

I will certainly pass on this suggestion for his consideration.

Renukaji mentioned the need to create public opinion, in fact, that was the point on when I really wanted to end my speech. Now, in a situation in which there are scarcities, and when these scarcities cannot be dealt with through the cities cannot be dealt with through the normal Government mechanisms because we do not have enough foreign exchange, because the responsibility of the society to see that people do not corner stocks, that they do not take undue advantage of these scarcities to indulge in profiteering. That is why we need a very strong consumer movement in this country—It has to become a mass movement. This is not a task which can be undertaken by the Central Government or by the State Governments. In each locality, there are traders, but there are also the consumers. Now, she is very right that information should be available. The question is, what is the reasonable profit? Hon. Member, Shri Jagesh Desai, asked; 'How are you going to fix the price? Let me say, Sir, that it is not possible through a Central fiat to fix the price which would be applicable to.. .

SHRI JAGESH DESAI: I asked about the margin of profit.

SHRI MANMOHAN SINGH: It is the responsibility of the State Governments and the local authorities. I do hope that the conference which has been talked about, if it comes about, will discuss, precisely, these measures.

I would like to end on this note that inflation, today, presents a major problem for the country. Our Government is fully alive to its responsibilities. I am confident, despite the doubts that have been expressed by some sections of the House, that the coming months will see a definite improvement on this front. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Sir, the hon. Minister has only lectured on the philosophy of the new economic line. This is a speech which will boost the morale of the people who are increasing prices in the country. The country needs hard decisions. But the Minister has again yielded to the pressures of the new philosophy. Therefore, as far as the

common people are concerned, there is nothing new in it and there is no assurance from him. It is absolutely bewildering, absolutely dissatisfying and absolutely alarming. *(Interruptions)*

THE VICE-CHAIRMAN (SHRI M. A. BABY): We now take up further discussion on the BCCL *(Interruptions)*

SHRI GURUDAS DAS GUPTA: I wanted the Minister to inform the House about the other measures. But he has not replied. Let him say what are the other measures up his sleeve. This is only a tall talk.

SHRI A. G. KULKARNI: The arguments put forward have been ably replied to by the hon. Finance Minister.

SHRI GURUDAS DAS GUPTA: This person is not touched by inflation.

THE VICE-CHAIRMAN (SHRI M. A. BABY): We take up further discussion on the BCCL *(Interruptions)*

SHRI SUBRAMANIAN SWAMY: Sir, time to take up the discussion on the time now is 4.20. This is the right BCCL

SHRI DINESHBHAI TRIVEDI: Sir, the Minister has not replied to my query. I take it that he has no answer to my query. *(Interruptions)*.

SHORT DURATION DISCUSSION RE THE AFFAIRS OF THE BANK OF CREDIT AND COMMERCE INTERNATIONAL (OVERSEAS LIMITED—(Contd))

THE VICE-CHAIRMAN (SHRI M. A. BABY): We shall now continue with the discussion on the BCCL Shri Gurupadaswamy. The time is only 4.18.

SHRIMATI RENUKA CHOWDHURY
SHRI P. UPENDRA (Andhra Pradesh):
Let us observe two minutes' silence.

SHRI UPENDRA (Andhra Pradesh): Let us observe two minutes' silence.

SHRI M. S. GURUPADASWAMY (Uttar Pradesh): I am not caught by 4.20. I am very happy.

SHRI A. G. KULKARNI (Maharashtra):
420s are in the Bank. Not here.

AN HON. MEMBER: Not only in this Bank but in foreign banks also.

SHRI M. S. GURUPADASWAMY: Sir, the story of the BCCI has all the elements of a suspense crime thriller. Even Agatha Christie's imagination seems to have fallen short of... various shady dealings and characters who come under BCCL Perhaps, Members are aware that this Bank was founded in the year 1972. It was registered in tax havens like Luxembourg and Cayman Islands. It operated in 169 countries and is owned by Sheikh of Abu Dhabi. It was founded by one AgSia Hassan Abedi of Pakistan. Its sordid and clandestine activities spread far and wide. It has dealt with shady characters of the underworld, and very dubious elements found at various levels, in business, industry and administration. Among its clients are Ferdinand Marcos, Saddam Hussain, Adnan Kashogi and many others and it had widespread network of activities- It dealt with drug traffickers, secret arms dealers. It also became a haven for depositing illegal money, black money earned by businessmen, industrialists, administrators and politicians. I think this Bank has no parallel in the banking history so far and I only quote a few sentences from 'Washington Post'. Let us know what it has to say about this Bank and I quote:

"With U.S. ex-Presidents, British Prime Ministers, ex-Senators and Defence Secretaries, Persian Gulf Sheikhs and Saudi intelligence officers, and Middle-East terrorists involved in the BCCI, we are surely seeing the first great scandal of the new world order."

This is the description of 'Washington Post' about this Bank. Sir, previous Speakers have narrated some of the specific instances in which this Bank was engaged and was responsible for illegal activities. The Bank had 20 billion dollars of capital but it has lost 15 billion dollars already. This is the background of the Bank, this is the history of the Bank. Now this empire has collapsed. Investigations are going on in 28 countries about the affairs of this Bank, including the United States and the U.K. One of the Senators in the United States has said that

the basic culture of this Bank is criminal culture. International fraud was its motto from its very beginning. It created false accounts, it created a network of agents and huge bad debts were simply written off. Under the cover of writing off bad debts, many people in higher places in various countries of the world got huge benefits and favours.

The other day, when this discussion was going on, somebody said, "What is wrong if some people have gone as students under some scheme of the Bank?" That is not the issue. The issue is whether the Bank has favoured wrongly, illegally, a few persons, whether the Bank has been used or misused by certain persons occupying highest places whether in India or England or America or anywhere. That is the issue. Sir, I have got a few figures...

SHRI R. K. DHAWAN (Andhra Pradesh): Mr. Gurupadaswamy, just....

SHRI M. S. GURUPADASWAMY: I am not yielding.

SHRI R. K. DHAWAN: This was not the issue. The issue was whether nine officers'. . . (Interruptions). . .

SHRI M. S. GURUPADASWAMY: I am not yielding.

SHRI P. UPENDRA: He didn't mention that.

SHRI M. S. GURUPADASWAMY: I didn't mention that at all. . . . (Interruptions). . . I don't want to yield.

SHRI R. K. DHAWAN: The gentleman has said that nine officers of the Prime Minister's Office had sent their children abroad. That is the issue.

SHRI M. S. GURUPADASWAMY: You can say anything you like when your chance comes.

Sir, in Luxembourg and Cayman Islands, nearly 500 million dollars were deposited by certain people—and they say it is a conservative estimate. Anyway, I give the information that I got from the papers. It was 400 million dollars in the Luxembourg branch alone. I quote: "It is estimated that roughly \$ 400 million belonging to Indian companies, industrialists, politicians and bureaucrats was secreted"—that is, de-

posited—"there". So, Indians have deposited \$ 400 million in the Luxembourg branch of the BCCL And nearly 100 Indian accounts are maintained by the banker's in Luxembourg That is also given.

THE VICE-CHAIRMAN (SHRI M. A. BABY): Indians or non-resident Indians?

SHRI M. S. GURUPADASWAMY: "Indians," I say. These are Indians. Out of these 100, there are about 10 major clients. The average deposit runs to about dollar 5 million in these accounts. I now quote:

"About dollar 75 million belong to bureaucrats, public sector chieftains and politicians sitting pretty in rarely — operated private accounts accumulating a minimal interest. Deposits range from half to dollar 4 million dollars each, says a banker. These accounts are looking for passive capital protection rather than revenue or capital appreciation."

Further I quote:

"These private account holders are mostly Indian deal-makers within or outside the Ministries, who have earned money for top-level introductions, for matching buyers from India and sellers from matching buyers from India and sellers from abroad and purchasing foreign technology or goods. They know the size of the deal, the real cost of the transaction and the law. They are in the best position to negotiate. Most of the money represents various commissions or kickback, but it can also belong to bureaucrats who have held foreign posts or appointments."

Sir, one significant thing I would like to bring to the notice of the House. Who is the linchpin in all these operations? My friend, Mr. Kulkarni, mentioned the same of one, Y. D. Padiyar. "The linchpin of the whole operation was an elderly South-Indian Brahmin, named "Y. D. Padiyar." The other top official interacting with the Indians, was Chief of Credit, Imtiaz

Ahmed. Padiyar would work on the phone."

That is the modus operandi.

"Padiyar would work on the phone without documentation and get a lot of things done for these powerful Indians. He would also take the Indian hush money and bank it in a numbered account in BCCI's Luxembourg Branch. No one, barring the Accounts Officer and Branch Manager would know the identity of the client. Since kickback's, tax-evasion and flight of capital are not considered crimes in Luxembourg, he was not breaking any local law."

This is the story of the Bank, and this type of operation was everywhere. As I said earlier, money was collected, illegal money was collected and it was deposited in the Bank. This money was laundered for various nefarious purposes. One story goes that this money was used to purchase Indian guns, about 300 or so.

DR. G. VIJAYA MOHAN REDDY (Andhra Pradesh): Fifty thousand rifles.

SHRI M. S. GURUPADASWAMY: I stand corrected, anyway. This money was used to purchase 50,000 rifles from India. These rifles went through Portugal. Lisbon, went to Pakistan, and these weapons were used by rebels in Afghanistan and by terrorists in Punjab and Kashmir. This was the type of activity.

Sir, I don't want to go into various other details arising out of these things. I would like to ask a few questions to the Finance Minister. I would like him to answer these questions.

My first question is whether it is a fact or not that Dr. Manmohan Singh, the then Reserve Bank Governor, was not for giving permission to BCCI to open its branch in Bombay. If it is yes, what were the reasons which influenced him to oppose the move? If it is no, were the credentials of the bank examined before according permission? Further

[Shri M. S. Gurupadaswamy]

I would like to know whether the permission was given to this bank to open its branch in Bombay after Dr. Manmohan Singh left his Governorship.

