you alright, you may wear it". Is that the charge ? They are charging the entire Opposition with one accusation that they are not making any specific allegation.

(Interruptions)

MR. SPEAKER : Order, order.

SHRI C. MADHAV REDDI : The hon. Prime Minister has been calling meetings with Opposition leaders on very important matters.

So far several meetings had been held in the past. What prevented him from calling another meeting earlier this month to discuss the Fairfax or any other deal ? Why did he not do it ?

(Interruptions)

[*Translation*]

MR. SPEAKER : Now he will give his reply. Things do not move if you say again and again. It is not the way.

(*Interruptions*)

SHRI C. MADHAV REDDI : At one stage we said that the files pertaining to these matters can be given to Mr. Speaker and he can call the selected leaders of the Opposition and discuss with them. Why should he not do it? Even now you can do it. Even now I am giving this suggestion. Let the files pertaining to all the Defence deals about which there certain doubts and about which reports are coming in the newspapers be placed before the Speaker.

SHRI H. K. L. BHAGAT : May I tell the Hon. Member that I want to bring to his notice.....(*Interruptions*).....I am giving you the facts, the information. You might, Mr. Madhav Reddi, first ask your colleague.....

MR. SPEAKER : Have you got my permission? Are you on a point of order?

SHRI H. K. L. BHAGAT : I am giving some information Sir.

[*Translation*]

MR. SPEAKER : You will get chance I shall give you time.

(*Interruptions*)

MR. SPEAKER : Madhavji, if you want information, I.....

SHRI H. K. L. BHAGAT : Now I only wish to bring it to his notice, I would not have said it normally, but let him ask his own colleague in the Rajya Sabha whether I did informally sound him about the desirability of their meeting with the Prime Minister or not on 15th morning. They said, don't call us for the time being, and that is my advice, he said. I want to tell him this.

(*Interruptions*)

SHRI S. JAIPAL REDDY (Mahbubnagar) : I am on a point of order Sir.

MR. SPEAKER : What is your point of order?

SHRI S. JAIPAL REDDY : In the House you cannot refer to the informal consultations with members of the other House..... (*Interruptions*)

MR. SPEAKER : Look here, I don't uphold his point of order either. Because no private conversation with the Upper House or any Member from the Upper House will be quoted here...(*Interruptions*)

PROF. MADHU DANAVATE : Today is the day of expunction of his remarks Sir;

SHRI C. MADHAV REDDI : Sir, the Opposition is being accused. But so far, the Government has not pointed out where we have done anything wrong. In the matter of Fairfax, it is not our responsibility...

(*Interruptions*)

[*Translation*]

MR. SPEAKER : Just listen, what reply will you give?

[*English*]

SHRI C. MADHAV REDDI : In the matter of Defence deal, Mr. Vishwanath Pratap Singh set up a committee to inquire into it and all that appeared in the Press. Now in the matter of this Bofor deal it is the Swedish Radio which broadcast this news. When the whole thing comes out, certainly we are concerned and we would like to know what is the truth. What is wrong in asking the Government to place the facts before the House? Why are you shy of placing the facts before the House?

MR. SPEAKER : No problem Sir.

SHRI C. MADHAV REDDI : So, we charge the Government that they are hiding several things which this House is entitled to know.

SHRI HAROOBHAI MEHTA (Ahmedabad) : It is a matter of great pity that the Opposition parties in this House have no other source left with for attacking the Government, except.....(*Interruptions*)

Sir, I was saying that it is really a pitiful situation that the Opposition which claims to be so eminently equipped had to resort to a foreign broadcast emanating from a private source in an European country in order to mount an attack on our Government. But let it be clearly understood that this is not an attack on either the Prime Minister or Defence Minister or Government alone but it is a part of the world conspiracy to attack... (*Interruptions*)

[*Translation*]

MR. SPEAKER : I shall have to do something for you. You put your view point before the House, and he will express his views

(*Interruptions*)

[*English*]

SHRI HAROOBHAI MEHTA : It is not a matter of coincidence merely that out of six nations which appealed for acceptance of dis-armament proposal and for world peace alongwith our late Prime Minister Indira Gandhi two Prime Ministers have been killed—one Madam Indira Gandhi of our country and another Swedish Prime Minister, Olof Palme and this report is also emanating from that country where vested interests have been successful in killing the Prime Minister for the only fault that he was supporting the peace not only of India but also...(*Interruptions*)

MR. SPEAKER : Order. Order.

SHRI HAROOBHAI MEHTA : I am extremely sorry that Opposition is not able to rely even on a statement...(*Interruptions*) Those who are lawyers would agree that a time declaration would be very relevant but our Opposition is not ready to rely on the statement made by Swedish Prime Minister to our Prime Minister, namely,

that it had been effectively conveyed to all firms dealing in arms with India that no sort of commission or clandestine arrangement would be tolerated. Not only that no commission would be paid but our Government also asked—they to reduce the price and the price was effectively reduced and it was conveyed to them that any effort to make payment by way of commission or otherwise—whether clandestine or open—would disqualify those dealing in arms with our country. With that understanding made clearly not only to the private firm concerned through the Swedish Government and re-confirmed back by Swedish Prime Minister to our Prime Minister why should Opposition not rely on our Government and prefer to rely on a Swedish broadcast ?

Sir, look at it. I have carefully gone through the report and the Swedish broadcast is based on some report filed from New Delhi. A Hong Kong reporter of the broadcasting company files a report from New Delhi and that is broadcast and our friends say that it is a fine instrument in the grilling mill against the Government.

Sir, all of us are aware whether it is Fairfax or anything also that all these things are a part of a great conspiracy emanating from West because you are aware that our country is leading the third world movement. There are some imperialist forces overseas who think that India by leading third world countries in peace movement is harming their financial and imperialist interests. They want to dump their arms in foreign countries. They want to see that neo-colonialism succeeds in third world countries. They want to establish new markets in third world countries and any peace movement is bound to defeat the imperialist manoeuvre. India has the proud place of leading the third world countries and it is, therefore, that they do not want to see India stabilised and strengthened. After all India has chosen an independent course of economic development and that is exactly what worries them and, therefore, if anything comes in their hand they will try to destabilise India.

I know there are many forces even working in the Opposition who are not

[Shri Haroobhai Mehta]

quite sympathetic to the continuance of Congress party but nevertheless they also share one thing that India should economically and independently develop; that India should also wage war against neo-colonialism manoeuvres; that we should lead the struggle of third world countries; that we should stand by peace movement in the world and that we should also work for world without war. They know that there is no other party which can take the place of Congress party today. Today, in what political situation they are placed?

*(Interruptions)*

MR. SPEAKER : I can't stop...

*(Interruptions)*

SHRI HAROOBHAI MEHTA : The dark forces are working in the country. I know several communist friends have also warned the country against the dark forces active in our country in order to help the vested interests. Even outside forces are working against India. Inside also there are some forces who are working against India. They want to divide the population. We know what happens in Punjab. We know what happens in Gujarat. We know what happens in Meerut. Everything has links to conspiracy...*(Interruptions)*

MR. SPEAKER : Order, order. Punjab is not unparliamentary.

*(Interruptions)*

SHRI HAROOBHAI MEHTA : ...and create a situation in India so that people are divided. One the one hand, they encourage the religious and other struggles and on the other hand, try to ensure that the Prime Minister and his Government are denigrated.

*(Interruptions)*

MR. SPEAKER : Order, order.

*(Interruptions)*

SHRI HAROOBHAI MEHTA : After all, they know that the Prime Minister has been elected by the people.

SHRI SOMNATH CHATTERJEE (Bolpur) : Why not of West Bengal election.

SHRI HAROOBHAI MEHTA : West Bengal is not India; Calcutta is not India. Therefore, once they know that if this party is destabilised, Government is destabilised. The only way they can do is to character assassinate. Character assassination is the only game which the Opposition knows. I remind the Opposition that it is not merely a Congress Member saying. But the Chief Minister—my learned friend Mr. Somnath Chatterjee will kind listen—of West Bengal has said : There is no alternative to Prime Minister Rajiv Gandhi today. That is the situation.

*(Interruptions)*

[Translation]

MR. SPEAKER : What are you doing ?

*(Interruptions)*

[English]

SHRI HAROOBHAI MEHTA : I am sure that he must not have been paid a commission.

MR. SPEAKER : Order, order. Why do you waste the time of the House.

*(Interruptions)*

SHRI HAROOBHAI MEHTA : Knowing fully well, will the Communist friends assure me that in the absence of the Congress Party or this Government getting destabilised, are they able to take over India? *(Interruptions)*

Today the situation is such that communal forces are greatly involved in India. They know that the only alternative to Congress will not be either Leftists or any other party but only chaos. mere chaos Therefore, character assassination is the instrumentality...*(Interruptions)*

Our Minister concerned has already given the facts. The Government has not encouraged commission. It has not paid commission to anybody. It had made it a condition to the suppliers that no commission shall be paid...*(Interruptions)* Minister has also assured...*(Interruptions)*. I therefore submit that the deeper game has to be realised. My friends on the Opposition will be serving the interests of the country if they just realise the deeper game. It is to destabilise the Government in this country. It is to ferment trouble in the country and then prepare to just have an economic or psychological take-over of the country, as they did or what they are trying to do, either it is Nicaragua or Guatemala or Korea or Sri Lanka or Bangladesh. We have seen, on the one hand, Pakistan is being supplied very sophisticated arms in order to embarrass India. On the other hand, economic troubles are being fermented. Also, communal and linguistic divisions are sought to be created.

We have also to give attention to the operation Brahmaputra—that was exposed in our country—in order to destabilise the country. The game is still further on. If we do not realise the game and we just go on by the distorted facts only. I think, we will be diserving the history. The history will not pardon us. Our freedom struggle will be in peril if we are not realising this game of those who want to destroy the unity and integrity of our country.

SHRI SOMNATH CHATTERJEE (Bolpur) : Mr. Speaker Sir, my friend from the ruling party has, for obvious reasons, avoided the real issue in this debate, when he spoke on everything else except the question of this charge which has been made by a foreign source. Sir, the whole issue has come to the open because of certain broadcast made by the Swedish State Radio and

AN HON. MEMBER : It is not state-owned. It is a private agency.

MR. SPEAKER : You can make it clear later.

*(Interruptions)*

SHRI SOMNATH CHATTERJEE : Sir, the allegation was, as it appeared in the press, that a bribe to the extent of 32 million kronors has been paid by the Bofors and that it was a bribe and not a commission...

*(Interruptions)*

SHRI VILAS MUTTEMWAR : Is that from the *Indian Express* ?

SHRI S. JAIPAL REDDY : No. It is from your own *Hindustan times*.

SHRI SOMNATH CHATTERJEE : Sir let me quote it :

“It was alleged in a Swedish Radio broadcast that bribes had been paid by the Bofors to some senior ruling party members and top officials of the Government of India to clinch the deal.”

Sir the hon. Minister for Defence has not referred to any inquiry with regard to this allegation. And we cannot but notice the difference between the reaction of the Government on this occasion and their reaction on the earlier occasion when the question of submarine deal came up. Then, even we had to plead for a statement from the Government. At that time, the target of the attack was not the opposition but Shri V. P. Singh. Today we find that because the tenure of the Prime Minister as the Defence Minister was the period involved in this deal, immediately there is this lengthy resolution coming from the Working Committee followed by today's *suo motu* statement. The whole object is now to divert the attention of the people of this country from the issues involved...  
*(Interruptions)*

The common method or the *modus operandi* adopted, as we had seen prior to Emergency also, is to divert peoples attention by making all sorts of loud noises regarding destabilisation, etc.  
*(Interruptions)*

It is a matter of very serious concern that one after the other, charges of corruption and bribery are being made

[Shri Somnath Chatterjee]

against the Government. These charges are not made by us. They are emanating from foreign sources, coming from countries with which this Government is having arms deals for purchase of arms. These charges are not made by the opposition.

(Interruptions)

[Translation]

MR. SPEAKER : You will get time to give reply. Your Members will speak after this. He will give reply.

[English]

This is not a wordy duel here. Mr. Basheer, your man will be speaking next. Let him have his say and you may rebut the charges.

SHRI SOMNATH CHATTERJEE : These are charges emanating from different sources, even outside sources. First, there was the allegation about the Fairfax affair. What was it about? It was to ascertain some information about foreign holdings of some Indians of N. R. origin in Swiss Banks. Now this was such a serious matter and we had welcomed the decision of the Government of India, of the then Defence Minister Shri V. P. Singh that an inquiry should be held and the people concerned should be brought to book. But later on it appeared that some agency has been selected, then what was the reaction of the Government? We have found, to take the matter out of the Parliament...

MR. SPEAKER : That we have already discussed.

SHRI SOMNATH CHATTERJEE : Sir, I am just giving necessary background.

It is a part of the something which is going on.

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI JAGDISH TYTLER) : You wasted two days on that. Shri Somnath Chatterjee :

Sir, to avoid an Inquiry by the Parliament, it has appointed a Commission. It was soon followed by the disclosure which came, about the German Submarine deal. There it appears that the then Minister of Defence thought it to be very serious matter allegedly going against the Government's policy of not giving commission and therefore he himself directed an Inquiry by the Departmental Committee, although, we wanted a Parliamentary probe.

Now, Sir, when much more serious charges have been made of greater amounts being involved or ruling party leaders are being involved—we do not know their names—the officials are being involved, then what is the reaction of this Government? No promise of any Inquiry. Parliament is not taken into confidence. What is the good of saying that the Government has been dealing with it directly? One thing which struck me Sir—it is a very serious difficulty—I believe the resolution shows that they are also very much concerned, let their members behave accordingly. When I was listening to Mr. Pant's statement carefully, it seemed the Government was very conscious and very keen to tell the other parties—the suppliers—and even the Government's of those countries, "No commission agent, no middlemen". Why this question at all came up during the discussion between our Prime Minister and the Swedish Prime Minister, I would like to know; What was the occasion? If that was a settled policy of the Government of India, why suddenly our Prime Minister volunteered, don't pay any commission? Don't pay any bribe to anybody. There should not be any middlemen." This is very strange.

SHRI RAJIV GANDHI : Because you have asked a specific question. I think it is better to clarify it immediately.

The point came up because the issue was raised by the Swedish Prime Minister, who said that they were interested that India buy their guns. I said that (1) The guns must be technically acceptable and superior to all the other weapons. (2) I said that the cost must be less than that quoted by the competitors and (3) I said

that if you want any involvement at my level, you must guarantee to me. That means I must get a firm answer from the Prime Minister of Sweden that no middle men are involved. We have been taking this up.

(Interruptions)

Let me finish. It has been taken up at the official level whenever dealings have been taking place. It has been taken up by junior Ministers wherever they have been involved that this should not take place.

But when I was sought to be involved in a particular process and it is not only Prime Minister Olof Palme who has said this, Mrs Thatcher, President Mitterrand, all sorts of Heads of State do raise the question of deals that their Government are doing with our Government and I make it clear on every occasion that this is one of the conditions that there must be—that there can be no middlemen or agents involved in such dealings. And I got confirmation back from Prime Minister Palme that there would be no middlemen or agents involved. It is on that basis that this exercise was done.

We have to take somebody's word as truth and when a Prime Minister of a country assures us after having gone into in great depth with the company that was involved that there are no middle agents and there will be no middle agents involved, then we have to accept somebody's word. And like Pantji has said now, you show us any evidence, we do not want proof. We will bring the proof. You show us any evidence that there has been involvement of middlemen, of pay-offs or of bribes or of commissions, we will take action and we will see that nobody however high-up is allowed to go free.

(Interruptions)

MR. SPEAKER : Order. Order.

SHRI BASUDEB ACHARIA (Bankura) : That is why we have said there should be a Parliamentary Inquiry.

SHRI SOMONATH CHATTERJEE : Fortunately every intervention by the

Prime Minister helps us. Here also it has helped us. Therefore, I would like to know from this Government; 'Did the Prime Minister have suspicion, or any basis or even a thinking that there was going to be a middleman or payment of commission...

MR. SPEAKER : Order, order. Order please.

(Interruptions)

SHRI SOMNATH CHATTRJEE : I believe, I know it is a very August office that he is holding, Sir. Naturally, in the deliberations between the Prime Ministers, I do not know what transpires. But if there was nothing, no suspicion, if the policy was : 'No middlemen, no commission', how is it that suddenly a point, an issue is being discussed at the highest level between two Governments, i.e. that this question would come up? This requires an explanation.

The Prime Minister just now said : 'Give us some evidence, but no proof. Proof we shall give.' Sir, I do not know, in my humble capacity, the difference between evidence and proof. We do not know what is proof and what is evidence.

(Interruptions)

AN HON. MEMBER : Give us proof ; we will give you evidence.

SHRI RAJIV GANDHI : If you give us the proof, it is even better. But I gave you a little more leeway. You just give us some evidence, and we will work on it. Give us some direction to go on. To the best of our knowledge, there is no agent involved. We have been assured by the company, we have been assured by the Swedish Government that there is no agent who has been involved. We have got a telex from the Swedish Government saying that they had checked up ; and on the basis of that, they have said so. Now, if you say there is something, even if the newspapers say that there is something, if the Swedish Radio says there is something, for Heaven's sake tell us the direction is, in which we should look. We cannot paint everyone with a brush, without even knowing what colour we are painting.

(Interruptions)

SHRI SOMNATH CHATTERJEE : I believe that by evidence, the Prime Minister means charges. (Interruptions) I have noted down his intervention. He said : 'Make the charge.' How do we make the charge ? (Interruptions) Sir, this is not the way. (Interruptions)

MR. SPEAKER : Order, order. Now the Defence Minister. (Interruptions)

[Translation]

MR. SPEAKER : What are you doing ?

(Interruptions)

[English]

THE MINISTER OF DEFENCE (SHRI K. C. PANT) : May I ask a question of Mr. Chatterjee : Would he like us to provide the charges also to him ? (Interruptions)

SHRI SOMNATH CHATTERJEE : I know this Government has lost all sense of thinking also. They have no capacity even to think coherently. (Interruptions) Why have they come to make the statement today, on the basis of a newspaper report ? (Interruptions) I do not know. Why did the Government do it ? (Interruptions)

THE MINISTER OF COMMUNICATIONS (SHRI ARJUN SINGH) : I would like to draw the attention of the hon. Speaker to what has been said here by the hon. Member from the Opposition : He takes objection to the Government making a statement *suo motu*. He says he has no charge. Then what is the debate about ? I think we should not waste the time of the Parliament.

SHRI SOMNATH CHATTERJEE : Even the senior Ministers' capacity to understand has been lost.

[Translation]

MR. SPEAKER : Order, Order. You may please sit down. When Bhanu ji gets irritated too much, everything gets upset. As it is, there is a lot of heat outside also. Chatterjee Sahib, please speak and conclude.

SHRI SOMNATH CHATTERJEE : Conclude, how ? I have spoken for 3 minutes only.

[English]

MR. SPEAKER : Order.....sit down.

SHRI SOMNATH CHATTERJEE : Sir, we are being told every day, to behave. Why don't they behave ?

MR. SPEAKER : That is what I am trying to tell them.

SHRI SOMNATH CHATTERJEE : We cannot complete even one sentence. Is this matter serious or not ? If it was not considered serious, why has Government come ? (Interruptions) Government has reacted on the basis of what appeared in newspapers. (Interruptions)

MR. SPEAKER : It is all right. Yes, Mr. Chatterjee.

SHRI SOMNATH CHATTERJEE : They are trying to say what they have done. They say there is action only between the Governments. There was no middleman, there was no agent.

MR. SPEAKER : This has been repeated now. Put up some new point.

SHRI SOMNATH CHATTERJEE : Sir, allow me to formulate my point.

(Interruptions)

MR. SPEAKER : Order please.

