

THE DEPUTY CHAIRMAN: If there is no backlog. Let us finish the work faster so that we can have more...

RE: REVIEW OF FUNCTIONS OF R.B.I BY A PRIVATE FIRM

SHRI KAMAL MORARKA (Rajasthan): I want to draw attention to a very very serious matter. Today's Times of India says the Reserve Bank of India has appointed a firm of Chartered Accountants in Bombay, A. F. Ferguson & Company to study the role, objectives and functions of the Reserve Bank of India in the next two, five and 10 years. To my knowledge, the only authority authorised to define the role and objectives of the Reserve Bank of India is the Parliament of India, I do not understand how a private firm of Chartered Accountants can be appointed by the Reserve Bank itself to study what should be the role of the Reserve Bank in the next two, five or 10 years in view of the changing economic policy and economic milieu.

Madam, I raised this issue because I had put this specific question to the Finance Minister. The question was listed for 28th of July. The question was:

(a) whether it is a fact that the RBI Governor ordered an inquiry into the inspection systems of the RBI by a Management and Consultancy firm;

(b) If so, what are the terms of reference, name of the firm and fees settled."

The reply that I got is:

"The information is being collected and will be laid on the Table of the House."

On 28th of July, the Finance Ministry says they don't have any such information; they are collecting it.

First of all, for the question a notice of ten days was there. There would have got the information from the Reserve Bank of India. In spite of that they say they will collect the information and lay it on the Table of the House. Today's Times of India contains the total details of the terms of appointment, reference and everything. Apart from the question, it raises a serious question of Parliament's relevance. Questions are being asked and we are meeting there every day at such a high expenditure to the people of India.

And we are given this reply by the Finance Ministry. The Reserve Bank is doing what it wants to. The "Times of India" writing this Madam, I want a specific assurance from the Government that if this kind of a thing has been done, immediately the Finance Ministry will instruct the cancellation of the appointment of the consultant firm. The Reserve Bank of India has no business to redefine its own functions through a private firm of chartered accountants. It is a question concerning the whole House, if the whole feels that Parliament's control over the Reserve Bank will totally go and the Reserve Bank, in its own wisdom or the lack of it, can appoint a private firm to study its whole functioning ... (Interruptions). I think Parliament should go through this.

SHRI S. S. AHLUWALIA (Bihar): Madam, I want to associate myself with Mr. Kamal Morarka. If it is true, the Government should come out with it and cancel the contract with the private firm. And, action should be taken against the concerned Reserve Bank officers who have appointed such a consultancy organisation to look into the functioning of the Reserve Bank.

SHRI DIPEN GHOSH (West Bengal): Madam, the Reserve Bank cannot appoint any consultant to define

[Shri Dipen Ghosh]

or redefine the role to be played by the Reserve Bank. The Reserve Bank is directly answerable and accountable to Parliament through the Ministry of Finance. (Interruptions).

SHRI JAGESH DESAI (Maharashtra): ... A JPC is being constituted.

श्री अजीत जोगी (मध्य प्रदेश): पूरा सदन इस पर एक मत है (व्यवधान)

SHRI DIPEN GHOSH: This is where the relevance of Parliament exists. If the Governor of the Reserve Bank of India takes a decision to appoint an agent to redefine the role of the RBI, bypassing Parliament, what happens to the country? (Interruptions).

SHRI GURUDAS DAS GUPTA (West Bengal): ...Parliament is seized of the matter.

SHRI DIPEN GHOSH: An ex-Governor of the Reserve Bank is supporting the existing Governor.

THE DEPUTY CHAIRMAN: You have raised an issue. I will find out and let you know.

SHRI GURUDAS DAS GUPTA: Madam, Parliament is seized of the matter. We are discussing the matter and a Joint Committee is being appointed. If the Governor of the Reserve Bank has to function in this way... (Interruptions). The Finance Minister must come and explain.

SHRI MENTAY PADMANABHAM (Andhra Pradesh): The Leader of the House wants to say something.

SHRI DIPEN GHOSH: We want Dr. Manmohan Singh to come and make a statement. (Interruptions).

SHRI DINESHBHAI TRIVEDI (Gujarat): This is how the system has failed.

