

SHRI H. R. BHARDWAJ : I have noted. So far as I am concerned, I am a Member of this House and I will see that whenever a statement is made I would first like to come to you rather than go to the other House. My prestige is also involved. I have been a Member here. I am interested to make a statement here ... *(Interruptions)* ...

SHRI VIZOL (Nagaland): Madam ...

THE DEPUTY CHAIRMAN: Let me make one more announcement. Today we have a Calling Attention ... *(Interruptions)* ... Mr. Gopalsamy, is it possible for you to sometimes keep quiet ? The problem is that today we have a Calling Attention and we have less than 45 minutes left. How are we going to finish it ? This is my worry. If some Members withdraw their names and just a few people speak, we can finish it now ... *(Interruptions)* ...

SHRI N. E. BALARAM (Kerala): Madam, Mr. Vizol has got up several times ... *(Interruptions)* ...

SHRI G. G. SWELL: He is a very quiet man.

THE DEPUTY CHAIRMAN : I know: he is in the front. In the meanwhile, if the House agrees and those people who have given the notice of the Calling Attention want to defer it to another day. I have no objection. It is for the House to decide. The Minister of State for Law is here. His statement is with me. And I would rather fee! that we drop the Calling Attention. ... *(Interruptions)* ...

SHRI VIZOL: You have permitted me and the House has also permitted me ... *(Interruptions)* ...

THE DEPUTY CHAIRMAN : Let us hear him. He has got some major problem.

#### **RE ALLEGED RANSACKING OF THE HOUSE OF A CABINET MINISTER OF MANIPUR STATE BY PERSONNEL OF ASSAM REGIMENT**

SHRI VIZOL (Nagaland): Madam, here is a statement made by a Cabinet Minister of the Manipur State on 27th July, 1993. About ten days have elapsed. The statement reads : "My residential quarter located at Lamphelpat was raided by personnel of 15 Assam Regiment in the early hours of 27-7-1993 at about 2.30 a. m.

The raiding party was led by the Commandment Col. L. S. Rana, accompanied by the S. P., Imphal and Shri N. Shyamananda Singh, the ISP. The entire operation lasted about three hours, till 5.30 a. m. As soon as I opened the door, two personnel of Assam Regiment accosted me at gun point, while others numbering about 20 started ransacking the entire house. No female constable was in the team. And the security forces invaded the privacy of my bedroom where my wife and my youngest son were sleeping. Everything inside the house was turned upside down. In the meantime, the CO. started charging me in the most unpalatable language and threatened me that he could shoot me down in front of my wife and son. He also pointed out that he had information that I was the one who planned the ambush upon the Assam Regiment by the NSCN near Sita, which took place on 29-6-93 and that I should return the weapons seized by the NSCN there...

THE DEPUTY CHAIRMAN: Mr Vizol, what is it that you are reading ? *(Interruptions)*

SHRI V. GOPALSAMY (Tamil Nadu): It is very serious.

THE DEPUTY CHAIRMAN: You don't get up. I am asking him. Are you Mr. Vizol ? He is capable to answer me. You please take your seat. Let me ask him. I have a right to ask a Member and he has a right to answer me ... *(Interruptions)*

SHRI VIZOL: I will lay it on the Table of the House ... *(Interruptions)*

THE DEPUTY CHAIRMAN : Please, let him finish.

SHRI VIZOL : "The entire operation lasted about three hours and no incriminating evidence was found in the premises of my quarters. During the entire process no reasons or explanations were made available to me by anyone including the S.P., Imphal, as to why my residential quarter was raided. After some period of time, eight of them were released but the ninth person, namely, Mr. Miphul of Tuisimi village near Palel is yet to be released and so far I have no knowledge of his whereabouts. I was informed that the Assam Regiment have blindfolded him and taken him away. It may be mentioned here that Mr. M. S. Miphul is a former member of the Chandel District Council and presently the President of the Mating Tribe. He has been associating himself with the various peace committees and

meetings set up by the Chief Minister of Manipur during the Naga-Kuki feud."