(Interruptions)

SHRI SOMNATH CHATTERJEE : We cannot complete one sentence in this House on any vital matter. (Interruptions)

[Hindi]

[Translation]

MR. SPEAKER : You please do not interrupt.

[English]

SHRI SOMNATH CHATTERJEE : We cannot complete even one sentence. (*Interruptions*) Is this vital matter or not ?

[Translation]

MR. SPEAKER ; You may please Continue. Why do you talk about them ?

[English]

SHRI SOMNATH CHATTERJEE : If you think that the opposition has no anything, then we shall go out. (*Interruptions*)

THE MINISTER OF HOME AFFAIRS (S. BUTA SINGH) : In that case, we have to provide the opposition also ; (*Interruptions*)

SHRI SOMNATH CHATTERJEE : The question of bribery does not depend on having an official commission agent or any other agent. (*Interruptions*) Bribe is not paid through an official channel. (*Interruptions*) We want a proper enquiry into it ; we want a proper investigation into it. After all some agency has taken the responsibility. The Prime Minister says, give us charges. Those who have made allegations, you ask charges from them, details of the charges from them. They have been threatened—it has appeared in the newspapers—not to disclose the names. We would like to know today from this government what is the position with which we are faced ? (*Interruptions*) What are the foreign countries and the people thinking of us ? Charge after charge of corruption and charge after charge of bribery is there. This government without trying to place the cards before the House—we are disclosing facts—without involving the Parliament, are trying to put everything under the carpet. (*Interruptions*)

MR. SPEAKER : You please sit down Kumari Mamata Banerjee. Otherwise, I will name you. Please behave properly.

SHRI SOMNATH CHATTERJEE : Now the allegation is as if forces within the country have procured the Swedish radio to make this charge : this is the charge. Therefore, they say there is a

charge of denigration and destabilisation of our system. There is a sinister campaign in Mr. Pant's words. If a false allegation of bribery has been made according to them, how is destabilisation of this country—involved ? Why can't you deny that and prove to the people of this country that this is a false charge, a baseless charge ? (*Interruptions*)

MR. SPEAKER : Order please. Take your seats.

SHRI RAJIV GANDHI : With your permission, I thought we had categorically denied that. If there is some misunderstanding, let me categorically deny that now. (*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY : There should be an enquiry.

SHRI RAJIV GANDHI : What we have said very clearly, let me just reiterate what we have said. (*Interruptions*)

It is not a mere statement. What I am saying is we were very categorical. Before we went into this exercise, we made it clear that no payments were to be made other than what were in the normal contract of the company, which is through open and declared channels.

(*Interruptions*)

Absolutely nothing should be paid to any agent or a middle man openly or clandestinely both, and that is what we stated.

(*Interruptions*)

PROF. MDHU DANAVATE : For clandestine payment, you don't need in permission at all.

SHRI RAJIV GANDHI : We said we want to make sure that it is not being made. We were given such an assurance by the Swedish Government ; and it was only on that basis that we moved. Today, let me categorically say is that if any evidence is made available to us that any payment has been, we will take action of the severest kind to bring that man to book.

(*Interruptions*)

DR. V. VENKATESH (Kolar) : If it is so, let us order a probe. (*Interruptions*)

MR. SPEAKER : I will name you, Mr. Janga Reddy, because you are unnecessarily disturbing the House all the time.

(*Interruptions*)

12.00 hrs.

SHRI SOMNATH CHATTERJEE : The credibility of this Government amongst the people is such that...(*Interruptions*)

MR. SPEAKER : I will give you now one minute more.

SHRI SOMNATH CHATTERJEE : It is almost a zero. Therefore, unless Mr. Gandhi places the facts before this House, which includes the Opposition, and unless the Opposition is satisfied, I am sorry, we cannot accept this statement. There may not be any payment, clandestine payment, through the official agency. But the charge is of a clandestine payment, payment of bribery. Now charges have come out in a newspaper about the utility of this gun also. I am not going into that because you are showing impatience. But the point is how can the charge of bribery which appears in the records of the Government of India...(*Interruptions*)

The Prime Minister has said "I have made it clear". How is he so certain? In spite of his anxiety that there should be no payment or commission agency or anything like that how is he certain that, nobody has been paid any money deposited in the Swiss Bank? (*Interruptions*)

AN HON. MEMBER : It will not come to this country.

MR. SPEAKER : Mr. Bhatia. That is all right now.

SHRI SOMNATH CHATTERJEE : Have I really taken ten minutes, without these interruptions? (*Interruptions*)

They are now trying to divide the Opposition Parties. (*Interruptions*)

MR. SPEAKER : Guard your house then. It is okay now.

(*Interruptions*)

MR. SPEAKER : His speech will not go on record now. Mr. Bhatia, ten minutes, Mr. Bhatia. Order, order.

(*Interruptions*)

[*Translation*]

MR. SPEAKER : You people have created a scene here.

(*Interruptions*)

MR. SPEAKER : Madhavji, you can make them understand. Please make them understand.

(*Interruptions*)

MR. SPEAKER : Please keep quiet.

(*Interruptions*)

MR. SPEAKER : No, if you do not allow the House to function, I shall adjourn the House. Let us go. What is this farce?

(*Interruptions*)

[*English*]

SHRI R. L. BHATIA (Amritsar) : Mr. Speaker, Sir, my learned friend Mr. Somnath Chatterjee had virtually no point to make, especially so when our Defence Minister made a statement and all the doubts and all the points which were relevant to the debate have been made clear to him.

Sir, he has just now said that we are trying to divide the Opposition. But I think if you remember his opening remarks, in the first debate the target was Mr. V. P. Singh. And now with this statement we are trying to divert the attention of the nation, is this point—the target of Shi

V. P. Singh—is it an attempt to divide our party or not? I think it is clear who are trying to divide.

*(Interruptions)*

SHRI SOMANTH CHATTERJEE :  
Why did you disturb me ?

SHRI R. L. BHATIA : You said it,  
now let me say. You are trying to disturb  
me.

*[Translation]*

MR SPEAKER : Somnathji, you may  
please keep quiet. Now you may please  
keep quiet for a while.

*(Interruptions)*

MR. SPEAKER : What does it mean ?

*[English]*

SHRI SOMNATH CHATTERJEE :  
Kindly go through debate of last week,  
Sir. Everytime the Opposition speaks they  
are disturbing

*[Translation]*

MR. SPEAKER : You have spoken.  
Now please let him also speak.

*(Interruptions)*

MR. SPEAKER : You do not speak.  
You do not speak, please. Let him speak.

*(Interruptions)*

*[English]*

THE MINISTER OF PARLIA-  
MENTARY AFFAIRS AND MINISTER  
OF FOOD AND CIVIL SUPPLIES (SHRI  
H. K. L. BHAGAT) : I am appealing to  
all the Members, more so to the Congress  
Members not to interrupt, please. None  
of you will do it. *(Interruptions)*

SHRI SAIFUDDIN CHOWDHARY :  
What is there to divide ?

*[Translation]*

MR. SPEAKER : You may please sit  
down.

*(Interruptions)*

MR. SPEAKER : If they say, you may  
also be strong, let him also be strong. Both  
of you be strong.

*(Interruptions)*

*[Translation]*

MR. SPEAKER : You may also be  
strong. Let him also be strong. Have  
control over your household.

*[English]*

You carry on, Mr. Bhatia.

PROF. MADHU DANDAVATE : They  
cannot be divided, Sir.

SHRI R. L. BHATIA : Even if you try,  
you cannot divide us.

*(Interruptions)*

MR. SPEAKER : Mr. Choubey, I will  
have to take action against you now. It is  
incorrigible now.

*(Interruptions)*

SHRI S. JAIPAL REDDY : We are not  
interfering.

*[Translation]*

MR. SPEAKER : I will issue a certi-  
ficate to later on.

*(Interruptions)*

*[English]*

SHRI R. L. BHATIA : There have  
been so many issue which have come before  
Parliament. The first was Fairfax, and then  
the payment off Rs. 30 crores in some  
Defence deal, and now this question of  
Bofors guns. There seems to be some kind  
of a conspiracy, coming one after the other.

[Shri R. L. Bhaia]

And if you wait, so many things will also come later. There is some kind of a sinister design to malign this Government by bringing such issues.

Taking into consideration what our friends have suggested today with regard to Bofor, in this case the issue is that some radio broadcast some news. Now, what is the basis of the news, nobody has gone into that. I appeal to this House that we must go into the matter. Simply because something appears in the press and that too in a third country with regard to our Government, with regard to our country, should we take it as a gospel truth? It can be a sinister design also. It can be wrong news also. But we just read it and begin to... (Interruptions) Let me speak now. I think you will also be given time to speak. We should not base our information on such a flimsy thing... (Interruptions) Let it come in the proper shape. It only appeared day before yesterday. And you have demanded the debate. So the Government is prepared and Government has made a statement. If you would have asked the Government to make an enquiry into the matter and then come before the House, perhaps Government would have come with better arguments and better information.

The other thing which Mr. Somnath Chatterjee was saying that whenever an issue comes before Parliament, they do not want to give time to Government. They even say suspend the Question Hour. And you must listen to them. If you do not listen to them, they bring a motion against you. But today when the Government has come with a statement *sou motu* before the Question Hour, they are surprised at it. They have an argument. They have no basis to say anything and they are just trying to say this kind of thing or that kind of thing.

My submission is that imperialism and colonialism go on changing their tactics from time to time... (Interruptions) I am saying what your leaders have been saying. I am not saying something new. So the present thing which is coming again and again and from other countries about our

Government, about our defence system, I think it is a new tactic of imperialism and colonialism by giving disinformation on the basis of which we are having a debate here, and we are quarrelling among ourselves. My appeal to the House is that let them go into the matter deeply because it concerns not only our country but also our defence system—the latest attack is on our defence system. There are so many things which we cannot disclose because we are dealing with sophisticated arms and some countries have a secret arrangement with us that what they supply to us should not be known to the public. If they supply to us, probably Pakistan can object as we do when Pakistan is given sophisticated weapons. There are so many things involved in it. This being the defence issue, I would request my friends in the opposition that without any basis, without any complete information, do not jump at the conclusion and start trying to denigrate this Government or malign our own Government. I am surprised that they do not trust whatever our Prime Minister has said. He said that we did not have any agents and this matter was made clear to the Government that no agent should be involved, no commission should be paid. And then the Prime Minister of a country also says that there will be no agent and that there will be no commission. Now their Government has confirmed to our Government that there was no agent. But they do not believe our Prime Minister, they do not believe the Prime Minister of that country and they believe only in what the radio has said.

This is their basis. Can a Government work like this? If they would have been in this position, what would they have done? Therefore, my request to them all is don't believe in these hearsays. This is a kind of disfunction which certain powers want to convey to them. Don't be the target of their disfunction and start crying here. Go through the facts of the case what our Prime Minister has said that there was no agent and we do not consider any agent, and that Government also says there was no agent and no commission was paid. I think they should trust it.

MR. SPEAKER : Prof. Dandavate. Ten minutes for you.

PROF. MADHU DANDAVATE (Rajapur) : Let me have a little more time, Sir. We will share it amongst ourselves

MR. SPEAKER : No, ten minutes.

PROF. MADHU DANDAVATE : Sir, why do you say no right from the beginning ?

(Interruptions)

Firstly, Sir, I am very happy that as required under rule 388, you gave the consent to us to move the Resolution for suspension and I am glad that the Parliamentary Affairs Minister readily agreed so that we could promptly start the discussion.

I have carefully listened to the statement by the Defence Minister and more carefully I listened to the intervention by the Prime Minister. The Prime Minister said that neither the press has made any specific allegation nor the Opposition has made any specific allegation and if some evidence is brought forward and if it drew a fine distinction between the evidence and proof, in that case he will be prepared to go into the matter and have some sort of a probe. Recently many transactions have taken place and this House has recently discussed the German deal regarding submarines, and today we are having this another deal—Swedish deal about Bofors. It is regarding the field guns. He very categorically said that he had taken a firm decision that no middleman will be permitted in all these transactions. I would like to draw the attention of this House and particularly the attention of the Prime Minister that when one of my colleagues in the discussion the other day mentioned one particular agent and said is this the agent who is involved in that west German deal, it is on record—I have checked the record—the Minister of Defence said “I neither accept nor deny”... (Interruptions) please It is beyond your reach. Sir, he said, “I neither accept nor deny” and my comment was that “you have really followed the non-aligned policy” So, it is not that. When we try to bring forward a specific information, they positively react. This is the instance that I would like to give. This particular affair was announced first on the Swedish State Radio.

PROF. P. J. KURIEN (Idukki) : It is not State radio.

PROF. MANHU DANDAVATE : Yes, it is State radio. Check it.

SHRI RAJIV GANDHI : Sir, I am sorry I was not here on that day when this discussion took place. But if you give me the details which you mentioned now, I will see that follow up action is taken and if any impropriety is found, we will see that proper action is taken.

PROF. MADHU DANDAVATE : Very nice. Sir, I am glad that the mistake of his colleague has been rectified by the Prime Minister. First the news item appeared through Reuter as an announcement on the Swedish State Radio Swedish State Radio made a specific allegation that in this particular deal of the field guns, Indian politicians were bribed. The quantum was mentioned and they said that they insist that this particular information was correct. After that, some contradictions came. The contradiction came from the Swedish company, contradiction also came from the Indian Government The Swedish State Radio had first made the allegation that bribery and corruption had taken place. Allegation was specifically against the Indian politicians. After the contradictions appeared from the Bofors as well as the Government of India, the same night the Swedish State Radio made one more announcement and in the second announcement, after the contradictions by Bofors and by the Government of India, they reiterated the allegation and they said :

First, we stand by the allegations that we have made in our earlier announcement. Second, we have the correspondence and the documents at our disposal and at the appropriate time we will be prepared to release that. They say that the correspondence between those who have actually acted as middlemen and the Swiss Bank is also there. We also got the bank code numbers of those in whose account money has been kept. They further went on giving the details. They said that the entire amount of bribe was not paid one instalment, but they were paid in four instalments. They say “we know the code

[Prof. Madhu Dandavate]

number and the bank account" and they further said that the code name is 'Lotus'. That is what said.

(Interruptions)

MR. SPEAKER : Please order.

(Interruptions)

MR. SPEAKER : Please order.

[Translation]

what is going on. You please sit down.

[English]

PROF. MADHU DANDAVATE : Sir, with your permission, I may state that 'lotus' stands for.....(Interruptions)

Sir, when I am speaking, why don't you restrain them from interrupting me.

(Interruptions)

SHRI C. K. JAFFAR SHARIEF (Bangalore North) : Sir, I have a point of order.

MR. SPEAKER : Please sit down. No point of order is allowed.

(Interruptions)\*

MR. SPEAKER : Not allowed. Mr. Jaffar Sharief, will you take your seat now ?

(Interruptions)\*

MR. SPEAKER : Nothing will go on record without my permission.

(Interruptions)\*

MR. SPEAKER : We will discuss it in a proper manner and not like this.

(Interruptions)

PROF. MADHU DANDAVATE : Sir, is too late for me to learn patriotism and nationalism from him. (Interruptions). Sir, these are the details because the Prime Minister had said neither the press nor the Oppositor has made specific allegations. Now, here is the radio agency which has given the amount, which has given the instalment, which has said they have correspondence, which has said that they have documents, which has said that they have got code name Now all these details have been available and they are extremely useful and therefore we can proceed.

[Translation]

MR. SPEAKER : It is all right.

[English]

SHRI RAJIV GANDHI : Sir, we have approached the radio company. They have told us that they got the information from some correspondent in India. We traced that correspondent in India and he has refused to give us any documentation. He said he is not giving it to us.

(Interruptions)

[Translation]

MR. SPEAKER : Sit down, please sit down. You may please keep quiet. (Interruptions). Those who have become very old, they are also creating disturbances.

[English]

PROF. MADHU DANDAVATE : I have no complaints against you, Sir. Sir, another thing is this. Now, we have this particular deal with Bofors regarding the field guns. Just now I am not going into the details as to what are the quality of the field guns, the range which was mentioned is really the actual range of those guns, etc. Now these are the details which the Defence Minister will take care of.

You have already said that he will take care of. But what I am concerned now is also the bona fides of the firm Bofors. Sir, it has appeared in a number of international papers. Actually, as far as Swedish Government is concerned, they have black-listed certain countries to which arms should not be sent by any company at all and it would clearly appear that this company with which we had the transactions—the deal for field guns—had clandestinely smuggled arms, field guns into Middle East and Iran (*Interruptions*)

MR. SPEAKER : You rebut them when you speak.

[*Translation*]

You may relent later.

(*Interruptions*)

MR. SPEAKER : They will give it.

(*Interruptions*)

PROF. MADHU DANDAVATE : Sir, the Ministers are heckling in spite of...

(*Interruption*)

MR. SPEAKER : I do not like.

(*Interruptions*)

PROF. MADHU DANDAVATE : Sir, my contention is, I am deliberately driving at this point. My point is.....

(*Interruptions*)

MR. SPEAKER : Professor, may I ring the bell now ?

PROF. MADHU DANDAVATE : Sir, what are the *bona fides* of a company with which they have entered into the transaction ? That I want to highlight and therefore, I say, why was it not inquired into that the company which is smuggling arms to those countries which are blacklisted by the Swedish Government itself, if that company is selling arms to them, why are

they trying to deal with such a company when their bona fides are not accepted *Prima facie* ? ( ). Sir, I do not want to refer to what any party said. But I am concerned with what the Minister of Defence has said. In his Statement he has talked of destabilisation, in his authentic statement he has talked about the process of destabilisation. Here I want to tell through you the hon. House that any exposure of corruption in a democratic country does not lead to the process of destabilisation. Sir, in a democratic country like Japan the Prime Minister was involved in Lockheed scandal, the matter was inquired into but no country said and India also need not say that that will lead to destabilisation. Sir, in a country like the United States of America, because of the vigilant press, the entire...

(*Interruptions*)

SHRI RAJIV GANDHI : Here there is a difference The Prime Minister here is not involved in any scandal.

PROF. MADHU DANDAVATE : Sir, he seems to be under the impression whenever we raised.....

(*Interruptions*)

[*Translation*]

SHRI GIRDHARI LAL VYAS (Bhilwara) : You may please sit down,

MR. SPEAKER : You may please keep quiet.

(*Interruptions*)

[*English*]

PROF. MADHU DANDAVATE : Sir, kindly restrain the leader of the Youth Congress ;

What I was saying, Sir, is that never the Prime Minister or the President is involved. On every occasion we try to bring any scandal here in the House, we are told that actually this will lead to destabilisation and therefore, I say that destabilization is not the consequence of any eradication of corruption.

MR. SPEAKER ; Right, Sir.

PROF. MADHU DANDAVATE : No real democratic country feels that, and we need not feel that. (*Interruptions*). Sir, give me a few minutes more, because of the interruption. (*Interruptions*).

Sir, in India itself, inside our country, a number of scandals were exposed irrespective of the political party.

MR. SPEAKER : It should be.

PROF. MADHU DANDAVATE : Sir, in this country, the father of our Prime Minister, Mr Feroze Gandhi, was the foremost in exposing the Mundhra scandal in this country. Sir, the Sirajjudin Affair was discussed in the House. The Defence Minister's jeep scandal was brought before the House. But nobody said in times of Pandit Jawaharlal Nehru, the first Prime Minister, that eradication of corruption and campaign against corruption would ever lead to the destabilization of the country. (*Interruptions*)

Sir, in the a Fifth Lok Sabha, in close succession, three important corruption episodes come in this very House. The import licence scandal was there. It was followed by the Nagarwala's State Bank scandal in which Rs. 60 lakhs were taken only when somebody spoke on the telephone, 'I am Mataji speaking, I want Rs. 60 lakhs', and Rs 60 lakhs were given. All this happened. What is wrong ? Their Finance Minister could not justify that...