Second question I would like to ask is whether the then Finance Minister overruled the view of Dr. Manmohan Singh or not. If that is so, who was the Finance Minister?

Third question I would like to ask is whether the Reserve Bank or the Finance Ministry has the information about the Indian clients of the Bank. If they have the information, are they prepared to divulge all the names as to who are the clients of this Bank in India and outside? I would also like to know whether any illegal and underhand dealings of businessmen, industrialists, bureaucrats and politicians of India have come to his notice.

Fourth question is whether some front or *benami* companies have been floated by some enterprising Indians, such as Reliance, in tax-havens like the Isle of Man. Has it come to the notice of the Government that these front companies with very nominal capital base invested large amounts of foreign money to purchase equity shares and debentures in the Reliance industry in India.

-SHRI R. K. DHAWAN: In which year?

SHRI M. S. GURUPADASWAMY: I am just asking.

SHRI R. K. DHAWAN: If you are quoting from *India Today*, then quote the year.

SHRI M. S. GURUPADASWAMY: I am not the Minister. I want clarifications from him- I want to know whether it is in the knowledge of the Government that some amount was also used in investment in Larsen and Toubro.

Fifth question I would like to ask is whether it is a fact that BCCI funded Pakistan's nuclear programmes and acted as main central bank for Pakistan's clandestine operations. I would also

like to know whether it is also a fact that it funded the activities of rebels in Afghanistan and terrorists in Jammu and Kashmir and Punjab, which I have already referred to.

Sixth question I would like to ask is whether BCCI worked as a conduit for sale and smuggling of illegal arms and ammunition and drug trafficking.

These are the six questions I have raised. I don't think that these questions are exhaustive. They are only illustrative. One thing more I may ask in the end. Has the Government so far got MR. PADIYAR here, because he seems to be the linchpin of the whole operation so far as the Indians are concerned? Has the Government asked him to come back for interrogation? If he has not come back, I would like to know whether his passport has been cancelled. Why has no action been taken? I know the material is so vast and I don't have full knowledge of all the material. Otherwise I would not have raised all the issues in this House. But I may point out all the transactions of BCCI in India have come under cloud as many Indians are involved. Therefore, it has got wide ramifications. We have been talking of black money and illegal stashing of foreign exchange in foreign banks. But here is a case where we can probe and find out the nature of the operations and the various elements involved in the operations. I am not against anybody. I am not saying anything against anybody at the present moment because I have no knowledge of these persons or their operations. I only raised these questions so that we can get clarifications and answers and so that this thing will help us to deal with such cases in future.

Finally, it is very important to note that BCCI case is worse than the Bofors case. In Bofors case only Rs. 64 crores were involved and some people were involved but in this case several crores of rupees are involved and several people are involved and foreigners are also involved. Our national integrity is involved in this case. I want the Minister

and the Government to consider my specific suggestion that nothing short of a parliamentary probe can bring out the full truth. The Finance Minister has said "It is a very sensitive matter. If any probe is agreed to, it may sour our relations with the Arab countries." I think the integrity, the image of my country is more important than the relationship we have with the Arab countries. I do not think our relations with the Arab countries would be soured or damaged at all. They would be very Happy to help us in this matter. Therefore, let him not take cover under this plea.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): I "never said such a thing.

SHRI M. S. GURUPADASWAMY: If he has not said such a thing, no problem. I think he has appointed some auditor, Billimoria Company to go into their accounts. I am very happy about it.

SHRI R. K. DHAWAN: The Minister has said that he has not said such a thing and the member says that he has said such a thing. Now who is right?

SHRI M. S. GURUPADASWAMY: I would like the Finance Minister, if he¹ can speak on behalf of the Government to agree to my suggestion for a Joint Parliamentary Committee with "appropriate terms of reference to enquire into the 'whole matter so that we' can find out the truth. Thank you.

[The Vice-Chairman (Shri Bhaskar Annaji Masodkar), in the Chair]

SHRI N. K. P. SALVE (Maharashtra): Mr. Vice-Chairman, I think this is one debate where there should not have been any party predilections or affiliations. As soon as the Bank of England ordered the closure of the operations of the Bank of Credit and Commerce International and froze its assets, there was a furore in almost all the countries where its branches existed. The BCCI was operating in 120 countries. What is of concern to

us was the news that in England, Europe and the United States of America, quite a few Asians were patronising this bank. It was one of the largest banks, one of the 12 banks in the world owned by an Asian. There was a natural affinity. The first thing we need to make clear is to dispel the idea from your mind that whoever dealt with that bank was a crook. Please let us not carry on the debate that some 26 people are having accounts in that bank. What does it mean? . . . (Interruptions). . . There should never have been any political overtones in a situation like this.

SHRI M. S. GURUPADASWAMY: I did not say that. Don't put words into my mouth.

SHRI N. K. P. SALVE: Gurupad. I am not putting words into your mouth. Did I say you have said that thing? Someone alleged that 26 industrialists were involved. May I know whether all the industrialists in India are a bunch of crooks? Is crookedness only the prerogative of the industrialists?

DR. G. VIJAYA MOHAN REDDY: Do you mean to say that no crooks are involved in this operation?

SHRI N. K. P. SALVE: Are you willing to say that there are no crooks among the politicians?

SHRI P. UPENDRA: That is exactly our charge.

SHRI N. K. P. SALVE: And if there are crooks amongst politicians.. . (Interruptions). Please don't think it is a prerogative of politicians to blame the industrialist and the bureaucrat, the way it has been done. And, don't think, for a moment, that you are the only paragons of virtues. For God's sake, don't commit that error. I do not say that my party comprises people who are paragons of virtue. Neither does your party. There is no individual I am blaming. For God's sake, don't do that. Sir, the other day, there was a debate. I was speaking on the Remittances Bill. The manner in which non-resident

[Shri N. K. P. Salve]

Indians were sought to be criticised as though they are a trite of people who pre the worst kind of crooks, is very unfair. Ultimately, if there is black money, I want to tell you very frankly, that the beneficiaries are not only industrialists, not only bureaucrats, but also politicians. And that is a bitter reality. And therefore, please don't speak, when you talk here in the House, as though you are alone paragons of virtue and las though it is your right to condemn anybody right left and centre without any basis, without any facts. Prima facie, what are the facts? Normally, I never should have been willing to speak in a debate like this. It is a case of simple fraud by a bank. And very serious frauds have been committed by banks and there is a case, I submit, at the outset, a prima facie case, and a proper inquiry, investigation, special audit, is necessary to find out the affairs of the Indian branch. Allegations of a much larger dimension and extremely startling and very dangerous dimensions are there in England and elsewhere. The Senate Committee is sitting in the United States of America and they are accused to (have been laundering the drug money. If any bank is laundering drug money, has given respectability to drug money, it is guilty of the most heinous crime against humanity. It can never be for-given. An activity which is going to ruin the entire future generation all over the world can never be forgiven. I wish our own laws became so strict. I understand, in Thailand and other South-East Asian countries, the laws are so strict that if you are guilty of an offence under the drug law, you will not be saved. Under the criminal law, you may be saved. Under the drug law, you will not be saved. The only punishment for you is death. I wish some day, in India, we made that kind of an enactment. If laundering drug money is going to give it respectability and if you are going to allow banks to get respectability and if you are going to allow banks to get respectability by buying hotel business, real estate, airlines, etc., I do not know where we will toe landing ourselves. I do not know what Government have been doing,

what the Government of the United States has been doing, what the Bank of England has been doing. I have a question to ask of Dr. Manmohan Singh. What has the Reserve Bank been doing so far as the BCCI is concerned? (*Interruption*). Precisely what I am saying should not be done. Whether Dr. Manmohan Singh was the Governor of Reserve Bank or not, the question is what we are trying to see is this. One side says whe- there was the Congress Government, a licence was given to open an office; when there was the Janata Government, permission was given to open a representative office. I do not want to indulge in these types of cheap gimmickry. If licence was given, it licences were given to so many banks, Asian banks, so much the better. There is nothing wrong in it. Representative office was opened. Morarjibhai and H. M. Patel gave. Nothing wrong in it. Nor is there anything wrong if subsequently licence was given. What is the mistake in giving a licence? I am unable to understand, unless you want to politicise the issue. But the issue is of a much different dimension. Then, apart from the heinous crime of laundering drug money it is said that the nuclear plant in Pakistan has been financed by this bank. It could be so. The way Pakistan has been surreptitiously smuggling technology, the way it has been buying goods, capital goods, plant and machinery and the manner in which it is proceeding so far as the nuclear plant is concerned, that plant is to be used only against India and for nothing else. Perhaps an offence as serious as laundering of the drug money, is allowing foreign exchange assistance to Pakistan to build a nuclear plant—extremely dangerous for India and I certainly would want proper enquiry to be made into it. I do not know what will be the authority of our Finance Minister, what Will be the authority of the Reserve Bank of India, but surely the Bank of England can go into it. The Senate Committee in USA can go into it and it must find out whether this bank had financed Pakistan for purposes of the nuclear plant or not. If it has done so, it should also consider what measures it is going to prescribe against thps©

who illegally imported the plant, who arranged this kind of a transaction for Pakistan against Indian interests.

SHRI P. UPENDRA: Why do you depend on the Senate Committee of USA? Why don't you have your own JPC?

SHRI N. K. P. SALVE: If you can have a JPC, I am immediately willing to agree. I am willing to agree to the constitution of a JPC. Otherwise, I think, the JPC is of no use. *(Interruptions)*. I would divide the allegations into two parts: one, of a wider nature *which impinges on the question of the very legality of the activities of the Bank* and two, those which are related to the irregularities in the conduct of the business of the Bank. They are related with finances and financial accounts. How many Members of Parliament would be able to understand the accounts of a IBank? *(Interruptions)*.

SHRI P. UPENDRA: If Shankaranand could whitewash the Bofors Enquiry, you could find somebody else for this purpose also. *(Interruptions)*.

