

entered into the contract; it would have been a very difficult one to enforce without the modification/amendment of the existing Act."

Sir, I want to submit that one thing in all fairness the CAG should have brought out is that it was stated that there should be a middleman. Was it Mr. V. P. Singh who laid this down? No, The report proves that the Prime Minister has said: "I don't want any middleman whatsoever." Unfortunately, that was not implemented. CAG laments that. But if he had the honesty, he would have said just as he said that the Prime Minister's comments or the Prime Minister's observations on evaluation were not followed. Correct. He should have gone and said that the Prime Minister's directions in this respect were not followed and I do maintain that to this extent, there has been a procedural lapse on the part of the Defence Ministry. In the contract, they should have made a provision whether legally enforceable or not. I entirely agree with what the Comptroller and Auditor General says that on the contract, as it is, they could not have asked they could not have taken any action...

*(Interruptions)*

THE VICE-CHAIRMAN  
(SHRI MIRZA IRSHADBAIG):  
It is 1.30 now...

SHRI N. K. P. SALVE: Please give me 15 minutes. I will finish.

THE VICE-CHAIRMAN  
(SHRI MIRZA IRSHADBAIG):  
You may continue after the lunch break.

SHRI N. K. P. SALVE: Let me finish, Sir. I crave your indulgence.

THE VICE-CHAIRMAN  
(SHRI MIRZA IRSHADBAIG):  
It is 1.30 and I think, after the lunch break, you may continue.

SHRI N. K. P. SALVE: Thank you, Sir. I abide by your decision.

THE VICE-CHAIRMAN  
(SHRI MIRZA IRSHADBAIG):  
Now the House stands adjourned for lunch and will reassemble at 2.30 P.M.

The House then adjourned for lunch at thirty-one minutes past one of the clock.

The House reassembled after lunch at thirty-four minutes past two of the clock, The vice-chairman (Shri Jagesh Desai) in the Chair

#### SUPPLEMENTARY DEMANDS FOR GRANTS (GENERAL) 1989-90 (JULY, 1989)

THE MINISTER OF STATE  
OF THE MINISTRY OF WATER  
RESOURCES AND THE MINISTER  
OF STATE IN THE MINISTRY  
OF PARLIAMENTARY AFFAIRS  
(SHRI M. M. JACOB):  
Sir, on behalf of Shri B. K. Gadhi,  
I beg to lay on the Table a statement  
(in English and Hindi) showing the  
Supplementary Demands for Grants  
(General) for the year 1989-90 (July,  
1989).

#### SHORT DURATION DISCUSSION

On paragraphs 11 and 12 of the report of the Comptroller and Auditor General of India, for the year ended 31st March, 1988 (No. 2 of 1989)—Union Government—Defence Services (Army and Ordnance Factories)—*contd.*

SHRI N. K. P. SALVE: Mr. Vice-Chairman, Sir, I must apologise

[Shri N. K. P. Salve]

to you and to the House for taking such a long time while making this speech. But, Sir, the subject has acquired such a menacing dimension that I thought we had better deal with the contents of the report in a somewhat detailed manner. I was submitting to you how utterly equivocal, ambiguous and general are the comments of CAG, which are not based on any material whatsoever, or, if at all based, are based on irrelevant material and immaterial considerations. I want to refer to para 11.5.11 on page 19 of the report of CAG. Now what does he say? It is an extremely important part, because it is in a realm in an area, in a domain, within the purview of an auditor—it is in the financial domain. This is what C.A.G. says, after listing out various objections he had to the financial evaluation that had been made about the price, etc. The conclusions drawn by him are these, to sum up.

“The assessment of cost projection on 21st March 1986 by the Ministry on the basis of which the final approval was secured for placement of the order on Bofors was flawed. Consequently, the conclusion based on that evaluation that the offer of Bofors was lower had doubtful validity. However, the Ministry still maintained that the record clearly established that the evaluation was undertaken meticulously.”

“That the evaluation of the offer of Bofors was lower had doubtful validity”—this is a very serious objection, extremely serious. Was financial evaluation tailored up? Was it manipulated? Was there really a flaw and a fraud involved in the figures which had been submitted to come to a conclusion and determine what the cost of Bofor guns would be as against the Sofma guns? If that was even remotely true, I would have been the first one to ask the Prime Minister that there has been a very serious

lapse and he must consider what steps should be taken. The first and foremost thing C.A.G. should have done is this. There are details of working figures of evaluation in this J.P.C. report. I am not going to read out the details because I have already taken so much time of the House. The Auditor, without saying that this had doubtful validity, should have made his own evaluation and said, “According to me this is the evaluation, these are the facts, these are the figures, and this is where your figures have gone wrong”. Now, this kind of an objection about doubtful validity I submit, can be raised against any evaluation anywhere, and condemn the same as of doubtful validity. The reasons which C.A.G. seems to have pointed out are well taken care of by what the report of the JPC has to say. They have also looked into the facts and figures. First and foremost I will refer to what the JPC had to say on page 104, para 6.76 :

“After a detailed consideration of various facets of the deal, as discussed in this chapter, the Committee have no hesitation in concluding that a superior gun system had been purchased from Bofors at a less floor price than that offered by Sofma for a relatively inferior system”.

If this was a finding of fact given by J.P. Committee, was it not the duty of the Auditor at least to point out the precise reasons, with facts and figures and say that these are the precise reasons which make me feel that the offer was incorrect and the facts submitted were not proper and these are the correct figures showing that Bofor gun was neither superior nor cheap? Further, not merely that it was the superior gun, the J.P. committee said :

“Considering the financial gains and the various terms of the contract, the Committee consider

that the negotiating committee was eminently successful in the task assigned to it and the considerable time taken, about a year and nine months, in concluding the contract ultimately proved to be highly advantageous to the country."

"Highly advantageous to the country" from three points : Technically, the guns are very good. No. 2, these guns are financially cheaper. No. 3, and the foremost thing, is that the nation has benefited in its defence preparedness by the acquisition of these guns and for that, *inter alia*, I depend upon the testimony of Mr. Jaswant Singh and General Aurora, who know something about guns.

Then, Sir, further, about this 'doubtful validity', this is what the J.P. Committee has to say : I am reading out from para 9.3, sub-para (iv), on page 190 :

"The Bofors gun contract is fully backed by financial and performance guarantees and a warranty bond which is also backed by a bank guarantee. The price increase in future is well contained. The purchase is supported by the provision of substantial credit on attractive terms and an uninterrupted flow of supply is assured by the Memorandum of Understanding between the two Governments. The Swedish Government has also provided an assurance to facilitate counter purchases from India for offsetting our purchase."

And, Sir, finally, this should conclude all the issues, what I am going to read out from page 75, and I think there should have been no discussion after what is stated in para 5.81 on page 75 of J.P.C. report :

"Under the circumstances mentioned above, the Committee are fully convinced that the decision

taken in February 1986 to place the Bofors gun over the French gun in what might otherwise appear as a sudden reversal of priorities was intrinsically sound. The Army Chief..."—Every word is important here—"would have failed in his duty to the country had he ignored the change in the security environment during the preceding months."

The Army Chief, according to the JPC Report, would have failed in his duty to the country if he had not recommended the contract to be in favour of Bofors. Sir, it is most unfortunate that this matter should have been dealt in such a perfunctory manner by C.A.G. If you are challenging the financial aspect, the validity of the financial aspect, then I think that it self would take another fifty pages more in the CAG report. The C.A.G. should have given his own calculations with facts and figures. Many facts and figures of evaluation have been given in J.P.C. report and I have no doubt in my mind about the ultimate evaluation which has been made in terms of money in favour of Bofors. But I have one more question to put to the Comptroller and Auditor General. Assuming for a moment that the French guns were cheaper, but the Army Chief and the entire Army Headquarters and the people in the Army who have to use these guns and who have certain perceptions of warfare and logistics, say, "No, no. The Bofors guns have to be purchased even if those guns are expensive.", then it would be the Bofors guns for which alone orders have to be placed, that is, the guns which the Army Chief tells us to buy and not what the Comptroller and Auditor General tells should have been purchased. Bofors guns, in fact, cheaper and the figures show the same. But, even if they were expensive, they should have been purchased and if he was motivated by considerations

[Shri N.K.P. Salve]

of aggrandizing national interest\* in the discharge of his duty,\* And, Sir, whom is he condemning for this ? Ultimately, the contract was accepted despite the doubtful validity of financial evaluation of prices and it was Mr. V.P. Singh who used to sit here as the Leader of the House and the Finance Minister and it is he who has been condemned, it is he who has been damned and it is he against whom all sorts of aspersions are turned, if they are true. We do not cast any aspersions on him. But if the Opposition wants to question, should it not be ready to answer as to why Mr. V.P. Singh passed and gave the 'O.K.' signal from the side of the Finance Ministry for this contract in favour of Bofors ? It is Mr. V. P. Singh then whose head ahead of anybody else should have been asked for on a platter. But the head they are asking for is of an honest man. Whatever may be our differences with Mr. V. P. Singh, we do maintain that the entire deal was properly evaluated, it was very fairly evaluated, was very justly evaluated, and the prices were found to be cheaper. On this basis the contract was executed. We do not find fault with the working of the Finance Ministry.

Sir, the joke of the situation is, that the Army Headquarters is wrong, Defence Ministry is wrong, Finance Ministry is wrong; all of them do not seem to have done one regular act or one good thing in awarding this contract to Bofors. Everyone is damned. JPC is damned. Parliament is damned, Chief of Army Staff is damned. Everyone has gone wrong! The Comptroller and Auditor-General must be eulogized, as the opposition have done, as the greatest custodian of probity in public life ! This is hardly fair. The opposition should have been here to listen what are the contents, and what is the true worth of C.A.G.'s

\*Expunged as ordered by the Chairman

report before deciding to take such a decision and try to go to the people, by resigning the seats en masse in Lok Sabha. Was it the only way for the Opposition left; to save their faces they have nothing else to fall back upon, they had nothing to justify the report just resign and create confusion. The best course was to say : we do not want a discussion, we go out. When they found that they cannot face a discussion, they ran away. This is not a democratic method. This will not nurse and nourish the traditions of democracy. This only means that you are wanting to bring in fascist tendencies: act on our terms, otherwise we will not allow you to function, or to create a wrong impression in the nation : we will resign and go away. This is a very erroneous approach. I am very sorry to say that this is a deleterious and pernicious approach. For the welfare of the nation this would not strengthen democratic institutions.

Sir, I will come to the next objection :

"Contrary to plans, the equipment issued to the Army till October, 1988 was inadequate for even a single regiment being equipped with the full complement of the gun system."

Mr. Thakur is not here. I would like to ask him : Is it within the realm of the Auditor, Sir, what they are supplying to the Army and what they are not supplying to the Army ? Now if they come and tell that they have supplied 25 bullets they will say that they should have supplied 30 bullets. I cannot understand this, Sir,

Next :

"The Ministry accepted a time-frame for the delivery of ammunition which was less advantageous than the one offered earlier by Bofors. This will, as a result, lead to a delay of 38 months in equipping certain regiments."

Equipment, of the regiments and

what time it is going to take. Sir, the Comptroller and Auditor-General is deciding ! And that is coming here. That is why the report is highly biased. They do not find anything wrong either before award of contract or in the execution of the contract.

Then, Sir, next :

"There have been slippages in deliveries in respect of certain essential items up to 72 weeks. Claims for liquidated damages approximately SEK 34.46 lakhs (Rs. 85.30 lakhs) have been raised in December 1988 by the Ministry on Bofors at the instance of Audit. An amount of SEK 17.36 lakhs (Rs. 42.97 lakhs) has been recovered from Bofors."