(*Interruptions*)

THE MINISTER OF STATE IN THE DEPARTMENT OF PUBLIC ENTERPRISES IN THE MINISTRY OF INDUSTRY (PROF. K. K. TEWARY) : ... He is trying to build up a case which has no basis.

(*Interruptions*)\*\*

MR. SPEAKER : I am not allowing it.

(*Interruptions*)\*\*

PROF. MADHU DANDAVATE : Is this freedom available only to that side ? The Minister of State is making allegations. It is permissible ? Of course, I do not take him seriously. That is a different thing. But is it permissible ? (*Interruptions*)

SHRI S. JAIPAL REDDY : He should be named. Mr. Tewary should be named.

(*Interruptions*)

MR. SPEAKER : I can allow you when your turn comes. At that time I will allow you.

(*Interruptions*)

MR. SPEAKER : Look here. Order, order. Why don't you get time from me and speak. You get time and speak. There is no problem. But take your own time. Don't interrupt.

PROF. MADHU DANDAVATE : I am very sorry that a member of the Council of Ministers behaves like that.

MR. SPEAKER : Please conclude.

PROF. MADHU DANDAVATE : Only one minute. You are allowing them to interrupt.

MR. SPEAKER : I have not allowed anybody to interrupt. They are just doing on like this unnecessarily.

SHRI S. JAIPAL REDDY : You name them.

MR. SPEAKER : If they persist, I will name.

PROF. MADHU DANDAVATE : I would like to point out to you that very often through the Press, certain news items have been picked up and on the basis of that, enquiry has taken place. Fairfax affair was not initially taken up from the

floor. In the case of one particular case, the matter came up. Then contradiction was given by the chairman of the agency. Then the matter came up. Initially, they said, there was no appointment. Afterwards, actually the commission of inquiry was appointed. (*Interruptions*)

Let me conclude, I am surprised about this news. The Prime Minister is present in the House. I would like to say and I am sure that there is no difference between himself and myself about this point. Certain international organisations are using the name of the highest office of our Government, i.e. the Prime Minister of the country. One prestigious magazine has published an advertisement under the title using PM asseles—gimmick. The advertisement copy says, 'Did you meet the Prime Minister'? They are almost advertising, using the name of the Prime Minister and They say, In Delhi, we are having a meeting, seminar of 80 important persons and Prime Minister was available, and almost telling them, if you are not able to have any appointment with the Prime Minister, this International Business Organisation.....(*Interruptions*) It has been reproduced in the 18th *Sunday* magazine.

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : Point of order. I am entitled to raise a point of order.

PROF. MADHU DANDAVATE : I am defending your prestige.

SHRI SHIVRAJ V. PATIL : Every day reference are being made to the newspapers, and they are read in the House. Is it, as Per the rules, allowed? If any document is produced in the House, it has to be authenticated by the... (*Interruptions*) I will make a statement within one minute and then I will sit down. Why I am raising this is, every time reliance is being placed on what appears in the newspaper. One does not know who is publishing it, one does not know what is the motive of it. Should this august House be asked to rely upon such document?

[*Translation*]

MR. SPEAKER : Reliance depends on your intelligence and judgement. Because it is not necessary that if somebody writes something, it must be correct. We would have to find out if it is correct or not.

[*English*]

PROF. MADHU DANDAVATE : I am saying it in his favour.

[*Translation*]

But it is upto you.

MR. SPEAKER : I am saying that it is right to quote from newspapers. But it depends upon your judgement whether to except as correct whatever has been given in them. Everything that is published in the newspapers is not always correct. I have not time otherwise I would have narrated to you a peculiar thing of yesterday and you would have been surprised as to what sort of things are taking place in this country.

SHRI VILAS MUTTEMWAR : It has become a habit with some newspapers to publish wrong news.

MR. SPEAKER : That is what I have said to you should not believe such reports unless these are confirmed.

(*Interruptions*)

MR. SPEAKER : What has happened now? Do you also have a point of order?

[*English*]

SHRI H. K. L. BHAGAT : I want a clarification on your observation. One can quote from a paper. But no quotation can be used for casting any reflection on any man in authority, By saying such and such paper has written such and such thing, it indirectly casts a reflection. If he does not do it, let him say "I have not done it."

MR. SPEAKER : No reflections can be cast.

PROF. MADHU DANDAVATE : I say international business organisation...

*(Interruptions)*

SHRI H. K. L. BHAGAT : You make the reflection and say that you are not casting any reflection.

PROF. MADHU DANDAVATE : It is not a reflection on the Prime Minister. They are misusing his name for their business purposes. I am condemning them. I am not at all condemning the Prime Minister.

SHRI RAJIV GANDHI : I absolutely agree with Dandavateji. I meet very many groups of people. I agree to address Seminars and other functions which is based on an assessment done in the Prime Minister's Office and, if anybody misuse that, in the manner that this has been misused, we will definitely black-list him and see that he is not given another opportunity. This has been brought to my notice earlier and we have already started action on it.

PROF. MADHU DANDAVATE : Unfortunately, what the Prime Minister understands, Mr. K. K. Tewary does not understand. *(Interruptions)*. Let me conclude.

*(Interruptions)*

*[Translation]*

MR. SPEAKER : You sit down please.

*(Interruptions)*

MR. SPEAKER : I am seeing as well as listening.

*[English]*

PROF. MADHU DANDAVATE : I know that I embarrass you. *(Interruptions)*

PROF. K. K. TEWARY : Let Mr. Dandavate kindly withdraw his remark. I will remind you of a ruling which was

given in the 7th Lok Sabha and Prof. Dandavate will also recall it. I had given a Privilege notice against an ex-Member of this House, *(Interruptions)*.

MR. SPEAKER : No Not allowed. Over-ruled.

*(Interruptions)*

PROF. MADHU DANDAVATE : My conclusion is, since the Right Hon. Prime Minister has already said that if anything is brought to his notice and concrete allegations are there, he will be prepared to make an inquiry into that. I would suggest this—let there be a parliamentary probe. Let them visit Stockholm, meet the authorities and find out the documents and the correspondence thereon. The whole matter can be settled amicably and to the dignity of the House as well as of the country.

SHRI JAGAN NATH KAUSHAL (Chandigarh) : Mr. Speaker, when I spoke last. *(Interruptions)*

*[Translations]*

MR. SPEAKER : Now why are you going out ? Please sit down.

SHRI BHAGWAT JHA AZAD (Bhagalpur) : Let him go out. House will be in peace.

MR. SPEAKER : It does not look nice.

SHRI VILAS MUTTEMWAR : They are going to unearth on more scandal.

*[English]*

SHRI JAGAN NATH KAUSHAL : I made a humble submission to the House that this House should enter into a debate after the facts are ascertained. I still reiterate my submission. What has happened to day is that the hon. Members of the Opposition made a request to the House that the matter is so urgent; the matter is so serious that Question Hour should be dispensed with. The House has

agreed. Ultimately the Government came out with a statement. I thought that after the statement was made by the Government, the Opposition should have behaved in a highly responsible manner and said; "After the statement of the Government, we have nothing left to discuss"...

*(Interruptions)*

DR. DUTTA SAMANT (Bombay South Central) : He is cutting the joke...

AN HON. MEMBER : It is a political statement...

*(Interruptions)*

MR. SPEAKER : Order, order. That is your point of view...

*(Interruptions)*

SHRI JAGAN NATH KAUSHAL : Why do I say so? I say because after hearing Prof. Madhu Dandavate, after hearing Shri Madhav Reddi and after hearing Shri Somnath Chatterjee, what I could gather was this : that a report appeared in the radio in Switzerland...

SOME HON. MEMBERS : It is not Switzerland. It is in Sweden.

*(Interruptions)*

PROF. MADHU DANDAVATE (Rajpur) : I don't want to confuse you. The thing is the amount was deposited in the Swiss Bank.

*(Interruptions)*

[*Translation*]

MR. SPEAKER : Please, let us carry on the business. Why do you create a scene ?

[*English*]

SHRI JAGAN NATH KAUSHAL : I meant about the Swedish Radio. It is just slip of tongue. All humorous remarks are most welcome.

PROF. MADHU DANDAVATE: With you, we can only be humorous and not angry.

SHRI JAGAN NATH KAUSHAL : A report appeared. I could understand their anxiety to discuss the matter, But before we came to this house, two every important things had taken place. The Swedish Government had come forward with a statement. The Government of India had come forward with a statement, and that Company had come forward with a statement saying that this report is mischievous. This report has no basis. The question of having any middlemen did not arise and after the Prime Minister's statement in the House, I again submit for the consideration of the entire House including the Opposition that whenever the Leader of the House gives a responsible statement, we have to accept it...*(Interruptions)* We have to accept it and that statement is based on facts. The Prime Minister said from the very beginning and it was made clear. So many precautions had been taken.

The Defence Secretary made a statement It was told to everybody so much so between the Heads of the two Governments—This matter was specifically clearly stated—that there is going to be a direct deal. There are going to be no middlemen. Again what I would submit is this that from our side and I also reiterate that it is stated that the whole incidents are being trumped up and are motivated. They are motivated and the motive is, as stated by the Defence Minister himself, to try to destabilise the established Government of this country. Shri Madhav Reddi was saying as to which are the forces. I thought that Shri Madhav Reddi knew much more than me about the forces which are out to do all this. My only regret is that the Opposition is joining them. My only regret is this. Otherwise, the forces are know to us. What has happened during the last several months is known to us. Pakistan, in spite of all our protestations, is being armed to the teeth. Why ? It has been discussed in our House a number of times. This is not a fortuitous circumstance. Pakistan has been training terrorists on their side. All efforts are being made to fan out communalism, fan

[Prof. Madhu Dandavate]

out fundamentalism, to bring all disruptive forces to the forefront. After all, what is the purpose? If you do not see through the game, then I am sorry. We should see through the game, and the game is this. Shri Rajiv Gandhi's personality which was emerging was not acceptable to, or was not to the liking of, a number of forces. May I say which are those forces? The forces are those who do not like Shri Rajiv Gandhi's role as leader of the Non-Aligned Movement. Shri Rajiv Gandhi has been trying his level best to consolidate the Non-Aligned Movement. He has stated more than once why he is consolidating this Movement. This is for two purposes. Number one is to see that complete disarmament takes place, there is no nuclear war. Number two is, he says, the exploiter nations must change their course of conduct, they must see the forces which are emerging, the forces which are the exploited nations, economically, whose entire resources are being exploited by the developed nations they should understand that peace is indivisible and if this state of affairs continues, the world will not be allowed to rest in peace. Now, this is not acceptable to, you might call them, the imperialist forces, you might call them the colonial forces, you might give them any name. But one thing is obvious. There are forces who do not like this role which is being played by our Prime Minister. Therefore, those forces have every right to weaken our Prime Minister. But why should we fall into their trap? I have great respect for all my hon. friends sitting on the opposite side. It is expected to be a very responsible Opposition. But sometimes if they do not behave in a responsible manner, we criticise, we do, we have the right. They have also the right to play their role. But may I say that they have no right to take so much time of Parliament on these irrelevant issues? Why do I say so?

**SHRI BASUDEB ACHARIA :** He says 'irrelevant'. Is it so? How can he say that? (*Interruptions*)

**SHRI JAGAN NATH KAUSHAL :** I am ignoring all interruptions. I am not yielding. I have a right to say what I

want to and you have a right to contradict. I still feel that the issues which are being raised in this context, according to me, are not really relevant because they are based on gossips, they are based on unsubstantiated facts. That is my whole grievance. My friend, Prof. Madhu Dandavate has again been fair to this extent; he says that that agency has said this, this and this, these things are there in their possession; they will come out and tell us at the proper time. Then where is the hurry for us to discuss this matter now? Let them come forward. Let somebody go into them. Let my friends take the responsibility of vouchsafing for the correctness of those facts. And then I can understand that they are behaving in a most responsible manner. My friends are not prepared to vouch for the correctness of the reports. How can they say that something has appeared somewhere... (*Interruptions*)

Now the Prime Minister has stated that if any evidence worth the name is brought to our notice, we will certainly go into it, we will certainly go into it, we will not spare anybody, howsoever high he may be. Then I again thought that these are the conventions we have to establish, these are the conventions which bring dignity to the House. But they say we are not prepared to set up any convention, we are not prepared to accept the statement given by the Government, we are not prepared to accept the statement given by the leader of the House. Now why all this is happening?

Mr. Madhu Dandavate was very vociferous at some earlier occasions also, —vociferous of course, that is his style of speaking. He puts great force by raising the voice.

**PROF. MADHU DANDAVATE :** so that you can hear properly.

**SHRI JAGAN NATH KAUSHAL :** But Sir, is it not known to us that sometimes motivated allegations are made? Allegations are made somewhere else and at once the opposition takes hold of these allegations; and repeats here also.

My friend here seated by my side from Karnataka brought to the notice of this House a very serious incident—Moily Tape. Such a furore was raised in the entire country. Furore was raised even in this House. Ultimately what has come out? A judicial commission says that it is a tissue of lies. The judicial commission says, all that they were bringing forward—currency notes, trunks of notes and tapes etc.—are fake, the notes were taken from Delhi by somebody else...  
(Interruptions)

MR. SPEAKER : Sit down. Take your seat Mr. Venkatesh.

[Translation]

What is the trouble with you? I am myself asking. You need not interrupt.  
(Interruptions)

[English]

SHRI JAGAN NATH KAUSHAL : What I am submitting is that the role of a responsible Opposition is to take up a matter after satisfying themselves about the truth of the allegations which are being made. If the Opposition is only interested in bringing to the notice of the House what is appearing in some newspaper and then take it up, I am sorry to say that so much of the time of the House is being taken over which the Statements of three responsible institutions—the Governments of two countries and the Party involved—have come and still we are discussing. Because somebody has set a canard in motion and therefore we must discuss it; I would with respect submit that we must have a much better standard of debate in this House for raising a discussion...  
(Interruptions)

The same line of argument is taken. Since the discussion of the Budget in this Session, it was accepted that the economy of the country is in good shape... (Interruptions) Of course, it is there. Of course, it is in good shape.

Once the economy of the country is in good shape and once we are trying to do our best to spend money or most of the

money on the programmes to remove poverty, then obviously the Opposition must look forward for something else to tarnish us with a brush. They are looking forward to this allegation or that and they will go on repeating the allegation even of the Fairfax after they know that a judicial commission has been appointed. Now this argument, of course, I could not understand since Government has come forward with a statement at the earliest therefore, Government is to blame; since Government came out with a statement later on Government is to blame. Therefore, I with respect submit to the House that this is a matter which should be closed at the earliest because it has only one purpose and the purpose is to tarnish a Government which has been duly elected and got an unprecedented majority in the annals of history. You cannot de-stabilise the Government by saying I will go on repeating I see corruption have I see corruption there; I see corruption there and a jaundiced eye must see corruption everywhere.

SHRI P. KOLANDAIVELU (Gobichettipalayam) : Sir, I think the precious time of the House is being wasted on the discussion with regard to this deal which is not based on facts. There is not even an iota of evidence in regard to the number of allegations in respect of the Sweden firm's arms deal. I beg to submit here that even our hon. Prime Minister has come forward with a statement that he is ready to meet the people. That much of courage he is having. Moreover so many cock and bull stories are being published everyday in order to de-stabilise the country.  
(Interruptions)

If there is any truth at all in this deal then the Opposition has to come out with evidence—some documentary evidence. They have to produce that. They are unable to produce anything but an anonymous news which has been published... (Interruptions) Even now I can say boldly that it is an anonymous news. (Interruptions) We cannot waste the precious time of Parliament.

Actually I want to say one thing here. We all stand by the side of the Prime Minister because he wants to take the

[Shri P. Kolandaivelu]

country to the 21st century. Moreover, we know fully well that some foreign powers are playing here. I would suggest to the Prime Minister that there are some black-sheep around here. First of all it is the bounden duty of the Prime Minister to find out who are the black sheep and they must be immediately sent out. I would also say that he is actively planning and formulating the scheme so as to take the country to the last century. So we all stand by the side of the Prime Minister and we support him

**SHRI INDRAJIT GUPTA (Basirhat) :** Sir, the reports which have appeared in the last several days about these various Defence deals and the allegations of corruption involved in them are certainly taking up a great deal of time of this House. The biggest casualty, I am afraid, are the Budget grants of the various Ministries and I find from the Lok Sabha bulletin that in order to bail the Government out the order of the various Grants of different Ministries has also been changed in such a way that now there is no possibility of the Grants of the Ministry of Defence being brought up for discussion. This was listed much earlier, Sir, in the list which we had. Now I find in the latest bulletin that it has been put several places down so that when the guillotine is applied next Friday, by that time,... (*Interruptions*) there is less of a chance of the Ministry's grants being debated. This is the fact, Sir.

I had earlier stated that in a sense the most important grants this year in the budget are those of the Defence Ministry totalling Rs. 12,000 crores compared with Rs. 8,000 crores last year. When such a big sum of money is to be voted by the House they we should have the opportunity of a detailed discussion of those demands for grants. But now I see that things have been arranged in such a way—I regret to say and probably this will be unprecedented in the history of our budget discussions in Parliament—that the grants of the Defence Ministry will be guillotined. You don't bother to read the bulletin : I do.

**MR. SPEAKER :** Talk to me, talk to me.

**SHRI INDRAJIT GUPTA :** The order has been changed in such a way that it will never come up.

**SHRI RAJIV GANDHI :** Mr. Speaker, Sir, I myself have been in touch with the Minister of Parliamentary Affairs because during this budget session we have not been able to discuss many of the demands of the ministries and I feel very strongly that more demands must be discussed. I feel strongly that the Defence demands should be discussed and I will talk again to the Minister of Parliamentary Affairs. We will see how we can have this done. The point that Indrajit Guptaji has made is very valid and I also agree with what he has said.

**SHRI INDRAJIT GUPTA :** Well, I will appreciate it very much if such arrangement is made. But as far as I understand, at present..

**MR. SPEAKER :** Let us see.

**SHRI INDRAJIT GUPTA :** ...either the time of the guillotine will have to be postponed which I doubt whether it is...

**MR. SPEAKER :** Let us see what happens.

**SHRI INDRAJIT GUPTA :** Or the order will have to be changed.

**MR. SPEAKER :** Let us see. We will work it out.

You can put some point. We have less time now.

**SHRI INDRAJIT GUPTA :** Sir, I will be very very brief.

The first scouting which took place for a 155 mm Howitzer gun began seven or eight years ago. The agreement has been signed very recently but the scouting for this gun, a gun, a suitable gun began not less than seven or eight years ago. If I am not wrong, Sir, the first approaches were made to the United States of America because we had reports that they were supplying technologically their latest weapon in

this field to Pakistan. Therefore, we also thought that we better approach them and try to get something matching them. Well, nothing came out of that because in those discussions and the bargaining, the United States authorities took a position which made it impossible for our Government to enter into a deal on the terms and conditions which were being stipulated.

After that, seven or eight years have passed and so many—four or five or more perhaps—different suppliers in different countries have been approached and talked to. Partly it is mentioned in the Defence Minister's statement today. What I am trying to say is—I would like to know from the Government whether they agree or not—that this shows, whatever else there may be, there was not such a burning urgency to acquire this 155 mm Howitzer for which discussions have gone on for seven or eight years. During this period, I would like to know whether it was ever contemplated seriously that we might try to develop indigenously with the help of our own research organisation at least a design for a suitable gun, suitable for our conditions in this country and, later on, to see whether production facilities for such a gun could be evolved in our own country.