SHRI GURUDAS DAS GUPTA: The Finance Minister should come and explain.

SHRI S. JAIPAL REDDY (Andhra Pradesh): Madam, in my view, the RBI took recourse to this queer procedure with a view to warding off the criticism against its functioning in the context of the scam. While a JPC is also being formed to look into the scam, while a JFC is also being formed to look into the role of the RBI can the RBI do this behind the back of the JPC, behind the back of Parliament and behind the back of the Finance Ministry? I do not know. Now that all of us have spoken on this, I would like to know from the Chair whether somebody from the Government would react.

THE DEPUTY CHAIRMAN: How can the Chair say that? I can give you an assurance... (Interruptions).

SHRI AJIT P. K. JOGI: Madam, please direct the Finance Minister to come clean on this.

SHRI MENTAY PADMANABHAM: Madam, the Leader of the House is on his legs. He may be allowed to say what he wants to.

THE DEPUTY CHAIRMAN: Just a minute. Members are very agitated and aggrieved on this issue. I can ask the Leader of the House to react if he wants to. I, on my own, cannot give you any answer. It is beyond my purview. I will find out from the Finance Ministry Okay?

THE LEADER OF THE HOUSE (SHRI S. B. CHAVAN): Madam, I will convey the feelings of hon. Members to the Finance Minister. If necessary he will come before the House and make a statement about it.

SHRI MENTAY PADMANABHAM: Madam, this is his usual

classic reaction. This is not enough. The Finance Minister must come and make a statement.

SHRI GURUDAS DAS GUPTA: Madam, the Finance Minister must be compelled to come. (*Interruptions*)

SHRI DIPEN GHOSH: Madam, the Finance Minister owes an explanation to this House. (*Interruptions*)

श्री प्रमोद महाजन (महाराष्ट्र) : अगर गृह मंत्री जो हमारी भावनाएं वित्त मंत्री जो को न बतायें तो क्या वित्त मंत्री जो को हमारी भावनाएं समझने का कोई अवसर नहीं है ? ... (व्यवधान)

THE DEPUTY CHAIRMAN: I will convey your feelings to him, I am giving this assurance and I will speak to the Finance Minister also. (*Interruptions*)

SHRI KAMAL MORARKA: Madam, the Leader of the House himself has been Finance Minister. (*Interruptions*).

THE DEPUTY CHAIRMAN: How can he give his opinion on this? (*Interruptions*) I cannot make the Home Minister say something like this about his colleague. Let him first discuss the matter, get the facts and then only he can say something. How can he react off and? (*Interruptions*).

SHRI P. SHIV SHANKER (Gujarat): Madam, may I make a submission? Madam, if this news is correct, then it not only degrades and denigrates the institution of Parliament, but it really makes it absolutely *non est*. The news says: "The plan envisages redefining the role, objectives and functions of the RBI in the next two, five and ten years." So far as the role of the RBI is concerned, Parliament has already enacted a law. There is a law that has been enacted by the Parliament, that is, the Reserve Bank of India Act. It has to discharge its functions within the parameters of that Act. The pro-

visions are absolutely clear. It cannot be that some external agency will redefine the role and make the authority of Parliament totally ineffective. The Reserve Bank of India's Governor cannot have the authority to appoint an external agency for the purpose of nullifying the authority of Parliament and the people of India. It is this seriousness which we must look into. Further it says: "the project will cover new and altered functions of the RBI which will be the result of the economic and legal changes in the new economic milieu." If these matters are there, then the Government will have to come before Parliament for the purpose of bringing about a change in the Reserve Bank of India Act itself. There can be amendments. These are policy issues which will have to be gone into by us. This is a serious matter where the authority of Parliament itself is denigrated. Therefore, I submit that in a serious matter like this, I am sure the Home Minister will equally be disturbed as we are because he is as much a part of this Parliament as anyone of us is. Therefore, we want that the Finance Minister immediately makes the position absolutely clear. He should come before the House without any delay and make the position clear. (*Interruptions*)

SHRI KAMAL MORARKA: Madam, that is why I am agitated. (*Interruptions*)

THE DEPUTY CHAIRMAN: After an assurance has been given by me as well as the Home Minister, there is no need of raising it again. That matter is over now. (*Interruptions*)

DR. JINENDRA KUMAR JAIN (Madhya Pradesh): Kindly allow me to say a word.