"There are no words to express my shock and amazement over the incident. It is the decision of the Government of Manipur to call in the Army to the State and deploy them in some parts of the Hill Districts of Manipur including Chandel. However, I wish to state here that it is most unfortunate that the Army has been given a free hand and their high-handed attitude is totally uncalled for. If a democratically elected member of the State Assembly and also a member of the Council of Ministers of a popular Government can be harassed and threatened by the Army, what will be the plight of the common villagers who have to bear the brunt of the Army operations" ... {Interruptions} ...

THE DEPUTY CHAIRMAN : Just a minute ... {Interruptions}. Let him say what he has to say.

... उनको अपनी बात कहने दी जाए ... {व्यवधान}

विपक्ष के नेता (श्री सिकंदर बख्त) : सदर साहिब, पहले साफ हो जाए कि मामला क्या है ... {व्यवधान}

THE DEPUTY CHAIRMAN : I have heard it. I understood that he and his family were attacked ... {Interruptions} ...

SHRI V. GOPALSAMY: The house of a Minister was attacked by the security forces ... {Interruptions} ...

THE DEPUTY CHAIRMAN: Mr. Balaram said that his house was attacked... {Interruptions}...

SHRI V. GOPALSAMY: The house of a Minister was attacked by the security forces

THE DEPUTY CHAIRMAN : There is no need to repeat it ... {Interruptions} ...

SHRI V. GOPALSAMY: Madam, the security forces have gone berserk ... {Interruptions} ...

THE DEPUTY CHAIRMAN: Just a minute. Please sit down ... {Interruptions} ... Please take your seat.

श्री सिकंदर बख्त : सदर साहिब ... {व्यवधान}

THE DEPUTY CHAIRMAN: Sikandar Bakht Saheb, one minute. I would be very thankful to you all. Mr. Vizol, I permitted you considering that, as Mr. Balaram had stated, you and your family were attacked. If somebody

else was attacked, then you should come in a proper order. If you, as a Member of this House, are personally attacked, you can move a privilege motion. If you are attacked, I will allow it.

SHRI V. GOPALSAMY: It is the Council of States ... {Interruptions} ...

THE DEPUTY CHAIRMAN: I have got other business ... {Interruptions}

SHRI V. GOPALSAMY: Madam, the house of a Minister in the Council of Ministers of Manipur was attacked and it is for this House to discuss ... {interruptions} ... It is for this House to take up this matter. It is a very serious issue where the security forces have gone berserk and raided the house of a Minister. This is the proper forum. The Council of States, the Rajya Sabha, is the proper forum to discuss.

THE DEPUTY CHAIRMAN : I know it is the Council of States and that is why I allowed him to speak.

SHRI V. GOPALSAMY: Therefore, the Government should come out with a statement about this incident. It is a very serious matter. It is a threat to democracy. Insurgency will grow because of such incidents ... {Interruptions} ...

THE DEPUTY CHAIRMAN : Okay.

SHRI V. GOPALSAMY: Insurgency will grow if such things are allowed to happen this way... {Interruptions} ...

SHRI VIZOL : Madam, I want to make one clarification. I want to make a small clarification.

श्री सत्य प्रकाश मालवीय (उत्तर प्रदेश) : महोदय, कल इस सदन में यशवंत सिन्हा जी ... {व्यवधान}

THE DEPUTY CHAIRMAN: I have spoken to Mr. Yashwant Sinha ... {Interruptions} ... Let me speak, please. You cannot be so unruly... {Interruptions}...

श्री सत्य प्रकाश मालवीय : महोदय, मैं दूसरी बात कह रहा हूँ ... {व्यवधान}

SHRI V. GOPALSAMY: The Government should come out with a statement on this incident.

THE DEPUTY CHAIRMAN : I will see the record. I told Mr. Digvijay that I would look into the record and find out what Mr. Yashwant

Sinha said yesterday. I could not see the record, I will see it and inform you ... (Interruptions) ...