13.00 hrs

I am always concerned with this fact whether the drive towards indigenisation is not being thwarted and hampered at times by this great fancy that we have developed that we must buy all these expensive weapons from abroad. So, there is the question of ammunition for this gun. I would like to know from the Defence Minister whether the deal with Bofors includes buying all the necessary ammunition from them. And also whether it is not a fact that the ammunition for this 155 mm gun is available at much cheaper prices from other countries also and particularly from a country with which we have got very extensive defence arrangements and which is prepared to give ammunition at perhaps half the price? It is a fact or not? We are under no compulsion that we must buy guns from one company and we must also buy all the ammunition from the same company. This is the standardized bore of a gun; the ammunition can be available from other

place also. But, how are we thinking about these things; what kind of indigenisation, what kind of alternative arrangements; what kind of diversification of sources we should go in for, is something which I am not at all clear about from the kind of discussion that has taken place. Anyway, now as far as this Bofors business is concerned, Sir, it is not the allegation... Please give me a few minutes. I will just come to the subject now.

MR. SPEAKER : You have taken all the time without interruptions.

SHRI INDRAJIT GUPTA : What is to be done; it is a serious matter. I have still got doubts whether debate will be held or not.

MR. SPEAKER : I will give you 4 minutes more.

SHRI INDRAJIT GUPTA : 5 minutes, Sir. First of all, the allegation that is being made in these Press reports, Sir, as far as I understand in this particular case, is not whether there was any agent or not. Whether there was any middleman or not. In this particular case it is not the main allegation. The allegation is that there was a direct deal between Bofors and the Government through its Commission or Committee or whatever it was and that the bribe was paid, nothing to do with the middleman or an agent. Now, I am as much aware as some of my friends, more than them perhaps, if you do not mind my saying so, about the existence of very powerful forces which are working to destabilise countries like ours, not only in India but in the other countries also which stand for certain principles and policies and stand firmly for non-alignment. This is known to everybody. Does that mean that we should condone any kind of corruption that takes place? Does this mean allegations are made and allegations for whom we are not in a position to have any evidence directly other than the Press reports? What we expected to do? Keep quiet, keep mum. We are not expected to raise these questions and to seek from the Government a clear announcement, declaration and explanation of all these things, contradicting it or whatever it is? Why

[Shri Indrajit Gupta]

should we not do that ? What is our job then ? Why should we be here ? The moment something appears in the Press we are supposed to keep quiet because if we raise it the country will get destabilised, I do not agree with this theory at all.

Sir, there are 3 sources of information, according to the Press, available at the moment; one is the Swedish Radio, one is the Swedish Government and the third is the Bofors Company itself. Now, that is why we are asking from the Government to find out facts and tell us. What was said by the Swedish Radio has been said here, and I do not wish to repeat. Whether it is a State Radio, I do not know, I believe that the status is something similar to something that of BBC. It is an autonomous broadcasting corporation. At the same time the BBC says many things which we interpret to be the voice of the Government of the United Kingdom also. Anyway, now Swedish Radio has made certain serious allegations. They are being repeated, also repeated with some threats that we will disclose more. Therefore about this Swedish Radio, I have nothing further to say except that all the newspapers in the country are publishing these reports. According to what my friends on the other side are saying, we have to take it that the entire press in the country is interested in destabilising the country ? Is that your thesis ? Because everyday they are giving so much of publicity to those reports of the Swedish Radio and all that, the entire press is interested in destabilising the country. I am not talking only about the *Indian Express*; I know what the line of *Indian Express* is and I do not support it. But because the entire press is giving the publicity, it does not mean that it is interested in destabilising the country. You better say 'yes' or 'no' to this. There are papers which are run by eminent and veteran editors and here I am not talking about only the daily newspapers but other journals and people who are very close to the establishment, if I may say so. I do not want to name them here, but you please read as to what they have been writing about the issues. Read what they have been writing for the last couple of months.

They cannot be accused of being congenitally hostile to this Government. They are rather friendly to it.

Then Sir, what has the Swedish Government said ? As per reports, an aide-memoire has been handed over by the Swedish Ambassador Mr. Axel Edelstam to the Minister of State for External Affairs Shri Natwar Singh only a couple of days ago and in that aide-memoire they have said that no middleman existed and the Company has negotiated directly with the Indian Defence Minister. That does not by itself automatically rule out the possibility of any bribe being given.

(Interruptions)

SHRI INDRAJIT GUPTA : Therefore we want an inquiry into it. You may not be worried about it, but we are worried. Thirdly, Bofors Company itself.....

(Interruptions)

MR. SPEAKER : Why are you referring to all that ?

SHRI INDRAJIT GUPTA : Because you are getting impatient.

There are other newspaper reports too which are coming in. Reuter reported from Stockholm on 16 April that Bofors Company declined to comment on the radio allegations that it was planning to pay a total of 16 million dollars to the members of the Prime Minister's party under the cover of operation named 'Lotus'. It says that the radio quoted senior company sources. I suppose the Government keeps track of these things also. The radio quoted senior company sources as saying that four instalments totalling 5 million dollars were paid during the last two months of 1986 into the secret accounts at the Swiss Bank Corporation.

MR. SPEAKER : It has already come on record.

PROF. MADHU DANDAVATE : Let him speak Sir. His one speech does not destabilise the country.

SHRI INDRAJIT GUPTA : I am not out to destabilise the country. You should have that much confidence.

MR. SPEAKER : I have much more than that.

SHRI INDRJIT GUPTA : But I am not going to be a party to something which leaves a bad obour in the whole world with regard to corruption in this country. It has to be cleared up.

Therefore, what I am sying is that the statement made here by the Defence Minister and some of the questions replied to by the Prime Minister do not by themselves convince anybody. They do not convince and they will convince public opinion. Public the country has been very much opinion in exercised during the last fewweeks over this whole question of whether some underhand undercover dealings are going on, which the Government wants to cover up. Therefore, I beg of you, if you are really interested in fighting destæbilisation, to please take the Parliament fully into confidence, make a clean breast of all the facts, and if necessary, appoint an inquiry into it—an impartial inquiry—so that nobody can say anything after that. And put all the facts on the table Because, if there are any conspiracies going on, that is the only way to scotch those conspiracies. You cannot go about it by revealing a little bit of it and leaving the rest concealed. That will land us in greater trouble.

MR. SPEAKER : We adjourn now for lunch and meet again at 2.10 PM.

SHRI INDRAJIT<sup>†</sup> GUPTA : I will continue after lunch Sir.  
13.09 hrs

*The Lok Sabha adjourned for Lunch till ten minutes past Fourteen of the clock*

*The Lok Sabha re-assembled, after lunch at Thirteen Minutes past Fourteen of the Clock,*

[Mr. Deputy Speaker <sup>m</sup> the Chair]

DISCUSSION ON THE REPORTED ANNOUNCEMENT ON THE SWEEDISH STATE RADIO CONCERNING THE ACQUISITION OF GUNS BY THE INDIAN ARMY FROM BOFORS OF SWEDAN—CONTD.

SHRI INDRAJIT GUPTA (Basirhat) : May I make a point Sir? I was concluding my speech I did not know that we were going to adjourn for lunch.

*(Interruptions)*

MR. DEPUTY SPEAKER : No; that is not so. *(Interruptions)*

SHRI S. JAIPAL REDDY (Mahbubnagar) : He was not allowed to conclude.

*(Interruptions)*

MR DEPUTY SPEAKER : The Speaker also informed the House at that time that his hon. Member's time was over. Therefore- he cannot continue his speech now. If I revive his case now, there will be problems. *(Interruptions)* No, Mr. Indrajit Gupta; you had asked for five minutes. The Speaker had given you seven minutes...So, your time was over. You also announced in the House that your time was over. Now you cannot say anything otherwise.

PROF. MADHU DANDAVATE (Rajapur) : Sir, I am a witness. When I left the House, he was standing.

MR. DEPUTY SPEAKER : No; this is the Speaker's decision. I cannot take it up again. The Speaker has already told him so. If I go back on it, it may not be good.

SHRI INDRAJIT GUPTA : Where is the question of going back ?

MR. DEPUTY SPEAKER : Once, the Speaker has announced that your speech is over.....

SHRI INDRAJIT GUPTA : Sir, the House was adjourned for lunch.

MR. DEPUTY SPEAKER : After you finished your speech, the House was adjourned. I am sorry, I cannot allow you again to speak.

*(Interruptions)*

SHRI INDRAJIT GUPTA : I want only two minutes to make one point.

*(Interruptions)*

SHRI BHAGWAT JHA AZAD (Bhagalpur) : You give him some time.

*(Interruptions)*

SHRI INDRAJIT GUPTA : The final point which I was coming when suddenly we had adjourned for lunch, which I was not expecting, is that government has not informed anybody about the total value of this deal. What is the value of the total contract with Bofors ? That has some relevance to the whole contract and manoeuvring for the contract by different interested people and all that. He should please tell us, when he replies, about it.

So far we were talking and they were talking only about guns. My information is this. It is based on two important and well-known publications, which may not always be very accurate in their figures which they give—I agree—but they are well-known and authoritative publications. One is *Janes Arms and artillery* (1986-87). I would like to draw the attention of the Minister to page 643 of this publication. The other is *Military Balance* which is the publication of the Institute of Strategic Services, International Institute—page 211, the latest issue. What do they say ? They say that the contract with Bofors is not only for the gun, but also we have to buy along with that—a term and condition of the contract is—the vehicle on which the gun will be mounted. This is Saab Scanion Trucks. *(Interruptions)* These are not manufactured by Bofors, we have to get them through Bofors—the Barracuda camouflage-netting of the gun; we have to get it along with the gun, not made by Bofors, but the only supplier of Bofors to us. Then there are Marconi, Fire Control Systems. Then there are Muzzle Velocity Radars.

Then there is sighting and surveying equipment, etc. etc. According to these journals, all these ancillary things have also to be purchased through Bofors. Therefore, the total cost of the contract should be told to us. The newspapers have been writing about the cost. I do not know.

SHRI S. JAIPAL REDDY : It is 1.3 billion dollars.

SHRI INDRAJIT GUPTA : It is 1.3 billion dollars. But, according to these international publications, the total value of this order will be about 3.5 billion dollars; it may be correct; it may not be correct. The Minister can only tell us about it. But it is obvious that it is not the payment only for the gun but also for all these other accessories or auxiliaries, whatever you like to call them. Therefore, when an allegation has been made about bribe, this and that, has a relation and relevance to the total size of the contract which is very relevant. Therefore, I would request the hon. Minister, when he replies, at least to tell us what is the total cost of this contract ?

SHRI SOMNATH CHATTERJEE (Bolspur) : And what is the percentage of bribery ?

SHRI AJAY MUSHRAN (Jabalpur) : Mr. Deputy Speaker, I don't think you will sacrifice details for brevity. So far as I am concerned, I will to begin with speak without covering any subject matter in detail for two or three minutes. I know the opposition has been laughing every time we talk of destabilisation. They probably can see only one dimension of this destabilisation; that is the political part of it. Have they ever imagined that when we discuss a matter like defence, when we discuss a matter like sale and purchase of submarines or guns or whatever defence equipment it is, we are not only dealing with just the sale part of it, we are not only alleging on the basis of rumours, which we all read in newspapers, but we are also indirectly involving those people who are not here to defend themselves. They may be people inform; they may be people not in uniform, but they are related with defence.

Take for example, the report which they have extensively used, speaker after speaker

ker, that there was a news item published, that very high officials and very high politicians are involved and that they can be bribed. Now is this evidence or a rumour? That is to be decided and debated.

DR. DATTA SAMANT (Bombay State Central) : On an inquiry.

SHRI AJAY MUSHRAN : Let me finish. I never disturb when you talk of labour unions.

DR. DATTA SAMANT : You always disturb.

SHRI AJAY MSHRAN : Do not disturb in matter where you have the slightest knowledge. That is the point. The whole trouble is that you all start raking up a point on which you do not know the complete things.

We are talking of de-stabilisation. You should try to understand.

[Translation]

You will not be able to understand this.

(Interruptions)

SHRI C. JANGA REDDY (Hanamkonda) : It is not about gun, it is about bribe.

(Interruptions)

SHRI VILAS MUTTEMWAR (Chimur) : You have started making good statements.

[English]

SHRI SOMNATH CHATTERJEE : After reading your C.W.C. Resolution, we know.

SHRI AJAY MUSHRAN : We are very happy that you are;

Sir, they are talking of destabilisation and the C.W.C. resolution which Sompathji is saying,

It is our party which on evidence, not based on rumours and newspapers, had removed a Finance Minister. The father of this Prime Minister brought concrete evidence in this House, the case was taken up and it was this party's government which asked the then Finance Minister. But it was not based on rumours, and you see, now... ..

AN HON. MEMBER : You cannot speak for them now.

SHRI AJAY MUSHRAN : That is your opinion.

MR. DEPUTY-SPEAKER : You please address the Chair, Mr Mushran.

SHRI AJAY NUSHRAN : While talking of destabilisation, do you ever understand how a man in uniform will think of it, when you discuss matters here and involve his officers, and his leaders, that they have been bribed, without your having an iota of evidence, or iota of any allegation which has no *prima facie* case?

The Government have repeatedly, the Prime Minister repeatedly intervening in this House,— has been demanding, requesting, cajoling the Opposition to give us the material on which the investigation can be done, No. your total case is based on rumours which are published in newspapers. If I were a newspaper owner I am only interested in seeing how many newspapers are sold every day. That is my primary aim, and your primary aim is becoming a tool into the hands of the Press. You are totally involved today in bringing rumour after rumour.

(Interruptions)

SHRI S JAIPAL REDDY : He is anti-Press.

SHRI AJAY MUSHRAN : Mr Deputy Speaker, on 31st March, this case of purchase of Bofors guns was published in an English daily from Bhopal. You knew about it. You knew the news. But you intentionally did not bring it here. First you brought Fairfax, then you brought the deal about submarines, and then you...

[Shri Ajay Mushran]

bringing this Bofors. Because, you are not interested in investigations. You are not interested in getting corrupt people to book. You are only interested in scandalising the matter on rumours. And that is the reason why I stand today as an ex-soldier to talk to you something, to talk some sense to you.

You are talking of a weapon like 155 mm gun. Mr. Indrajit Gupta was saying that it has taken seven of eight years for a field gun to be evolved.

**SHRI INDRAJIT GUPTA :** Not only to evolve, but to purchase.

**SHRI AJAY MUSHRAN :** Now, he probably does not know that, it has been since 20 years that the replacement of the old generation of twenty-five pounders and 5.5 mm and seventy point two inch guns is being sought. Now, you cannot go to the market and buy a gun like a potato. You have been told that, when the hon. Minister of State for Defence was answering the debate of submarines here. You were told. It is not easy to do, It takes time.

**SHRI INDRAJIT GUPTA :** I said, for all the seven or eight years, you were only trying to buy them; I asked whether you were indigenising them.

**SHRI AJAY MUSHRAN :** That is what I am trying to say.

**SHRI INDRAJIT GUPTA :** You never tried to indigenise them. You only wanted to buy them.

**SHRI AJAY MUSHRAN :** You are perhaps not aware that we have been indigenising one field gun after another, and that is this, and this is the last of the field guns and it is not something like a Pichkari for Holi and say that we have indigenised. All this is not something which can be done overnight. It takes time.

[Translation]

**SHRI C. JANGA REDDY :** This fit gun is used on the day of Holi

**SHRI AJAY MUSHRAN :** You are not capable of understanding it. Why do you interrupt ?

**MR. DEPUTY-SPEAKER :** Mr. Mushran, are you having a discussion with them or are you addressing the Chair ?

(Interruptions)

**SHRI AJAY MUSHRAN :** Many times Prof. Madhu Dandavate has said that we accuse them of unpatriotism. That is not so. You are not unpatriotic. But you are. But you are doing things always in sheer ignorance. You do not know the fall out of your debate which takes place here because you only want publicity in the press. The newspapers are read all over the country. When a soldier goes on leave, when an officer goes on leave, he is asked whether he is going to get sub-standard weapons. You think that this Government is giving sub-standard weapons to the soldiers to fight. And when you are planting that rumourous idea into the minds of the people, are you not a party under thing by and unconsciously to de-stabilisation ? (Interruptions) You are harbouring political people in your party, Mr. Dandavate, who are personification of this de-stabilisation... (Interruptions) What are you talking ? Listen to me. (Interruptions)

**SHRI NARAYAN CHOUBEY** (Midnapur) : A Commandr comes to the Parliament ; a military man comes to Parliament.

**SHRI AJAY MUSHRAN :** I am not talking as a military man.

**SHRI NARAYAN CHOUBEY :** A Sergeant-General has come to Parliament.

[Translation]

**SHRI VILAS MUTTEMWAR :** Choubeyji neither killed any one nor he died himself Oh ; He is an experienced person, just listen to him. An army jawan is speaking.

**SHRI AJAY MUSHRAN :** Mr. Indrajit Gupta has asked as to why everything is being bought from Bofors together. This is a highly technical question. When you are buying equipment from a particular source, is it better to buy from a particular source or you buy the same thing all over the world? Have we not learnt a lesson from divergence of various arms and ammunition supplied to Pakistan in the last war that we had. One of the reasons of our weakness would be if we buy things from all over of a particular equipment. But these things, I am sure, the House will not like to discuss here. There are certain secrets. Mr. Indrajit Gupta was referring to James Book on weapons. These books are available all over. They are on weapons, they are on armour, they are on infantry everything.

**SHRI INDRAJIT GUPTA :** It is on arms and artillery.

**SHRI AJAY MUSHRAN :** It is something like encyclopaedia. This gives the characteristics of weapons. But that does not give the capabilities of a weapon vis-a-vis probable enemy, probable terrain and how you are going to use it and how the enemy is going to neutralise it. The moment you disclose this type of technical information, you are cutting your own feet. And then you say that you are not a party ignorantly to de-stabilisation. There are people in your party who openly canvass, propagate de-stabilisation, religious fanaticism and they are members of your party. Then are you not a party to de-stabilisation? (*Interruptions*) Have you removed them?

[*Translation*]

**SHRI NARAYAN CHOUBEY :** He is out of his senses.

**SHRI AJAY MUSHRAN :** Please sit down, please listen. If you are in your senses, then please sit down and listen.

[*English*]

This is a very serious matter. Mr. Madhav Reddi made a very valid point that the Government has not taken the opposition into confidence. If you

came to know of a certain serious discrepancy in various purchases of service matters, was it not your duty to some time go on your own and brief the Prime Minister? Are you not a party to the defence of this country? Are you only responsible for opposing the Prime Minister?

**SHRI INDRAJIT GUPTA :** How do you know whether anybody went or not?

How do you know whether I went or not?

**SHRI AJAY MUSHRAN :** Then say so. I am asking through the Deputy Speaker, with his permission, that have you, Mr. Indrajit Gupta, even gone to the Prime Minister and told him that somebody has taken bribe? Have you ever told this to the Minister of Defence? On matters of defence I hold firm conviction personally as a representative of the people that we should not discuss it here as a matter of corruption against any other Ministry or any other Department. When we are discussing matters of defence, we should be very conscious of the fact that we are discussing matters which are ultimately going to affect the defence of the country. Mr. Arun Singh had made a very valid point when he was replying to the debate on submarine. Three days before it has been categorically told to them, told to us, told to everybody that there was no corruption, no question of any agent, no question of any discrepancy in buying of submarines. Today we have been told categorically by the Defence Minister, and by intervention by the Prime Minister that there is no agent. There are "quotes" of the two Prime Ministers the Defence Minister is saying, but opposition are saying that there is a bribery, with the result that tomorrow if these first class weapons, which have been bought after due deliberation by the Defence Ministry, by the most high-powered committees by the best technicians of the Ministry, of the army who, right from the beginning, are involved in the purchase of these weapons, are to be used, they are trying to sow the seed of suspicion in the minds of those people who are ultimately going to use them in war some critic like Mr. Somnath

[Shri Ajay Mushran]

Chatterjee will say, "Ah, I had told you that these weapons are inferior". The trouble is that they only talk, they do not think. They must start thinking also ..... (Interruptions). I personally feel that such matters should not be discussed here... (Interruptions). when categorical answers have been given that there is no discrepancy, there is no agent, there is no bribery, they continue to say that there is bribery. It does not make a fact of a life if hundreds times they don't speak truth. Therefore, Mr. Deputy Speaker, Sir, through you, I will Urge upon the Opposition that let this be the end of their ignorance, let this be the end of their reaction to rumours being spread in newspapers, and we should become one so far as defending the purchases by the Defence Ministry are concerned. They are basically undermining the morale of the force who are ultimately going to use these weapons for the defence of you and me, of the motherland, of the country. I talk as a soldier when I say that this is going to be the soldiers' reaction. The army is never going to pardon them They are only interested in their photos and their names coming in the Press. This country is stabilised and independent and our defence should not be jeopardised. This is my appeal to them through you, Sir, that we should not react in the manner we have been reacting in the submarine case and all these rumours. Thank you.