THE DEPUTY CHAIRMAN: Everybody has raised that matter. (*Interruptions*).

SHRI KAMAL MORARKA: Normally, the assurance of the Leader of the House that he will convey the feelings of the Members to the concerned Minister, would have satisfied us. (Interruptions). The reason why we are agitated is that the present Finance Minister, in the last one year, has been just undermining the authority of the political system. He has been trying to say as if the Reserve Bank of India is autonomous, the Finance Ministry is autonomous of this House. We cannot accept this situation: It appears as if he is answerable to some higher powers—the World Bank, the international economy and all that. Our whole system is at stake; that is why I want the Leader of the House to use his authority... (Interruptions)

उपतन्त्रायति : लीडर आफ दी हाउस ने
कह दिया ।

SHRI S. B. CHAVAN: I will have to discuss it with the Finance Minister, but I don't think that the RBI Governor can have overriding powers over the powers of the Parliament. If he has appointed a Committee for his own advice and thereafter wants to come, that kind of proposal he might be having and... (Interruptions)...

SHRI DIPEN GHOSH: Madam, I have a serious objection to... (Interruptions)...

SHRI S. B. CHAVAN: I can't possibly ... (Interruptions)

THE DEPUTY CHAIRMAN: Let him say... (Interruptions)

SHRI S. B. CHAVAN: You have to understand... (Interruptions)

THE DEPUTY CHAIRMAN: Please let him speak. Let him speak what he wants to say.

SHRI S. B. CHAVAN: Madam, what I am saying is, I will have to consult the Finance Ministry but I

can never visualise that any enactment which has been enacted by the Parliament can be overridden by the Reserve Bank's Governor. ... (Interruption)... You have to understand the rationale behind the whole thing. It might be that for his own purposes he wants to have the advice first and then come to... (Interruptions)... This is my surmise. I will have to find out... (Interruptions)...

SHRI KAMAL MORARKA: Madam, I submit that the Reserve Bank Governor cannot... (Interruptions)... He cannot even stop this debate.

SHRI PRAMOD MAHAJAN: Madam, now Kamal Morarka will admit his mistake that he has unnecessarily asked for the opinion of the Home Minister.

(Interruptions)

THE DEPUTY CHAIRMAN: Order. Order in the House now... (Interruptions)... That matter should end somewhere. Till the Finance Minister comes before the House, we have no choice before us. The Home Minister has given... (Interruptions)...

SHRI DIPEN GHOSH: Madam, why does the Home Minister... (Interruptions)

SHRI KAMAL MORARKA: Madam, please try to understand it. The Reserve Bank Governor cannot ... (Interruptions)

SHRI GURUDAS DAS GUPTA: Madam, Mr. Chavan's statement has injured and insulted us. Mr. Chavan's statement has injured us. We feel insulted, totally insulted by the way he is saying, he is behaving and he has been issuing statements.

(Interruptions)

THE DEPUTY CHAIRMAN: Please don't say all these things and sit down... (Interruptions)... Take your seat, I have got Special Mentions.

(Interruptions)... I am not permitting anything more on this. That is over... (Interruptions) That matter is over. ... (Interruptions)... That matter is over.

SHRI GURUDAS DAS GUPTA:
Madam, it is a very serious matter and ... (Interruptions)...

THE DEPUTY CHAIRMAN: I know it is serious, but it has to end somewhere. ... (Interruptions)...

SHRI SURESH KALMADI (Maharashtra): Madam, the Finance Minister in his reply ... (Interruptions)...

THE DEPUTY CHAIRMAN: If you want to speak together, you are welcome to speak, but don't ask for my protection.

DR. JINENDRA KUMAR JAIN:
Madam, I am disciplined. I am not shouting like others.

THE DEPUTY CHAIRMAN: I know you are under my discipline... (Interruptions) ...

SHRI SURESH KALMADI: Madam, the Finance Minister in his reply ... (Interruptions)... He has misled the House by saying that information will be collected. Actually he is very well aware and the information must have been collected by now and ... (Interruptions)...