SHRI N. K. P. SALVE: Sir, he is again politicalising the issue. I would like to ask you, can you explain to me the difference—I don't have the balance-sheet with me *(Interruptions)*.

SHRI R. K. DHAWAN: Sir, he is casting aspersion on the findings of the JPC that he was able to white-wash. This is a serious allegation.

SHRI N. K. P. SALVE: Sir, it is a serious matter and I hope, Mr. Upendra, who is a Senior Parliamentarian, will not indulge in this. *(Interruptions)*. You may differ with me but listen to my viewpoint. I have heard yours. *(Interruptions)*. Sir, I want to submit. . . *(Interruptions)*. I don't have the balance sheet of the BCCI with me. I can read the balance-sheet and understand it. But I don't have anyone in the private sector to furnish the balance-sheet to me. But, Sir, I would like to ask two items of the balance-sheet and let any Member in this House answer. *(Interruptions)*.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Mr. Salve, we pass the Budget Do you know it?

SHRI N. K. P. SALVE: I beg your pardon, Sir.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): We pass the Budget of the country where all these things are there, the whole account is there. I am really surprised that you are saying that the Members of Parliament. . . *(Interruptions)*.

SHRI N. K. P. SALVE: Sir, I submit to you with all the emphasis at my command that the Budget we pass is not accounting. Bank account is a very! special account. There is an item on the balance-sheet — bills payable as pec account. *(Interruptions)*.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Let us not go into the ability of Parlia-ment. . . . *(Interruptions)*.

SHRI N. K. P. SALVE: Sir, I main-tain that the JPC cannot go into the accounts of a bank. *(Interruptions)*.

DR. G. VIJAYA MOHAN REDDY: What about banking secret?

SHRI N. K. P. SALVE: Banking secret, we never mind. Why do we want to go to... . *(Interruptions)*.

DR. G. VIJAYA MOHAN REDDY: That is illegal.

SHRI N. K. P. SALVE: This is what we understand of what I am talking. What is illegal? I am talking that there is a *prima facie* case. *(Interruptions)*. listen to me. Sit down. *(Interruptions)*. I am submitting that there is a *prima facie* case of adequate irregularities for an investigation and a special audit. *(Interruptions)*. I am not yielding, Sir.

SOME HON'BLE MEMBERS: He it casting an aspersion. *(Interruptions)*.

SHRI N.K.P. SALVE: I cannot be cowed down like this. I cannot be shouted down like this. I maintain that there is a *prima facie* case... (Interruptions)... for investigation and special audit of the Bank. (Interruptions).

SHRI R. K. DHAWAN: Mr. Salve, not of the Bank of Bombay but Bombay Branch of the Bank. How can you look into the transaction of the whole Bank, throughout the world?

SHRI N.K.P. SALVE: If we could look into the account of the BCCI in England and elsewhere, then let JPC be appointed. I have no objection, Mr. Dhawan. (Interruptions).

SHRI M. A. BABY: Mr. Salve, will you yield to me for a minute? Sir, Salve Ji is making a very relevant point. If you also permit...

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): What do you want? He is making his own point.

SHRI M. A. BABY: Sir, Salve Ji has raised a point. The point is whether a Joint Parliamentary Committee would be competent or capable enough to go into the intricacies of the question. That is the issue raised. My humble submission is - flat off hand a Member of Parliament cannot be competent enough or knowledgeable enough like Salveji...

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): But he is a parliamentarian.

SHRI M. A. BABY: I understand he is capable enough, but laymen like us can also study and understand and bring up our level so that we would be in a position to serve on the Joint Parliamentary Committee. So, just on that count the efficacy of a Joint Parliamentary Committee should not be ruled out.

SHRI N.K.P. SALVE: Sir, I agree with the hon. Member when he says that the Joint Parliamentary Committee...

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Salveji, you make your own point. You need not go into...

SHRI N.K.P. SALVE: Sir, I will go ahead, but I request you not to participate because it becomes difficult for me to continue.

My submission is this. It is a very valid point. The JPC will engage a firm of auditors which will go into it and find out and submit the report to the JPC. If the Government itself is doing that kind of job, let us have the report. What I would like to submit is that I understand S. P. Billimoria and Company are appointed and those who are connected with the accountancy profession could know that it is one of the most eminent firms of chartered accountants. Its senior partner is a very highly respected member of the accountancy profession. Let them go into it, let them find out and find out whether there is any *prima facie* material of this nature where the bank has been indulging in irregularities, getting advantages from politicians, from bureaucrats and from industrialists or allowing irregularities in its functioning. Certainly then they will be brought on the Table of the House. Let us discuss them on the floor of the House and then Mr. Manmohan Singh is always there at the receiving end; he is answerable but first let us find out what the irregularities are.

Sir, there was one important thing which no one has mentioned and that was whether at least the Indian depositors are safe or not. Had the Reserve Bank of India been vigilant adequately? What about the SLR, the Statutory Liquidity Ratio? (Interruption). You reply, Mr. Finance Minister, in the end in the BCCI the monies of the depositors. This is my main concern whether in India are safe or not...

SHRI R. K. DHAWAN: It is a very valid point.

SHRI N.K.P. SALVE: I understand a liquidator has been appointed by the Bombay High Court. The liquidator

must prepare a balance-sheet, he must prepare the accounts. The liquidator's job may not necessarily be looking into the irregularities. There has got to be an investigation, there has got to be proper looking into the accounts. Let there be a firm of chartered accountants to scrutinise it as Mr. Baby has said. Thereafter if there is a *prima facie* case that we have to look into something beyond that, then certainly we can discuss it. This is a Parliament. This is a democracy. Things wrong cannot be allowed to get away, but in the meanwhile things which have been happening are extremely unfortunate. People have been dragged in without any reason. And one of the persons dragged in or one of the institutions dragged in. Sir, is the Reliance Cup. . . . (Interruptions). . . Sir, I have got this document from Chaturananji. Chaturananji gave me this document because Mr. Pramod Mahajan first told me, "Have you got a hundred thousand dollars as donation from the BCCI for purposes of Reliance Cup?" I said, "I don't know; I have never heard of it." Sir, what has happened is something different. I must take the House into confidence and submit about the BCCI and the Cricket Board; otherwise, not this BCCI, but another BCCI would be in trouble, and that BCCI, is the Board of Control for Cricket in India. What happened was this. So far as the 1st issue is concerned, I will submit later. Now I will tell you how we saved ourselves by the skin of our teeth, getting into a dragnet of BCCI; otherwise I would have been pilloried here today. Sir, what happens? I will tell you how things happen, how bona fide acts sometimes are likely to get people into difficulty. You will be surprised to know all this. It is said here that the BCC, London branch, donated one hundred thousand dollars to the Third World Foundation Peace Prize of one lakh eighty two thousand dollars to the then Tanzanian President, Julius Nyerere. Mrs. Indira Gandhi gave away the Prize in New Delhi. Sir, what is wrong? If a bank gives a donation to a noble cause, is that also an irregularity unless as a result of this they have taken some advantage of Mrs. Gandhi. Let there be 466 RS—6.

1991 1 something about Mrs. Gandhi, that Mrs. Gandhi gave this advantage, allowed this to happen. I can understand that politicians have no business to be indulging in any kind of favouritism for any job given to their daughter or son or for raising any fund for public purposes. There is nothing wrong as long as raising of such funds for public purposes is not tainted by some sort of illegality or corruption at the root of it. (Interruption)..

S'r, I am surprised that in a debate which is so serious a senior Member like Mr. Upendra intervenes and intervenes in such a frivolous manner that I don't think it worth my while wasting my time in replying him.

SHRI P. UPENDRA: I don't want a replv.

SHRI N.K.P. SALVE: No, he doesn't want a reply. All right. Sir, the second thing is that the same branch, that is the London branch, donated hundred thousand dollars for the 1987 Reliance World Cup to the sponsors, the Reliance Industries. If you want to damn the Reliance Industries, you damn the Reliance Industries because, I know, whenever the Reliance name comes up quite a few people are there to safeguard the interests of Mr. Nusli Wadia. It is most unfortunate that in a warfare between Bombay Dyeing and Reliance we are willing to make ourselves parties. (Interruptions)... No, quite a few. Those who do make it. What about Pepsi? What about Parle? Sir, they have approached me. The Pepsi people approached me. The Parle people approached me. I told them, "you get the hell out of my bungalow. Parliament is far too sacred for me to fight your corporate warfares." Are we to use this forum to perpetuate and fight the corporate wars? Someone refers to wars of proxy. We have got the whole Law. In the Company Law. Sir—you will be conversant with it—sections 179 to 189 pre-scribe the whole code of how to deal with a proxy. There can never be an inspection of proxy unless there is a poll. A poll is not otherwise necessary under the Company Law

[Shri N. K. P. Salve]

as you know. A poll has to be demanded. After the poll takes place, the Chairman authorises someone to scrutinise the proxy. Votes are taken and after the results are declared, should anyone object there is a committee to be appointed for scrutiny. That is what the clause prescribes. But do you want to bypass the entire provision of the law? Do you want to act as the Company Law Board? Or, do you want to act as Registrar of Companies Or, do you want to act as a court and the Supreme Court? What is the point if there are irregularities in all these? Larsen and Toubro is not the only Company which is guilty of having this kind of a thing. Every company has it and Company Law makes adequate provision. Why do we bring it in the Parliament and unnecessarily try to politicise these issues? These are petty corporate wars unnecessarily brought here. I urge fervently to my friends, to everyone this side, that side or whichever side, please don't allow yourself to be exploited like this. We have become very vulnerable. (*Interruptions*)... Sir, if there are any irregularities of any nature for which the Government is responsible, let us pillory the Government the way we can. We have every authority. If there is any infraction of any law anywhere, if any provision of law is violated in spirit or letter, here is the Finance Minister who is answerable or the Company Law Minister who is answerable. But do we want to arrogate to ourselves that authority which in the statutes and enactments are given to different fora? Sir, how will the democracy function? Sir, it is most unfortunate for me that today we are indulging in such type of things in the Parliament. I have been in the Parliament for 25 years; since 4th Lok Sabha I am there. The pick of the politicians were there. There were the most distinguished opposition Members like Mr. Kripalani, Mrs. Kripalani, Mr. S. A. Dange, Mr. Surendranath Dwivedi, Dr. Ram Manohar Lohia, Dr. Nath Pai, etc., When Mr. Nath Pai spoke, Sir, in those days it appeared that as though he was playing one of the melodies of Beethoven. Do we hear that kind of speeches today? He never indulged in this way. When he attacked Mrs.