I am grateful to them that at least they have done this. Sir, it is very interesting. But has a single objection led to a valid, honest, rational conclusion that is pointing out any corruption any fraud ?

Now, the 13th objection :

"There were delays in making certain contractual payments by the Ministry. As a result, it has paid SEK 3.40 lakhs (Rs. 7.53 lakhs) and DM 0.88 lakhs (Rs. 6.92 lakhs) as penal interest and is liable to pay a further sum of SEK 4.98 lakhs (Rs. 12.34 lakhs) and DM 0.76 lakh (Rs. 6.54 lakhs).

I think, Sir, this is the only objection that as an auditor I would have taken as valid. Why don't you make your payments in time ? But they must have given some explanation for this. That explanation is missing.

**THE VICE-CHAIRMAN (SHRI DESAI) :** They have given.

**SHRI N.K.P. SALVE :** Out of 15 objections this is the one objection which I take as valid. The Government must make its payments in time

and not incur this liability of penal interest.

**THE VICE-CHAIRMAN (SHRI JAGESH DESAI) :** The Government have said....*(Interruption)*

**SHRI N.K.P. SALVE :** Sir, what the Government has to say is not clear at all.

**THE VICE-CHAIRMAN (SHRI JAGESH DESAI) :** On that point also the Government has said that in future they shall take care.

**SHRI N.K.P. SALVE :** The lapse is there. That is what they have said. The Government has no business to delay payment. What do they mean by delaying payment? They should not have delayed payment. Our foreign exchange is so valuable. I accept that audit objection as very valid and as very correct. Further it says :

"The decision to undertake the manufacture of the Bofors gun system and ammunition under licence was taken without a comprehensive assessment of the financial and economic costs involved. The Detailed Project Report submitted by Bofors in April 1987, nine months after it was due, had not been approved by Government till January 1989. This delay would have far-reaching effect on defence preparedness as bulk of the gun system and ammunition is to be manufactured in India."

Is it for the C.A.G. to say what is the defence preparedness of the country? He would have done better if he had exercised some restraint. This is Objection No. 14. Now I come to Objection No. 15.

"Since no work on licence production commenced, no part of the one billion SEK credit could be utilised. The credit agreement was

[Shri N.K.P. Salve]

entered into far ahead of the credit requirements. As a result, Rs. 1.66 crores in foreign exchange had been paid by the Ministry to the lender (Svensk Export Kredit) by way of fees, etc., as of December 1988."

There is an explanation given to them. But this objection is within his realm of C.A.G. Sir, all that I want to submit, therefore, is this. I have gone through each one of the objections. Excepting Objections No. 13 and 15 which are of a very very ordinary and routine nature, all the objections lead to only conclusion that the Comptroller and Auditor General has really on very crucial issues without authority and has not either been fair or unbiased nor has shown care, caution and circumspection which is the duty of every auditor.

Sir give me five more minutes and I am done. Therefore, we wanted the opposition to sit and listen to what we have to say on the report, to come to the real merits of the report and come to the contents of the report. Let us debate the report. I should have loved to hear opposition viewpoint and I should have liked to listen to what their comments are on what I have submitted. I should have liked to listen to their views on the defence of the C.A.G. report. Either we convince the Parliament and the nation or they convince the House and the nation. That is the democratic way. But for the opposition to do what they have done is, to say the least, the height of intolerance. Or perhaps it is not intolerance. They were in such a fix that they thought that the only way they can wriggle out of the situation was by ensuring that there is not debate in the House. If there is no debate in the House, they would perhaps be able to resign in Lok Sabha, go away and create

some sort of a furore, some sort of a *tamasha* which will never be conducive to the interests of democratic institutions and the institutions and processes under the Constitution.

Sir, one thing that I want to make clear today is that I have not uttered a word against the CAG. Even the other day I did not want to utter anything against the CAG. I have only commented on the report. While concluding I submit in the end that there is absolutely no warrant whatsoever to draw an inference of corruption from the report even if it were valid. Far from that. The report itself even if accepted as correct, only points out certain lapses—certain technical lapses certain administrative lapses, certain financial lapses—some of which are completely beyond the authority of the Comptroller and Auditor General. The findings of the Comptroller and Auditor General on crucial issues are just untenable in view of the findings of facts of the J.P.C. and for very valid reasons given therein. Therefore, Sir, the entire Report, appears to have been prepared to create an impression that the Army Headquarters, the Defence Ministry, the Finance Ministry, the Cabinet Committee on Political Affairs and the Prime Minister did not take even a single correct step in awarding Bofors contract, and all of them have taken wrong steps and imply thereby that the Bofors have been favoured for ulterior motives. It only show Sir how biased is the Report. And therefore, I submit, I maintain that\* the CAG contradicted every crucial finding of the JPC without authority without reason, without logic and without any basis. I submit, Sir, that his Report is entirely perverse and is a fraud on the Parliament. Sir, I therefore submit, I join the demand made in the Lower House

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\*Expunged as ordered by the Chair.

that in view of this position of the matter, this Report which sought to cast aspersions on the Parliament itself, which belittles and berates the institution of the Parliament itself, should not be sent to PAC and instead, we would do best, the two House would do best to despatch it to W.P.B. of the two Houses. That is my suggestion. Thank you very much, Sir.

**SHRI SUBRAMANIAN SWAMY :** Sir, this is, perhaps, the first time in our Parliamentary history when the Government or the Treasury Benches are prepared to discuss a Report and the bulk of the Opposition does not want to participate in that discussion because normally it has been always the other way round that the Opposition wants a particular report to be discussed and the Government using national security, public safety and a variety of artificial reasons to prevent such a discussion taking place. So, indeed it has intrigued me a great deal as to why so many of my colleagues in the Opposition have thought it fit to run away from this discussion. And to date I have received no satisfactory answers from my colleagues.

Sir, I do not want to say anything about the motives behind such a report. It was very good of Mr. Salve to express regret for any misunderstanding that may have caused yesterday. And indeed it takes a lot of strength to express regret, and Mr. Slave is a strong man. And indeed, I think it would be entirely inappropriate to bring down this high institution called that Comptroller and Auditor General by abusing or ascribing motives. But the fact of the matter is that his Report has raised a storm, and we have to come to grips on what the Report says. I do believe that all of us should be interested in the truth. We would like to know what actually happened in the Bofors.

I am not sure we know the whole story. But the impression created by some of my colleagues in the Opposition that somehow Mr. Vishwanath Pratap Singh is the man who brought all this out into the open is entirely wrong. In fact, if you go back to 1987, you find that he had nothing to do with the Bofors disclosure. It was the Swedish Radio which made the broadcast, and indeed all through his tenure as Finance Minister, he did nothing to unravel what the Bofors was all about. In fact, a close reading of the CAG Report would indeed show that the then Finance Minister, Mr. Vishwanath Pratap Singh's involvement in the decision-making is as solid or strong as that of the Prime Minister, and if the Prime Minister is guilty then Mr. V.P. Singh is equally guilty with him. Therefore, I would like this to be looked at in a factual way. Of course, it is my view on my own researches that if one really wanted to know the inner recesses of the secrets of Bofors, Mr. V.P. Singh could have easily found out by talking to his colleague, Mr. Arun Nehru who, according to my information from Paris, knew all about the sordid side of the deal, the wheeling-dealing part of it. And indeed the way this whole thing has been put, I would say that, I do not know what the Congress Government did, but I do know that these gentlemen had also a lot to do with the Bofors.

3.00 P.M.

Now, coming to the CAG charges, some of them are clearly, as Mr. Salve has said, trivial. For example, he says that he called for papers in July 1986, but got them only two years later or a little less than two years. Looking at it from the earlier CAG's reports, it seems to be normal. I donot think it is a very weightly objection. The second point that he makes is that the Indian Government did not take the suggestion of the Indian Embassy in Sweden very seriously, that the

[Shri Subramaniam Swamy]

CAG should go to Sweden and carry out an audit there. I assume that in a bilateral contract, the papers, if they are not available here, it is unlikely that in Sweden he would find them with any greater ease. In any case I would say that the amount of papers available in India, in my opinion, are sufficient and if there is indeed a very dispassionate probe, this can be found out. But the core point and the key issue that is there in the CAG report is on page 19, which has already been read out in parts, by Mr. Slave, and it says as follows ; To sum up, the assessment of costs projected on the 21st March, 1986, by the Ministry, on the basis of which the final approval was secured for the placement of the order on the Bofors was flawed. Consequently the conclusion based on that evaluation that the offer of the Bofors was lower, has doubtful validity.

Now, Sir, as Mr. Salve has stated this is indeed a very serious charge and I do not think this Parliament can debate that very lightly. Indeed I would say that this needs to be probed further and responsibility fixed. That indeed if it is so many crores were involved and a proper analysis would have produced a lower cost, then we would like to know why—now whether the JPC adequately considered this issue or not is not the question—but here I would ask this question as to why the Finance Ministry and the Defence Ministry did not carry out this analysis. Now, Sir, here ironically I find that the CAG report comes on the side of the Prime Minister. There is a very important point here on page 12, para 11.3.19, and it says that on the 20th January, 1986, a note was submitted to the Prime Minister by his office that both guns were technically acceptable and the price of the guns and the ammunition as well as credit terms would be crucial factors in the final decision. This is the Prime Minister's office

note. It then goes on to say that the Prime Minister's direction of 25th March, 1986, regarding the methodology of evaluation was not complied with at the point of time as it was to be of a general nature. However, no new methodology of evaluation has been worked out by the Government in contravention of the direction of the Prime Minister. Ironically, I am sorry to say that our newspapers have also not picked up this very important passage. What does it say? It says that the Prime Minister's office was not happy with the financial calculations done, and it wanted some more and better methodology used for this financial calculation. Now what this financial calculation was, is also specified in a note. And that is why I begin to feel suspicious that the avoidance of debate by my colleagues in the opposition may have something to do with this report if one goes into its depth and it may boomerang on some of the members of the opposition itself and this is what I have been saying from the beginning to my colleagues in the opposition, do not make an issue of the CAG report because it may boomerang on you. If we were pure opposition, in the sense that they were like me, who has never been a member of the Congress Party then probably we could take a logical stand but unfortunately in the opposition there are exported material or rejected material from your party sitting here and it becomes very difficult for many members of the Opposition to accuse the Congress Party. So this is one of the problems. That is why I said that this report may boomerang.

Now look at page 16 where the matter is given much greater clarity. I will read out the whole thing. How was the decision made? Letter of Intent was given on 14th March 1986 and thereafter, there were some further negotiations done, and it says that the offer of Bofors that



they made was valid only till 21st March 1986 and that of Sofma till 31st March 1986. However, the Defence Secretary, in the aforesaid note of 22nd March 1986 to the Prime Minister stated as follows; "It is now requested that permission may be kindly accorded to sign the agreement with Bofors. I had discussed this matter with the Raksha Rajya Mantri—namely, Arun Singh—at the airport before he left for Bhutan on 21st March and he gave his blessings..." I don't know; this language is very peculiar. 'He gave his blessings' as if he was some swamiji.