THE DEPUTY CHAIRMAN: Mr. Gurudas Das Gupta, please let me say that ... (Interruptions)... I am going to say that ... (Interruptions).. Please allow me to speak ... (Interruptions)... Mr. Gurudas Das Gupta, you asked and other Members also asked the Home Minister to react. Until and unless, the Home Minister gets the information from the Finance Minister on the news which has just appeared in the newspapers on which you are agitated, till he ascertains the facts, he cannot say... (Interruptions)... I don't think he can. ... (Interruptions)... I will see

the records and ... (Interruptions)... What is the matter? Dr. Jain, please speak.

SHRI GURUDAS DAS GUPTA:
You cannot summon the Finance Minister... (Interruptions)...

THE DEPUTY CHAIRMAN: That matter is over. Once you told me, I remember it. You don't have to tell me many times. Once it is said, I remember it and I do the job. Now please let me go ahead with the other job. Let me see what is bothering Dr. Sahib.

(Interruptions)

DR. JINENDRA KUMAR JAIN:
Madam, the RBI Governor...

THE DEPUTY CHAIRMAN: That matter is over. The RBI matter is over.

DR. JINENDRA KUMAR JAIN:
All the chairmen of the banks have been acting like overlords. The present Home Minister was Finance Minister once....

THE DEPUTY CHAIRMAN: That matter, Dr. Sahib, is very late now. ... (Interruptions)...

DR. JINENDRA KUMAR JAIN:
What is the accountability of the financial institutions to the... (Interruptions)...

श्री सुलचनबी शीणा (राजस्थान) :
महोदया, मेरा एक निवेदन है...
(व्यवधान) ।

उपसभापति : आप चिट्ठी लिखकर भेज दीजिये, मैं स्पेशल मेन्शन एलाऊ कर दूंगी ।

SHRI INDER KUMAR GUJRAL
(Bihar): Madam, you may kindly recall... (Interruptions)...

उपसभापति : आप एक चिट्ठी लिखकर भेजें । मैं स्पेशल मेन्शन एलाऊ करूंगी
What is your problem?

[उपतभापति]

गुजराल साहेब आप क्या फरमा रहे हैं।
बोलिये।

(Interruptions)... When the Finance Minister comes, you speak before him.

श्रीमती चन्द्रिका अभिनन्दन जैन
(महाराष्ट्र): ... सुप्रीम कोर्ट ने जो
जजमेंट दिया है ... (व्यवधान) ...
सुप्रीम कोर्ट का जजमेंट है कैंपिटेशन फीस
के बारे में। ... (व्यवधान) ...

THE DEPUTY CHAIRMAN: Not just now. Let me hear what is bothering Gujral Saheb.

SHRI INDER KUMAR GUJRAL: Madam, you may kindly recall that there is a privilege motion against the Planning Minister pending before you. In the meantime, we notice that the Planning Ministry has been initiating some action against some staff members and in the last week itself they had gone to the police and filed an FIR. Now, this is a very ridiculous position. We don't know what happened. We don't know what is the reply to our privilege motion. In the meantime, the Minister of Planning is going ahead with initiating action which may create a new situation. This has happened on 30th July itself. I would like to know, Madam, what the fate of our privilege motion is.

THE DEPUTY CHAIRMAN: As regards your privilege motion, we had written to the Minister of State for Planning. We have received the reply from him and we will send it to you for your comments as is the usual procedure. I will follow the usual procedure and then accordingly we will have to act. (Interruptions)...

SHRI INDER KUMAR GUJRAL: What is the action being taken, Madam? They have filed an FIR (Interruptions)...

SHRI MENTAY PADMANABHAM: The Planning Ministry is now harassing the people who are ... (Interruptions)...

THE DEPUTY CHAIRMAN: That I don't know. I will not react to it because I don't know anything about it. (Interruptions)...

SHRI MENTAY PADMANABHAM: Madam, the matter is with you.

THE DEPUTY CHAIRMAN: The matter is of privilege. There is a difference. The matter before me... (Interruptions)... Please. The matter before me is of privilege. It was alleged that the Minister of State for Planning misled the House. It is only that much. Now, what happened in the Planning Ministry is not within my jurisdiction. I am not aware of it. Mr. Gujral has mentioned about it. I don't know anything about it.