Gandhi's Government he was one of the most effective speakers. Not a word of invective; not a word of abuse; not an allegation of corruption, and yet when he spoke on the issue he took the entire House with him. What is happening today? When one gets up and wants to say something, his own views, on a very objective basis, he is ridiculed? Why? Why? Why is one ridiculed when one wants to object? For the simple reason that someone wants to nurse someone else's interests somewhere I was speaking once when Nath Pai was there. I was a new entrant to Parliament. He brought in the famous Bill after the decision of Golaknath. He brought in a Bill on Article 368. A socialist to the core, he said, "How can Parliament in exercise of its constituent authority be denied the right to amend the entirety of the Constitution including the Fundamental Rights Chapter?" I spoke on the Bill and I spoke on the Bill having read the judgement in great detail. I disagreed with him. I finished my speech. I was a young parliamentarian and I was not an old man then. He came up to me. He said, "My congratulations to you". He said, "I wish more Members of Parliament read law and then make a speech if they have to disagree with me." It was so heartening to see somebody from the Opposition coming and talking like that. It was at that level we functioned and I saw it. But today what is happening? Is anyone allowed to make a speech without interruption without justification? I do hope we do take our business a little more seriously and at least never be taken in by any one lobby. Businessmen will come, industrialists will come. A man will come and make allegation that such fellow is indulging in all irregularities. I tell you all businessmen are the same. Not all of them are honest, not all of them are dishonest. If someone else does something, that is illegal according to him, and so long as he does that thing, he wants that to be concealed. Therefore, what I want to submit to you is, coming back to where I left, there is an allegation that the 'for branch donated one lakh of rupees for Reliance World Cut), sponsored by the Reliance Group Industries.

Hera I would like to submit it was a Reliance Cup jointly organised by India and Pakistan and there was the India-Pakistan Joint Management Committee Of which I was the Chairman. India provided the entire foreign exchange because Pakistan could not afford to pay anything by way Of foreign exchange. We arranged that foreign exchange from the Reserve Bank of India. Meticulously, item by item, we had tendered accounts not only to the Reserve Bank of India; these accounts had to be submitted to the International Cricket Conference in London. The International Cricket Conference is the highest body in cricket administration. What happens to this kind of money? All this kind of money cannot be shared by BC-CI alone. There were eight participating countries and if would have to be shared equally among the eight of them. This happened in London and our accounts had been approved by the International Cricket Conference. It was the easiest thing for them to find out whether this kind of thing happened and if it happened, why it did not find a place in the Donation Account which we had submitted and which was passed by the ICC itself. I submit it is a total falsehood, utter falsehood. Not even a rupee was given by Mr Agha Hasan Ali though he came to watch the match at the semifinals. He did watch the Bombay match between India and England. I only hope that is not considered an irregularity by the Board of Cricket Control in India. He came to watch the match. And there it transpired, we realised, that he was in Lucknow University when I was there; he lived in one hostel and I lived in another hostel. I only hope that I won't be lambasted for that. What happened thereafter? The world cricket tournament takes place every four years. The next was to be held in 1991. We received an offer. The Indian Board received an offer, that they were willing to sponsor the next world Cup. The foreign exchange required was so much. It was a prestigious show. We staged it and we did it well. So we received an offer. that connection—It was then Chairman of the Finance Commission—my office tied up an appointment with the No. 2

the. in London when I went for a meeting of the ICC. There it just transpired by some chance, some intuition; I thought, "This kind of an offer has come. Why not I ask the High Commission whether it is all right for me as Chairman of the Finance Commission,"—I was then enjoying the status of a Cabinet Minister—■ "to meet the No. 2 man of this company?" So I wanted the High Commissioner—Dr. Alexander was the High Commissioner at that time—"Please find out if there is any objection." The next morning the reply came that the Reserve Bank of India was inquiring into the affairs of the BCCI of Bombay. Post-haste I cancelled that lunch appointment and I wrote to them and told them that India would not be interested in taking the sponsorship from them. But Pakistan was keen on taking sponsorship from them. We told Pakistan, 'all right, you take the sponsorship from them; foreign exchange liability will be yours. So far as India is concerned, between India and Pakistan, we will be hosting the 1991 World Cup.' We went to the TCC. This Bank was making a fabulous offer of how many millions of pounds for the World Cup-1991? Fortunately for us, Sir, by one vote, that motion was lost against India and Pakistan, and the match was taken away to Australia and New Zealand where it will be played now. Sir, this is how the providential escape comes. Sir, what I want to submit is only this. I cannot imagine what my plight would have been had we been the sponsors, whether the match would have at all proceeded or not But, all I want to submit. Sir, is one thing;. When you are going in for this kind of thing, not knowing what the real facts are—and this is one journal for which I have respect, Sir; normally, Sir, 'India Today' is not a journal which indulges in yellow journalism—could they not have just telephoned to me and found out. "Mr. Salve, this is what I have heard; what have you to say?" And I would have corrected them. Not a thing is clear about it. Sir, this type of allegations are going on.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR); How much time would you need?

SHRI N. K. P. SALVE; About five more minutes, Sir.

Sir, under 'Curious Connections', the 'Indian Express' published something which is extremely agonising. Sir, it is said here: "The Curious Connections". One of the allegations is that the daughter of a senior Cabinet Minister went to Oxford on scholarship from a Foundation, funded partially by the notorious bank. Sir, if there is an eminent Foundation in the world and someone else has given a donation, that becomes a curious connection? What does it want to say?

SHRI R. K. DHAWAN; Why are you wasting so much time on that? You ignore them.

SHRI JAGESH DESAI (Maharashtra): You ignore them.

SHRI N. K. P. SALVE: No, Sir. The names of the bureaucrats have been mentioned. Sir, nothing can be more unfair than to make a mention of the bureaucrats who have held high positions and to say that their daughters and sons are appointed. What is wrong, Sir? Their daughters and sons are like our daughters and sons. And if you have known somebody and request him to give a job to a daughter and son. I don't think there is anything wrong. What is wrong is, if there is a *quid pro quo* involved in it, if there is any abuse of power and authority. And that is not there. You mention Mr. Narasimhan's name or Mr. Khan's name or Mr. Gill's name. And Mr. Dhawan says that I must not waste my time. It is really wasting my time, but only for one reason. Sir, in not one of these connections, has it been pointed out that as a result of this, this was the *quid pro quo*. That was never the *quid pro quo*. Therefore, Sir, to bring in bureaucrats like this who are not here to defend themselves is extremely unfair. Sir, all that I want to submit...

SHRI R. K. DHAWAN; How did V. P. Singh's son get a job?

SHRI N. K. P. SALVE: Here I do not want to refer to that event, how somebody's son got a job, unless there is some material. If there is not any material and just because the Prime Minister is from the Opposition and his son gets a job, I am not the one who will criticise him in as much as I am not the one to criticise if my own Prime Minister's son gets a job, unless there is some fair allegation that as a result of this, this was the *quid pro quo*. If you want to bail up, suffuse the whole atmosphere with suspicion, that is the worst thing that can happen in the parliamentary democracy. Sir, in a democracy, corruption is very bad. It is anathema to any democracy. But what is worse than corruption creating an atmosphere of suspicion (corruption against people who are not guilty of it). And that is what seems to be happening.

Sir, all that I want to submit in the end is that we are in the midst of very serious problems in this country. I want to know what is happening in Assam? What is happening in Kashmir? What is happening in Punjab? Law and order is at its lowest ebb, at its nadir. There are attacks on the SCs and STs. I regret very much, Sir, we had not enough time to discuss these matters. And BCCI is an important matter, Sir, from the viewpoint of the interest of the Indians. Therefore, Sir, the only question I want to ask the Finance Minister is, Mr. Finance Minister, to what extent, the Reserve Bank has been really vigilant? There was one point, Sir, I only deal with one point and I will come to the end. Mr. Kulkarni erred to a note of the Auditor that BCCI's accounts with the Syndicate Bank had not been reconciled.

Now, I do not have the balance sheet. Will the hon. Finance Minister tell me?

what is the date of the signing of the balance sheet? Is that date very close to the end of the accounting year on which the balance sheet has been prepared? Sir, invariably the accounts remain irreconciled. But then they are reconciled after the auditor's report and after the accounts are passed, because a similar note must have appeared in an earlier balance sheet also. But that does not..

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): He read out from that.

SHRI A. G. KULKARNI: Am I expected to intervene, if possible?

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR) Yes. He has yielded to you, because he took your name. You can.

SHRI A. G. KULKARNI: I just wanted to make my case clear. Sir, the Syndicate Bank affair I have raised thrice. Salveji, on Saturday I showed you the report which I received from my friends in the Syndicate Bank. They stated there was a statement by the Finance Minister, a general statement, while making a statement in this House, that the accounts between the Syndicate Bank the BCCI had been reconciled. So I had to believe in my Finance Minister rather than the other friends who are giving me the information I believed him. Then the balance sheet came to me. There the sentence was, as Salveji had stated—it was dated 31-3-91.

SHRI N. K. P. SALVE: What is the date of the signing of the balance sheet?

SHRI A. G. KULKARNI: I did not see the signing of the balance sheet. The balance sheet was ending 31-3-91. Sir, as a parliamentarian and as a person believing in moral values, I wrote to the Finance Minister. That is what I mentioned in my speech. Here, Mr. Finance Minister, you said it. Is it a fact that between March 31 and your statement made on June 30, the reconciliation has taken place? My responsibility is to get the information. Nothing else.