**SHRI V. NARAYANASAMY**  
(Pondicherry) : Like you.

**SHRI SUBRAMANIAN SWAMY** : Not like me "...He gave his blessings that if Bofors agreed to give ten guns free of cost, we should go ahead and clinch the deal." What is this in reply to? This is in reply to the note of the Prime Minister saying that 'the financial and other factors should be taken into account'. If it is a choice for me between Rajiv Gandhi and V. P. Singh, it is like the choice between the devil and the deepsea. So it hardly matters who I find guilty in this. For me, both are the same. Of course, one is slightly better : I wouldn't tell you who. What has the Prime Minister's office really said? It said 'The Prime Minister's office conveyed the approval to the Bofors agreement on 24th March 1986 and further stated that the Prime Minister had given some further directions regarding the methodology of evaluation, and those will be communicated separately. However, without waiting for the Prime Minister's directions, the contract was signed with Bofors on the same day. By whom? Not by the Prime Minister. So, it was signed irrespective of what the Prime Minister had warned. Of course, there is a technical problem

because Prime Minister was also the Defence Minister but we all know, at that time Mr. Arun Singh was running the Ministry practically independently. The Prime Minister's office conveyed the following directions on 25th March, that is, 24 hours later. The Prime Minister gave clearance on 24th but the note says that some more directions were coming. On 25th March, Prime Minister sends directions but in between the agreement has been signed and in this 25th March note, the Prime Minister observed that the evaluation procedure is not thorough. Now, I can understand why my colleagues in the opposition have run away, particularly Mr. V.P. Singh and Mr. Arun Nehru who have made their entire name in this country by claiming credit of Bofors expose which they have nothing to do with. The Swedish radio is the one that brought it out. But they have made it out in the country that it is they who exposed Bofors. But here we find that the report itself says—I am not quoting anything else—that Prime Minister had observed that evaluation procedure is not thorough. This should be discussed. As regards the methodology of evaluation, the Prime Minister's official says : "I would submit that a detailed paper setting out the present criteria may be prepared in consultation with the Finance Ministry, the Department of Economic Affairs" and then it says : "The Department of Economic Affairs may be aware of alternative techniques for taking the factor of exchange rate into account in calculating the net present value. Sir, I have been an economist and a professor for almost ten years and I know what this calculation means. The only people who could do this calculation are the Finance Ministry people. This is the core of the thing. The Comptroller and Auditor General says that proper financial analysis was not done. Had it been done, one would have seen that the Bofors cost a lot more

[Shri Subramanian Swamy]  
money. But who is supposed to do this financial analysis? An impression is being created that there was some *hera pheri* in not doing this financial analysis. Who is responsible for this *hera pheri*? From the report of the Comptroller and Auditor-General, it does not appear to be the Prime Minister's office. Then, who is responsible? This is the question that one needs to ask.

The negotiations were conducted by a negotiating committee. The negotiating committee consisted of Additional Secretaries drawn from various Ministries. Sir, I know this. My father and father-in-law have been bureaucrats and I have spent a good part of my life in Delhi. I know administration. I know that in negotiations of this kind the Additional Secretaries would go and report to their Ministers regularly and seek permission. Did they do that?

Here, I would quote from the report of the Joint Parliamentary Committee on the Bofors contract which the Opposition boycotted. They quote from the minutes of dissent as if that is a Bible. If the minutes of dissent could be so good, if we had all participated, how much better the report would have been one could imagine. I am certainly not in favour of this kind of idle walk-outs and boycotts of Parliament. After all, we are sent here by the people to discuss. Now, what does it say?

**SHRI V. NARAYANASAMY :**  
They should resign their seats and go.

**SHRI SUBRAMANIAN SWAMY :** They can go permanently. As far as I am concerned, they are not coming back.

What does the report say? I do not want to repeat. Mr. Salve

mentioned this in passing. This is very important.

"In reply to a question whether the final recommendation of the Negotiating Committee selecting the Bofors gun keeping in view the technical, contractual and financial aspects, was specifically brought to the notice of the then Finance Minister the then Secretary (Expenditure) affirmed that after the Negotiating Committee had finished its deliberations, a note was put up by the Defence Ministry as the administrative ministry on which the approval of the Finance Secretary and the then Finance Minister had been obtained."

Further asked if the then Finance Minister had expressed any reservation, the witness replied :—

"Absolutely No. I can say this categorically because, the moment I saw the file, I immediately sent it to the Finance Secretary saying that the matter was very urgent. It went to the Finance Minister. If he had the slightest doubt, he would have asked the Finance Secretary or me. I was the senior officer in the Finance Department. I was the proper person to have been asked this question. Till the moment of my retirement, no question was raised."

I have myself seen Mr. V.P. Singh's noting on the documents which ultimately went to the C&A.G. In those documents, it is very clearly said that the Finance Minister had seen and he concurred with the recommendation on the selection of the Bofors gun.

Sir if the C&A.G. could find all these loopholes, all these shortcomings and Mr. V.P. Singh could extol this as a great report, what was he doing as the Finance Minister then when he had all these documents before him? Either he was thorough.

ly incompetent or he adopted a double policy. To me, the latter seems to be more likely.

It is obvious to me that the pace of the negotiations was forced and the forcing of the pace appears to have been done at the behest of the then Minister of State for Defence, Mr. Arun Singh, who gave his blessings to the Secretary.

All of us know that the real question behind this is not the technical aspect. The real question behind this is the financial aspect. A storm has been raised over this resignation issue. As I said, we in the Janata Party are not aligned with any of these parties. Unlike them, we are not aligned with the Congress (I). We are not aligned with this side or that side. We are not non-aligned. We are genuinely non-aligned. That is the difference. Now, the bulk of the Opposition has asked the Prime Minister to resign. What does this mean? Does it mean that if the Prime Minister resigns and the Congress (I) elects another Prime Minister in his place, that is acceptable to them? After all, the Opposition today does not command majority in the Lok Sabha. So, when you are asking the Prime Minister to resign, you are not asking him to hold fresh elections, you are not asking him to dissolve the House. You are asking him to resign, which means what? That you want the Congress Party to elect another leader. Anybody in his right mind knows that the Congress Party doesn't consist of any independent Members and if indeed they have a vote of confidence, they are going to elect the same person again as the leader of their party. Is there any doubt on that?

SEVERAL HONOURABLE MEMBERS : No.

SHRI SUBRAMANIAN SWAMY : No, no doubt on that.

So, all that the Opposition is interested in is, remove Mr. Rajiv Gandhi. This has been my complaint against the Janata Dal, that they are interested in Congress (I) minus Rajiv Gandhi. If tomorrow you people invite Mr. V. P. Singh to come back and head your party, he will come running, I am sure. He will not hesitate for one moment. In fact, the way he has constructed the Janata Dal and foisted discredited Congress (I) men on top in the party, shows that he is really, primarily, interested in restructuring the Congress (I). He is not interested in alternative policies that would be better than Congress (I)'s. So, that is the key question I am not able to understand. When you ask the Prime Minister to resign, what does it mean? If they ask, "Dissolve the House, hold immediate elections," I can understand. But they say, "The Prime Minister is corrupt; he must resign." Then who should come in his place? This is a question that they should answer.

But I know what is in the mind of Mr. V.P. Singh from the very beginning. It was, essentially, that while he was the Finance Minister, he carried out a conspiracy to become the Prime Minister. That, somehow backfired. Now he has come into the Opposition and he is treating the Opposition as a kind of waiting room in a railway station, waiting for a chance when you will call him back and he will go and try and occupy that office. This appears to be his main motive. And if you are going to ask the Prime Minister to resign, then what is the ground on which you ask him? Is it on moral authority? You don't have parliamentary authority. So, what is the authority on which you are asking him? You don't have political authority either, I may tell you.

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In Karnataka, when the Government was dissolved, they made big noise as what would happen. They called a bandh and it was a total flop. There has never been a bandh which was a bigger flop in Indian history than the Karnataka bandh on April 22. The entire National Front descended on Bangalore to address a meeting in the large College Grounds, and not more than 4,000 people turned up. On the contrary I can tell you—I have personal knowledge—that when that Government was dissolved and President's Rule was proclaimed there, in Karnataka people were distributing sweets. This is the status of the Janta Dal, and today they want to ask for the resignation of the Prime Minister. I ask them, firstly, what is your authority? Is it moral, is it parliamentary? Parliamentary authority you do not have. Is it political authority? You don't have political authority. As far as moral authority is concerned, I may tell you, that is the one thing they lack most. What is this moral authority? I may say that if one were to look at the office bearers of the Janata Dal, there are more criminals in the Janata Dal than there are in the jails of India. The Vice-President of the Janata Dal is Mr. Ramakrishna Hegde. He fooled a lot of people by saying that he was a value-based politician. I didn't realize at that time that when he said "value-based" he literally meant "value-based". When I came out in January, I pointed out all the ways he looted the State. The State was in such a bad shape that the primary school teachers could not get their salaries, Government employees were not getting their salaries, and there was no money for any public project. For irrigation projects, I know, my colleague, Mr. Deve Gowda, now much problem he had in getting money. Many of the irrigation

projects had to be stopped. There was no money. But Mr. Hedge was able to find Rs. 35 crores for media publicity for himself, to project himself as the national alternative. And he had money for other things. But for the development of the State had no money. And when I came out, the newspapers got after my blood saying that I was helping the Congress. I said, if I expose somebody's corruption, how am I helping the Congress? If it is false, I can understand, but if it is true, how can I not speak out? It would be dishonest for me not to speak. This is today's present climate which is bad for the country. If we are against corruption, it does not matter whether it is there or here; it must be exposed in both places, but not that way. Today the media is interested in projecting me as an agent of the Congress. I don't understand why I should be a Congress agent. I can always join the Congress party if it become necessary, but I have never been in the Congress. I have fought the Congress all my life. But because a Mafia in the media today wants to silence me, every time I say anything, they say this is to benefit the Congress. I don't care whether it benefits the Congress or not; the important thing is the truth. The truth is that the Janata Dal has criminals, crooked men, all of them. Today they are asking the other side to resign on the issue of corruption. I can understand if they ask them to resign on the grounds of incompetence that they are better crooks and therefore, they should resign or something else, but to say on corruption they should resign, I ask what about the Janata Dal? Have they clean their own house? There is a commission of inquiry which has established already that there is a *prima facie* case against Mr. Ramakrishna Hedge and he is still its Vice-President. And what about Mr. Sanjay Singh? Doesn't the whole of Uttar Pradesh know what he has done there? Doesn't

the whole of Uttar Pradesh know his involvement in the Mody case ? I can go on reciting names. You will be surprised if the Janata Dal is so full of talents that if they hold a Seminar, they can get very good people to address the seminar. For example, if they wanted someone to address on Press freedom, they have got V.C. Shukla. He can give a good lecture on Press freedom. If they want a lecture on the role of Governor in the Constitution, they have got Ram Lal. He can give a good lecture on the role of Governor in the Constitution. If they want a lecture on anti-defection law, they have got Mr. Gaya Lal. You know who Mr. Gaya Lal is. In 1967 he crossed the Haryana floor 32 times. That is how words 'Aya Ram and Gaya Ram' came. And today what is he ? He is the Vice-President of the Haryana Janata Dal. If they want to talk about the family rule, Devi Lal can give the best lecture on family rule. There is no one who can surpass him. If they want a lecture on role of money in politics. Mr. Arun Nehru can give a first class lecture on it. There is no end of talent in this party. And this party is today getting itself into the question of moral outrage that the Prime Minister has not resigned. If the Janata Party were to ask the Prime Minister to resign, there would be a moral authority behind it. But if these people ask, they cannot but laugh. We would not hesitate to ask the Prime Minister for his resignation, but the question is why should we ask for his resignation ? We have to be totally convinced that the CAG has pointed the finger straight there. It has not. On the country, the CAG report has confused me. Before this report came, I was more convinced about the Prime Minister's role in Bofors than after reading this report. Perhaps one of my weaknesses is to read the reports which come to me. Many of them don't even read. Or may be they read it too closely and know what it meant to participate. But the fact of the matter is that we could

not do that. But on what ground ? I have already prepared a charge sheet against Mr. Vishwanath Pratap Singh, which I am going to present to the President. I am mentioning it here because they have made corruption an issue and have resigned on it. Mr. Vishwanath Pratap Singh is guilty of practically all the economic crimes that he is accusing the other side of, including of tax-evasion, avoiding payment of capital gains taxes, underhand dealings in property, accepting black money. On these I have a record after being able to find these documents. When I first came out with documents against Mr. Ramakrishna Hedge, people would not even believe it. They thought it was all made up. They started dismissing by saying I have no proof. Now of course, the whole of Karnataka is convinced. The whole country is convinced that he looted the State to benefit his family. Today, I will tell you that Mr. V.P. Singh has no moral right to ask anybody for resignation. If there is anybody to resign first to set an example, it is Mr. V.P. Singh, who should resign from Janata Dal and take *Sanyas*. That is what I would say. Consequently before I ask the Prime Minister's resignation, I would like to know beyond all doubt that in fact such a thing is happening. The quality of proof that is demanded of me when I make an accusation on our side is much, much higher than the quality of proof so far produced to indict the Prime Minister in Bofors. May be our Prime Minister is involved. I do not know. The CAG report certainly does not establish that. That is why I and my colleague Mr. Shahabuddin and Dr. Sarojini Mahishi decided that we will not only demand the Prime Minister's resignation but we will also participate in this debate. The Parliament cannot ignore this report. The charge that the financial analyses were not properly made needs to be probed. If necessary send it to the Public Accounts Committee or if you like have a Committee of the