SHRI KAMAL MORARKA: Madam, if he tries to bamboozle the clerk it is further violation of the Parliament's privilege. Once, you remember, some officials were warned because they tried to obstruct the information to the Parliament. He is committing a further breach. You should warn the Minister. Every time he is committing a breach of privilege. Today I asked a question for which he didn't know the answer. He must not answer the questions when he does not know.

THE DEPUTY CHAIRMAN: Mr. Morarka, if you feel, if any Member feels, that any Minister or any Member has committed a breach of privilege of the House, you can raise it through a privilege notice. That is within your right. It will be examined accordingly.

SHRI MENTAY PADMANABHAM: Is it proper... (*Interruptions*)...

SHRI YASHWANT SINHA (Bihar): Madam, I wish to raise another matter where, I think, the House has been bypassed. It is a very serious matter. I had referred to it when I was participating in the debate on the Foreign Trade Bill. The newspapers carried a report on 29th July about a certain Government order relating to industrial policy which appeared to have been issued on 28th of July. I checked up with the Table Office whether any such notification was laid on the Table of the House and I was told, three days later after 29th July, that until then no such notification had been laid on the Table of the House. May I draw your attention, Madam Deputy Chairman, to the changes which relate to such important issues as withdrawal of export delegation with regard to issuance of letters of intent and industrial licences and also doing away with the foreign exchange neutrality and prohibiting access to domestic financial institutions on the part of these organisations? These major changes in the industrial policy. I don't recall any member of the Government coming to this House and making a statement on these major departures or changes in the industrial policy so far. Nor do I recall any member of the Government laying on the Table of the House any notification to this effect till date. I would like to know what is happening. If the Parliament is going to be treated like this... (*Interruptions*)...

SHRIMATI CHANDRIKA ABHINANDAN JAIN: Madam the Supreme Court has passed a judgement on the capitation fee... (*Interruptions*)...

THE DEPUTY CHAIRMAN: I said, "you gave a Special Mention if it is a matter of importance". I cannot allow you to speak about the judgement or anything on the floor of the House until and unless I examine it. (*Interruptions*)...

SHRI YASHWANT SINHA: Madam, may I request... (*Interruptions*)

THE DEPUTY CHAIRMAN: I remind... (*Interruptions*). Please I remind the hon. Member that if it is a matter regarding the judgement of a Court then I must examine. (*Interruptions*).

SMT. CHANDRIKA ABHINANDAN JAIN: I would walk out in protest.

THE DEPUTY CHAIRMAN: Okay. You walk out (*Interruptions*).

(At this stage the hon. Member left the Chamber)

THE DEPUTY CHAIRMAN: It is all right. Mr. Sinha, please continue.

SHRI YASHWANT SINHA: I was saying that this is another instance where the Parliament... (*Interruptions*).

THE DEPUTY CHAIRMAN: Please don't disturb the House, I have got a list of Special Mentions.

SHRI YASHWANT SINHA: ... seems to have been bypassed. If it is so then it is a very serious matter. I request the Government, through you to let the House know what exactly the situation is.

THE DEPUTY CHAIRMAN: Mr. Yashwant Sinha, what is the matter? If it is a long matter why don't you write to me? (*Interruptions*). We have got a very long business.

SHRI YASHWANT SINHA: Madam, I was merely saying that this is a matter where the authority of the Parliament has been bypassed and the Government has not taken the facts into consideration. Now the Parliament is in Session. The best thing for them to do would have been to come to Parliament and make a statement. The Minister of Industry should have made a state-

[Shri Yashwant Sinha]

ment or they should have laid the notification regarding the changes on the Table of the House. Neither of these has been done. That is why I am protesting against this. It is a very serious breach of privilege.