PROF. MADHU DANDAVATE :  
They said the same thing about Fairfax and appointed an inquiry committee in the end.

SHRI DINESH GOSWAMI (Cuwahati):  
Mr. Deputy Speaker, Sir, in the speeches of the ruling party Members, three allegations have been made against the Opposition. Firstly, that we are wasting the time of this House by this discussion; secondly, that we have contributed to the process of destabilisation; and thirdly, the point which is made by my learned friend Mr. Ajay Mushran that this debate is going to affect the morale of the defence forces and will contribute to the destabilising process further. May I point out to

him that the moment this news came up— it is not that we gave notice; that was a holiday—immediately the Congress Working Committee met. The issue was considered so important that all the Congress Chief Ministers were called, that statements were issued... (Interruptions).

SHRI VILAS MUTTEMWAR : That was decided fifteen days earlier.

SHRI DINESH GOSWAMI : Then the Minister of Defence made a *suo motu* statement and, for the first time that I have come to this House, the Minister for State for Parliamentary Affairs decided and agreed to the suspension of the Question Hour. All my friends of the Ruling Party have said that this news is so important that it has the capacity of destabilising this country. If such an information has come which has the capacity of destabilising the country, I think the members from the ruling party should have been the first to ask for a discussion. They should thank us that we have initiated the discussion (Interruptions). Sir, the second point made is that we are helping the process of destabilisation. Well, I am not at all concerned about the charge and I am not bothered about whether my friends on the Opposition levelled charges against us or gives us compliment. It is the people of this country who will decide whether we have really helped in the process of destabilisation. In fact I become worried if my friends like Mr. Tiwari gives compliment. I am happy that I have not got the certificates from the ruling party members. Shri Mushran said "don't you know that this discussion is going to affect the morals of the Defence forces." Am I to understand that the people of the armed forces only go through the proceedings of the Parliament and do not go through the newspaper reports? Every day, right from the Fairfax issue, articles after articles have come and the comments and the release in the newspapers say as to whose reputation has gone deep down below and whose has gone up. Well, these are in newspapers and I don't want to quote. I never thought that discussion of corruption would lead to the destabilisation. In fact one process by which the imperialist powers have always tried to destabilise the Third World Nations is by trying to corrupt and

by playing the money power in the Third World nations. We have the history after history of nations where the Third World countries had suffered because of corruption and if we have asked for it by this debate, it is because of the patriotic duty, because impressions must be there in the country that our Defence forces is above corruptional. Trying to put anything under the carpet, as far as corruption is concerned, on the ground that if an allegation is made it will help the process of destabilisation will not really contribute to the strength of the armed forces, I would like to know from the hon. Minister a particular question. Let us take the instances which we have discussed a few days back. A telex message came from our Embassy on an information by a foreign Government that there were middlemen involved in a deal. The Defence Minister had refused in the last discussion to tell us the name of the country and also the particular deal. But probably, in spite of the fact that it has not come from the Government, everyone knows that the telex message came from the Bonn Embassy on the information of the West German Government and the deal was the submarine deal. Nobody is argued that the Government has no instruction that the middlemen should be avoided. This instruction was there from 1980 and was reiterated recently by the Prime Minister. But the hon. Minister for State in Defence Ministry, in the last debate, had categorically said and had admitted that in spite of the fact that this particular instruction was there, there were violations of the instructions with the result that the Defence Department itself went in for certain enquiries and the hon. Minister for Defence had assured that he would place on the Table of the House names of those officers and those persons who are guilty of violating this particular instruction of the Defence Ministry. In this context, I would like to quote a few sentences of Shri Arun Singh, hon. Minister of State, in the last debate.

“In spite of that—and here we have a case in point—post facto there have been instances where we have got to know, and the sources may be like the one which we are talking about during today’s motion or there could be any other source, that ‘X’, ‘Y’ or ‘Z’ has

paid a Commission. Sometimes quantity is known. In every such case till date exactly this procedure has been followed. The Department of Defence writes to the Ministry of Finance drawing their attention to the fact that this information has come to us.”

Subsequently, I intervened and put a question. I asked him how many persons have been punished and what was the inquiry. He said :

“I am not in a position at this point of time to give a specific answer. You have my personal assurance. I will specially convey it to you.”

I asked him to convey it to the House. He said :

“It will in any case be treated as an assurance. But I will convey it to you.”

Therefore, Mr. Deputy-Speaker, in spite of the fact that the Government of India right from 1980 has been trying to avoid middlemen, middlemen have crept in the Defence deals and this is an admission by the Minister of State for Defence. When a telex message came from Bonn and Bonn’s role is more important, Bonn (West Germany) or of Sweden, I do not think I have to point it out here. When that particular telex message came, three inquiries were ordered by the Defence Ministry. There was no evidence in that telex message. Three inquiries were ordered, two by the Economic Affairs Wing of the Ministry, one by the Defence Ministry. Why is it that when this particular information came to the Government or this information was reported by a Radio, whether it is a State Radio or not that is a separate matter, when they reiterated that they stand by this allegation when the Radio said that it is are prepared even to give the numbers of the accounts on which the money has been deposited, why not the Defence Ministry following the earlier precedent ordered for a probe by the Ministry of Economic Affairs? Why suddenly everybody jumped up and said

[~~Shri~~ Dinesh Goswami]

without an inquiry being made that this is an efforts of destabilization? After the inquiry was made, if everything had been inquired threadbare, and then come to this conclusion, I could have understood that there was something in it. I would also like to know from the hon. Minister for Defence: You have inquired from the Swedish Government, they have denied. Obviously they will, because this was a solemn undertaking given by the former Prime Minister, Olaf Palme, one of the respected men in the international world, that there will be no middlemen. Do you think that the Swedish Government will take the responsibility stating that they know about the middlemen? The Swedish Government might not have known You asked from Bofors. Will Bofors admit—Bofors about whom so much of allegation is there, allegation of diverting arms to Iran, allegation of diverting arms to South Africa? They are one of the well-known arms sellers. Will they admit it? Why in your Statement you did not refer to the inquiry made with the Swedish Radio? Why inquiry in this respect is silent? And the hon. Prime Minister has said that inquiry was made with the Swedish radio. Inquiry has also been made from three sources—the Swedish Radio, the Government and the Bofors. Why this particular statement regarding the inquiry made with the Swedish Radio is absent your statement? The hon. Prime Minister has said that the Swedish Radio has told that an Indian correspondent passed on a message to the Swedish Radio and the correspondent is not giving an answer. There the parliamentary probe comes in You constitute a Parliamentary Committee of 5-7 Members. And am I to take it that there are no patriotic Members on this side of the House, two Members whom you can trust? Let the Parliamentary Committee call that correspondent who is alleged to have given this information to the Swedish Radio and let Swedish Radio also say that this was the man, everything will be cleared. A mere unilateral denial by you does not remove the cloud. That is the point we are making. One after another things are coming. About Fair-

fax Mr. Brahma Dutt tried to gloss over the whole thing by saying that 'they were informers, they were not authorised to act', and it proved to be subsequently wrong by the former Defence Minister's statement. Then, even in the deal, the position being very categorically this, that in spite of the clear policy decision of the Government of India this has been violated by people here and abroad, why are you shy of an inquiry? Mr. Deputy-Speaker, probably we should also take note of this thing. If the destabilization comes it is because of our intention of going for purchases with NATO countries or some of the countries with whom we do not have very good international relationship that you are faced with this trouble. Who is creating trouble to you? Your deal with West Germany or your deal with Bofors? The Opposition did not go for these deals. After all, if the choice of the Party is wrong, you are take the responsibility for this and therefore, Mr. Deputy-Speaker, I believe that if we are to keep up the morale of this country, it is not by merely putting bribery or corruption under the carpet, and I will point out by saying, Sir, destabilization of a Prime Minister does not mean destabilization of a country, destabilization of a party also does not mean destabilization of a country. (*Interruptions*). Unfortunately, the Ruling Party has sought to identify that any effort to destabilize politically, in the sense that any effort to destabilise the Prime Minister because he is not governing the country well, they identify the Prime Minister with this country. But the country is much above the Prime Minister. The country is much above any political party.

MR. DEPUTY-SPEAKER : Shri Janga Reddy—5 minutes.

SHRI S JAIPAL REDDY : What about Congress—S? I am on a point of order. Generally, it is the turn of the Congress—S, after Mr. Dinesh Goswami. What has happened to the turn?

MR. DEPUTY-SPEAKER : You do not ask those things. It is according to Party-w.i.e.

SHRI JAIPAL REDDY : I would like to know, when Mr. Kishore Deo is here why is he not called to speak ?

MR. DEPUTY-SPEAKER : They are all small Parties. Time is not allotted.

SHRI S. JAIPAL REDDY : They are not small groups. They fought elections in Kerala on the symbol of Congress—S.

MR. DEPUTY-SPEAKER : There is no point of order. Mr. Janga Reddy, you can continue.

What is the rule, you quote. What rule is violated ?

SHRI S. JAIPAL REDDY : Under rule 193. The point of order is in conjunction with rule 193.

MR. DEPUTY-SPEAKER : There is no such thing. What is in 193 ?

SHRI S. JAIPAL REDDY : According to the rule, the Speaker will call Members from various Parties. Now, it is the turn of the Congress-S.

MR. DEPUTY-SPEAKER : There is no rule like that.

PROF. MADHU DANDAVATE : (Rajapur) : I want to ask a simple question. Have you derecognised the Congress-S in this House ?

In the order of turns, they could have got it. We are under the impression that they are 2 now instead of 3.

MR. DEPUTY-SPEAKER : Who said, he is in the Congress-S ? His name is in the unattached list. He is in the unattached list.

AN HON. MEMBER : Are you going to call him after BJP and Akali Dal ?

MR. DEPUTY-SPEAKER : That is the list we have. We cannot discuss this matter here. According to my information, he is unattached. We cannot discuss it here.

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram) : What do you mean by "unattached" ?

PROF. MADHU DANDAVATE : You are assuming that those who have merged in the Congress-I are Congress-S and those who are continuing in Congress-S are independents ?

MR. DEPUTY-SPEAKER : I am not saying that. According to our information he is in the unattached.

PROF. MADHU DANDAVATE : They are a recognised party. They are part of the Coalition Government in Kerala.

MR. DEPUTY-SPEAKER : Shri Janga Reddy.

SHRI S. JAIPAL REDDY : Sir, you will have to answer my point categorically. Today, for the first time, the House is being told that...

MR. DEPUTY-SPEAKER : Don't waste the time of the House. The Minister is to reply at 3 O'clock. There are many speakers to speak.

SHRI V. KISHORE CHANDRA S. DEO : Mr. Deputy Speaker, am I to presume that those who have defected are considered to be Congress-S and those who have not defected are "unattached" ? How can it be ? I fought the election on this symbol.

MR. DEPUTY-SPEAKER : In my office, your name is in the "unattached" list. We cannot discuss it on the floor of the House.

PROF. MADHU DANDAVATE : The Congress-S was given the symbol and it fought elections. They are in the coalition Government in Kerala. And, therefore, these Members who are here are representing Congress-S.

MR. DEPUTY-SPEAKER : You can say that. In the official list, he is "unattached" Let him write to us and we will discuss it afterwards.

**SHRI INDRAJIT GUPTA :** When was the change made? Why was this hon. Member never consulted and asked about whether they were unattached or belonging to a Party?

**MR. DEPUTY-SPEAKER :** We will see it later.

**SHRI S. JAIPAL REDDY :** The House must be told. The House cannot be kept in the dark.

**MR. DEPUTY-SPEAKER :** We cannot discuss it on the floor of the House.

**SHRI SURESH KURUP (Kottayam) :** Yoy mean, they are unattached to Congress-I.

**MR. DEPUTY-SPEAKER :** You speak as you like. You can mean as you like.

**SHRI S. JAIPAL REDDY :** How can you derecognise a party?

*(Interruptions)*

**MR. DEPUTY-SPEAKER :** Mr. Janga Reddy, you speak. Then I will call next Member.

**SHRI S. JAIPAL REDDY :** It does not lie in the power of the Chair. *(Interruptions)*.

*[Translation]*

**SHRI C. JANGA REDDY (Hanamkonda) :** Mr. Deputy Speaker, Sir, the hon. Minister of Defence has stated that there is no middleman involved in this deal.

*[English]*

**PROF. MADHU DANDAVATE :** Let there be a Parliamentary probe on this also.

**MR. DEPUTY SPEAKER :** You bring it under Rule 193.

*[Translation]*

**SHRI C. JANGA REDDY :** Mr. Deputy Speaker, Sir, what is the need of a middlemen to take a bribe. If the person making a payment and the person receiving the payment are united, then what is the need of a middleman in between. Please explain, what is the need for appointment of a broker. You gave a statement on behalf of the Government. Who is this lotus? Please spell out his name, whose code number is this. Lotus means 'kamal' in Hindi and people say B. J. P. ...*(Interruptions)*

I say that lotus means 'kamal' means\*\* You man please go through the dictionary. See the meaning in sanskrit.\*\* took bribe. \*\* It is clear. Why you do not tell us asto who this lotus is?

*[English]*

**MR. DEPUTY-SPEAKER :** You tell your point, Mr. Janga Reddy. Don't waste the time of the House.

*(Interruptions)*

*[Translation]*

**SHRI C. JANGA REDDY :** I am explaining the points only. I want to say that money has been received in 4 instalments *(Interruptions)*

The company has already stated that they have deposited the money in Swiss Bank to the time of crores of rupees. They do not say that they have not paid They. say that they have paid money. They have deposited in the name of a number of political partical parties. You may appoint a Parliamentary committee to enquire into it. Lotus means \*\* It will come to light. Pleased tell us the meaning of lotus...

*(Interruptions)*

*[English]*

**MR. DEPUTY SPEAKER :** No. No. His name would not go. I would not allow.

[*Translation*]

SHRI C. JANGA REDDY : Spell out the name in it as to who is lotus. He has referred to the name of lotus. (*Interruptions*)

They have stated that they have deposited the money in the account of Indian officials. This lotus is the leader of a political party in India. They have deposited in his name. This has been revealed from their enquiry. It is not our allegation. If it is not correct, you may please hold an enquiry. It is not a charge. You say that it is a charge against you, we level charges that all the Congressmen have deposited this money in their respective accounts. You may please hold an enquiry, everything will come to light. If you are not wrong, you should be prepared for an enquiry.

[*English*]

MR. DEPUTY SPEAKER : No. The names would not go on record.

[*Translation*]

SHRI C. JANGA REDDY : I know that you are the son of Shrimati Indira ji. When Shri Jai Prakash Narayan called his followers in 1975 and gave the slogan of total revolution. At that time all the leaders were put in the jail. It was stated that there were attempts to destabilise the country. Just to suppress the matter of bribe and to redden your black face, the names of opposition people and the foreign powers have been taken. Your own face is black—you may please see it in the mirror, you will come to know then. You are trying to blacken others' faces. Your Congress Party should please convene the meeting of the working committee and hold an enquiry. You are trying to blacken the face of opposition parties. Your face is black. Therefore, you may, please hold an enquiry. Then only it will be revealed whose face is black, whether yours, ours or that of anybody else.

(*Interruptions*)

[*English*]

MR. DEPUTY SPEAKER : I have already said that names will not go on record.

[*Translation*]

SHRI C. JANGA REDDY : We level charges that Congress leaders have done this. (*Interruptions*)

There is a proverb in Telugu—

“Gumdi kayalu Dunga,  
ante bujalu pi-kundu

(*Interruptions*)

You may please get the matter enquired into. It will be revealed as to who is the thief. Money can be taken without the help of a tout. Your scandals are coming to light. The Defence Minister is going to make one more statement. The former Defence Minister' Shri V. P. Singh, has said in Tal Katora Stadium that what he had done was correct. He is likely to do some thing more in this regard. We want that if you are right and not wrong, then why do you not hold the enquiry? Why are you going backward. We have levelled the charge, we are levelling charges that you have taken money. What more grave charge would be there than this one. (*Interruptions*) What more grave charge would be than this one. We say straight away that your Government people have accepted money. Defence Minister, Prime Minister too. (*Interruptions*). Lotus means Kamal..... (*Interruptions*)

[*English*]

MR. DEPUTY-SPEAKER : That is enough. Mr. P. R. Das Muni. I have called Mr. P. R. Das Muni. Nothing more will go on record.

SHRI C. JANGA REDDY :\*\*

THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI P.  
R. DAS MUNSI) : Mr. Deputy-Speaker,  
Sir, regarding this particular debate today

[Shri P. R. Das Munsi]

on this issue, hon. Member Shri Dinesh Goswami asked : had this issue been so serious, why did the Congress Party not come forward to start the discussion ? I would like to remind the hon. Member that because we took this matter very seriously, keeping in view the dignity and unity of the country and the morale of the defence forces ...*(Interruptions)* You may laugh. I do not mind. Therefore, we not only discussed in our Party but we on our own today morning...

**SHRI DINESH GOSWAMI :** I think, he has misunderstood me. I said that the Members on the Treasury Benches were accusing us that we were wasting the time, and in that context I have only pointed out that it is a very serious matter which, even according to the Congress Party, is serious.....*(Interruptions)*

**SHRI P. R. DAS MUNSI :** This morning we on our own from this side proposed suspension of the Question Hour to start discussion on this immediately. Therefore, why should he say that ? *(Interruptions)* Will you allow me to speak ? If you do not want to here me, I will not speak:

Mr. Deputy-Speaker, Sir, we are discussing this matter in great detail. I am not questioning the merits now. Hon. Defence Minister will reply to all the charges. I am only sorry to say that even those of our friends who found the opportunity to bring Mr. Moshe Dyan to India are also trying to champion the cause of the country and to say that there is no threat of destabilisation. I know it. I do not like to mention. While Pakistan is building up its total strength of defence on the border and while our friends in Arunachal Pradesh are feeling disturbed, this is possibly the opportune moment to create a situation in the country by which the entire defence forces get totally demoralised. That is the attempt of the conspirators outside, and while I say this, I say with responsibility and ask a question of the hon. Minister whether it is not a fact.

Mr. Somnath Chatterjee belonging to the CPM did refer to a very genuine question. He said that he would not have taken up this matter if it had not come from a foreign source. I am thankful to him for his reliability and faith on foreign sources, that too a correspondent based in Hong Kong. Why the gentleman come to India, we do not know. The news came from foreign sources and that is why the hon. Member is agitated. Yes, it has come from foreign sources. About the last days of Mr. Allende of Chile, the whole world knows ; the whole world knows how the conspiracy was hatched. The whole world knows how Mr. Machel of Mozambique was destroyed in an air crash, how the conspiracy was hatched. So, do not belittle the discussion. I am not accusing any Party here I am talking not out of emotion ; I have been watching closely the developments. Corruption may be there, corruption may not be there ; that is a matter of detail ; we can discuss that. But I am talking about the deal. *(Interruptions)* Please listen to me first. Is it not a fact that the correspondent of Sweden who asked for visa to come to India applied for the visa in November ? He come ...*(Interruptions)* Let me speak. I did not interrupt you...*(Interruptions)* You can discuss about corruption. I do not mind. But what are we discussing today ? I am not an expert on Parliamentary rules. My friend, Prof. Madhu Dandavate is much wiser. See the manner in which we are discussing Defence today, the manner in which we are laying ourselves into the trap of the conspirators.