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House to examine. Then, a fresh inquiry into this particular aspect of the CAG report is called for. With these words, I thank you very much.

**SHRI MADAN BHATIA** (Nominated) : Mr. Vice-chairman, Sir, I am indebted to my hon. colleague, Mr. Swamy for having given a little background of this whole Bofors issued.

The demand for the resignation of the hon. Prime Minister has not been made in this week on the basis of this particular report. In fact, the demand for the resignation of the hon. Prime Minister was made by the *Indian Express* on the 13th of April, 1987. That was the first demand. The sequence of events which took place before that demand and after that demand are very much relevant for the purpose of discussing the validity of this report. It is on the 11th of April that Mr. V.P. Singh submitted his resignation. On the 13th of April, a big editorial on the 1st page is published by the *Indian Express* demanding the resignation of the hon. Prime Minister. On the 10th of April, a news is broadcast by the Swedish Radio making allegations that bribery has been paid to various politicians and officials in the matter of Bofors deal, just three days there after

Now, what was the source of the information with the Swedish Radio? Swedish Radio was later on questioned by the Government of India and by the Swedish Government: "What is your source of information on the basis of which you made this broadcast?" They said: "The only information that we have was that our representative went to Delhi on the 14th of April and he communicated this information to us." Now, it is a very disturbing sequence of events. On the 11th of April, Mr. V.P. Singh resigns. On the 13th of April, the demand is made for the resignation of the Prime Minister. On the 14th of April, representative of the Swedish Radio lands up in Delhi and within 48 hours,

news is broadcast regarding the bribery. Is it possible that a foreign correspondent of a foreign Radio would land up on the 14th of April, will collect this information within a period of a few hours, transmit this information to the Radio and within 48 hours this whole information will be broadcast to the world? I respectfully submit, Sir, the very sequence of events establishes one fact that this information has been fabricated and tailor-made and person present in this country were in touch with certain elements abroad so that this drama can be played up that the representative of the Swedish Radio, would land up in Delhi to give an image or air of innocence of the information which he transmits to the Swedish Radio and the Swedish Radio will broadcast this information to the world and create destabilisation in India supporting the demand for the resignation of the hon. Prime Minister. The whole drama was prearranged and predetermined by whom? Who were interested at that particular point of time in creating all this fabricated drama? They were only those individuals who had lost the office and who had their scores to settle with the hon. Prime Minister. Let us not forget that. If Bofors deal exploded on the Indian scene, it is not because any one in the country questioned the quality of the gun. It is not because anyone questioned the financial viability of this particular deal. It is because of the broadcast made by the Swedish Radio and it is impossible for anyone to imagine that within a period of three or four days, such momentous events would take place of such rapid sequence unless there were element behind this sequence of events operating within the country, in collaboration with elements abroad to create the facade of the whole deal being put under cloud and strengthen

their hands for destabilisation of this Government and their demand for the resignation of the hon. Prime Minister. Let us not forget that. It is against this particular background that the demand which is being resurrected today by the Opposition seeking the resignation of the hon. Prime Minister has to be seen. Mr. Subramanian Swamy has rightly said, where is their moral authority or the political authority to demand the resignation of the hon. Prime Minister when they have not asked for the dissolution of Parliament? Is there any constitutional provision under which the minority can ask that the majority should select its leader of its own choice? Is there any provision in the Constitution? They are talking in terms of Parliamentary democracy and the Constitution ad nauseam for the last one week. Under what provision of the Constitution, under what principles of Parliamentary democracy can the minority dictate the majority that "we do not accept the leader whom you have selected or chosen and you have to remove that leader of your choice and you have to foist upon yourself the leader of our choice?" Such a preposterous proposition which they are inflicting upon the nation and the people of India in order to hoodwink them in the name of Parliamentary democracy in the name of the Constitution of India, they are to be ashamed of themselves.

The last weapon and the handy weapon which has come to them from their armoury to resurrect the demand for the resignation of the hon. Prime Minister is the report of the CAG. Sir, I do not stand here to defend the quality of the gun. The quality of the gun, the nature of this deal, has been discussed more than half a dozen times from the floors of both Houses of Parliament. It has been conceded by the most knowledgeable Members of the Opposition that this gun was selected and acquired as a result of the professional compe-

tence of the highest order. This has been conceded on all the occasions whenever there was a debate by the knowledgeable Members of the Opposition. So, I am not going to dilate upon the quality or the nature of the transaction so far as this gun is concerned. Let me assume, Sir, for the purpose of argument that this particular report has arrived at correct conclusions. What is the most important conclusion so far as the hon. Prime Minister is concerned? The conclusion of this report is that the Prime Minister did not give the final approval to the purchase of this gun in spite of the unqualified recommendation of the Negotiating Committee, as approved by the Finance Minister. It is the case of the CAG report that the approval which was granted by the hon. Prime Minister was a conditional approval. Mr. Swamy has read and, in this context, it is for me again to draw the attention of the House to the letter which was sent by the Chairman of the Negotiating Committee to the hon. Prime Minister which is at page 16. It was on 21st of March.

"It is now requested that permission may kindly be accorded to sign the agreement with Bofors."

Permission of the Prime Minister is sought on 21st of March. According to this report, the Prime Minister says: "I gave the approval but my approval is conditional on two conditions." No. 1, "I am not satisfied with the evaluation procedure which has been followed." No. 2, "As regards methodology of evaluation, I would submit that a detailed paper setting out the present criteria may be prepared in consultation with the Department of Economic Affairs." So, according to the CAG report, what does the Prime Minister say? According to the CAG report, the Prime Minister does not give the final approval. He

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gives a conditional approval on the ground (1) that the methodology of evaluation which has been followed is defective and (2) the methodology of evaluation should be realigned and reconsidered. This is the conclusion of the report. If this is the conclusion of the CAG that is to be the categorical, individual, approval of this whole transaction given by the Finance Minister and the recommendations made by the Negotiating Committee, the Prime Minister declined to give the final and unqualified approval and gave only a conditional approval subject to certain conditions being fulfilled — I put it to myself — can there be more conclusive evidence of the fact that the Prime Minister, in no manner at any stage, influenced the deliberations of the Negotiating Committee? Can there be any more conclusive evidence of the fact that the Prime Minister, in no manner, was interested in the purchase of one gun or the other? The report of the CAG is conclusive piece of evidence that the Prime Minister had no interest whatsoever, whether the Bofors gun is purchased or whether the French gun is purchased. The Prime Minister at no stage whatsoever had any concern with the negotiations and the deliberations of the Negotiating Committee. This is the conclusion which has been given in the CAG report. I do not need any further conclusive evidence of the total innocence of the hon. Prime Minister so far as this particular transaction is concerned. Alternatively, if the conclusion of the CAG report that the approval which was granted by the hon. Prime Minister was not an unqualified approval is a wrong conclusion, then this fact, by itself, is sufficient to damn this report. This means this particular report has misled and misconstrued the material on record in order to arrive at a particular conclusion for the purpose of indicting the Negotiating Committee. Alternatively

there can be only two possibilities. Either this report is right or this report is wrong. If this report is right, it is conclusive evidence of the innocence of the hon. Prime Minister. If this report is wrong, then this is conclusive piece of evidence of the fact that the material on record has been mutilated, misread and misconstrued in order to fit in with a particular conclusion and that, by itself, damns this report. And that by itself damns this report, because this was a very vital aspect of the whole thing — whether the approval granted by the honourable Prime Minister was final or it was conditional. And I respectfully submit this brings me to the second alternative; let us accept the second alternative, namely, that it has indicted the negotiating committee but it has indicted the negotiating committee by misreading and misconstruing the material on record. But what is more important in this regard is that this report picks up the negotiating committee for the purpose of indictment but completely blacks out the entire role, the entire approval and even the name of Mr. V.P. Singh, the Finance Minister, who was not only a party to the deliberations of the negotiating committee, but who gave unqualified concurrence to the recommendations of the negotiating committee and to the conclusion of this particular contract. This is the most amazing part of this report. I say how Mr. V.P. Singh was concerned with it. Mr. V.P. Singh was the Finance Minister. Under Article 77 of the Constitution of India rules of business have been framed by the President and certain powers have been allocated to the Ministry of Finance. It is the Minister of Finance and the Ministry of Finance alone who can approve particular kinds of transactions. I have got those rules called 'The Allocation of Business Rules 1961'. And if any of the matters covered under



the Ministry of Finance is involved in any transaction, it is the Minister of Finance and the Minister of Finance alone who is constitutionally competent to grant his approval. Even the Prime Minister cannot do it, because these rules are Constitutional rules framed under Article 77 of the Constitution of India by the President of India. The rule says the Ministry of Finance has the exclusive power and authority to deal with these matters...