[उपसभाध्यक्ष (श्री जगेश बेसाई) पीठासीन हुए]

SPECIAL MENTIONS

Reported Victimization of scheduled Castes/Scheduled Tribes officers in the Ministry of External Affairs

श्री अनन्त राम जायसवाल (उत्तर प्रदेश) : उपसभाध्यक्ष महोदय, भारतीय विदेश सेवा बहुत ही आकर्षण, दबदबे और सुतबे वाली सेवा मानी जाती रही है। इधर उसका आकर्षण कुछ घटा है। इसका मुख्य कारण है कि इस सेवा के लोगों को लम्बे ज़रसे तक विदेश में रहना पड़ता है। विदेश में उपवाद का शिकार बनने का खतरा रहता है। तीसरा बच्चों का अविष्य अनिश्चित रहता है जब घर वापिस लौटते हैं तो कोई खास रियायत भी उनको नहीं मिलती है। इसके इलावा स्थानांतरण और नियुक्ति में जो भेदभाव है उसकी वजह से भी आकर्षण घट रहा है। अगर भेदभाव जाति के आधार पर किया जाए और खास कर के अनुसूचित जाति और अनुसूचित जनजाति के अफसरों के साथ जो हमारे संविधान की घोषणा के अनुसार निश्चित है। तो राज्य का यह दायित्व है कि अगर किसी हरिजन के हाथ कोई अत्याय या शोषण हो रहा है तो उससे उसका संरक्षण करे। लेकिन इस तरफ किसी का भी ध्यान नहीं गया है हालांकि प्रधानमंत्री जी खुद इस समय विदेश मंत्री भी हैं। मैं अपनी बात को कुछ उदाहरण रख कर आपके सामने साफ करना चाहता हूँ।

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Very Short.

श्री अनन्त राम जायसवाल : बहुत छोटा। एक अधिकारी, जिनका नाम है श्री विजय कुमार। यह 1970 बैच के है और अनुसूचित जाति के हैं। 1988 में यह संयुक्त सचिव बन गये थे। इन पर दबाव डाला जा रहा है कि मंत्रालय के बाहर चले जाएं और आर०आई०एस० ट्रेनिंग कोर्स ज्वाइंट करें। वजह क्या बताई जाती है कि मंत्रालय में रहते हुए इनको तीन साल या इससे कुछ ऊपर हो गया। तो एक हरिजन अधिकारी के ऊपर यह दबाव और दूसरी तरफ क्या हो रहा है जरा इसको देखिये इसके मुकाबले में। एच० माधेकर, मिसेस जीजा पोतप्पा और कमलेश कुमार, इनमें से पहले दो 1985 से दिल्ली में हैं। कमलेश कुमार 1986 से दिल्ली में हैं। इनको नहीं छुआ गया है। किसी तरह से डिस्टर्ब नहीं किया गया है और विजय कुमार जिनका संबंध अनुसूचित जाति से है उनके ऊपर दबाव डाला जा रहा है कि वे दिल्ली छोड़ें और आर०आई०एस० कोर्स ज्वाइंट करें। एक दूसरे अधिकारी हैं के० एम० मीणा। ये फिडबैक ट्राइल के अफसर हैं और 1972 बैच के हैं। 1941 में ये संयुक्त सचिव बने थे। मान्यवर, आज तक इनको कोई डिफिनेट चार्ज नहीं दिया गया है और इनसे कहा जा रहा है, इन पर दबाव डाला जा रहा है कि ये सुट्टी पर चले जाएं। इसलिए दबाव डाला जा रहा है, इसके अलावा कोई बात समझ में नहीं आती है कि वे अनुसूचित जनजाति के अफसर हैं। इनके मुकाबले एच०एस० पुरी, के० सी० सिंह, और एच० के० सिंह हैं। ये अभी पुरी तरह से ज्वाइंट सेक्रेटरी भी नहीं हुए हैं, डाइरेक्टर हैं। जो जगहें हैं डिप्टी सेक्रेटरी की और ज्वाइंट सेक्रेटरी की, उनके बीच डाइरेक्टर की जगह पर हैं। ये लोग थोड़ा ज्वाइंट सेक्रेटरी के लिए इम्पैन्ल किए गए होंगे। एच०एस० पुरी, ओ०एस०डी० हैं फारेन सेक्रेटरी श्री दीक्षित जी के। कहा जाता है कि श्री पुरी जी और इनकी पत्नी, जब हमारे आज के, वर्तमान जो विदेश सचिव हैं वे लंका में उच्चायुक्त थे तब उनकी मातहतों में वे दोनों अफसर मियाँ