15.00 hrs.

Question are being asked what are the requirements of Defence; what type of gun specification, the number of tanks and submarines and what is its price in the international market ; I wonder it is not discussed in any part of the world and in ady Parliament in this manner. This is what the forces at the border want to know.

Sir, I know the correspondent got the visa to come to India in November. He deliberately did not come to India in November. He stayed with the visa in Hong Kong. He was chosen deliberately

be certain friends. He chose the time to come in India on 14th April. He waited to see if the Fairfax takes a shape his visit is not required. Since Fairfax went to judicial inquiry he considered his visit is now required in India. He landed on 14th. (*Interruptions*) Madhuji was quoting every—time Swedish radio. The news was reported from the some correspondent from Delhi to Sweden and from Swedish radio it was exported to India and thanks to the Opposition they have faith in that news so much that they want to discuss in detail in spite of the categorical statement of denial made by the Prime Minister. Shri Somnath Chatterjee said why don't you involve the Parliament? How more Parliament can be involved; He wanted a denial. What more can be the denial what the Prime Minister made in the morning and also the statement by the Defence Minister: Now there is a denial of the Sweden Government and the minutes recorded by Olof Palme's talk with the Prime Minister; denials of Bofors and denial of this Government. Is this not enough? still they smell somebody had taken.

Sir, I want to ask a question today. Will you like to make it a precedent that if tomorrow from United States; if tomorrow from West Germany and if tomorrow from U. K. some responsible correspondent or irresponsible correspondent—whosoever he may be—used Voice of America and B. B. C. revealing certain statements accusing certain leaders of the country—this side or that side—is that going to be debated in this House once for all? Suppose a telegram comes from Switzerland tomorrow that here is a friend in India who is engaged for increasing the frenzy of the communal riots in some part of the country whom we fund. Will it be discussed in the House? (*Interruptions*) If you do like to fall into the trap in this manner, I am sorry to say, we are landing ourselves into a difficulty when the voice of democracy will be over.

Now I come to another serious matter (*Interruptions*) please listen. I know what is your motive? I know what is it you are upon? you want to go out of Parliament to say whatever may be the discussion in Parliament; whatever may be the answer

of Shri Rajiv Gandhi your campaign, I know gentlemen, will be that Congress Government is corrupt. They took money. You will do that.

SHRI NARAYAN CHOUBEY  
(Midnapore): Is it not correct?

SHRI PRIYA RANJAN DAS MUNSI :  
Mr. Narayan Choubey, you laugh today I only want to see your laugh if something wrong happens to the country. Do not laugh like that. Try to listen to what I say. (*Interruptions*)

Mr. Deputy Speaker. Sir, he wanted to know how it amounts to de-stabilisation. Yes, it is a threat to de-stabilisation. I will tell you how it is. Shri Indrajit Gupta had stated his concern about the forces working for de-stabilisation but he says to discuss corruption is not a threat to de-stabilisation. I agree with him about his concern but I would like to justify why you have taken this point if it is a threat to the unity. Yes it is a threat to the unity. With great respect to the hon. Member I would like to say without referring to any party that for the last two years the forces which are active in certain parts of the world to destroy the non-aligned movement and to divide India they took the first attempt on the prominent people in the Indian army, the Sikhs ..

SHRI INDRAJIT GUPTA : Then why do you go to buy arms from the same people?

SHRI PRIYA RANJAN DAS MUNSI :  
Shri Indrajit ji you had not been in the House while Arun ji stated how do we buy arms. We buy arms first based on the requirements if it is available within India. If it is not, then we give the highest priority to the non-convertible rupees currency area. If we do not get there then we go to the open currency area. That is the compulsion of the country; how could we help it. To meet the challenge of F-16 we need a Mirage. If it is not available somewhere, on certain occasions, to meet the challenge of the United States, we did need the help of the MIG. That was the compulsion, and this compulsion

[Shri P. R. Das Munsi]

should be understood. not the motives. If we buy something from United States, or buy something from Germany, it does not mean that we are corrupt, and if we buy something from Rupees currency, we are extremely honest. This is not important. What is important is the compulsion of the country as per the requirement of the defence; that has to be understood by everyone.

Now, Sir, there are some pure regiments in the Army like Gorkhas in Gorkha Regiment, Sikhs in Sikh Regiment, Jats in the Jat Regiment; these are few pure regiments. The whole House is aware of the fact that attempts were made for the last 3 years to incite a section of people in various names and movements to create a pure regiment, the effect of which on the army should be understood. I do not mind telling you the pure facts—the way the conspiracy is shaping, the way things are moving. Mr. Suifuddin should know the stand of the Prime Minister so far as Gorkha land is concerned. Do not discuss this now, we will have to meet together day after tomorrow; do not discuss it now, I request you.

Now, Sir, this was the first incident that Indiraji was assassinated. Thereafter what happened in a section of the Indian Army, we all know. Thanks to the people of India and the people of Punjab, we have overcome that problem. Sir, why were these issues brought after 14 April? I would like to say what is the conspiracy and the design. If the deal had been concluded in the end of 1986, news could have come at that stage. There are competitors in arms race, arms dealing business. If one party gets the order, others try to scotch the orders. If one party gets the order, others try to put in insinuation so that the whole order is cancelled. If you had accused the corresponding Indian politicians and if you had accused the Congress, I would not have minded; but you accused the high level officers in the Indian Army. I am grateful to the Indian Army. Come what may, in the hour of crisis, 1962-65 they gave their highest priority to the nation.

We politician can shout here, write articles but you do not give your life in the border; they give their lives. This is the conspiracy; because, if these things go on, the forces in the border will get destabilised, the whole defence arrangement of India will get under a cloud so that they do not go in for any negotiation, for any requirement with the authority. Let us demoralise the whole set up and the forces in the borders to gain their strength in capacity of defence manoeuvrability. That is what is the conspiracy, that is what is the design and this design was planted here, when? It was not planted in December, as was mentioned by the hon. Member here. It was not planted in January. The only way to see is in this light; if in Kerala and Bengal, Congress lose, use it; if it is not, do not use it. I know and I say it is all a political design. This is the political design. It is the time to strike when the iron is hot. Hit Rajiv Gandhi and his Government in all possible manner, confuse the whole nation, demoralise the Indian Army, stop their contract and negotiations and give the benefit to others who are in the borders. This is the conspiracy. It is the international conspiracy to create a serious crisis in the country. It is not against corruption that you are fighting. How can you prove it? If somebody accuses Mr. Dandavate of some serious charges, Parliament will protect him. Now, even irresponsible politicians make accusations against all. Government says nothing has been done, Prime Minister says nothing has been done, Swedish Government says nothing has been done, yet Mr. Jaipal Reddy who is absent now, rather irresponsibly says it is my charge that you took money, where the money had gone. The money has gone to BJP's coffers to organise communal riots. In the name of Defence if you talk in this manner, you are not only harming the morale of our Defence Forces but also harming the nation itself in the present hour of crisis. Therefore Mr. Deputy Speaker Sir, I would only like to make a submission here. A matter such as the Fairfax affairs which has already been disposed of by referring it to a judicial commission has again been referred to now. Why should they do so? The matter concerning the

submarines which is subject to an inquiry is again brought back here. Why should they refer to all these issues again and again? It only proves that a section of the opposition—I do not blame the whole opposition—is planning to connect a few things for their own advantage and to use them for their own interest. I know what some of them have said a few days back in a meeting in Delhi. They have asked the people to go into the streets and fight it out. Well, we also know how to fight. Then Shri Somnathji has said that we are trying to divide the opposition. We are not here to divide the opposition. We all know the teaching of that great man Lenin. He taught to the whole world that at the hour of crisis, against all the imperialist designs, communists never compromise with the right reactionaries. Right now they are sitting with them on the same bench. But I am not bothered about that. I am only saying that they have raised all these issues in the name of charges of corruption. Madhuji, I humbly submit to you to refer to history when charges of corruption were levelled against those persons who are now respectable persons of this country. I do not want to mention their names. All those people whosoever they may be were thrown out by Congress on the charges of corruption and you have decorated them in your office. During 'Nav Nirman' agitation, in Gujarat hundreds of lives were lost and you cried for them here. I was there in the Fifth Lok Sabha. Shri Morarji Bhai was there. And the man against whom you have fought, has been brought back as the leader of the Janata Party in that State. So, this is the way you fought corruption in the country. I know how you fight corruption. (Interruptions)

As per the rules of Parliament, we have no power to discuss issues relating to State Government here in this House. We have no right to discuss the State Government in this Parliament. If only there were an amendment to the rules even for just 24 hours, I can produce thousands of scandals with documents to show to the people. But this is Parliament and we cannot do it.

SHRI NARAYAN CHOUBEY : Why don't you do it outside ?

SHRI P. R. DAS MUNSI : I am not talking about your Government. Why are you agitated? I am talking about somebody else and on that you will support me Choubeyji. (Interruptions)

Mr. Deputy Speaker Sir, I would like to submit in conclusion that this is an organised design hatched by those international forces who linked hands with certain sections of political forces in India who are disparate to divide the country and to destabilise the nation, not merely by political slogans but by demoralising the entire Defence Forces. It is positively a conspiracy and to defeat that conspiracy, come what may, we are ready. If they want to confront us in Parliament we are ready to fight them in Parliament. And if they want to meet us in the streets, we will meet them in the streets too. We know what you are upto. It is very clear. We know your designs. The dream of Jayaprakash Narain was to stop defections. But you failed to achieve that. It was Shri Rajivji who brought the Anti-defection Bill. He brought forward this anti-defection measure and this did not help you.

(Interruptions)

MR. DEPUTY SPEAKER : Nothing goes on record. I am not allowing anything to go on record. Please sit down.

(Interruptions)\*

[Translation]

SHRI P. R. DAS MUNSHI : You may please sit quietly. Do you know as to what is corruption? Why do you tell us?

[English]

Mr. Deputy Speaker Sir, I will conclude in two minutes. My first submission to you and thought you to the hon. House is this. If we are to take into

[Shri P. R. Das Munsi]

cognizance this sort of frivolous charges made by certain correspondents from several parts of the world in whatever manner they like, in spite of the fact that they are being denied by the respective Governments of those countries, where will it lead us? If this is allowed again and again what will happen? As I have said earlier, today these allegations have been made. Tomorrow some other things may come up against others. Where will all these things lead us? Sir I will finish now.

In this House, when certain malicious charges were made in 1983 against Shri Morarji Desai on the basis of the book of Seymour Hersh, Mr. Narasimha Rao said, with dignity, that we should not discuss things in this manner, since Mr. Morarji Desai himself had taken up the matter for enquiry. I also want to quote Mr. Ratansingh Rajda on that occasion. He said that we should consider where it will all lead the country to, if in this way try to denigrate the standard of the debate and level false charges against leaders of our nation on the basis of foreign information. I appeal to all that this should not be the practice in Parliament.

Mr. Ratansingh Rajda had said at that time :

“I am going to request and plead with my friends on this side not to indulge in the game of character assassination and mud-slinging.”

This was said by Mr. Rajda, a member of the Janata Party. He had foreseen that things would come up like this. He was a man from Prof. Madhu Dandavate's party. (*Interruptions*)

In this connection, I make an appeal. I appeal, not to all the members of the Opposition but I appeal to that section of the Opposition which knew that after the Indo-Soviet Treaty was signed, these were the people who questioned our *bona fides* in buying even the MIGs to defend our country. They would not spare us even in the public meetings. They said that the

buying of MIGs was a deal made by Mrs. Indira Gandhi. They said this in a scandalous manner. The gentleman who said this i. e. his party-man is out of this House now. He was a BJP man. He is in Jana Sangh. This is the extent to which they tried to demoralize the country. (*Interruptions*)

I would like to maintain that come what may, our Defence preparations will continue, and will go on ; and we will provide our Army with all sophisticated weapons. Come what may, whatever be the charges of the constituents of the Opposition, we will defend our country, we will not allow our Army to be demoralized, and the country to be divided.

These are my points.

SHRI N. V. N. SOMU (Madras North): Sir, First of all, I want to inform the House, through you, that simply because we are accusing the Government, we are described as being not patriotic. I want to tell this to Mr. Das Munsi, particularly : In 1971 when the Indo-Pakistan War had broken out while Kalignar Karunanidhi was our Chief Minister, he had invited Mrs Indira Gandhi to Madras and donated Rs. 6 crores to defend the country at that time, i.e. for the War Fund. I would also tell Mr. Das Munsi : “Dod't think that we are not patriotic, just because we accuse you”. The fact is that there have been Fairfax enquiry, then the Defence deals and now the Swedish commission—after the other, many laurels are added to the cap of Mr. Clean Rajiv Gandhi's Government. I want to say this. Even after this Government's denial, even today it is claimed that they have documentary evidence suggesting that four such payments have been made on November 13, 1986. While two of these involved 8.4 million Kroners, i.e. Swedish money, the third was for 12.9 million Kroners The fourth payment of 2.5 million Kroners was made on 22nd December 1986. And they have documents to support this.

The Congress members say that foreign elements are working against the Government and the country. (*Interruptions*)

Sir, kindly give a chance to Mr. Kuppuswamy. Let him reply to my allegations. Sir, the Congress members say that foreign elements are working against the Government and the country. I want to ask : 'Who is V. P. Singh ? Is he a foreigner ?' Even after his resignation, he says that he would work for the Congress party. He appointed the Fairfax. Is he working against the country ?

I want to know from the Treasury benches and the hon. Members of the Congress party : " Are we not patriots ?" There is no question whether there was any middle man or not ; but the point is whether commission was given or not. That is the point to be decided now, and to be clarified by the Government satisfactorily and categorically. So, Government should consider this question very seriously.

Crores and crores of rupees are involved all such dealings. But who are the culprits ? It should be the immediate duty of the government to bring them to book.

As put forth by Prof. Madhu Dandavate, a Parliamentary Committee should be appointed to enquire into the entire matter. Then only the true principle of democracy will be maintained.

Caesar's wife was above suspicion. Therefore, this government should resign and face the enquiry committee.

**SHRI V. KISHORE CHANDRA S. DEO (Parvanthipuram) :** First of all, I must register my protest for having brought my party down in the order of calling members to speak compared to the earlier system. I represent a political party with no symbol and to call me unattached, I think it is contrary to the spirit the purpose for which the Anti-Defection Bill was brought forward in the House. *(Interruptions)*

**MR. DEPUTY SPEAKER :** According to the rule laid down, it was down, it was done. You can seek clarification again.

**SHRI V. KISHORE CHANDRA S. DEO :** Just the other day when the issue of submarines was being discussed in this House, we heard a sermon on patriotism from the Minister of State for Defence. Later on, when the issue of Bofors's gun came up, we again heard a tone that was reverberating throughout the country during those dark days that preceded and witnessed emergency. The talk of destabilisation; the talk of foreign hands and what not. I would, first of all, ask the hon. Minister for Defence whether or not General Sundarji, within a week after assumption of office, made a statement that India had the technological know-how and the expertise to make 155 mm guns, the kind of which we are today buying from Bofors. He had also stated that if they started production about 6-7 years earlier, prior to the date on which he had made the statement that they would have had the guns by now, why is it that instead of trying to make indigenously a gun for which we had the technological know-how, we went shopping all round the world and to countries whom you are today accusing of trying to destabilise our system today ? With a facade of secrecy and defence secret, you cannot guard a system or a deal that has been seething with corruption.

As you all know, the enquiry was being conducted against this Bofors Company by the Swedish Government for having supplied weapons to certain black-listed companies including South Africa and Iran. It was in the course of these interrogations and in this process because of peace movement which is very strong in Sweden that this information was stumbled upon; and though the Swedish Government had denied this report and Bofors has said that bribe was not given, when it concerned the question about commission that was paid, the top officials from Bofors Company refused to divulge the facts saying that it was a confidential agreement between two parties; and hence apart from refuting the fact that they had paid bribes, they did not comment upon the commission that had passed hands. I would like to inform my friends on the other side who have been talking of destabilisation and the morale of the army and the people going down, that what bigger destabilisation can a country...

[Shri V. Kishore Chandra S. Deo]

than thousands of crores of rupees being siphoned out into secret Swiss Bank account. Is this what is going to keep the morale of the army high? Are these kind of reports going to increase the feelings of patriotism with the common man and people within the country? The only way to get out of this is to have an enquiry into the entire matter. Why are you fighting shy of constituting a Parliamentary Committee? In public life, it is not enough if one is clean; one must also appear to be clean. Since charges have been made against people in politics, who are holding offices at the highest level in our system today, it is but right to have an inquiry constituted to go into this and dispel any rumours that may have been spread. We are not charging the Government of being a party to this corruption. But what I am trying to say is that the only way, for the government to get out of this kind of mess and cloud that has blown over this Government today is only by instituting an enquiry or constituting—a Parliamentary committee. That other day the Minister of State for Defence on the floor of this House, said that he does not question the patriotism of any Member of this House, which—ever side they may belong to. But why then this hesitation to have a small committee, an inquiry committee of Members from either side? They can conduct it, whether it is the Swedish Radio, or the Bofors, or the Government the three parties who are connected with this scandal or regarding the reports that have emanated and they can set aside any rumours if they be not true, and absolve or exonerate this Government and its officials from this kind of calicious propaganda or charge.

15.27 hrs.

[MR. SPEAKER *in the Chair*]

I would like to specifically know from the hon. Minister whether this is not a charge specific enough for a Government to constitute an inquiry. Sir, in the statement that the hon. Minister has read out and eventually the statement which the Prime Minister has made, they have very categorically stated that there were no agents or

brokers or middlemen in this deal this makes it all the more curious. But at the same time the Minister of Defence has said that however a local firm was employed for making hotel booking and transport arrangements, etc. Now, was this not a thing which the Government could arrange themselves and what is the name of this firm? Is it a travel agent or did you need a firm of a bigger calibre or who have been doing work of any other type for just hotel bookings and reservation?

I would expect the hon. Minister of Defence to spell out the name of the firm.

Mr. Speaker, I would also like to know the answers to a few further questions which remained unanswered. Is it or is it not true. Since the Prime Minister himself said that it was he who spoke over this deal—with the late Olaf Palme, I would also like to know whether, when he went to condole the death of Olaf Palme to Sweden, Stockholm, after the funeral ceremonies were over I would like to know whether anybody from Bofors had met the Prime Minister to discuss some aspects of this deal with him or not and if so the details of the meeting held with defence ministry officials and defence personnel. Then, Sir, reports have today come that the name of the bank is Sweden from where the amounts have already been transferred is available with the Swedish Government.

MR. SPEAKER : This has already come on record.

SHRI V. KISHORE CHANDRA S. DEO : Then they have also named the Swiss Bank Corporation where they say the amounts have been transferred to secret accounts opened by Indians, I would like to know whether they have written to this Swiss Banking Corporation, or the Swiss Government or to that bank concerned to find out whether such transactions were made and whether certain amounts of money were deposited into the Swiss Bank accounts in Geneva.

MR. SPEAKER : That is okay. Thank you.

**SHRI V. KISHORE CHANDRA S. DEO:**  
Before I end, I would just request the hon. Minister to announce, to clear this question which remained unanswered, to announce the constitution of an inquiry committee which can only—and only—remove this charge which has been brought on the our Government.

**MR. SPEAKER :** Hon. Minister.

**DR. DATTA SAMANT :** I have been waiting, since morning, I have given the adjournment motion notice three times. Every time, you have not even me time.