I will mention only those matters which were concerned with this particular transaction. (1) Approval for commercial borrowing abroad including terms and conditions therefor : now, the report itself says that the purchase of these guns involved borrowing from abroad. This contract involved borrowings by India from abroad Why? (2) Loans, credits and economic assistance from foreign countries : once again, under this clause this contract was completely covered by the Rules of Business under which the exclusive power to sanction this contract vested in the Minister of Finance. (3) Financial sanction : now, this is a matter relating to all Ministries and offices of the Government of India which are not covered by powers delegated or conferred by the Rules or by any general or special orders. There are no such general or special orders made in this regard by which this power of the Minister of Finance can be delegated to any other Ministry or any other authority. For financial sanctions relating to all Ministries and offices of the Government of India under the Constitutional Rules of Business it was the Minister of Finance alone who was competent and who had the authority and who had the duty to finally sanction this contract for the purchase of Bofors guns. It is for this reasons that the matter was referred to him on the 13th March 1986 and it is on the 14th March—it has been recorded—he gives the sanction and he

says that he agrees with the recommendations of the Negotiating Committee and that he approves of this contract and the letter of intent being issued to the Bofors gun manufacturers. This was his duty which he performed. He was solely and personally responsible for the conclusion of this contract. But what does this report do? This report picks up the Negotiating Committee and subjects it to its total assault. But, so far as Mr. V.P. Singh is concerned, he is kept out of the firing range. I cast no aspersions on the CAG. But he owes an explanation to Parliament, he owes an explanation to the nation and he owes an explanation to the people of India as to why the name of Mr. V.P. Singh, why the role of Mr. V.P. Singh and why the approval granted by Mr. V.P. Singh have been completely wiped out and blacked out from the entire report. He is answerable to us. He may be a Constitutional authority. But his powers and duties are derived from the law made by Parliament and so, he is that way answerable to Parliament and is answerable to the nation and is answerable to the people of India and this answer he has to give. Not only that, Sir. He has completely blacked out the entire evidences of the Secretary, Department of Expenditure, Ministry of Finance, which was given before the JPC. And, Sir, what is that evidence? I will not read all that out because it has been read out by Mr. Swamy. He says that from time to time Mr. V.P. Singh was kept in constant touch with the deliberations of the Negotiating Committee. This is No. 1. No. 2, he never expressed any dissent either from the deliberations of the Negotiating Committee or from the recommendations of the Negotiating Committee. He gave his total, unequivocal and unqualified concurrence to the recommendations of the Negotiating Committee to whose deliberations he was total and complete party. But all this entire evidence has been completely blacked out from this report.

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Is this not enough to damn this report? This particular fact is sufficient to vitiate this entire report as totally unworthy of any credit whatsoever.

Mr. V.P. Singh is kept in the back so that he would not face the onslaught which is unleashed against the members of the Negotiating Committee. What was the Negotiating Committee? The Negotiating Committee was not a Committee of the Ministry of Defence. It was a Committee constituted by the Political Affairs Committee of the Cabinet in 1984 during the time of Mrs. Gandhi. Its members included the representatives of the Finance Ministry, the representatives of the Defence Ministry and the representatives of the Armed Forces. It was not a Committee of the Ministry of Defence. Let us be very clear about it. It was an independent Committee, constituted by the Political Affairs Committee of the Cabinet and that Negotiating Committee was constituted—this is again important—for the purpose of carrying on commercial negotiations with the manufacturers of those guns which had been recommended by the Army Headquarters. The Negotiating Committee was not the authority to choose a particular gun. It was the Army Headquarters which was competent to recommend a particular gun for purchase and the Army Headquarters first selected two guns, shortlisted two guns. The order of preference was given: First the French gun, second the Bofors gun. When the negotiations started—this is the evidence of the Chief of the Army Staff—that when they put the French gun at No. 1 and the Bofors gun at No. 2, it did not mean that the French gun alone was to be purchased. It meant that both these guns met the parameters of the Armed Forces, and it is for the Negotiating Committee or the Government of India to decide on the basis of which terms

would be better, whether to buy the French gun or the Bofors gun. Both guns were acceptable to the Armed Forces. This whole evidence, this essential and vital fact, has been completely wiped out from the entire report. And then what is vital is—today Mr. Salve drew attention to this—that later the order of preference was changed. The Bofors gun was put at No. 1 and the French gun at No. 2. Detailed reasons were given in the course of testimony on oath by the Chief of Army Staff as to why the order was changed. The Negotiating Committee was not responsible for this. It was the Chief of Army Staff. And the C&AG's report questions the change in the order of preference, but without any material. Not only without any material but, Sir, by blacking out the entire testimony on oath of the Chief of Army Staff. In other words, the C&AG report, by blacking out the material evidence on record, by blacking out the testimony on oath of the Chief of Army Staff concerned, who changed the order of preference, cast a cloud on the competence and patriotism of the Chief of Army Staff, and behind his back, and without giving him an opportunity of explanation, whether he had retired or not.

In his letter Sir, to the Speaker, the C&AG has made a grievance. Since my conduct is being looked into and is being criticized, all the speeches which have been made or which are likely to be made—their copies should be sent to me in order to give me an opportunity to explain my conduct, to explain my conclusions. Fair enough. This is his sense of justice and fair play. But what happened to the sense of Justice and fair play? Was it fair? Was it just? Was it a fair play that the Chief of Army Staff's competence and patriotism is questioned, without going into the testimony which he have given, without giving him an opportunity of explanation? Was it fair? Was it just? Was it a fair play that members of the Negotiating

Committee, who were officers of highest integrity, with unblemished record of long service under the Government of India, the most conscientious officers, against whom never one finger has ever been raised throughout their long long career—they should be condemned unheard, and the evidence which they had given on oath before the JPC should be blacked out in order to indict the Negotiating Committee? This is what report has done.

Sir, I shall give only three or four examples. Sir, I have submitted and I repeat that this Report has been vitiated because facts and materials have been misread, misconstrued, mutilated, in order to fit in with foregone conclusions, and all that material which would have knocked the bottom out of the conclusions which have been arrived at by this report has been blacked out. I will just give one or two examples.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI) : Please be brief.

SHRI MADAN BHATIA : Yes, Sir. I shall be very brief. One paragraph on page 15 I shall just analyse. I will read this particular paragraph at page 15 :

"11.5.02 On 12th March, 1986, the Ministry concluded that the latest offer of Bofors was cheaper. The letter of intent in favour of that firm was issued on 14th of March, 1986."

Now, this particular sentence suffers from two untruths and suffers from one vital suppression of facts. It says that on 12th March, 1986, the Ministry concluded. The Ministry never concluded. It was the Negotiating Committee which concluded that the latest offer of Bofors was cheaper. Now, this again is an untrue statement that the latest offer of Bofors was cheaper. As a matter of fact, there were earlier offers. Before the latest offer, there was an earlier offer made by Bofors

which was cheaper by 53 crores of rupees. This sentence seems to suggest that it is only the latest offer which was cheaper. This is an untrue statement. Thirdly, Sir, the most vital fact which has been suppressed in this report and in this particular paragraph the gigantic difference between the offer of the Bofors gun and the offer of the French gun. The latest offer was cheaper by 98 crores of rupees. This was the tilting factor which made the Negotiating Committee decide in favour of the Bofors gun. Army had recommended two guns. Army had said : "You can go in for either of the two guns." The Negotiating Committee had to decide in the light of the parameters of the guns which would be more profitable to buy. Here the Negotiating Committee which carries on negotiations with first four firms and then with two firms and ultimately beats down the Bofors gun by 98 crores of rupees. Did it do anything wrong by making a recommendation that on the basis of the latest offer we should now buy the Bofors guns? I would go to the extent of saying that even if the order of preference had not been changed by the Chief of Army Staff since both these guns were acceptable to the Armed Forces and if the difference was 98 crores of rupees, the Negotiating Committee would have been failing in its duty if it had not opted for the Bofors gun. This is what the Negotiating Committee has done. And the Negotiating Committee is picked up for indictment in this particular report.

Sir, I give just one more instance. This is para 11.3.5 at pages 14 and 15. It says :

"The recommendations of the Negotiating Committee in favour of Bofors was, therefore, on the basis of not evaluation against General Staff Qualitative Requirement of Matrix, but on the basis of

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final recommendation of the Army Headquarters made in February, 1986."

Now, this seems to suggest that so far as the Negotiating Committee is concerned, it surrendered its judgement in the selection of the gun to Army Headquarters. It completely ignores the terms of reference of the Negotiating Committee. The terms reference of the Negotiating Committee settled by the Committee on Political Affairs of the Cabinet were that they have to negotiate for the purchase of the guns which are recommended by the Army Headquarters. They were not to make recommendations and make selections on the basis of technical evaluation. This report seems to suggest as if they surrendered their individual judgement in the technical evaluation of the guns. This was not the job of the Negotiating Committee. Then it says : "It came to the conclusion that the General Staff Qualitative Requirement or the matrix." I respectfully submit what this General Staff Qualitative Requirement is. The Army Headquarters had placed on record the orders issued as 4 P.M. far back as 1961 and repeated in 1983 that so far as the weapons which are to be purchased from foreign countries are concerned, no such requirement is to be prepared. It is only in the case of weapons or armory to be purchased from within the country that the Army Headquarters are required to prepare General Staff Qualitative requirement. He completely blacks out, the Report completely blacks out the order of 1961, repeated in 1983 and the explanation given by the Ministry of Defence on the basis of these orders that so far as the weapons to be purchased from the foreign countries are concerned, the Army Headquarters were not required to prepare any such particular requirement. And yet this is used as a piece of evidence to indict the Negotiating Committee. It is very difficult to fathom the

motives which were behind these findings. The Supreme Court says that it is impossible almost to fathom the motives which lead to a particular action. It is not for me to say what were the motives and what are the motives. But I am pointing out the facts.

Lastly, Sir, I submit—this is important—the Report says about the agents. The Report says that the only demand that was made was that Indian agents would not be employed. Now this Report mutilates the statement of the Defence Minister and the proceedings of the Negotiating Committee which read as a whole leave no manner of doubt that so far as the purchase of these guns is concerned, all agents, whether Indian or foreign, would not be entertained by the Government of India, that no middlemen whether he is a foreigner or an Indian, would be allowed to hold any negotiations with the Government of India. More than that—and this is the most disturbing aspect—the entire statement of the minister of Defence which was made from the floors of both Houses of Parliament as far back as 1987 in regard to the talk which took place between Mr. Olofe Palme and the hon. Prime Minister and the condition which was put forward by the hon. Prime Minister, has been totally blacked out in making this observation. What was the statement which was made by the hon. Defence Minister? It was that the hon. Prime Minister of India met Mr. Olofe Palme and he made it clear to him that India would not brook any middlemen in the matter of negotiation for the purchase of these particular guns. "If you give this categorical assurance that there shall be no middlemen—not only Indian middlemen; there shall be no middlemen—only then we shall enter into negotiations for the purchase of the Bofors guns." The Report does not say that "I disbelieve the statement of the hon. Defence Minister", the Report does

not say that "I disbelieve the statement which was confirmed by the Minister of Trade of Sweden to the same effect". It simply blacks it out to suit the conclusion as if the demand was made that Indian agents would not be employed.

Sir, I will take only three minutes, and that is to speak on law. I submit, Sir, that he is a Constitutional authority. His powers and duties are circumscribed by Article 149 of the Constitution of India. It says : "The Comptroller and Auditor General shall exercise such powers and perform such duties as may be conferred upon him by a law made by Parliament." And the Parliament, for the first time, made this law, and that is the Comptroller and Auditor General (Duties, Powers and Conditions of Service) Act, 1971. And Section 13 is the Section which circumscribes the powers and duties of the Comptroller and Auditor General. Section 13 says : It shall be the duty of the CAG to audit all expenditure from the Consolidated Fund of India and of each State and of each Union territory having a Legislative Assembly and to ascertain whether the moneys shown in the accounts as having been disbursed were legally available for and applicable to the services or purposes to which they have been applied or charged and whether the expenditure conforms to the authority which governs it. There are only three things which he is required to see, whether a particular amount of money which had been sanctioned for a particular purpose or not, (2) whether that money has been used only for that purpose or not and (3) whether that money has been spent by the authority which is competent to spend it or not. There is no other function, there is no other duty, no other power which vests in the CAG. The Constitution says that law will govern his powers and duties and the law says these are the only powers and duties which

you have. He has no power, no duty to sit in judgement over the judgement of the Army Headquarters. He had no power and no duty to sit in judgement over the deliberations of the negotiating committee. But this report says that these functions, these powers and these duties have been arrogated to himself.