SHRI N. K. P. SALVE: It is absolutely correct if he wants a verification or clarification. Normally what happens, Sir, is that in inter-bank accounts, those who have been connected with auditing, would know immediately that the balance sheet is on 31.3.91. All the companies have to close their accounts now. Every assessee has to have his accounts up to 31st March. That is the uniform previous year which is prescribed in law itself. Now, therefore, what happens if the auditors have to submit the balance sheet, say, by May or June? Sometimes the accounts are not reconciled. Therefore, it is the responsibility of the auditors to ensure that balances are confirmed. The technical jargon is that the balance sheet should be confirmed, whether it is a debit balance or credit balance. The auditor is bound to shirk off his own responsibility because the responsibilities of auditors are very onerous. There is always a noose round his neck. So to shirk it off he must have written that this is not reconciled. But that by itself *ipso facto* does not mean that...

SHRI A. G. KULKARNI: That is what I asked the Finance Minister.

SHRI N. K. P. SALVE: That *ipso facto* does not mean his irregularity. But should there be any irregularity between BCCI and the Syndicate Bank or in any other transaction, Mr. Finance Minister, I urge upon you very fervently, in the interest of ensuring a healthy working of the bank, to be unsparing. But let us find out. Therefore, my question, No. 1, is whether the Reserve Bank has been vigilant in that. Now you are in a different capacity here. You are now in the capacity of being answerable to the people. Tell us whether according to you the Reserve Bank has been vigilant enough, ensuring and protecting the interest of Indian depositors.

The second thing which worries me very much, and which will worry you also, is that the branch is not an entity by itself. The entity BCCI. I do not know what the position in law is, Sir. Assuming that Indian assets are enough, assuming

[Shri N. K. P. Salve]

that the statutory liquidity ratio is enough to pay off the depositors...

Would they be allowed to satisfy the Indian depositors? If there is otherwise a failure and the totality of the creditors were not paid a hundred per cent dividend, ..

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): You have said that the Bombay High Court is seized of the matter.

SHRI N. K. P. SALVE: The Bombay High Court is perhaps seized of the matter. This is of the highest importance. The interests of our honest depositors have to be saved. In that connection, Sir, if law is required to be made about the foreign bank, if we cannot make retrospectively at least for future make a law that we in India ensure the safety of the depositors.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): As was demanded by the hon. Members, the Home Minister will make a statement at 6 p.m. with regard to the induction of army in aid of civil authorities in certain districts of Assam. Thereafter we will take clarifications. This debate will continue further and we will close it today.

SHRI PARVATHANENI UPENDRA: We can continue it tomorrow.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): There is other business also. Let us close this subject today.

SHRI PARVATHANENI UPENDRA: Sir, clarifications will go on till 7 o'clock.

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): We will see at that time. Tentatively, I am of the view that we will continue with this subject and we will close this subject. Shri Sunil Basu Ray.

SHRI SUINIL BASU RAY (West Bengal): While participating in this debate on BCCI I want to draw the attention of the Finance Minister to the statement which he made in this House on 7 August. From his statement it becomes clear that the Government had the knowledge of the Clandestine affair going on in the BCCI at least since 1986. But strangely actions against the culprits were not taken as should have been taken. For example, take the case of foreign exchange against foreign travel schemes being released. This is one instance which shows that there are certain elements operating in Government itself to shield the BCCI. The next instance that I may cite from his speech is that in 1988 there was Intelligence Agency report that BCCI has made overtures for acquisition of property, etc. in Lucknow and Bombay. The Intelligence Agency viewed this as fraught with security risk. The Reserve Bank did not find it necessary to take it seriously and it was brushed aside. Then the third issue came in 1991 when the Bank of England advised our Government to wind up BCCI branch in Bombay. Our Government had not even taken any decision or any action against the BCCI considering the clandestine activities in which BCCI was involved. I have heard the speech of my esteemed friend Shri Salve ji. I could not understand why he was so furious over the criticisms that have been made here. After all this criticism about banking policies, banking methods these they follow are in the interest of our nation. If we do not guard our economic sovereignty, if we do not guard our economic interests as against the foreign interests who more often operate clandestinely we will soon be in a position where we can only lament on our own fate.

I think we should not invite that situation. The BCCI affair has brought to our knowledge a wide panorama of clandestine activities that a bank can indulge in as has been aptly said in the *Indian Express* of September 13 which talks about clandestine transfer to nuclear secret wide infiltration into central banks, national security systems, politicians

[Shri Sunil Basu Ray]

business houses of host countries, brokering deals between arms manufacturers and governments of stateless nations, running an exclusive network of sleuths and musclemen, financing and employing relatives of influential politicians and bureaucrats, and laundering narco-money through a world-wide conduit, etc. This is a serious situation. If we allow any bank to indulge in such activities here, then it becomes a national risk. Our Government should have been aware of it long ago; but it was not to be so. This bank was earlier refused permission to open its office in Bombay. Later on, it was permitted to open a liaison office and soon after that, it was granted a licence to operate as a bank. We have our own banking system under State control, and that is nationalised banks system. But this is a private bank, and a foreign bank. So our control over the operations of these foreign banks should be so much that their operations conform to our national interests and that they do not go against our national interest. I think in that respect we were not vigilant. We should have paid more attention to this aspect.

Much has been said about the bank's activities in other countries. I do not want to take much time by repeating all those things. But why did our Government not think it expedient to probe into the foreign exchange fraud where 471 passports were issued against foreign exchange defalcation, I don't know. I think the finance Minister will reply to this aspect along with other matters in which BCCI was involved. It borrowed money at lower rate of interest and lent it at a higher rate. Thus, they were operating against the banking activities in our country. We should have taken action but we did not.

BCCI had a very sound financial position at least its Indian branch. It had a total deposit of Rs. 380.93 crores; NRI deposits amounted to Rs. 225 crores; total assets amounted to Rs. 525.48 crores, and profits earned were 524 crores. Why did this bank crumble and how it could a mass so much profits by way of its ope-

rations? Unless we know all these things, we will remain in dark about our economic security. It should also be made clear as to who were the industrialists involved in the affairs of this bank. They have been named in the press; a long list is given of the Tatas, the Birlas, Thapars, Taparias, and the RIL group. But why did they choose this bank for their deposits in exclusion of our nationalised banks? This aspect itself is mysterious and the mystery should be removed. Our Finance Minister should assure that the Financial Policy of the Government will no more allow such clandestine activities which amount to anti-national and security risk activities. I once again appeal to the hon. Finance Minister that investigation by a Joint Parliamentary Committee should be considered. I don't think that the arguments put forward by Mr. Salve are creditable. I think the Government, without any reservation, would consider setting up of a JPC to probe into all these details. With these words, I conclude.

श्रीमती सुष्मा स्वराज (हरियाणा) :
उपसभाध्यक्ष महोदय, आज एक बहुत ही ग्रहण मुद्दे पर सदन में अल्पकालिक चर्चा के माध्यम से बहस हो रही है। महोदय, बैंक शब्द मुंह से निकलते ही एक तस्वीर दिमाग में उभरती है, एक ऐसी संस्था की तस्वीर जो लोगों के गाढ़े पसीने से कमाई गई पूंजी की हिफाजत करती है। एक ऐसी संस्था की तस्वीर जो मेहनती उद्यमियों को कर्ज दे करके उनके प्रयास में सहयोग करती है, जो देश की विकास योजनाओं में अपनी धनराशि लगा करके अपना योगदान करती है। लेकिन बी०सी०सी०आई० यानी बैंक ऑफ क्रेडिट एंड कामर्स इंटरनेशनल इस तस्वीर को गंदला करके, इस तस्वीर को धुंधला करके एक दूसरे किस्म की तस्वीर उभारता है। एक ऐसी संस्था की तस्वीर जो राजनेताओं को भ्रष्ट करके अपने स्वार्थ की सिद्धि करती है। जो अवैध तरीके से कमाए गए धन को दुगुना और चौगुना करने के लिए सेफ टैंक्स हैवर्स में यानी सुरक्षित स्थानों पर भेजती है। जो इथियार बनाने वाली

[श्रीमती सुषमा स्वराज]

कंपनियों की दलाली करती है। जो भ्रष्टाचारवादी गतिविधियां चलाने वाले आतंकवादी संगठनों की आर्थिक मदद करती है। जो जाली पासपोर्ट बनाने की एजेंसी चलाती है। जो ड्रग्स के अवैध धंधे तथा नशीली दवाइयों की तस्करी करने वाले तस्करों की सहायता करती है और जो अपनी हित पूर्ति करने वाले राजनेताओं और अधिकारियों के बेटे-बेटियों को रोजगार प्रदान करती है। इसीलिए इन गतिविधियों के आधार पर शायद किसी ने इस बैंक का नया नामकरण किया है—बी०सी०सी०आई० माने बैंक ऑफ़ कुक्स एंड क्रिमिनल इंटर-नेशनल और जो उसके कारनामों के आधार पर शायद बहुत ही सार्थक और सटीक जान पड़ता है।

महोदय आप जानते हैं बी०सी०सी०आई० 20 खरब डालर यानी 52 हजार करोड़ रुपए की संपदा अपने हाथ में समेटे हुए विश्व के 70 देशों में फैली 350 शाखाओं का मालिक होने के नाते विश्व का सबसे बड़ा सातवां निजी बैंक है। चाहिए तो यह था कि इतने बड़े ताम-झाम के आधार पर यह बैंक विश्व की बैंकिंग व्यवस्था में नए कीर्तिमान स्थापित करता, विश्व की बैंकिंग प्रणाली में चार चांद लगाता लेकिन इसके बिप-काले कारनामे करता आया यह बैंक सबसे बड़े कुख्यात बैंक की संज्ञा प्राप्त कर चुका है।