**MR. SPEAKER :** Mr. Datta Samant,.....

*(Interruptions)*

**DR. DATTA SAMANT :** You are not giving me time.

**MR. SPEAKER :** Mr. Samant, I cannot oblige every person.

**DR. DATTA SAMANT :** Sir, this is not the way of doing. You are deliberately avoiding to give me time. I have given adjournment motion notice three time. I am waiting since morning. *(Interruptions)* Some hon. Members are taking half-an-hour.

**MR. SPEAKER :** Mr. Samant, will you resume your seat please ?

*(Interruptions)*

**MR. SPEAKER :** I cannot give time. There are five hundred and forty-four Members. There are five hundred and forty-four Members of the hon. House. If I have to time to all of them.....

*(Interruptions)*

**MR. SPEAKER :** I have not allowed. I have not allowed this Member to speak.

Every member of this House is an.....

*(Interruptions)*

**MK. SPEAKER :** Look here. If I am to oblige every person, in this House, I cannot do it. And you are from one of the unattached Members, I have already allowed one. You will get it some time next.

**DR. DATTA SAMANT :** I have given the adjournment motion notice.

*(Interruptions)\*\**

**MR. SPEAKER :** That does not entitle you to speak.

*(Interruptions)\*\**

**SHRI V. KISHORE CHANDRA S. DEO :** Since when are you considering me an unattached Member ? My party fought elections in Kerala...

**MR. SPEAKER :** You come to my chamber and talk to me.....*(Interruptions)*

**MR. SPEAKER :** I am not getting agitated. I am not going to do anything which is illegal or against the rules. If I cannot justify then I will apologise. There is no problem on that.

*(Interruptions)*

**MR. SPEAKER :** I cannot tell it on the floor of the House because it is not done here. You come to me and I will explain it to you. There is no problem.

*(Interruptions)\*\**

**MR. SPEAKER :** I will ask you to withdraw from the House Mr. Samant if you do like that.

*(Interruptions)*

[*Translation*]

MR. SPEAKER : How can I do ?  
Please tell me.

[*English*]

Is it humanly possible for me to accommodate each and every Member ? You come, sit here and decide.

(*Interruptions*)

MR. SPEAKER : I cannot be brow-beaten. I cannot be taken for a ride. So simple it is. I am not going to allow you at all. When I say no, that means no.

(*Interruptions*)\*\*

MR. SPEAKER : I am going to name you Mr. Samant.

(*Interruptions*)\*\*

MR. SPEAKER : All right I am going to name you.

DR. DATTA SAMANT : This is not your property.

MR. SPEAKER : This is not my property. This is the property of the House. And you have wasted enough of my time.

(*Interruptions*)

MR. SPEAKER : I will put it to the House if this is the way Members are going to behave, I have given my helplessness. I cannot accommodate each and every Member of this House. And if they want that way, then I have also got no objection. I will let it go on. I damn care. If you say it, I will let it go on (*Interruptions*) I would not mind. It is you who have to decide it. If you give me a word that all those hon. Members who want to speak be allowed, I will allow.

(*Interruptions*)

MR. SPEAKER : Why should I ? This is not in my power.

(*Interruptions*)

MR. SPEAKER : No I cannot. If I allow him then I will have to allow others. I have got a list of 10 members who want to speak.

(*Interruptions*)

MR. SPEAKER : Will we be able to do it ? Are you taking responsibility, Sir ? Professor, talk to this gentleman.

DR. DATTA SAMANT : I have given a motion at 90' clock in the morning.

MR. SPEAKER : Giving a motion does not entitle you to anything.

PROF. MADHU DANDAVATE : I have a submission to make.

MR. SPEAKER : No, I cannot.

PROF. MADHU DANDAVATE : I see your difficulty. There are an umbers of Members to speak. Consequently in three debates unfortunately he could not get an opportunity to speak.

MR. SPEAKER : We have also allowed him certain times. I remember I gave him chance to speak three times.

(*Interruptions*)

MR. SPEAKER : I cannot allow you. But if you want to force me it cannot go down my throat. I will not allow under any circumstances.

PROF. MADHU DANDAVATE : I do not want to force you, because again it will be referred to a parliamentary probe. I only want to request you to give him five minutes. In the last three debates he could not get an opportunity.

MR. SPEAKER : The question is that I have got five more Members who have requested me personally and said that they must also be given time. I have given

2½ hours and it is 3½ hours already. What can I do? If this is the way Members are to cooperate...

*(Interruptions)*

SHRI BHADRESWAR TANTI (Kalia-bor) : I withdraw my name, Sir.

PROF. MADHU DANDAVATE : He is withdrawing his name Sir.

MR. SPEAKER : He is withdrawing but what about others ?

PROF. MADHU DANDAVATE : All others also agree, Sir.....*(Interruption)*

MR. SPEAKER : Professor Sahib, I dislike this high-handedness. They are trying to question my judgement also, they try to question my prejudices also.

PROF. MADHU DANDAVATE : Sir, next time instead of Dr. Datta Samant, somebody else might be allowed. They were all agreed. All five Members have agreed.

MR. SPEAKER : All right, I will put it to the House. If it is agreed to, then I will allow him.....

*(Interruptions)*

PROF. MADHU DANDAVATE : Sir, all the five Members have agreed to withdraw their names for Dr. Datta Samant. It is only a request to you. There is no high-handedness. And I hope that you will accept it.

MR. SPEAKER : And he should apologise for his high-handedness.....

*(Interruptions)*

MR. SPEAKER : Mr. Datta Samant, you must give a promise that you are not going to behave like that again. O.K. ?...

*(Interruptions)*

MR. SPEAKER : Order, order.....

*(Interruptions)*

MR. SPEAKER : Now you don't do it. He has already given an undertaking that he will not misbehave in future.....

*(Interruptions)*

SHRI CHIRANJI LAL SHARMA (Karnal) : I rise on a point of Order, Sir...

*(Interruptions)*

MR. SPEAKER : He has already undertaken that he will not misbehave in the future.

SHRI CHIRANJI LAL SHARMA : I am on a point of Order, Sir.

*[Translation]*

MR. SPEAKER : He has requested that he may be excused.

SHRI CHIRANJI LAL SHARMA : My point of Order is this that you have been pleased to call the Minister to reply. The Minister has actually started.....

*(Interruptions)*

*[Translation]*

MR. SPEAKER : You may please sit down. You are an elderly person you should not lose your temper.

*[English]*

DR. DATTA SAMANT (Bombay South Central) : Sir, I am not going to take much of your time, I will raise only three or four issues. In his statement, the Minister has said that the original bid was reduced by the Bofors company, but in the whole five-page statement, there is no mention of the four companies whom the Government had approached. I would like to know what were the bids offered by all the four companies and I want the original bids to be placed before the House just to confirm whether they have been offered by the minimum number of companies or not. The Hon. Minister can tell us in his reply

[Dr. Dutta Samant]

whether the bids are there and same efforts were made with regard to the other companies also to see that their bids were also reduced and fixed at the escalation level which he has mentioned in his statement.

There are two more points which I would like to raise. Our defence expenditure has gone up by about Rs. four thousand crores in the last year. I have studied the Budget documents and found that these Rs four thousand crores are mainly for the purchase of Indian and foreign material for the Defence forces. Therefore, there is a strong doubt whether some more money will not be spent for purchasing the defence items. Everybody is concerned about it. We are more patriotic and we are all for this.....(Interruptions)

Everybody is patriotic. He was not here when somebody said we are less patriotic. That is why I am saying this.

The hon. Minister has not mentioned the amount of the total bid in his whole statement. As per my knowledge, the total amount involved for purchasing these arms in three or four or five years is Rs. 1,400 crores. It is a substantial amount which is going to be spent on defence. If am wrong, he can correct me. I am talking about the total amount. The only thing that he has said in his whole statement is that there is no middleman. I think when the hon. Minister Shri Natwar Singh approached the Swedish Ambassador, the only thing stated by the Swedish Ambassador is that there is no middleman. But the Ambassador of Sweden has never said that no black-money or any such thing is involved. He has said that there is no middleman...(Interruptions). All his points are focussed on this without giving the appropriate information on what is happening.

I would like to mention one point here. I know about the Swiss bank account. (Interruptions). I know the big millowners and the industrialists keep their money in the Swiss bank. So, money can be depo-

sited in the Swiss Bank and the code number is given. There is no need of middlemen in this transaction. If anybody wants to deposit money in the Swiss Bank in the name of Prof. Madhu Dandavate, it can be done. (Interruptions)

PROF. MADHU DANDAVATE : No, no. Don't mention my name.

DR. DATTA SAMANT : So, Sir, anybody can deposit money in anybody's name in Swiss Bank and the code number is passed on to the person concerned. There is no need of signature for deposit in the Swiss Bank. Here it is done in the name of 'Lotus' and some code number is given. But it is not known. This is the system that is followed. From Bombay many industrialists are depositing their money in this way. There is no middlemen required for this purpose.

MR. SPEAKER : You have already made your points.

DR. DATTA SAMANT : Sir, there was one person called.....

MR. SPEAKER : Don't name anybody. Not allowed.

(Interruptions)\*

DR. DATTA SAMANT : Through you I want to give them a clue. If the Prime Minister wants the clue, I can give. I am only giving the clue to the Government to enquire into the matter.

MR. SPEAKER : No defamatory statement can be made against anybody who can't defend himself here on the floor of the House. Don't mention all those things.

(Interruptions)

SHRI CHANDRA PRATAP NARAIN SINGH : Sir, I have a point of order. You are always reminding us about the rules and I am grateful that you allowed Shri Datta Samant to speak. But the ten-

minutes' time that was wasted could have been allowed to him and he would have spoken more. I want to remind you, Sir, sometimes it happens like when you were the Speaker in the last Lok Sabha off-the-cuff remarks against the a Minister and the Prime Minister were made and reported by the press. The Minister could not do anything beyond making a statement and that is where the image of the Government gets ruined. The Chair has to protect their rights.

MR. SPEAKER : The whole House is responsible. If I have a slip you have to remind me also. We are all collectively responsible. I am a human being and I might not have noticed. That is how you all will help me in the discharge of my duties. I am amenable to that. I have never said that I am a paragon of everything which I can do like that.

SHRI CHANDRA PRATAP NARAIN SINGH : It is like that Someone ceases to be a Minister and someone because a Minister that should not happen.

AN HON. MEMBER : Prof. Madhu Dandavate, you should thank him

PROF. MADHU DANDAVATE : I am publicly thanking him. Why do you want me to thank him again ?

*(Interruptions)*

THE MINISTER OF DEFENCE (SHRI K. C. PANT) : I should like to thank all the hon. Members who have participated in this debate though some of the interventions did not throw much light on the subject which is under discussion. I want particularly to thank those Members on our side who have dealt with the broader aspects of destabilisation. I would not like to repeat what I said in my first Statement. The first statement seeks to cover the facts, the procedures and generally the manner in which the decisions has been taken. I am a little surprised after listening to the whole debate as to why we should have dispensed with the Question Hour today. It seems to me that this debate could very well have been taken after the Question Hour because

there was really nothing of that importance that could not have been taken up after the Question Hour. *(Interruptions)*

SHRI C. MADHAV REDDI : Sir, this is a reflection on the House.

*(Interruptions)*

PROF. MADHU DANDAVATE : The Parliamentary Affairs Minister has already stated that and the whole House agreed.

*(Interruptions)*

SHRI K. C. PANT : Sometimes we credit you with a potential of making very good speeches, sometimes we credit you for having a lot of material with you. Therefore, we agreed to it when you asked for it. It is only after listening to you that I am saying this, not before.

*(Interruptions)*

PROF. MADHU DANDAVATE : After listening to me you will certainly realise that it was good that you listened to me.

*(Interruptions)*

SHRI SOMNATH CHATTERJEE (Bolgpur) : Abuse is the best reply.

*(Interruptions)*

*[Translation]*

MR. SPEAKER : Only those people who have nothing with them to offer abuse others. The people who become totally bankrupt, abuse others.

*(Interruptions)*

*[English]*

SHRI SOMNATH CHATTERJEE : This is what you have done last time on an important debate.

*(Interruptions)*

MR. SPEAKER : This is nothing.

[Shri Somnath Chatterjee]

[Translation]

Chatterjee Sahib, since when you have starting getting so much angry. You were a very nice person earlier.

(Interruptions)

MR. SPEAKER ; There is nothing of the sort. You have spoken lot.

(Interruption)

[English]

SHRI K. C. PANT : Sir, many hon. Members have referred to want the Swedish Radio has not said, what a single correspondent has said, and so on. And there has been a tendency to ignore what the Swedish Government has said. There has been a tendency to slur over the fact that a man of the stature of Olaf Palme gave a solemn assurance. Can you slur over this fact ? It is reasonable or is it right to simply ignore them and put all your emphasis on one small aspect of this case? You balance the two. It is for you to balance and see whether it is right to put this one Radio in the balance against Olaf Palme and the Swedish Government, not to speak of our own Government.

Sir, I listened to the speech of Shri Madhav Reddi, for instance, and Shri Madhav Reddi really asked me as to why I could not place the facts before the House. To the best of my ability I have placed the facts before the House, and I do hope that if he goes into these facts in depth, he will be reasonably satisfied about the procedures etc. which I will refer to very briefly because Shri Arun Singh on the previous occasion has dealt at length with that and I do not want to repeat that. Nevertheless a few words I shall say. The Prime minister has intervened on number of occasions and I think after that it is not really necessary for me to give a long speech because he has said that there are no charges at the moment and if evidence is asked for, then we shall look into it, we shall inquire into it and if somebody is found guilty, we will punish

him.' What more do you want ? This is the essence of what you have been asking.

Sir, the problem with replying to charges which have no *Prime facie* basis is brought out strikingly by the intervention of Shri Datta Samant. Shri Datta Samant said, 'suppose Borors have given some money in Prof. Dandavate's name in a Swiss bank'. He said it, I know he does not mean it. I am merely pointing out the problem. (Interruptions). If you feel better, I will put it in your name. (Interruptions).

So, I can see you prefer that;

(Interruptions)

PROF. MADHU DANDAVATE : If it is really deposited, let me know please :

SHRI K. C. PANT : That is precisely the problem, Professor. If he makes that statement, you cannot defend yourself. How do you defend yourself ? What do you say ?

SHRI S. JAIPAL REDDY : You have to inquire.

SHRI K. C. PANT : How ? Inquiry with whom ? That is what Mr. Datta Samant said, as we have heard him. What is the means by which you defend yourself, if somebody gets up and says, there is an account in Swiss Bank in your name ? I am very glad, he made the statement. I would like you to ponder over it. I would like you to seriously consider the problem. It is a serious matter. (Interruptions)

So, Sir, it is necessary and I would accept the statement of Dr. Datta Samant. But nobody is going to accept the statement of Dr. Datta Samant : That money is put in the Swiss Bank in Prof. Dandavate's name. But does that mean merely because he makes a statement, a parliamentary committee should be set up to go into it. This is the kind of problems. There must be some basis for this enquiry; there must be some document, there must be something on which one has to go.

DR. DATTA SAMANT : Sir, the procedure is, no middleman is required for that. That is my explanation. In anybody's name, account, the money can be put. No middleman is required. That is my explanation.

MR. SPEAKER : Now, take your seat.

SHRI K. C PANT : I am so grateful to you for having given Dr. Datta Samant a chance. It is because the point would not have come up so sharply. This is the essence of the dilemma which all of you will face, if such a situation ever comes to you. Many of you are running Governments in States. It is not difficult for charges to be raised. Many of you may find it difficult to answer such charges, such situation, such allegations. Let us not take these things lightly. You are responsible people running Governments in many States, many of the Opposition parties are running. Therefore, we have got to see that we have some conventions in the matter ; that we follow certain traditions and that we are not swept off our feet by somebody who makes some charge somewhere.

I am surprised to find, Shri Somnath Chatterjee saying this : "I am not making the charge. Somebody abroad has made it." I would give more credence to him. He does not seem to have the self-confidence in himself. If somebody outside need it, therefore, do you investigate ?

SHRI SOMNATH CHATTERJEE : What is this charge ? He took my name and therefore I have got to answer him. The question is, every hon. Member has raised this. Are you ignoring newspaper reports on the basis of the Swedish State radio announcement ? Did we wrongly take up this matter ? If we had not raised the Fairfax matter on the floor of the House. would there be an inquiry ?

MR. SPEAKER : Let him answer. He has not said it. There is nothing wrong about it. He is meeting your point. Why are you getting agitated ?

(Interruptions)

SHRI SOMNATH CHATTERJEE : He is blaming us.

MR. SPEAKER : It does not matter. You are agitated about nothing. You should be very calm I think, in the last sessions. you were very calm.

SHRI SOMNATH CHATTERJEE : I find that in this matter the Government are distressed themselves, they are so much upset that they do not allow anybody to speak even.

DR. DATTA SAMANT : Bribe can be paid in the bank and the account No. can be passed on. (Interruptions)

MR. SPEAKER : He has not been a middleman;

SHRI K. C. PANT : In regard to the other points which Shri Somnath Chatterjee has raised, the Prime Minister himself intervened twice or thrice and he has clarified all those points. I hope, to his satisfaction. I was looking at him, while the PM was intervening and I thought that by and large, he felt reasonable satisfied with the reply.

SHRI SOMNATH CHATTERJEE  
Mind reading or face reading.

SHRI K. C. PANT : This is the first time, you smiled today.

MR. SPEAKER : And that must have eased the tension now. Last time, he was very very happy. But this time, I find him different.

(Interruptions)

SHRI K. C. PANT : Shri Bhatia asked a question. He said that Olof Palme gave an assurance. I have quoted that. You do not want me to quote it again. I have quoted it. Suppose you have been in the Government. Would you have disregarded what he said ? Would you have disbelieved him ? What would you have done if you had been there ? Many of you were there once. Many of you were there in the States. A man of Olof Palme's stature, as I said earlier, a friend of India, who is accusing him of destabilising India. We have not done it.

**SHRI SOMNATH CHATTERJEE :** We have not done it. [English]

**SHRI K. C. PANT :** You have not done. Therefore, he is not in, this question of destabilisation. There are other forces. Therefore, Olof Palme's credibility in this House is, I hope, unquestioned on all sides. I take it. If anybody questions it, I would like to know now. This is the time to question it. Now. Therefore, once you do not question that, one of the problems is removed. once you said you accept his assurances and when you accept his assurances, one of the major problems of this debate is removed.

**SHRIMATI GEETA MUKHERJEE :** (Panakura) : May I ask a question with regard to the radio ?

**MR. SPEAKER :** No, Madam. Not allowed.

(Interruptions)\*

**MR. SPEAKER :** Not allowed. No Permission. This is off the record, Madam. Not allowed.

**SHRI K. C. PANT :** Shri Somnath Chatterjee is an eminent lawyer sitting in front of you. How do you sue somebody for something that he is going to say,

(Interruptions)

**MR. SPEAKER :** Don't interrupt.

(Interruptions)

[Translation]

**MR. SPEAKER :** I shall manage myself, but what are you doing all this ? When you indulge in such things, it aggravates the situation. If you do not do anything, I shall manage. I myself shall manage. You may please sit quietly.

(Interruptions)

\*Not recorded.

**MR. SPEAKER :** No Jaipalji. Sit down. Not allowed. Please sit down. Mr. Jaipalji, why are you disobeying ? No.

[Translation]

Jaipalji please sit down.

(Interruptions)

**MR. SPEAKER :** Why do you waste the time of the House. I do not allow anybody.

(Interruptions)

**MR. SPEAKER :** I do not understand as to what are doing.

(Interruptions)

[English]

**MR. SPEAKER :** There is no rule like that.

[Translations]

You have started the same thing again. When will good sense prevail upon you people.

Now you sit down, please.

Jaipalji, you also sit down. Then I would control everything. What does happens to you ? I do not understand. You are doing the same thing again.