**THE VICE-CHAIRMAN (SHRI JACISH LISA)** : Please conclude now.

**SHRI MADAN BHATIA** : I am just finishing. I would just like to read one paragraph. I will be just ending. What are the duties? Now, this is the law and this is a book which was written by a former CAG and he says "the CAG, as the audit authority is designated in the Commonwealth Countries and the USA, examines the annual accounts to satisfy himself that the Parliament grants have been applied to purposes authorised by Parliament have been spent, according to law, rules and regulations and that expenditure has been kept within the appropriations authorised. He certifies the accounts as correct subject to whatever reservations he chooses to make in his annual report which is submitted to Parliament. He comments on any waste, inefficiency and nugatory expenditure, on important occurrences which are topical, on important matters of accounting and financial principles which are in dispute, transactions where heavy losses have occurred or might occur and expenditure on new services not contemplated or estimated and on departures from settled practices and procedures. That is all.\*The mantle of military expert has been donned in order to condemn or indict the judgement and even the competence and patriot-

\*Expunged as ordered by the Chair.

[Shri Madan Bhatia]

ism of the Chief of the Army Staff. The highest military institutions of the country have been brought into disrepute by this report. The highest officials of the Government of India, who were so conscientious, so patriotic, with unblemished integrity, their reputation has been dragged into a mud and the opposition is trying to defend this report without arguments, without debate. Why? The report keeps Mr. V.P. Singh out of the firing range and they want to keep him out of the firing range\* and they do not want to face it and they talk in terms of Parliamentary democracy. I respectfully submit, Sir, they say, we should go to the people and I repeat what I said yesterday, we shall go to the people, we are going to the people. We are going to strip them naked. We are going to strip them naked before the people. We are going to expose their political hypocrisy and bankruptcy to the people of India. We will throw them by the way-side and history will march on and we shall march with history. But history will have the last laugh against them with a sneering smile. Thank you.

**SHRI GHULAM RASOOL MATTO** (Jammu and Kashmir): Mr. Vice-Chairman, Sir, in connection with the discussions on the CAG report on Bofors, two points have emerged. Firstly, it is paradoxical that the authority whom the opposition wants to put in the dock, namely, the Central Government is prepared to discuss the CAG report but the opposition does not want to discuss it. The question arises, when hon. Jaswant Singh quoted chapter and verse to sir that the CAG report cannot be discussed, he forgot that he belongs to the BJP and the leadership of the BJP including Shri Atal Bihari Vajpayee, Shri L. K. Advani had moved earlier a motion which stands in the List of Business as well, and I quote from the motion: "to raise a discus-

sion on paragraphs 11 and 12 of the Report of the Comptroller and Auditor General of India for the year ended 31st March, 1988 (No 2 of 1989)- Union Government-Defence Services (Army and Ordnance Factories), laid on the Table of the Rajya Sabha on July 19, 1989."

Three things have emerged in the last two days Mr. Atal Bihari Vajpayee went to the press and said that the notice for discussion was given by his parliamentary office in a routine manner, and this is what he said: "Notice for the motion was moved in a routine way by my parliamentary office."

**THE VICE-CHAIRMAN (SHRI JAGESH DESAI):** Without his signature?

**SHRI GHULAM RASOOL MATTO:** The point at issue is that notice has got to be signed by the particular person. Here, not only Mr. Atal Bihari Vajpayee has signed it but many of his colleagues, including Shri Lal K. Advani, Pramod Mahajan, Shanker Singh Vaghela and Kailash Pati Mishra have signed that notice. If he says it was sent by their parliamentary office in a routine way it is travesty of facts. Hon. Jaswant Singh gave another dimension to this and he stated: "When we asked for the motion to be discussed, we had in view that the Government will come forth with action taken report on the CAG report as well as other things. Now, the wording of the motion is very clear. It is "to raise a discussion on paragraphs 11 and 12 of the Report of the CAG for the year ended the 31st March 1988....." This motion has been presented by Shri Atal Bihari Vajpayee, and Shri Lal K. Advani and there is absolutely no mention that they want to discuss action plan of the Government and action taken by the Government. So, his stand is directly in conflict with the stand of his party bosses who want the report to be discussed. This reminds me of the Persian phrase which means, "What do I say and

\*Expunged as ordered by the chair.

what does my musical instrument say? Mr. Jaswant Singh does not want to discuss the Report but Mr. Vajpayee wants to discuss it, and who is correct is for them to know.

The second point is that under article 151 of the Constitution, the report shall be placed by the Comptroller and Auditor General before both Houses of Parliament, and the report has to be presented before Parliament not for a formality or for the purpose of ornamentation. The purpose of presenting the report before Parliament is that the Members must be given an opportunity to discuss it. If the Parliament for the purpose of convenience entrusts this job to one of its Committees—in this case, the Public Accounts Committee—it does not mean that Parliament forfeits its right to discuss it. Obviously, the report is the property of the House and it can dispose of it in the manner it chooses. The Constitutional right of Parliament cannot be taken away by quoting the view of Ka and Shakhder that the report stands automatically referred to the Public Accounts Committee. Let us be clear about our own rights. Parliament has the inherent power to discuss the report as it is the property of the House. Nobody can snatch away that right from it.

Ordinarily, the reports of C&A G. may not be discussed. But when a situation arises where the authority purportedly indicted in the report is none else than the Central Government or the Prime Minister, what is the remedy for clearing the atmosphere? The only way is to discuss it. Both sides would put forth their viewpoints and the country could judge from the same what is the actual position. It is indeed paradoxical that in the present case the Government is prepared to discuss it but the Opposition does not want to discuss it.

Sir, I have tried to do deep into the matter and I find that there is a

valid reason for the Opposition not willing to discuss it. The role of the Comptroller and Auditor-General that he looks into the evaluation and financial clearance aspect. In this case, I find that the case was put up before the then Finance Minister for clearance from the financial angle. It was presented to him on the 12th March, 1986. He signed it on the 13th March, 1986 and it was on the 14th March, 1986, one day after that, that the Prime Minister, in his capacity as the Raksha Mantri, signed it after the Finance Minister had cleared it. Obviously, if there were any so-called irregularities from the financial angle the responsibility falls squarely on the Finance Minister. Who was the Finance Minister who signed this paper on the 13th March, 1986? It was Mr. V. P. Singh. That is why the Opposition does not want to discuss the report because the conduct of Mr. V. P. Singh as the then Finance Minister would have been subject to scrutiny. This is one aspect I wanted to bring to your notice.

The second most important aspect is, the Opposition gave notice for a discussion of the report. But out of this whole lot consisting of about 28 pages, they chose only two paragraphs. These two paragraphs pertain to Bofors. Sir, I have gone through the whole report. I have gone through the other paragraphs also. I find that they are more ominous. We need to discuss these paragraphs threadbare. There are many grave charges in the other paragraphs like excess over voted grants—they have no control over expenditure—defective budgeting, surrender of funds, persistent savings, expenditure on new services, wasteful expenditure, delay in modernisation and so on. They run into crores of rupees. The Opposition is not ready to take into consideration these things and discuss them. My request to you is that we should ponder over this, why these two paragraphs have been singled out.

[Shri Ghulam Rasool Matto]

I have another report, the report of the C&A.G. on Union Government (Civil). It refers to many shortcomings by various Ministries like the Ministry of Industry, Ministry of Urban Development...

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): About different States also.

SHRI GHULAM RASOOL MATTO: Ministry of Commerce etc. If we go into all these things, we find what is the object and philosophy behind the reports of the C&A.G. The philosophy, Mr. Vice-Chairman, is that the CAG's report should be discussed by a sub-committee or Parliament itself. Of course, Parliament is the sole authority. This is my point: If there are any lacunae, they should be seen and remedial action taken so that in future no such thing takes place. Has the Opposition or any of the Members suggested as to what steps should be taken? Sir, you have been in the audit line, and if they had come and honestly wanted to discuss it, I can safely say, as a man who knows something about company law and all that, that it is just like those half-margin notes made by the auditors putting before the companies and others. What is the purpose? The purpose is that the auditors take these things into consideration and point out that this or that has not been done. What is the object, The object is for future action, that remedial action should be taken. If they had discussed this report in that spirit, as Mr. Salve came out as an auditor, I would also have come out saying, yes, there are certain lacunae. For instance, GSQR has not been made. In future GSQR should be made and revaluation should be there. Such constructive suggestions should be made. But if you want to make political capital out of it, then you are not

serving the purpose of discussing the CAG's report and you are not doing any service to the nation.

Sir, my only point is while discussing these reports, one has to take a positive attitude. After all, there are persons in the Defence Ministry, there are persons in the other Ministries of the Government of India. They are human beings.

They do commit mistakes, they can commit lapses, but the lapses that they commit, if they are brought before, Parliament or are brought to the notice of Parliament, the underlying idea is that in future no such defects should be there and no such mistakes are made. If that is not the result of this exercise, then there is no use of this CAG's report. One has to take a positive view from this angle. If there is a lapse on the part of the ruling party and the Opposition at that particular time points out an accusing finger at them, tomorrow somebody else may be in power and the Opposition then will do the same thing. But this is not the object of the CAG's report. The CAG's reports are for positive thinking, positive introspection and for taking into consideration the positive aspects of it so that we do not commit the same mistakes again.

Sir, coming to the CAG's report, the Constitution has given him a pre-eminent position. Dr. Ambedkar had once observed that he is one of the most important officers of the Constitution. But the point is while I am happy that you are in the Chair at the moment, Sir, because you are an auditor yourself—it is not that one should view these reports from a critical point of view but one has to view them dispassionately. When one views them dispassionately, one comes to the conclusion that the C.A.G. has definitely exceeded his limits in one or two aspects. This is a fact. I have also a small company and



I get my accounts audited. The auditor does not question my policy decision but he only says whether under that policy decision certain irregularities may not have been committed. The auditor doesn't go into the technical aspects—whether the machinery I have purchased for my mill was proper or not. It has to be seen whether after the policy decision with regard to the technical aspects was taken, those parameters have been followed or not.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): You have put it very correctly.

SHRI CHILAM RASCOLOMATTO: I have the greatest regard for the office of Comptroller and Auditor-General of India but I have only to ask him whether, within the parameters, he has or has not exceeded his limitations with regard to the policy decisions and with regard to technical evaluation. If he has passed those parameters, then, of course, this is to be understood.

The second point that I would make in this connection is that Defence purchases are always secret purchases. Woe be to that day, when we made our society open, that we can even discuss the details of defence procurements in the open so that our enemy knows before we purchase what we have purchased and what they should purchase to correct that system. I think the Government should come out with an amendment in the relevant laws that all defence purchases shall remain secret whatever the situation. This is very important from my point of view because if we allow this thing to happen and if we allow that military secrets are known to the enemy before they are known to the public, then how do we defend our country and how our defence is to be taken into consideration? I view this from this angle. I feel the report of the Comptroller and

Auditor General lacks in two things. I can understand that he has pointed out to certain deficiencies made. I welcome that. But definitely where he trespasses his limits and jurisdiction, we have to point out to him and we have to tell him that it is not correct.

Lastly I would suggest to the Government that in future, of course, when the Comptroller and Auditor General makes out a report—this in the case of companies at least—and sends it on to the Defence Ministry or to any other Ministry about whom we may be discussing, the replies to the points raised by Audit i.e. the final report, should also be appended to the report. When it is finally placed before the Houses, both sides—the auditor's note as well as the final reply of the concerned Ministry—should also be before the Parliament for judgment or whatever is to be done. This is very important because right now if the Auditor has asked the Ministry of Defence for clarification and when the final report has not passed on the reaction of the concerned Ministry as well, it is not known. What is the final position. The people or even the PAC would not know to what extent the position has been clarified or rectified. So, it will be a one-sided report and will be use in future also for political purposes. With this I conclude.