महोदय, आप जानते हैं बी०सी०सी०आई० की इस तरह की गतिविधियां कोई पहली बार प्रकाश में नहीं आई हैं। समय-समय पर इस तरह की गति-विधियां, इस तरह की अनियमिताएं सामने आती रही हैं परंतु पिछले एक-सवा महीने से विश्व के कम से कम 50 देशों में बी०सी०सी०आई० के कार्य-कलापों पर चर्चा हो रही है और पिछले सवा महीने से भारत की संसद में भी बार-बार बी०सी०सी०आई० के कारनामों की खूब सुनाई पड़ी है। मुझे याद है पिछले महीने की 7 तारीख को हमारी

सरकार के वित्त मंत्री सरदार मनमोहन सिंह जी ने बी०सी०सी०आई० के कार्य-कलापों पर एक वक्तव्य सदन में पढ़ा था। मुझे खूबो है कि आज हमारे वित्त मंत्री सदन में बैठे हैं और उनके सामने मुझे अपनी बात कहने का मौका मिल रहा है। मुझे उनकी प्रतिष्ठा के बारे में, उनकी ईमानदारी और सादगी की धाक के बारे में गर्व है लेकिन उनका वक्तव्य पढ़ने के बाद मुझे लगा था कि शायद पहली बार अपनी आत्मा की आवाज की अनदेखी करते हुए केवल अपने मंत्री पद के दायित्व का निर्वाह करते हुए मनमोहन सिंह जी ने उस वक्तव्य को पढ़ा था। क्योंकि बी०सी०सी०आई० को हिन्दुस्तान में लाइसेंस देने के संबंध में वह केवल एक बात कह कर चुप हो गये थे। एक वाक्य में उन्होंने कहा:

"Reserve Bank of India issued a licence in February, 1983, for opening one branch in Bombay."

1983 में अपनी तत्कालीन हैसियत में उन्होंने इस लाइसेंस को देने का विरोध किया था और उस विरोध का आधार एक था जिस आधार पर उन्होंने विरोध किया था। लेकिन आज मनमोहन सिंह जी अपने नये दायित्व के कारण से इस बात का उल्लेख करें या न करें, हिन्दुस्तान के समाचार पत्र-पत्रिकाएं रोज़ द्विद्वारा पीट कर इस बात को कह रही हैं। मैं आपके सामने "इंडिया टुडे" में 'स्पेशल इन्वेस्टिगेशन' कालम से जो आर्टिकल निकला है उसकी चार लाइनें पढ़ना चाहती हूँ। आर्टिकल है:

"BCCI was used as a criminal enterprise".

माइकल हर्शमैन का इन्टरव्यू है। उन्होंने अपने इन्टरव्यू में कहा है:

"There was a school of thought in India...that BCCI should never have been granted the licence to do business. But the then Finance Minister, Pranab Mukherjee, in some way, influenced, and interceded, to see that BCCI was granted a licence to do business in India."

उपसभाध्यक्ष महोदय, अभी साल्वे जी कह रहे थे कि लाइसेंस देने में कोई गलती नहीं की गई थी। मैं भी मानती हूँ कि अगर विश्व का प्रतिष्ठा प्राप्त बैंक हिन्दुस्तान में अपनी शाखा खोलने के लिए लाइसेंस मांगे तो लाइसेंस देने में कोई गलती नहीं है। लेकिन शायद हमारे वित्त मंत्री यह जानते थे कि इसी बैंक की अनियमितताओं का किस्सा 1980 में आगे आ चुका था। यह संयोग की बात है कि उसी सन् 1983 में दक्षिण अमेरिका में इस बैंक की शाखाओं को ड्रग मनी लांडरिंग के आरोप में बंद किया जा रहा था। यह कैसा संयोग है कि एक देश के अंदर इसी बैंक के काले कारनामों के आधार पर उस बैंक की शाखाओं को बंद किया जा रहा है और उसी साल में हिन्दुस्तान में उसी बैंक को अपनी शाखा खोलने की अनुमति दी जा रही है। हर तजुर्बा अपने पर करना जरूरी नहीं हुआ करता है। कहते हैं बुद्धिमान लोग दूसरों के तजुर्बे से सीखते हैं और मूर्ख लोग अपने पर संकट आने की प्रतीक्षा करते हैं। शायद इस बैंक को 1983 के वर्ष में लाइसेंस देकर हमने यही मूर्खता की थी और यहां पर संकट आने की प्रतीक्षा हमने की थी और वह संकट आया। सन् 1983 में हमने लाइसेंस दिया और तीन साल नहीं बीते कि 1986 में रिजर्व बैंक को एक एक रेड करने की जरूरत महसूस हुई। वह रेड की गई और उस रेड में कोफेपोसा के अंदर इस बैंक के कर्मचारी गिरफ्तार हुए। क्यों गिरफ्तार हुए? क्योंकि उस रेड के अंदर उस बैंक से 471 जाली पासपोर्ट बरामद हुए। आप जानते हैं कि हिन्दुस्तान में एक योजना है कि जो व्यक्ति पहली बार विदेश यात्रा करता है तो उसको 500 डॉलर एफ० टी०एस० की स्कीम के तहत मिलते हैं। हम अगर सारे आरोपों को छोड़ दिया जाए, अनदेखा कर दिया जाए तो केवल इसी आरोप के तहत 471 जाली पासपोर्ट पर 500 डॉलर के हिसाब से विदेशी मुद्रा खर्द-बुर्द की गई थी। 471—500 यानी 2 लाख 35 हजार 500 डॉलर की विदेशी मुद्रा खर्द-बुर्द करने का आरोप केवल एक रेड में साबित हो जाता है।

लेकिन इतना ही नहीं मामला इससे भी आगे है। जब साल्वे जी कह रहे थे, इसको बड़ा-चड़ा कर कह रहे थे कि यह केवल एक बैंक के फाड़ का मामला है, मुझे लगता है कि उन जैसा सिजंड पालियामेंटरियन यह बात कहकर इस पूरे कांड की गम्भीरता को कम कर रहा था। यह केवल एक फाड़ का मामला नहीं है, केवल एक बैंक के आर्थिक अपराध का मामला नहीं है, मामला उससे भी आगे जाकर भारत की सुरक्षा के साथ जुड़ा हुआ है। लेकिन मुझे दुख है यह कहते हुए कि 7 अगस्त को इस सदन में दिये जाने वाले अपने वक्तव्य में हमारे वित्त मंत्री जो ने जो आखिरी पैराग्राफ पढ़ा वह बहुत चौकाने वाला, बहुत दुखदायी है। वित्त मंत्री जी ने सदन में कहा था :

"Nothing that impinges on the security of the country has come to the notice of the Government."

वित्त मंत्री जी आपकी जानकारी में कोई ऐसी चीज नहीं आई जो भारत की सुरक्षा के पहलू के साथ इस बी०सी०सी०आई० के माध्यम से जुड़ी हुई हो! आतंकवादी संगठनों को मदद देने के सबूत प्रामाणिक से आगे जाकर मिल चुके हैं। क्या इस बात का सबूत नहीं है कि आवू निडाल जैसे आतंकवादी संगठन के बी०सी०सी०आई० लंदन की ब्रांच के साथ संबंध है? क्या यह संबंध स्थापित नहीं हो चुके? क्या इन संबंधों के बारे में संदेह से परे जाकर सबूत नहीं मिल चुके? मैं पूछना चाहती हूँ वित्त मंत्री जी से, अच्छा होता साल्वे जी सदन में बैठे होते, इस बात के प्रामाणिक सबूत मिल जाने के बाद क्या इस बात की जरूरत भारत सरकार नहीं समझती कि यह देखा जाए कि उसी बी०सी०सी०आई० के संबंध कहीं हिन्दुस्तान में पनपने वाले अलगाववादी संगठन जे०के०एल०एफ० के साथ एलटीटीई साथ, उल्फा के साथ या भिख आतंकवादी संगठनों के साथ तो नहीं? क्या इसकी जरूरत भारत सरकार को महसूस नहीं होती या आपने इसकी जांच करने के बाद यह निष्कर्ष निकाल लिया है कि बी०सी०सी०आई० की किसी ब्रांच का

[श्रीमति सुषमा स्वराज]

संबंध भारत के किसी आतंकवादी संगठन के साथ नहीं है और यह किसी तरह की उनकी मदद नहीं दे रहा है, बी० सी० सी० आई० के बम्बई या बाहर कोई आन्व इस तरह के कामों में लिप्त नहीं है? अगर कोई जानकारी आपको इस निष्कर्ष पर पहुंचा चुकी है तो आपको सदन को इस तरह की जानकारी से अवगत कराना चाहिए। क्या यह सत्य नहीं है कि पाकिस्तान को प्राणविक हथियारों की टेक्नोलॉजी देने के सूत्र प्रामाणिकता से आगे जाकर नहीं मिल चुके हैं? क्या यह सत्य नहीं है कि इसका मालिक लखनऊ में पैदा हुआ एक पाकिस्तानी है? ... (व्यवधान)। सीतापुर में पैदा हुआ। क्या यह सच्चाई नहीं है कि बी०सी०सी०आई० और पाकिस्तान को इंटर सविस इंटेलेजेंस के आपसी रिश्ते प्रामाणिकता से आगे जाकर साबित हुए हैं? क्या यह सत्य नहीं है कि उसी आवादी ने भारत की गुप्त सुरक्षा सूचना प्राप्त करने का केन्द्र और उसका मुख्यालय करांची में खोला हुआ है? इन तमाम चीजों के बावजूद वित्त मंत्री जी आपने यह कह दिया और बड़ी निश्चिन्तता से कह दिया कि भारत की सुरक्षा का कोई पहलू इसमें जुड़ा हुआ नहीं है। क्या कोई ऐसी जानकारी आपको नहीं मिली जिससे भारत की सुरक्षा को खतरा पैदा होत है? आपने इतनी निश्चिन्तता से बयान दे दिया। आपने आगे कहा कि अभी उपलब्ध सूचनाओं के आधार पर यह बात कह रहा हूँ। क्या आप आगे कोई सूचना देंगे? मैं आशा कर रही थी कि शायद लोक सभा में बोलते हुए अगर आपको कोई नई सूचना मिली है तो आप देंगे। मुझे हैरानी इस बात की है कि जो सूचना इस देश में साधारण जनों को उपलब्ध है, भारत के समाचार-पत्रों और पत्रिकाओं को उपलब्ध है उन सूचनाओं का अभाव हिन्दुस्तान की सरकार के पास है। उन सूचनाओं की जानकारी भारत के वित्त मंत्री को नहीं है, उन सूचनाओं की जानकारी भारत के रक्षा मंत्री को नहीं है, उन सूचनाओं की जानकारी भारत के प्रधान मंत्री को नहीं है, या तो