SHRI V. GOPALSAMY: On the Manipur matter, the Government should make a statement because it is a very serious thing. The raid was on the house of a Minister. There is no protection. There is no security even for a Minister in this country.

SHRI VIZOL: Madam, I want to make a small clarification.

श्री वसुधामन मिश्र (बिहार): पहले इसको तो खत्म होने दीजिए . . . (अवधान)

THE DEPUTY CHAIRMAN: I am sorry... (Interruptions) ... I do not know how to finish. None of the members is co-operating with each other. I want to dispose of this matter. But Shri Satya Prakash Malviya is interrupting ... (Interruptions) ... I am requesting him. I told him that I would look into the record and find out what happened in the House. I had no time to see the record. Today, I will see the record and the record would be corrected. What more can I do? ... (Interruptions)...

SHRI VIZOL: Only a small clarification. Madam ... (Interruptions) ...

THE DEPUTY CHAIRMAN: That is over now.

SHRI VIZOL: Only one line ... (Interruptions) ...

THE DEPUTY CHAIRMAN: I have allowed you enough time. That is over now. ... (Interruptions) ...

SHRI VIZOL: Only one line. Madam... (Interruptions)...

THE DEPUTY CHAIRMAN: No. That is over now... (Interruptions) ...

श्री सिकंदर अख्तार: सदर साहिबा, यहां आनरेबल मेम्बर ने बहुत देर तक बातें की हैं। हमें कुछ अखबारों के जरिये और कुछ आपके जरिये इस मामले का पता लगा कि क्या है। (अवधान)

نیتا اور دھول "نثری سکندر بخت"؛  
صدر صاحبہ - یہاں آنرےبل ممبر نے بہت دیر  
تک باتیں کی ہیں۔ ہمیں کچھ اخباروں کے  
ذریعہ اور کچھ آپ کے ذریعہ اس مسئلہ کا پتہ

لگا کہ کیا ہے "مداخلت"...

SHRI VIZOL: Only one line. Madam... (Interruptions)...

श्री सिकंदर अख्तार: मालूम तो होना चाहिए। एक दफा तो यह मालूम हुआ कि आनरेबल मेम्बर के घर पर अटैक किया गया और फिर यह मालूम हुआ कि वहां के किसी मिनिस्टर के घर पर अटैक हुआ, अखिर क्या मसला है मालूम तो होना चाहिए ताकि हाउस रथ जाहिर कर सके। (अवधान)

نثری سکندر بخت، معلوم تو ہونا چاہیے  
ایک دفعہ معلوم ہوا کہ آنرےبل ممبر کے گھر  
پر اٹیک کیا گیا اور پھر یہ معلوم ہوا کہ وہاں  
کے کسی منسٹر کے گھر پر اٹیک ہوا۔ آخر کیا  
مسئلہ ہے معلوم تو ہونا چاہیے تاکہ ہاؤس  
رٹسے ظاہر کر سکے۔

SHRI VIZOL: Only one line. Only one clarification I want. Madam... (Interruptions) ... Only a small clarification.

THE DEPUTY CHAIRMAN: I do not know what you are talking about... (Interruptions) ...

SHRI VIZOL: I am talking about a State Minister's house having been raided by the security forces ... (Interruptions) ...

THE DEPUTY CHAIRMAN: You have "already said it. You now sit down. You have already said that the Minister's house has been raided. That is all... (Interruptions) ...

SHRI VIZOL: But I have to complete it. I have to complete it in one line. This act of repression was carried out in the official residence of the Minister of the State of Manipur where the tricolour was flying in the courtyard. This is a shame to the country... (Interruptions)...

THE DEPUTY CHAIRMAN: I cannot understand a word of what you are saying ... (Interruptions) ...

SHRI VIZOL: This is a shame. This is how we have been treated ... (Interruptions) ... This is how we have been treated ... (Interruptions) ...