SHRI ANAND SHARMA (Himachal Pradesh): It is indeed unfortunate that for the sixth or seventh time during the course of the last two years this House has been discussing a matter which falls entirely in the domain or within the parameters of the Nation's defence. It is a very sensitive matter. It is a matter which should have been entirely left to the Indian Army and to the Defence Ministry to deal with, but it has been publicised for political reasons. The defence secrets of this nation during the course of this period have been

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discussed in the streets of the country and through the newspapers. Nothing is sacrosanct and nothing is secret. There are no secrets which are kept and they cannot be kept because of an irresponsible opposition, which is trying to derive political mileage by raising the bogey of corruption in defence deals particularly in the contract for the purchase of Bofors guns. Sir, when you have such people raking up these controversies, the enemies of this country do not require to invest in foisting their spies to find out our defence secrets because this job has been beautifully done by our own people. They will know, how many guns we have, what is their range, how many we will produce under licence in a year, which regiment will have how many guns. In today's time the satellites are there and the movements of the Army of the various units or regiments are noticed through satellites. The enemy comes to know of the movement of a particular regiment, what ammunition they have or armaments they have. Today, we find ourselves in a situation where even we know or everybody in this country who has read the report or other details knows which particular regiment and which armoured corps have how many Bofors guns. I view this as a most sensitive and dangerous thing.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI) : That is very correct.

SHRI ANAND SHARMA : For the last two years we have witnessed a very sorry state of affairs where lies and invectives were hurled in a casual manner, allegations have been flung in both Houses of Parliament. Parliament has been used by an Opposition not to serve the people but to serve their narrow political ends. Sir, what has been at stake is the image of the country, the image of India as a strong developing country, the image of its political leadership, the image of its

military leadership, the credibility, the integrity of the Generals of the Indian Army, of our senior civil servants. With one sweep of brush that the opposition has repeatedly painted everybody black in this country and have assigned to themselves the role of puritans or the moral guardians of the society. I will go into their personal characteristics later but the events of the last few days, clearly show and have confirmed my earlier belief and apprehensions, that the Opposition never wanted to ascertain what actually the truth was. Right from the word go, in April, 1987 till this date they have been more interested in keeping this controversy alive, in keeping this issue alive. In fact, they were quite demoralised a few weeks ago because they had nothing in common, they had no factor or ground which could unite them because they are a motley group of quarrelling individuals bereft of any direction or leadership, devoid of any ideology or direction. These were the people who were demoralised. The CAG report has provided a short spurt of oxygen to a patient lying in a state of coma. They have suddenly become alive and they have been clutching at it like a drowning man clutching a straw. This is their only political agenda, their Gita, their Koran, their Bible and they do not want to lose it. Their behaviour during the last two years confirms this. If we go by the sequence of events, they were the ones who demanded the constitution of the JPC. The Government agreed. By joining the JPC, they themselves could have gone through the contract and all the documents which were there but they stayed away. The second opportunity was when the CAG report came. That report was to go to the PAC. It could have been discussed there. But before that, our friends in the Opposition had resigned from the PAC and today, I charge, Sir, with all responsibility and seriousness, that their resignations from the PAC were not on the controversy

of the appointment of the Chairman but they were aware of the contents of the CAG report. They never wanted to face that report. They never wanted to be a party to any discussion because this was their political agenda for the next election and the last resort was to discuss it in this House or in Parliament. And what they have done ? They have set a very dangerous precedent. Instead of agreeing for a discussion, they used both the Houses of Parliament again to pursue their evil designs. They demanded instead the resignation of the Prime Minister, the resignation of the Government.

The Opposition does have a right to oppose the Government, to criticise the Government, to disagree with the Government's approach and policies and in a democracy, they also have a right to demand the resignation too. But for the minority to say that we will not discuss the report, we will not allow the House to function till our demand for the resignation of the Prime Minister is acceded to has set a very dangerous precedent. It is a direct attack on the concept of majority in Parliamentary democracy. It is a serious blow which they have delivered to the institution of Indian Parliament. Sir, they have chosen to resign in Lok Sabha and according to them, they are carrying this issue to the people.

[The Vice-Chairman (Shri Mirza Irfadbaig) in the Chair]

It is distressing to see this pathetic plight of the Indian Opposition which in fact has been reduced to a state where it has no other issue, no other programme of action but a campaign of vilification, slander and lies to sustain itself as an opposition till the date of election. Nothing could be more pathetic than this state of the Indian Opposition and by merely cutting their finger, they have claimed that they are martyrs by resigning from one House. The

leaders of those very parties [which took a decision asking their Members to resign in order to sensationalise, to dramatise this entire controversy, have themselves remained Members of this House. It is for the people to see what their conduct has been. All these people while stalling the proceedings of Parliament, while walking out, while boycotting it have been signing the attendance register outside. This is a very petty thing to say but during the last 28 months, they have regularly been doing this despite all their boycotts, they have been claiming the daily allowance for participating in the House. This is their character. Their contention has been that this House or Parliament has no right to discuss the CAG report. Yesterday and the other day, while raising points of order, the Members of the Opposition said that the office of the CAG is a constitutional one sacrosanct and no discussion can be held their unfounded apprehensions were that the moment you discuss it, some disrespect would be there, the credibility of the CAG's office would be affected and another constitutional institution would be attacked and demolished. How far-fetched these remarks or these apprehensions are? It is a very peculiar situation and a very ridiculous argument. We as Parliament, are the representatives of the people and as per the Constitution, it is the people who are sovereign. So this Parliament has every right to discuss any report which is submitted to it. There are areas where Constitution mentions that Parliament will not discuss a particular thing. But there is nothing in the Constitution of India which precludes a discussion on CAG in the Parliament, which fort as the Parliament, to discuss this report. The CAG derives his authority from the Constitution. But the Act is framed by this Parliament which specifies his nature of work and duties. When a Committee of this Parliament can discuss the report, it is ridiculous

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to say that the Parliament as a whole cannot discuss it. The contention that it will amount to an attack on the person of the CAG is unjustifiable. I do not know from where they got it. I have every respect for the person of the CAG. I mean no disrespect whatsoever. But, Sir, does that respect mean that my right to disagree has been taken away? This Parliament should have asserted its right to discuss the report and I am very happy that we have asserted the right of Indian Parliament. We may accept it, we may reject it, that is a different matter.

We are a secular nation. We have various religions in this country. And we are aware of people who have faith in their religion but who disagree with Shankaracharyas or Imams. Can you condemn them? People have done it from times immemorial. And here, this report is more sacrosanct than that. When we talk of the institutions, I would like to remind my colleagues here that the Opposition has tried to cover their designs, shield their designs, by bringing up the issue of Constitutional office. But have they forgotten that at the same time they have attacked the person of the Prime Minister in the most malicious manner? Is the Prime Minister of India not an institution? Is it a smaller institution? You can try to demolish the most vital institution of the Indian democracy and shed crocodile tears about the Constitution and the sanctity of the CAG's office. Nothing could be more absurd than this attitude of the Indian Opposition.

Sir, my esteemed colleagues before me have dealt in detail the reports. \*It starts with complains that the records have not been made available cooperation was not there, etc. But if you go on reading the CAG's report, you find that every-

thing was made available, at every stage the Ministry of Defence went out of its way to answer their queries, to give them information. And while writing, It has been conveniently forgotten that the same institution had not agreed to— they have never agreed to—assist the Joint Parliamentary Committee which had gone into the details of this contract—both the procedural and the financial aspects. Sir, if this contract is considered to be flawed by the CAG on financial considerations one can say, well, it is within their gumbit, it is their domain, they are working very much within their parameters. Mr. Bhuria and Mr. Salve have referred to the nature of the audit to be undertaken by the CAG as per the provisions of section 13 of the CAG Act and which is framed under Article 149 of the Constitution. This is a purely an auditing job. But, here, let us look at the objections. The first is that no GSQR—General Staff Qualitative Report—was prepared nor a matrix was prepared. The second one is that the field trials which were there and the retrials were not properly evaluated, that the DRDO had reservations about the data generated through the trials. The third, they talked of the authenticity of the tests which were conducted. And lastly, about the ranking of Sofma above Bofors by the Indian Army on six different occasions before that order of preference was reversed in February/March 1986. Let us deal with them one by one. But before I come to that, let me say with humility without meaning any disrespect, that none of these factors fall within the domain of audit. In fact, those who have written this report, have transgressed the limits; from the field of audit they have jumped into the field of defence and certainly exceeded the brief or the task which is assigned to CAG as per the Constitution and the Act. It has been made clear that the General Staff Qualitative Requirement normally is to work out the specifications of the

\* Elaborated as ordered by the Chair.

weapons system which are to be indigenously developed. Now this is very important. I am surprised by the naivety, you work out the specifications of a weapons system when you develop it in your own country. If it was not clarified earlier, at least in 1961 it was made clear that it is not applicable to the weapons systems which are to be selected for purposes of import because the weapons systems, you import cannot be tailor-made as per your GSQR. Those weapons systems are already developed. They have their plus and minus points, they have their drawbacks, they have their benefits and you select them as per your requirements, and preferences. Secondly, the question about evaluating the data generated or the field trials—whether the necessary number of rounds were fired or not fired. It is absolutely absurd. It is important when you are developing a weapons system. As a layman I feel it is not at all important when you import a weapons system whose efficacy is established, whose range is established, whose capacity is clear, because whenever a weapons system is developed, it is not an unknown event; that event is known all over the world. Various countries, arms manufacturers, keep a regular watch on the situation; defence journals, and weeklies, inform the world about the development of a weapons system. So you don't have to convince yourself about something which is already clear, which is already established. Lastly, if we have to go through the order of preference, we have to be clear that it was in 1982 that four weapons systems were shortlisted. It is true that the first weapons system was Sofma in the order of preference, then Bofors, then the British gun, and lastly the Austrian GC45. And it is also true that it remained as such till February, 1986. But why this has been raked up again after the JPC had gone into the details, I fail to understand. After the Chief of the Indian Army had

explained, the Defence Ministry had explained. Despite all that, a very mischievous mention is there. This change of the order is not something major from the point of view of audit. If anybody is trying to suggest that there was a major difference between the No. 1 and No. 2 systems, he is absolutely incorrect because the Deputy Chief of the Army Staff and the Director of Equipment have said—I do not want to quote from the JPC Report—that both the systems were equally good. There was a development—the Pathfinder radar developed by the United States, which Pakistan had come to acquire. Now what I have found out from friends and others who are in the Army is that it was a dangerous development for India because that radar is extremely sophisticated one and it can immediately pinpoint the origin of the fire and, in fact, ensure counter-fire within a span of ten seconds. This is what Gen. Sundarji has said when he explained the selection process for the gun. I would like to quote him very briefly, the statement he made on oath. This is on page 67 of the JPC Report :

“In the light of some of these changed circumstances, I re-evaluated the *inter-se* placement and decided that the Bofors gun in these conditions had an edge over the French guns though fundamentally both guns were acceptable for the Army. This was the sequence and I would like to repeat under oath what I told the hon. Members when I briefed them in the Army Headquarters some months back.”