[English]

**SHRI K. C. PANT :** Shri Jaipal Reddy is an old friend and he will not mind it. If you want to ask something now, perhaps later on you can do so e, not now. I will appreciate it if you Let me continue because the thread is broken too often.

**SHRI SOMNATH CHATTERJEE :** What about ours ? You also interrupt like that when we speak.

SHRI K. C. PANT : I never do.

(Interruptions)

[Translation]

MR. SPEAKER : When you interrupt, I can not do anything.

[English]

PROF. N. G. RANGA (Guntur) : How many a time you go on exhorting like that ? There must be a limit for this state of affairs. You are not able to control them It is very unfair.

MR. SPEAKER : Why do you do it ? I will do it.

PROF. N. G. RANGA : You are not doing it. That is the trouble.

16.00 hrs.

SHRI K. C. PANT : Sir, even Professor Dandavate said that some information is going to be released by the Radio Sweden. This is what he said, in the future tense. Even, he said "there is nothing before us now. It will come." Then the Prime Minister said...

PROF. MADHU DANDAVATE : I don't mind your misinterpretation...

SHRI K. C. PANT : No. I will not misinterpret you...(Interruptions) Then, the Prime Minister said that we have made enquiries ; They have said : we have got this information from the Correspondent in Delhi and that man was asked—all that explanation, I remember it. This is the context in which I was replying to the lady Member.

Professor Dandavate spoke of the range of the gun and he said that the Ministry should look after this point. I agree with him. I have made some enquiries and I was told that this has the required range. But if he has any information, certainly this is a point and I will look into it.

Then, several hon. Members raised the question of clandestine supplies by Bofors to Iran and so on and being blacklisted by the Swedish Government. It is clear to the House that in this particular case, not only the Swedish Government but the Prime Minister Mr. Olof Palme was personally interested and spoke to our prime Minister. Where did this question arise ? This is not relevant to this particular case.

PROF. MADHU DANDAVATE : What about the bona fide of the Company ?...

(Interruptions)

SHRI K. C. PANT : As far as the Swedish Government's attitude to this particular transaction or contract is concerned, there is no cloud over that. There is clarity in that matter. That is what I am saying...

(Interruptions)

MR. SPEAKER : Mr. Sobhanadreeswara Rao, why don't you listen ? He says that Olof Palme himself said that he has initiated it.

PROF. MADHU DANDAVATE : What about the clandestine smuggling to the blacklisted countries ?

(Interruptions)

SHRI K. C. PANT : I am only taking one point i. e. whether the Swedish Government has supported this particular transaction, sale and contract or not. I say that they have supported this. The Swedish Government was not only interested in this sale but at the level of the Prime Minister, he took up the matter with our Prime Minister. This is what I am saying. There is no denying this point.

PROF. MADHU DANDAVATE : He has understood this point but he starts over it.

(Interruptions)

**SHRI K. C. PANT :** I think you are provoking the point when there is none. *(Interruptions)* Professor Dandavate raised the old question i.e the case of Nagarwala and the Rs. 60 lakhs. I think it was about the Nagarwala's case...

**PROF. MADHU DANDAVATE :** It is established that Rs. 60 lakhs went out. Only, they could not find out who was responsible.

**SHRI K. C. Pant :** It so happened that I was in the Finance Ministry. To the best of my recollection, Nagarwala was caught in the evening of the same day and the money was recovered. That is my recollection. It is an old case...

*(Interruptions)*

**SHRI K. C. PANT :** Therefore, sometimes, memory can play tricks with one.

**PROF. MADHU DANDAVATE :** It does not play, at least, with me. Four persons were killed...

*(Interruptions)*

**SHRI K. C. PANT :** Sir, Shri Kaushal has made a speech which has covered many points very effectively. I really do not feel the need of covering those same points again. I would like to thank him in particular...

**PROF. MADHU DANDAVATE :** About the remarks of destabilisation ?..

**SHRI K. C. PANT :** Shri Indrajit Gupta referred to a few points which, I think, must be answered. First of all, he said that there is no burning urgency about acquiring this gun because it took a long time of 7-8 years to enter into this particular deal, to make the decision and so on. It takes a long time because this is a futuristic exercise of 15-20 years perspective. And then expecting certain changes in weaponry, he experts say now that we must change over to another gun or another tank or another aircraft.

So, it is necessarily a long term exercise. I think, it is good that we have entered the stage of long term perspective in our planning in defence matters and defence modernisation.

The other point he raised was : when this long period was before us, why did we not go in for our own R and D and develop this, why was it not made a part of our indigenisation process ? I think, Shri Kishore Chandra Deo raised much the same point. I was interested in this because I think that it is a valid point, it is a valid question. It arose in my own mind when I went through the papers. I understand that, when the requirement for 155 mm gun was projected to the DRDO, the DRDO was then engaged in the design of two important guns required in the Services—the Indian Field Gun MK-2 and MBT Arjun gun of 120 mm calibre. In spite of DRDO's eagerness to take up this project, it was felt that its available infrastructure could only handle two guns at the same time. Now, these guns were also important. So, it is not as though the question was not gone into. It was gone into, but those who know best, the technical people, decided that they would like to concentrate on the other two guns. That was their priority, and that is the reason why this happened. So, we have gone in both for importing this gun and for manufacturing it within the country. That transfer of technology is a part of this particular deal.

The other question he raised was about ammunition. In this all I can submit is that ammunition from other sources was also considered. The whole question was gone into. I do not want to go into details; I have the details here. Six types of ammunition were required and it seems that none of the parties could give all the six types...

**SHRI INDRAJIT GUPTA :** Except Bofors ? Only Bofors could give ?

**SHRI K. C. PANT :** Yes. That is the reason why this was preferred. I think somebody said, Capt. Mushran or somebody...

AN HON. MEMBER : Col. Mushran.

SHRI K. C. PANT : I am sorry. Col. Mushran. I am prepared to call him Gen. Mushran. (*Interruptions*) He said, for warranty purposes also, it may be better. I think, there is a point in what he said—to buy the accessories and so on from the same source.

Shri Indrajit Gupta raised the question of the total value of the contract. The contract value was Rs. 1,427 crores which fits in nicely with the figure mentioned by Dr. Datta Samant or 1.3 billion dollars, and this covers 410 gun systems and it includes the guns, it includes towing vehicles and ammunition vehicles, it includes ammunitions of six types it includes fire control instruments, five years of spares and technical literature. So, the figure of 3.4 billion dollars is obviously not correct.

(*Interruptions*)\*\*

MR. SPEAKER : Nobody is allowed. They are speaking without my permission.

(*Interruptions*)\*\*

SHRI K. C. PANT : Unless I want to keep on going round and round in circles, what I have answered once should be taken as the answer.

Shri Mushran also referred to the fall out of the debate on the armed forces. While I do not want to labour on the point, I would like you to bear that in mind wherever such debates take place. More I would not like to say.

PROF. MADHU DANDAVATE : If you yield for a second, I want to raise one thing. One common question was asked by almost all the Members on the Opposition side and that is as far as the process of destabilisation is concerned ; I have pinpointed that if exposure of corruption at the Prime Minister's level even in Japan and at the Presidential level in U. S. could not destabilise the system, why

are you alleging that this will lead to destabilisation ?

(*Interruptions*)

SHRI K. C. PANT : I was not wanting to enter into this question because it has been dealt with by my colleagues here. But Prof. Dandavate is too serious and senior a Parliamentarian to take the threats of destabilisation lightly. He cannot ignore that even if he wants to.

PROF. MADHU DANDAVATE : I am as much concerned about the stability of the country as you are, Mr. Minister.

SHRI K. C. PANT : I know, that is what precisely I am saying and I don't think he is ignorant of what is happening in Punjab.

PROF. MADHU DANDAVATE : The Government belongs to you, but the nation belongs to all of us.

SHRI K. C. PANT : That is what I said. I am even going beyond what you have said. I am saying that you are one of the persons who will not ignore the threat of destabilisation, you will not ignore what is happening in Punjab, you will not ignore what is happening in Arunachal Pradesh today, you will not ignore the massing of troops, you will not ignore the arming of Pakistan, you will not ignore the possibility of disinformation from various sources. Is it a new thing, is it not known that there are certain forces today who would be happy to see India break up ?

SHRI SURESH KURUP (Kottayam) : Which are those forces ? Please come out openly...(*Interruptions*)

SHRI K. C. PANT : Those are the forces which you should not directly or indirectly support. We need not have to tell you...(*Interruptions*)

MR. SPEAKER : Not allowed.

(*Interruptions*)\*\*

**SHRI K. C. PANT :** Therefore Sir, it is not as though destabilisation is a figment of my imagination. This is a reality and at least on this there is an agreement.

Now, the question is, certainly corruption wherever it occurs, must be fought. We are not running away from that. We are not hiding it under the carpet. The Prime Minister has said that we will have an inquiry and whoever will be guilty will be pushed, if there is a room for such as inquiry, if there is a basis for such an inquiry. He has said it again and again. We are not running away from that. But the fact remains that if you destabilise the institutions of this country, there will be destabilisation. There are forces in the world who are doing it. We are all agreed on that. Therefore I don't dispute the fact that corruption should be fought. We are all one on that. The point is that destabilisation is there, the point is that there is an attack on this country from various sources and the point is that no holds are barred and that all kinds of methods are being used. I am sure, people like you will know that these methods include disinformation, include all kinds of things. I don't want to go into it, it is a long story. Therefore, please don't say very innocently as to where is the question of destabilisation.

**PROF. MADHU DANDEVATE :** Due to this exposure only.

**MR. SPEAKER :** He has agreed on that point. There is no question of not fighting.

**SHRI C. MADHAV REDDI :** He has not said who are the internal forces. He has only talked about the external forces.

**MR. SPEAKER :** He has already said it, he has explained it. Why should anybody feel guilty-conscious? He has already touched that point, you didn't listen to him.

**SHRI K. C. PANT :** Shri Dinesh Goswami said something which, perhaps, he did not mean to say. He said that the impression should not go around that our defence forces are above corruption. This

is what he said. I am surprised that a responsible person like him makes this statement, a sweeping statement like this as though our defence forces are corrupt.

**SHRI DINESH GOSWAMI (Guwahati):** What I said was that because these paper reports are coming, unless it is cleared, an impression may go around that our defence forces are not above corruption. Therefore, it is all the more necessary that these types of press reports should not come. You cannot sort out what is happening.

**SHRI K. C. PANT :** With all respect to Mr. Dinesh Goswami, I think it is an irresponsible statement. How can you say that our defence forces are corrupt?

*(Interruptions)*

**SHRI DINESH GOSWAMI :** I have never said it. Why are you misinterpreting?...*(Interruptions)*...Let me clarify Sir, because allegation has been made.

Mr. Mushran said that this discussion in the Parliament is going to demoralise the Defence Forces. I said the people in the Defence Forces merely do not read what goes on in the Parliament but they read the newspaper reports, what comes out in the Press and day in and day out in the Press news are coming out which have a demoralising effect and the impression must go round that the Defence Forces are above corruption. I want that impression to go round. Therefore, I said clear all these doubts. *(Interruptions)*

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI):** You agree the Press reports demoralise the Army.

**SHRI DINESH GOSWAMI :** Yes, I agree.

**PROF. MADHU DANDEVATE :** He is supporting your contention that is why you feel he is irresponsible.

**SHRI K. C. PANT :** Then, Sir, he said that the Opposition did not go in for the deal with Bofors. Of course, you did

not go in for the deal. You were not sitting here. If you were in the Government and you have to modernise the Army you have to take some decisions. Today in Assam he belongs to a party which is running the State and they have to take decisions. Therefore, whenever decisions have to be taken it is for the Government to take those decisions and I think there is nothing more I would like to say about that.

Now, Sir, there is one point which Shri V. Kishore Chandra S. Deo had made. He made a statement about Gen Sunderji I am did given to understand that Gen. Sunderji not make any statement regarding the indigenous capability to design, develop and manufacture 155 mm guns. The design, development and passing of high technology guns takes anywhere between five to ten years.

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram) : Gen. Sunderji has gone on record.

SHRI S JAIPAL REDDY : I have referred to this statement of Sunderji last year in my speech on the Defence Ministry garnts.

SHRI K. C. PANT : I have conveyed to you the information with me.

*(Interruptions)*

MR. SPEAKER : Order. Order.

SHRI K. C. PANT : Shri Jaipal Reddy, I have told you what I have. If you have other information I am prepared to look into that. There is no quarrel on these things. These are matters of facts. Going into the procedure, I have found that nobody has questioned the procedure either for technical scrutinty or for commercial scrutinty. Nobody has questioned and has nobody has really questioned the price matter either. *(Interruptions)*

MR. SPEAKER : It has already been replied by the Prime Minister in the morning.

SHRI K. C. PANT : I think, Shri Datta Samant said to lay the bids on the Table of the House.

DR. DATTA SAMANT : Give the figures at least.

SHRI K. C. PANT : It is a sensitive matter. You are not realising that these arms have to be purchased from various countries and these are not placed on the Table of the House. *(Interruptions)*

MR. SPEAKER : Please sit down. You do not realise what you are saying.

SHRI K. C. PANT : Now, Sir, there is another point which I must make in passing and that is that there will be agreement on all sides of the House that there is need to modernise our Defence Forces. About that there can be no dispute in our country. And there is urgency in this matter. It is urgent that we must be able to countre any sophisticated lethal weapons come in our neighbourhood. We must recognise the needs of Defence and that must take priority. On that there can be no compromise and no dispute. All I would like to say and I want to request my friends who are certainly patriotic people to look at today.

AN HON. MEMBER Who created the controversy ? *(Interruptions)*

SHRI K. C. PANT : I assure that we will do whatever is necessary to modernise the armed forces. In this task we expect your cooperation. Now you raised the question of corruption. I do not question your right to raise it. I cannot. This is a free democracy. We have a Parliament. You are perfectly entitled. It is your privilege to do so. But, Sir, if you raise this question and make sweeping statements like one made by Shri Dinesh Goswami or other friends...

*(Interruptions)*

SHRI DINESH GOSWAMI : I object.

*(Interruptions)*

SHRI K. C. PANT : I Withdraw that. I withdraw for the simple reason that the point I am making is far too serious to get into this squabble. The point that I am

[Shri K. C. Pant]

making is that decisions have to be taken by the Government and decisions have to be taken involving large sums of money. Necessarily as we go forward with the modernisation of our Defence forces, we will buy equipment, we will buy arms, we buy other things from foreign countries or we will manufacture them at home. Everything involves large sums of money. If an atmosphere is created in which officers or people in the Armed Force or others, who are involved in this decision-making, feel inevitably it will slow down that process. This is human nature. So, all I would say is that unless there is very strong ground for raising this issue or issues like this, my request would be not to raise them till there is strong ground for that. We may disagree on that. I am not even asking you to agree. But I am asking you to ponder over this because this is one of the unintended effects of this kind of a discussion.

Sir, the question of middlemen has been dealt with. I think, I do not want to say anything more on that. There is only one point which I would like to make before I end. That is that Shri Priya Ranjan Dass Munsri referred to some old charges. He referred to Rajda's speech and he referred to the fact that mudslinging on the basis of frivolous charges and foreing information should not be indulged in. Now, it is for us to consider very seriously—we the Parliament of India. We are a sovereign body and we are leaders of various parties. We may have our political differences but there is no reason why we shouldn't have respect for each other. One point all of us must recognise is that whoever comes here, represents something like a million people and the leaders of each party have generated faith in millions of people. There some leaders who are followed by tens of millions of people, some by hundreds of millions of people. In this situation, if mud is slung in the hope that it will stick on somebody whether that mud sticks or not, let us remember that in the ultimate analysis everybody becomes a little smaller wherever in the House he may sit. If day in and day out issue of this kind are raised, there may

be a temporary political advantage. But in the ultimate analysis...*(Interruptions)* Please understand this in the spirit in which I am speaking. I am not trying to blame you. I am not blaming anybody. I am merely saying that democracy is a tender plant, that the faith of the people in a big country like India is generated through years of hard work. Then, it is easy to destroy a reputation in one day. A reputation built over 50-60 years of public service can be destroyed in one day. So, one has to be extra careful to deal with such matters. I am not asking you not to bring forward your motions. I know that you are serious people. You are responsible people. It is in that hope that I am making this appeal to you to consider the impact on the system if such things are raised without very careful basis.

*(Interruptions)*

SHRI V. SOBHANADREESWARA RAO (Vijaywada) : What about the Parliamentary Committee ? *(Interruptions)*.

SHRI BASUDEV ACHARIA (Bankura): Mr. Rao is asking about the Parliamentary Committee.

SHRI V. SOBHANADREESWARA RAO : Sir, I want a clarification.

MR. SPEAKER : No. No clarification now.

*(Interruptions)*

MR. SPEAKER : 'Not allowed.

SHRI K. C. PANT: Sir, I would like to make it clear that the Prime Minister has said what needs to be said on this question. *(Interruptions)* Have you not heard him ? Well, he said it very clearly. If you want, I can get you the quotation. I have got it here with me. I have taken it down. He has said that there is nothing at the moment. He has said that if there are any facts and anything is brought forward, then it would be looked into. He said that

[Shri K. C. Pant]

would be inquired into and if somebody is found guilty, he would be punished. He has said that. Therefore, the reply is clear and categorical and I do not think I have anything to add to that.

Sir, in conclusion, I would like to make it very clear that the Government is committed to fight corruption...*(Interruptions)* I do not think that showing weakness is a way to fight corruption. I also do not think that yielding to being bullied is a way of fighting corruption. Sir, we will take decisions. Decisions will have to be taken and we will not shirk taking decisions, just because there is this kind of tendency to bring forward vague allegation.

We have to safeguard the security of the country. And it is in that spirit that I have earlier appealed that we have to strengthen the unity of this country. We have to preserve its unity and we have to preserve its institutions. All these things are extremely important. We will keep our promises made to the people.

PROF. MADHU DANDAVATE : Do not institutionalise corruption.

SHRI K. C. PANT : Well, Dandavateji you yourself were in the Government and I have great respect for you and I do not expect you to make such a frivolous remark. What I am trying is to raise the level of the debate as related to our democracy.

Sir, I assure you that we will do our duty to the country. And in this task, we are not going to be deterred by what you say. We are going to do it because we it to the people and not to you. We are here because the people have sent us here and no amount of shouting can change that.

SHRI BASUDEB ACHARIA : Then, why are you afraid of a parliamentary committee, if you really want to fight corruption ?

SHRI K. C. PANT : The task of running this country has been entrusted to us by the people and in this task I seek the cooperation of the opposition.

## WRITTEN ANSWERS TO QUESTIONS

[English]

### Abolition of Posts in ICAR

\*698. SHRIMATI GEETA MUKHERJEE : Will the Minister of AGRICULTURE be pleased to state :

(a) Whether the Indian Council of Agricultural Research (ICAR) has abolished a large number of posts in its all India Co-ordinated Projects for various of crops;

(b) if so, the number and categories of such posts and reasons for their abolition;

(c) the extent to which it will affect the on going crop projects;

(d) the number of scientists and supporting staff who will be rendered surplus; and

(e) the steps proposed to provide them with alternative employment ?

THE MINISTER OF AGRICULTURE (DR. G. S. DHILLON) : (a) and (b). Details of some of the posts abolished/readjusted and the reasons therefore together with new positions created in VII Plan are given in the statement below.

(c) It is not likely to affect the ongoing research programmes due to the fact that staff has been provided based on the new research priorities identified for VII Plan.

(d) and (e). There may not be any unemployment problem since a number of new posts have been created as could be seen from the Statement. There are also a large number of vacancies in the Agricultural Universities against which they may be adjusted and the Vice-Chancellors have been requested to do so. Further, ICAR has been allowing the Universities to continue some positions which they found difficult to adjust.