THE DEPUTY CHAIRMAN : Mr. Vizol, I will be very much thankful if you can give me those papers which you are reacting out. Don't place them on the Table of the House. You give them to me ... *(Interruptions)* ... I am not allowing you to lay them on the Table. You give them to me... *(Interruptions)*... Don't lay them on the Table; it is not allowed. I have not permitted you to do that. They are not laid .. *(Interruptions)*...

SHRI INDER KUMAR GUJRAL (Bihar): Madam, please give me one minute ... *(Interruptions)* Give me just a minute.. *(Interruptions)*.

THE DEPUTY CHAIRMAN: This is unruly behaviour of the Members, very unruly ... *(Interruptions)* ... In the same way people are behaving ... *(Interruptions)*...

SHRI INDER KUMAR GUJRAL : Madam, the honourable Member from Manipur ... *(Interruptions)*...

SOME HON. MEMBERS: Not from Manipur, but from Nagaland ... *(Interruptions)*...

SHRI INDER KUMAR GUJRAL : Madam, the honourable Member has raised a very serious matter and I think that it is very important for us to give attention to this because .. *(Interruptions)* ...

SHRI G. G. SWELL (Meghalaya): The matter is about Manipur, but the Member is from Nagaland ... *(Interruptions)*...

THE DEPUTY CHAIRMAN: Order, order, please ... *(Interruptions)* ..

SHRI W. KULABIDHU SINGH (Manipur) : Madam, I am from Manipur and I must be allowed to speak . . *(Interruptions)* ..

SHRI INDER KUMAR GUJRAL : Madam, the honourable Member has raised a very serious question and the situation that is developing in that part of the country deserves a great deal of attention on our part... *(Interruptions)* ... I would, therefore, suggest that we do not dismiss this ... *(Interruptions)*... This is a very serious matter and I would urge upon you to ask the Minister concerned to come and make a statement because this is a very serious matter ... *(Interruptions)*...

SHRI V. GOPALSAMY: The Government should come out with a statement on this

atrocities ... *(Interruptions)* .. committed by the security forces by raiding a Minister's house . . *(Interruptions)* ... The Government should come out with a statement. There is no protection even for a Minister there ... *(Interruptions)*...

SHRI G. G. SWELL: The Government should come out with a statement... *(Interruptions)* ...

SHRI H. HANUMANTHAPPA (Karnataka) : Madam, are all these things to go on record ? ... *(Interruptions)*...

THE DEPUTY CHAIRMAN: Nothing said on this matter is going on record. I have heard enough ... *(Interruptions)* ...

SHRI SIKANDER BAKHT : Is the Government prepared to make a statement ?... *(Interruptions)* ...

THE DEPUTY CHAIRMAN: I do not know. I have to deal with the Calling-Attention Motion on a matter of urgent public importance. Yes, Mr. Mathur... *(Interruptions)*...

**श्री जगदीश प्रसाद भायूर (उत्तर प्रदेश):** आधा घंटा तो मैंने मंजूर ही ले लेंगे । *(व्यवधान)*

**श्री जयुरानन मिश्र :** महोदय, यह बहुत गम्भीर मामला है । सरकार को आप खुद कुछ कहियेगा । अगर एक राज्य के मंत्री के साथ ऐसा होता है और टाइवल मंत्री के साथ होता है . . . *(व्यवधान)*

**उपसभापति :** अगर आप शांति से बैठें और चेयर को बोलने की इजाजत देंगे तभी तो सुन सकेंगे । आप लोग खुद शोर मचाते हैं । *(व्यवधान)* आप बैठ जाइये । *(व्यवधान)*

**श्री जयुरानन मिश्र :** हम कभी शोर नहीं मचाते । हम से ज्यादा आप शोर मचाती हैं और हमें कहती हैं शोर मचाते हैं । *(व्यवधान)*

THE DEPUTY CHAIRMAN: I am not giving any statement because I requested the Members ... *(Interruptions)* Please. I requested the hon. Members that let me hear what the Member is saying and whose house is being raided. Not only I was confused, Mr. Sikander Bakht was confused, Mr. Gujral was confused, Mr. N. E. Balaram, who was supporting him, was confused.