जानकारी नहीं है, या जानकारी नहीं देना चाहते हैं छिपा रहे हैं। दोनों ही परिस्थितियाँ खतरनाक हैं अगर जानकारी नहीं है या तो हमारी गुप्तचर एजेंसियाँ नालायक हैं या हमारी सरकार की तथ्यों को जानने में दिक्कत स्पष्ट कम है। अगर आपके पास वह जानकारी है और उनके बाद भी आप जानकारी नहीं दे रहे हैं तो आप किसी को बचाने का गम्भीर अपराध कर रहे हैं। इसलिए मैं आपसे कहना चाहती हूँ कि वित्त मंत्री जी, चीजें बहुत सामने आ चुकी हैं, आप धंटी बजा रहे हैं, मेरे पास मसाला बहुत है, लेकिन मैं कहना चाहती हूँ कि जिस तरह से राजनीतिज्ञों के भ्रष्ट स्वार्थों की पूर्ति करके एस बैंक ने राजनीतिज्ञों को अपनी कठपुतली बनाया हुआ है, जिस तरह से यह बैंक हमारे देश के रिटायर्ड अधिकारियों के पुनर्वास की संस्था बना हुआ है, जिस तरह से यहां के अधिकारियों की बेटे-बेटियों को रोजगार प्रदान करता है, जिस तरह से यह बैंक कानूनी नकाब पहन कर हमारी सुरक्षा सैलों में घुसपैठ किया हुआ है, क्या इन चीजों के बाद भी आपको इस बात की आवश्यकता महसूस नहीं होती कि इस बैंक के कार्यकलापों के अन्दर कोई कड़ी जांच होनी चाहिए?

अभी साल्वे जी कह रहे थे कि जे० पी०सी० में कौन लोग बैठे हैं जो बैंक के एकाउंट्स को समझ सकेंगे। वैसे बैंकों के एकाउंटेंट को समझने वाले लोग यहां मौजूद हैं, चार्टर्ड एकाउंटेंट मौजूद हैं, अर्थ विशेषज्ञ मौजूद हैं। लेकिन मसला किसी बैंक के एकाउंटेंट को देखने का नहीं है। मसला केवल आर्थिक फ्राड का नहीं है। अगर होता तो शायद मैं इसको इतनी गम्भीरता से नहीं लेती। मसला उससे आगे जा कर हमारी सुरक्षा के पहलुओं से जुड़ा हुआ है। क्या हिन्दुस्तान की संसद के सदस्य, क्या भारतीय संसद सदस्य इतने इन-कम्पेटेंट हैं, इतने निकम्मे हैं कि इस तरह के पहलू की जांच नहीं कर सकते? इसलिए मैं आपसे कहना चाहती हूँ कि इन पहलुओं को देखते हुए क्या आप

जल्द मतदान नहीं करते हैं कि एक संसदीय समिति का गठन इसके लिए किया जाना चाहिए? आप जानते हैं कि इस बैंक का लायजन कितना फैला हुआ है। व्यापक, विशाल और सम्पूर्ण संज्ञा उसको दी जा सकती है। इस संबंध में इसी बैंक के एक एक्जीक्यूटिव ने कहा है कि इसके मालिक सिर्फ तीन मिडिल क्लास पर चलते हैं। वह किसी से नहीं कहना 'नहीं' चाहते, किसी से 'नहीं' लेना नहीं चाहते और सबको खरीदने की ताकत रखते हैं। मैं इस संबंध में "इंडिया टू डे" के आर्टिकल में जो कुछ लिखा गया है उसको पढ़ना चाहती हूँ। आपको सुनकर हैरानी होगी।

"Executives who worked with him confirm that he operated on three maxims, never say not to anyone, never take No for an answer and everyone, has a price."

वित्त मंत्री जी से मैं आपके माध्यम से कहना चाहती हूँ कि ये सारे चीजें किस बात की ओर संकेत करती हैं?

THE VICE-CHAIRMAN (SHRI BHASKAR ANNAJI MASODKAR): Please conclude.

श्रीमती सुषमा स्वराज: मैं कंकलुड कर रही हूँ। आपने कह दिया, एक प्रोबिडिण्ट और आज्ञाकारी संसद सदस्य के नाते बिल्कुल दो मिनट में अपनी बात समाप्त करूँगी। मैं केवल यह कहना चाहती हूँ कि यह सारा लाइजन करने की जल्द इस बैंक के मालिक को क्यों है? क्यों इस बैंक का मालिक लगभग लोगों को खरीदना चाहता है? क्यों न लेने और ना न करने के लिये वह आदमी अपने पैसे का इस्तेमाल करना चाहता है? कोई भी अवोध और निर्दोष एक बैंकिंग प्रणाली के तहत बैंक की कार्यशैली चलाने वाला आदमी यह काम नहीं करेगा। इतने संकेत मिलने के बावजूद यह सरकार हाथ पर हाथ धरे बैठी है। महादय, मुझे तरस आता है इस सरकार की बुद्धि पर, मुझे गुस्सा आता है सरकार की निष्क्रियता पर और मुझे दुःख होता है

सार्वे जी जैसे जनप्रतिनिधियों के भोलेपन पर जो वे इस तरह की बात कहकर इतने बड़े कांड की गंभीरता को कम रहे हैं। महादय, आपने क्यों कि घंटी बजा दी है इसलिये बाकी बातें न कहते हुए केवल एक ही बात कहना चाहती हूँ कि देश की सुरक्षा पहलुओं से जुड़े हुए जो आयाम हैं, उनको देखते हुए और भारतीय डिपॉजिटर्स और भारतीय खाता धारियों के विषय को देखते हुए, जिनका कोई दोष नहीं है, जिन लोगों का न राजनीति से वास्ता है, न अपराधों के वास्ता है और न तस्करी से वास्ता है, केवल रिजर्व बैंक के तहत बैंड लाइसेंस में लाये हुए एक बैंक के नाते से जिन्होंने अपनी गाढ़े पसीने की कमाई इस बैंक में रखी और जो लोग त्रस्त होकर एक निराश और हताशा में आये हुए हैं, उन लोगों के भविष्य को देखते हुए इसकी जांच की मांग जो चतुरानस मिश्र जी द्वारा उठाई गई है कि इसके लिये एक ज्वाइंट पार्लियामेंटरी, संयुक्त संसदीय समिति का गठन किया जाय, मैं चाहूँगी कि लोकसभा में तो आपने इस मांग को अनदेखा कर दिया, लेकिन राज्य सभा, जो हाउस आफ एलर्स है, बहुत से लोग जो छोटी की बात नहीं मानते वे बूजुर्गों की बात मान लेते हैं, तो वित्त मंत्री जी,

[उपसभाध्यक्ष (श्री शंकर बदायल सिंह) पीठासीन हुए]

जहाँ बूजुर्ग सदस्य हैं, मेरा आपसे निवेदन है कि आप हठधर्मिता मत अपनाइये, इस देश की सुरक्षा का सवाल हमारे सामने सबसे अहम सवाल है, इसलिये इस हठधर्मिता को छोड़कर इस देश की सुरक्षा से जुड़े हुए पहलुओं की जांच करने के लिये और उन निर्दोष धारकों के भविष्य बचाने के लिये जो संयुक्त समिति द्वारा जांच का प्रस्ताव आपके सामने रखा गया है, उसकी स्वीकार करें ताकि सच्चाई देश के सामने आ सके और बी०सी०सी०आई० के कार्य-कलापों की खुली और निष्पक्ष जांच हो सके। बहुत बहुत धन्यवाद।

*SHRI VISHWASRAO RAMRAO PAUL (Maharashtra): Much has been said about the affairs of the Bank of Credit and Commerce International (Overseas) Ltd. The closure of the BCCI has come as a great shock to people world over, in particular, people in the third world countries. A large number of people of Indian origin have lost all their life saving and trading capital. I am told that in United Kingdom alone 40,000 accounts belong to people of Indian origin including a large number of retail traders, all over world. Overseas Indians have lost in billions. We must try and do everything possible to secure justice for thousands of innocent victims by the collapse of world's 5th largest multinational bank.

I feel ashamed that America and Bank of England have indulged in petty mud-slinging and innuendos. There is no evidence of criminal activity of laundering of drug money at BCCI branch in Bombay. The fraudulent activities were committed abroad and it is our duty to call upon international agencies to prosecute the people who have been involved in such criminal activities. I commend the steps taken by Shri Shaikh of Abu Dhabi. I hope that government will study the action of Shri Shaikh of Abu Dhabi.

Sir, as far as the origin of the BCCI is concerned, we are aware that the then Government in June 1977 allowed them to open a branch in Bombay and so-called unsubstantiated allegations of violation of Foreign exchange rules emerged only after the action of Bank of England. Why are we not speaking for the victims of this bank including a large number of overseas Indian? Overseas Indians are assets to us. They are our brothers and sisters and it is our legal as well as moral responsibility to help them in this hour of crisis when they have lost their life savings.

As we know that in Britain the courts have refused to sanction the receivership which the Bank of England demanded. The role of Bank of England has been described as 'racist'. The Bank

*English translation of the original speech delivered in Marathi.

of England has never considered the consequences on the economies of many countries in the world where BCCI had branches. This closure has severely jolted international banking system. I salute the judgement of the British Courts who, at least, have shown that the old principle of 'fair play and justice', is still applicable when the courts can come to the defence of the victims. Sir, I refer to the refusal of the British Courts to sanction the receivership order and the court has ordered that all parties concerned should look into the restructuring plans of the BCCI which are undertaken by the leadership of Shaikh of Abu Dhabi. I urge upon the Government to restructure this Bank and thereby help the victims of this tragedy. Instead of allowing mud-slinging against our politicians, the Government should bring diplomatic and public pressure in particular, on the Bank of England to support the reconstruction of the BCCI.