SHRI V. GOPALSAMY: I was not confused.

THE DEPUTY CHAIRMAN : Please. You

may not be confused. May be you are a very intelligent person, all of us are fools.

SHRI V. GOPALSAMY: No, Madam ...

THE DEPUTY CHAIRMAN: All of us are fools. You are the most intelligent in 111 is House. (Interruptions) Please sit down. When a Member is speaking and I am giving an extra-ordinary permission to come in front and make a statement, you people do not allow him to read it. You do not allow me to understand what he is saying. Then I asked him to give me the papers. I have to read what it is. Without reading it, you want me to give a ruling? Even Mr. Gujral did not know. Even Mr. Sikander Bakht did not know. What ruling can I give if I do not know what the matter is? (Interruptions). I will read it. (Interruptions)

श्री चतुरानन मिश्र : यह आपका काम है ।

THE DEPUTY CHAIRMAN: What is my kaam? What are you telling me?

श्री चतुरानन मिश्र : आप सुनिये तो । हम यहाँ कोई एसिस्टेंट नहीं है । एक मेम्बर बार बार कह रहा है कि एक मंत्री के साथ ऐसा व्यवहार हुआ है ।

उपसभापति : आप समझ रहे हैं क्योंकि उन्होंने आपको पहले बताया होगा । मुझे नहीं मालूम है ।

श्री चतुरानन मिश्र : हमको भी बिल्कुल मालूम नहीं है । आप हाउस में शांति बनाये रहें ।

उपसभापति : शांति बनावे रखना आप लोगों का भी काम है ।

Even Mr. Sikander Bakht did not know what he is talking about.

श्री चतुरानन मिश्र : मेम्बर एक बात कह रहा है । इस बात को आप जानती हैं कि आप इस संबंध में कुछ कह सकती हैं कि सरकार को इस पर गम्भीरता से सोचना चाहिए ।

उपसभापति : चतुरानन जी, आपका भी काम है । आप इस हाउस के बड़े मेम्बर हैं । यह मेरा ही काम नहीं है । इसमें आपका को-ऑपरेशन जरूरी है । आप लोगों की गरिमा का सवाल है । मेम्बर कोई सड़क पर नहीं घूम रहे हैं ।

श्री चतुरानन मिश्र : अगर सदन की गरिमा की बात है तो दूसरे की भाषे की बात हम से क्यों कह रही है ... (व्यवधान)

उपसभापति : माधुर साहब, अब आप बोलिये, पेटर खत्म हो गया है ।

Till I read it, I am not going to give any ruling. I do not know what he said. I did not hear it because of the rumpus in the House.

श्री चतुरानन मिश्र : यह मामला फिर उठेगा, दूसरे दिन उठेगा ।

उपसभापति : आप उठाइये, जो ची में आये, करिये । यह हाउस अकेला मेरा ही नहीं है, आपका भी है ।

श्री चतुरानन मिश्र : यह काउंसिल आफ स्टेट्स है । एक टाइटल मिनिस्टर के साथ ऐसा हुआ है ।

THE DEPUTY CHAIRMAN: Please take it up.

SHRI KAMAL MORARKA (Rajasthan): Madam, I am on a point of order.

THE DEPUTY CHAIRMAN: What point of order? (Interruptions). You people do not want to discuss anything. That is the matter.

SHRI KAMAL MORARKA: Madam

SHRI SATYA PRAKASH MALAVIYA: This is an aspersion on us.

उपसभापति : आप बैठिये । आप बेयर पर असर्जन करेंगे तो कुछ नहीं होता है ।

I will not withdraw anything.

SHRI SATYA PRAKASH MALAVIYA: You said, you people do not want anything to be discussed in the House.