Sir, you should consider the possibility of allowing the BCCI to continue its operations of India under restructured plans. In this changing world, we must pursue and activist role in foreign policy matters. All efforts by concerned Governments at potential restructuring might be a good example for the third world countries and India can play a leading role. We should also play a leading role through various United Nations agencies to ensure that essential requirements are put in place so that the regulatory environment of the global banking system ensures that such tragedy will never recur again.

There are also wild allegations that the bank have financed Pakistan's clandestine nuclear programme. I urge upon the government to ascertain the truth in this regard. If there is any evidence of irregularities, let the Government investigate, and for that investigation, I propose to set-up Joint Parliamentary Committee. It is our responsibility, not to hurt feelings of our people in this country or abroad. The Joint Parliamentary Committee can, within a short time frame, conduct a speedy investigation into the BCCI and if no large scale criminal activity or other fraud is found-

ved, Government should seriously consider allowing the BCCI to continue its operations after the investigation of JPC. these word I conclude.

DR. G. VIJAY MOHAN REDDY: Though it looks incredible, BCCT is a big empire with its babies in the form of 72 branches. I can say it is a satanic empire, an evil empire. It has collapsed. It is a first-class scandal of the new world order. Let us now face what this type of new world order will be, as the *Washington Post* has said. The degeneration in our society has come to such an extent that every black transaction and every clandestine activity can take place here. We are in a situation where the banks of this type can violate all the rules and restrictions and conduct themselves in such a manner that they can interfere with the security, political and economic system of those countries. That is why the senate of America, the Parliament of Great Britain and other countries have initiated investigations as to who are those involved in these activities. They want to be very clear that those people who are involved in these clandestine activities should not go unpunished. That is the trend we have been seeing in both the Indian and the international press today.

Now, what are the types of activities they are involved in? They have been amply described as Mafia type of activities, smuggling of arms, funding of narcotics, slush money of trade used for various business purposes. Salve Ji has said they are being used for construction of five-star hotels also. This also is a new world order type of expansion.

I am particularly concerned with the security of my own country. I feel that the Defence Minister, and the Home Minister are as much concerned about this bank as the Finance Minister himself is, because every terrorist that has been apprehended in the country was having stakes of notes of foreign currency, Indian currency and all types of armaments, racket launchers, AK-47 rifles, communications equipments and large amount of narcotics. That means it has gone into the depths of its acti-

vities. That is why we have to comprehend the activities of terrorists in Punjab, activities of militants in Jammu and Kashmir, activities of LTTE people and the clandestine activities of the bank as veil. Unless they are exposed we will not be able to do anything much. It has been told that this bank was mainly formed to support Pakistan in its aim to make a nuclear bomb. They have financed Pakistan in its aim to make a nuclear bomb. They have financed Pakistan to manufacture a nuclear bomb. At the same time, they provided all intelligence, technology and equipment for manufacturing a nuclear bomb. All these things have come to light. Do you mean to say that our security system can tolerate these types of activities? On the one side, terrorists have got some arms and on the other side the security of the nation is in danger. We all know that kickbacks are paid in every transaction. It has become a bazaar talk. Where are the kickbacks they got from the transactinos? They are stashed away in foreign banks. Now slowly we are coming to know how these things are being done. It has also come to light and other Members have also said how they have entered this country surreptitiously, and also the share market of our country. Nobody can deny that RIL shares were purchased for the benefit of a particular company. That company wanted to take over L&T engineering company. I have no objection to that. As Salveji has rightly said it is a corporate war between the two companies. Here the corporate war takes place where the Indian Government and the Indian financial institutions are having a stake. May I know from the Minister whether the Government of India is going to check this naritcular transaction? I would not have bothered if L&T is not a premier engineering concern and if it had not nuclear potential, if it had not contributed in setting up of our nuclear plants. understand that this company is also going to be involved in building up of nuclear submarines. May I know from the Minister what action the Govern-ment is going to take to prevent that company from taking over L&T enfiine-i ering company because of the nuclear

[Shri G. Vijaya Mohan Reddy]

secrets involved in it? Will they be protected? Our country's interests are involved in this transaction. It has been said that our bureaucrats, politicians and businessmen are involved in this clandestine operation and in the stashing away of funds abroad. It has been said by the World Bank that Rs. 3000 crores of money has been stashed away in the foreign banks. Are we able to get it back? Even a small fraction of that amount is not coming back to our country. However, with the present economic policy announced by the Government, they are going to legalise it. That is the whole tragedy. Those people who have stashed away money in foreign banks come back with a great vigour because they can either have them as dollars or if there is an emergency, that money can be converted into rupees here. This is the 'avatar' of BCCI.

6.00 P.M.

This 'avatar' will take another rebirth in a certain other shape. That is the tragedy of the situation. That is why I warn the Government of India, if you do not investigate properly, if you do not name the criminals who are sharing the booty, who are part of these clandestine activities, one more BCCI will come in a certain other shape. That is the situation in this country. Have the citizens of this country, who are paying for the price rise, who are half-starving, no right to ask the Government why you are not investigating, why you should not allow Members of Parliament to have a probe into this matter? When our people die at the hands of terrorists, when fake passports make the movement of terrorists into the country and abroad legal, when all these transactions are taking place, the security of the country, the economy of the country and the politics of the country are in danger. The politics of the country is endangered by money power. Money power has become a very big power. Never in the history had there been such powerful people who are having so much money which can interfere with our political institutions.

I also want to quote what Mr. Gurupadaswamy quoted;

"These private account-holders are mostly Indian dealmakers within, or outside the Ministries who have earned money for top level introductions for matching buyers from India and sellers from abroad and purchasing foreign technology."

This is the corruption. If this corruption network, the network between politicians, businessmen and bureaucrats, is not broken in time, if it is not investigated, then it is not BCCI, but the existence of our democratic institutions that will be in question. That is why I want a Joint Parliamentary Committee to go into this. At the same time, I would say, if the Government is not prepared to do it, it is going to lose credibility as it has lost once before. It has got the experience. That is why I urge upon the Government, in the interests of our country, to see that a Joint Parliamentary Committee investigates into the matter thoroughly. Indian people have got confidence in Indian Parliament. Let a Parliamentary Committee go into this and come out with its findings.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Now, the Home Minister Shri S. B. Chavan. *(Interruptions).*

KUMARI CHANDRIKA PREMJI KENIA (Maharashtra): Will this discussion continue after the statement?

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Yes. Now the Home Minister will make a statement regarding induction of army in aid of civil authorities in certain districts of Assam. After his statement and the clarifications, we will resume this discussion.

MANY HON. MEMBERS: Tomorrow.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): We have to finish it today.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS:

FAIRS (SHRI M. M. JACOB): We cannot have everything tomorrow. (*Interruptions*).

THE VICE-CHAIRMAN: We have to finish it today.

SHRI P. UPENDRA: We have sat on Saturday also, as you know. Otherwise, it would have taken the whole of today.

STATEMENT BY MINISTER

Induction of army in Assam

THE MINISTER OF HOME AFFAIRS (SHRI S. B. CHAVAN): Sir, I wish to apprise the Hon'ble Members of the House that at the request of the Government of Assam, the Army is providing aid to civil authorities in certain districts of the State.

It may be recalled that President's Rule was imposed in the State of Assam on 27.11.1990 and the State Assembly was dissolved. After the dissolution of the ninth Lok Sabha, elections were held to the Parliament in the State of Assam as elsewhere in the country. Simultaneously, elections were also held to the State Assembly and with the constitution of the new State Assembly, a popular Government with Shri Hiteswar Saikia as Chief Minister assumed office on 30-6-1991. The very next day, the ULFA kidnapped 14 persons serving the Central and State Governments and the ONGC including a Russian Mining Engineer.

This incident of kidnapping was followed by an escalation in the violent activities such as extortion, kidnapping, assault and murder. The State Government made every effort to secure the release of the kidnapped persons and even released about 500 ULFA activists detained under the TADA. Despite this generous gesture on the part of the State Government, the ULFA continued to increase the demand and pressed for the release of several detenus who were facing very serious charges. The Chief Minister had all the time been making efforts to secure the release of the hostages. Shri Bipul Mahanta, former

President of the Assam Yuba Chatra Parishad and self-proclaimed Convenor of the Amnesty International who mediated on this issue, was killed by the ULFA. They also killed Shri T. S. Raju, Assistant Executive Engineer of the ONGC displaying utter disregard to human life. Earlier, they had killed the Russian Mining Engineer who was one of the 14 kidnapped persons.

The Government of Assam felt that the situation had become very grave. They felt that a large induction of forces was necessary to deal with the situation and, therefore, to control the situation, bring confidence to people and to restore law and order, the State Government requisitioned Army in aid to civil authorities to operate against the ULFA extremists in the following districts:—

- (1) Jorhat
- (2) Dibrugarh
- (3) Tinsukia
- (4) Sibsagar
- (5) Nagaon
- (6) Sonitpur
- (7) Golaghat
- (8) Dhemaji
- (9) North Lakhimpur

The State Government informed the Central Government through two wireless messages dated 5-9-91 that requisition had already been sent to the Sub-area Commander for Army help in aid to civil authorities in the above districts. The Chief Minister, through his letter dated the 8th September, 1991 addressed to me, requested that instructions may be issued for immediate deployment of Army in aid to civil authorities. I discussed the situation in Assam with all the MP- from Assam individually and collectively.

It was decided to accept the request of the Government and the Chief Minister of Assam to provide assistance of Army in aid of civil authorities in the specified districts of Assam. The Army has, accordingly, moved in Assam in the above districts and has started to assist in operations against the ULFA,