THE DEPUTY CHAIRMAN: Naturally. Mr. Mathur has ... (Interruptions)

श्री मोहम्मद खलीलुर रहमान (आन्ध्र प्रदेश) : अब 15-20 मिनट में क्या कालिंग एटेंशन होगा । जीरो आबर चलने दीजिये ।

شری محمد خلیل الرحمن نائب اسپیکر  
منٹ میں کیا کالنگ اینشن ہوگا زیری اور  
چلنے دیجیئے

THE DEPUTY CHAIRMAN: I do not know. Call the attention. (Interruptions)

SHRI KAMAL MORARKA: Madam, I am on a point of order. (Interruptions)

THE DEPUTY CHAIRMAN: This is not the way, I tell you. Every day you people cast aspersions on the Chair. And just now, ML Chaluranan Mishra, whom I respect most in this House, said that it is my responsibility. Is it not the responsibility of this hon House to

† [ ] Transliteration in Arabic script.

maintain order? When I am requesting everybody... (Interruptions) Please sit down. Let me speak. I was requesting everybody that let Mr. Vizoi speak, let me hear what he is saying. Even Mr. Sikander Bakht was not understanding. Even Mr. N. E. Balaram, who was taking his side, came and told me that Mr. Vizoi's house had been raided. And I was concerned. That is why I said that he should move a motion of privilege. Then, you want me to give a niling on something which I do not know? I should read the papers. When I asked him to give me the paper, he laid it on the Table of the House.

SHRI CHATURANAN MISHRA : Nobody is asking ...

THE DEPUTY CHAIRMAN : What are you asking me to do ?

SHRI CHATURANAN MISHRA: I am asking you that a Member has spoken here...

THE DEPUTY CHAIRMAN: I do not know what he spoke.

SHRI CHATURANAN MISHRA: If you do not know, you ask the Secretariat. You have the staff. You can ask them. You ask the House to be in order so that something serious ...

THE DEPUTY CHAIRMAN : What was I doing? What have I been doing since 12 O' clock? You go and see the record.

SHRI CHATURANAN MISHRA: After Hero Hour, it is allowed.

THE DEPUTY CHAIRMAN: You are making it a zero. You people try to make it a total zero. To me, it is a House.

**श्री चतुरानन मिश्र : अब तो आप समझ गई हैं ?**

**उपसभापति : नहीं समझी हूँ ।**

No. I will read it and then I will understand.

**श्री चतुरानन मिश्र : कितना समय आपको समझने के लिए चाहिए . . . (अव्यवधान)**

THE DEPUTY CHAIRMAN : After the House is adjourned for lunch, I will go and read, and give my opinion.

**श्री चतुरानन मिश्र : आपको हम एक दिन पूरा समय दे देते हैं । दूसरे दिन फिर इल्ला होगा ।**

**उपसभापति : दे दीजिये ।**

SHRI V. GOPALSAMY: We demand that the Government should make a statement.

(Interruptions)

THE DEPUTY CHAIRMAN: I do not know. I will first see what it is.

SHRI CHATURANAN MISHRA : I request the Government to make a statement on this... (Interruptions).

SHRI G. G. SWELL: It is a question of principle.

THE DEPUTY CHAIRMAN : Don't teach me. That matter is closed now.

SHRI G. G. SWELL : The house of a Minister is raided there and ... (Interruptions).

THE DEPUTY CHAIRMAN: Now we take up calling attention.

**श्री जगदीश प्रसाद माथुर : इतना बड़ा स्टेटमेंट कैसे होगा, 13 पेज का है ।**

SHRI KAMAL MORARKA: What can we discuss in 20 minutes? It is a serious matter.

THE DEPUTY CHAIRMAN : I was saying it right in the beginning if the Members remember and if they do not remember, let them please look into the record. I said it right at the beginning but you are so fond of hearing your own voice and you do not hear me. I said in half an hour or 45 minutes what we would discuss. I said if you are interested, we will ask Manmohanji to make it on Monday. That you did not hear.

SHRI KAMAL MORARKA: On that, we agree with you.

SHRI G. SWAMINATHAN (Tamil Nadu): He can make the statement now. The Minister has come. He can make the statement now and thereafter we can discuss on Monday .. . (Interruptions).

THE DEPUTY CHAIRMAN: Please sit down. My duty is to maintain order in the House, according to Mr. Mishra. Take your seats, please. Mr. Manmohan Singh's statement is very lengthy. I would suggest, as you have written to me, that you would like to make a brief statement now and the rest of it you will lay on the Table of the House. As we are going to discuss it on Monday, it is better that you read briefly whatever you would like to and lay the rest of the statement on the Table of the House so that Members can read it later and come prepared on Monday.

Now, copies of the statement should be distributed.

### CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

#### Situation arising out of large scale disinvestment in Public Sector Undertakings

**श्री जगदीश प्रसाद माथुर (उत्तर प्रदेश): उपसभापति महोदय, मैं सरकारी क्षेत्र के उपक्रमों में बड़े पैमाने पर विनिवेश से उत्पन्न स्थिति की ओर वित्त मंत्री का ध्यान दिलाता हूँ।**

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Madam, during the year 1991-92, the Government disinvested a portion of its equity holding in 30 PSUs in favour of public sector mutual funds, banks and financial institutions through competitive bidding and realised a sum of Rs. 3038 crores. In recent weeks, there has been extensive media coverage and criticism of the disinvestment. Much of this is based on the Report of the Comptroller and Auditor General. I would like to respond to the main criticisms that have been made by stating that I believe that Government's bonafides in this matter are above reproach, and that the disinvestment has been conducted properly with full Cabinet authority and with no impropriety.

2. The most important criticism relates to the alleged loss to Government on account of various factors such as the change in the reserve prices fixed, the decision to restrict bidding to public sector mutual funds, banks and financial institutions and even the decision to bundle shares. It has also been alleged that the programme of disinvestment was implemented in haste, on account of commitments to the IMF. I would like to state categorically that those criticisms are entirely unfounded.

3. There have also been allegations that certain financial institutions committed irregularities in collusion with brokers which led to improper gains accruing to brokers. These are being looked into.

4. I am separately laying a more detailed Statement on the Table of the House which summarises the background of Government decision making and approval on this subject and responds to the several criticisms about the disinvestment programme which have been made in recent weeks.

### DETAILED STATEMENT ON PUBLIC SECTOR DISINVESTMENT

There has been extensive press reporting and criticisms of the PSU Disinvestment exercise based mainly on the recent CAG report on the subject. Part I of this note summarises the background to the sale and the various steps in the process of Government decision making. Part II deals with specific criticisms.

#### I. GOVERNMENT DECISION ON SALE OF PSU SHARES:

2. The proposal for disinvesting a pan of Government shareholding in selected public sector undertakings (PSUs) has been under consideration since 1990. The Department of Economic Affairs first submitted a note dated 22 February 1991 to the Cabinet Committee on Political Affairs (CCPA) of the previous government in which the following proposals were noted.

- (i) Establishment of a Mutual Fund for investing in the shares of selected PSUs.
- (ii) Partial disinvestment of the shares held by the Government in selected PSUs in favour of public financial and investment institutions.
- (iii) Possible disinvestment of a portion of Government shareholding in ONGC.

i. The above proposals were approved by the CCPA at its meeting held on 27 February 1991. The then Finance Minister Shri Yashwant Sinha, presenting the Budget for 1991-92 (Interim) stated:

"It has been decided that Government would disinvest upto 20 per cent of its equity in selected public sector undertakings, in favour of mutual funds and financial or investment institutions in the public sector. This disinvestment, which would broad-base the equity, improve management and enhance the availability of resources for these enterprises, is also expected to yield Rs. 2500 crores to the exchequer in 1991-92".

4. The Statement of Industrial policy dated 24 July 1991 contained the following decision :

"In order to raise resources and encourage wider public participation, a part of the Government's shareholding in the public sector would be offered to