Sir, if we are to go by the contentions of the Opposition, are we going to condemn a distinguished General of the Indian Army who has served this nation with distinction for thirty years and who led the Indian Army from strength to strength during his stewardship? Does it not mean that we are attacking the very integrity of the former Chief of the Army Staff? May I ask, was

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Gen. Sundarji more aware of the dangers, of the changed security environment or those sitting behind desks whose job is not meant to interfere with the areas of defence? Can they come forward and explain it? Now we are even asked not to discuss it? Can this Parliament remain quiet or a silent spectator when reputations are torn apart, when men of repute are pulled down by such insinuations, who are not here to defend themselves, our men in uniforms and our senior civil servants who are responsible for this contract? Yesterday, Mr. Jaswant Singh was saying something and that in fact, compelled me to quote Jaswantji. There was a TV interview last year and in that he said—and I quote him :

“The quality of gun and the professional competence should never be questioned”.

This is what he has said. First of all, the Opposition people should have agreement amongst themselves. Or if this is what they have said and maintained so far, then what are the motives? It requires no further explanation. The motives are only mean, cheap gimmicks, and it is in pursuance of their quest for power.

Sir, the financial aspect of this deal has been dealt with in detail. But one thing is very clear and it is that we have a system of selection, of identification of the weapons system, of shortlisting, of submission of the proposals by the Army Headquarters or the Ministry of Defence to the CCPA. And lastly, the constitution of the Price Negotiating Committee which negotiates, the terms and then after satisfying itself, issues the letter of intent. In this case, on the day on which the Letter of Intent was issued as has been referred to earlier, Bofors was Rs. 98 crores less than the quoted price, of Sofma. Ninety-eight crores.

And in addition to that, it had the added advantage of lesser number of operating crew. It had technical advantage which Gen. Sunderji had explained, that is, the best fire capability and shoot and scoot. Technically it was all right. In the changed security environment it was preferred more by the Indian Army. Its price was less. What was wrong with it? And if you quantify the money which you save because of the lesser crew, even if you take 400 guns, Sir, it is thirty-six crores. By quantifying far 1400 guns, it would be Rs. 125 crores. So Bofors on the day when the Letter of Intent was issued, was Rs. 130 crores less in price compared to Sofma. Sir, in addition to that, they were persuaded to give 10 guns free of cost. That means, ten crores more, Rs. 140 crores. Now these who are criticising, what are they trying to suggest? It is true that Sofma reduced prices to rock bottom, to floor level by Rs. 100 crores. But when did they reduce the price? Only after the Letter of Intent was issued. And any firm which reduces prices to floor level is not considered to be sincere about it. Let us say that they were sincere, that this was a very good offer, the best offer, from Sofma—was higher than that of Bofors. I am sure, Sir, that somewhere in this entire controversy there are other hidden hands, the hands of other arms dealer who have lost the contract, who were keen to bag the contract. These people say that all mischief and corruption has been there in this particular case. I would have loved to ask them that if the contract had been awarded to Sofma these people would have been the first to jump, and if as per them there were agents only here, and nowhere in Sofma, then how come that the price here was much less than their price? The facts are crystal clear. It is a deliberate mischief and the other forces involved never wanted India to acquire the weapon system. Unlike Pakistan, where the then President of Pakistan

could pick up the telephone and ring up Washington and say : I require so many guns. Here your own Army was begging for this weapon system for eight long years. It took this nation eight years to provide the Indian Army what it needed. And once it was given by the Government, there has been this unseemly controversy about defence secrets. This is shocking.

We talk of the Price Negotiating Committee. It generated keen contest. Is there any doubt about it? A keen competition was there. Otherwise how do you explain that in 1984 when the paper was submitted to the CCPA the price was Rs. 1600 crores? And in two years after that we all know the currency fluctuations. All the records are there. Prices normally go up. The Rs. 1620 crores approved by the CCPA should have become Rs. 1800 crores in 1986. I am saying this with all responsibility. Here it was brought down to Rs. 1427 crores. Sir, this is what I want to say. Was it not the duty of the C&AG at least to appreciate and acknowledge this, to commend the P.N.C. for having generated the

competition which saved 200  
5.00 P.M. crores of rupees between  
the approved prices of 1984

and the 1986 prices. To charge the Government of any insincerity of any involvement, is the most mischievous and mean act. The Price Negotiating Committee was constituted of whom? The Finance Secretary, the Defence Secretary, the Expenditure Secretary, the Financial Adviser to the Defence Ministry and the Deputy Chief of Army Staff. Are we to presume that all these people were dishonest and all of them were insincere? Their recommendations were first approved formally by the Finance Secretary, later on by the Minister of State of Expenditure and ultimately by the then Minister of Finance, Shri Vishwanath Pratap Singh. This is where the story starts. Why was the opposition not prepared to

join the JPC? Why is the opposition not prepared to discuss it here? It is because Shri Vishwanath Pratap Singh is their only leader whom they have projected and who is our discard. It is ironical that our discards and our droppings are accepted by them. They lap them up. They never wanted V.P. Singh to be exposed. Salveji and Mr. Bhatia have quoted the then Expenditure Secretary, Mr. Ganapati. It is there at pages 84, 85 and 100. He has said that not even once did he disagree. Not even once. No objections. He approved. This contract has his personal seal of approval. Here you have to analyse his character. For one year he remains quiet, i.e. between March 1986 and March 1987. It is only in April, 1987, that suddenly he makes an about-turn and says that there is something wrong with the deal. After his expulsion from the Congress. For one year he never said anything. Sir, his conduct has to be condemned. He has made repeated claims that he is in possession of proof. He has maligned the person of the Prime Minister in a most malicious and mischievous manner. But Whenever the opposition or their leaders have been requested by the Government to give evidence, they have run away. I distinctly remember that, in this House in April, 1987, the leader of the nation, Prime Minister Rajiv Gandhi, appealed to the opposition that if they had any information, they might give it to the Government. He said : "I am not requesting you to give me the proof. You give us the information and we will get the proof." Nobody came forward till this date. This Mr. Vishwanath Pratap Singh himself, on two occasions, had said that he was in possession of the details. Last year, after his much publicised election to the Lok Sabha, he had said that he had proof and he floated a fictitious Swiss bank Account No. He addressed a press conference. Imagine

[Shri Anand Sharma]

the dangerous aspect of that. He said that he would quit politics if that was not true. He is habitual of making such statements. That is what he said when he resigned as Defence Minister and when he was expelled. He had said at that time : "Mr. Rajiv Gandhi is my leader. And if I die, I will be carried to the cremation ground wrapped in tricolour." But where is he now and where is the tricolour? That is for everybody to see. He was challenged by the Congress to prove his charge. He ran away. I was present in the Raya Sabha gallery when the Lok Sabha was discussing last year. He was challenged on the floor of that House to repeat the same charge and the same bank account number. He ran away from the House. This is the character of this man who utters lies. He is habitual of hurling invectives, carrying out slanderous campaigns against others and then running away from reality. Now he has made the opposition so wise that all of them have become *bhagoras*. They have all run away along with him. Rather than standing and facing the truth, they have run away. And they say that they are great martyrs. Given this character and conduct, Sir, of Mr. V.P. Singh, thank God, was the Defence Minister for a very short time. Otherwise, he would have even...

**SHRI VITHALRAO MADHAV-  
RAO JADHAV (Maharashtra)** :  
He has developed the philosophy  
of running away.

**SHRI ANAND SHARMA** :  
God forbid, if such people are in  
charge and this country is attacked,  
his natural reaction would be to  
run away. Sir, this is the character  
of their leader, a treacherous man  
who was given, undue position  
within our Government, who has  
back-stabbed his own leader, a  
person who does not have the

courage to own his own actions,  
or to accept responsibility for what  
he has done. And he is actively  
trying to mislead the nation. Sir,  
the opposition which is trying to  
sermonise us, is posing itself as  
guardians of political morality, and  
democratic values. It comprises of  
whom? I have named one. They  
have others—Mr. N.T. Rama Rao  
indicted by the courts of law. He  
is the convenor the Chairman of  
the National Front. And he says  
that everybody should resign, and  
they all follow. Very interesting?  
And what is his character, Sir?

**SHRI VITHALRAO MA-  
DHAVRAO JADHAV** : Just a  
minute, Mr. Anand Sharma. To-  
day only the news has appeared in  
all papers that the son-in-law of Mr.  
Rama Rao has kidnapped a two  
years baby. So, they have got the  
history of kidnapping small babies.

**SHRI ANAND SHARMA** :  
Sir, this gentleman is a maverick.  
He has in his head that he should  
be the Prime Minister. Leave aside  
his corruption, I am talking of his  
behaviour. He was told by some  
astrologer that 'if you marry 16 year  
old girl, you will become a big leader.'  
His wife had died. May be a formal  
marriage, he did it. He lives in a  
*kutia* which is air-conditioned. At  
the stroke of midnight, he is dressed  
as a woman as Ardhanareeshwar and  
\*\*Are they the people who will  
give direction to India and political  
leadership. Sir, there is Mr. Devi  
Lal, the less said about him the better.  
As Mr. Subramanian Swamy said  
if anybody can sermonise on family  
rule, then it is Devi Lal. If anybody  
has to come to Parliament, then t  
has to be a nephew or a niece. If  
the President of the Party is to be  
made in his own province, it has to  
be one of his sons. If a most im-  
portant Minister has to be there, it

\*\*Expunged as ordered by the Chair.



has to be one of his sons. And he is so clever and manipulative that both the ruling and the dissident groups are also within the family so that not even a dissident leader can emerge. That also he distributes to the family. It is an open loot there. Mr. V. P. Singh, who has raked up these issues of values and morality has in his party Mr. V.C. Shukla as the President in Madhya Pradesh. Mr. Chimanbhai Patel against whom all the agitation in your home State was there, Sir, is the President in Gujarat. In my own State, who is the Chairman of the Campaign Committee—Mr. Ram Lal, the protector of the timber mafia, the person who trampled the Constitution, as per the Opposition. These are the people who are trying to give a certificate of honesty to Mr. Rajiv Gandhi who is the inheritor of the great legacy of the Congress and the great legacy of the Nehrus, a person who enjoys the confidence of the people of this country, a person who has served this country in the most difficult circumstances ably and sincerely, a leader who has been attacked. Sir, I feel very sad. But I must say that Rajiv Gandhi never came to us or to the people that you make me the Prime Minister. There was the tragedy, the assassination of Indiraji. And he was still in Bengal when we elected him as the leader of this nation. And he rose above his personal grief. He gave a direction to this country. And this is the character of the Opposition on the other side. Sir, posterity will judge the actions of the opposition and the actions of the ruling party. As it is said in Hindi, there is an old saying, झूठ के पांव नही होते। Ultimately, the truth will be vindicated. I am sure, Sir, these individuals in the opposition will stand condemned in the eyes of the posterity and by history. Thank you, Sir.

SHRI A.G. KULKARNI (Maharashtra) : Sir, let me at the outset congratulate you because today is the first time

you have become Vice-Chairman. I also thank my young friend, Mr. Anand Shatma for giving me some time at least.

THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG) : No, no, you can have your own time.

SHRI A. G. KULKARNI : Mr. Vice-Chairman, Sir, I cannot make any startling revelations because I think many revelations have been made in the House from morning up to now, 5 o'clock or 5.15 p.m. when I am speaking. Mr. Vice-Chairman, Sir, I am taking an altogether different line. (Interruptions).

Mr. Vice-Chairman Sir, at the outset, as I have stated during my whatever tenure in the Rajya Sabha, I have tried to uphold the conventions and the rules of the House. I was sorry with what I saw on the first day, on the 18th. Dr. Ratnakar Pandey and we were very much disturbed because there was a suggestion that the report, which was placed in the House—why it was placed, I do not know—has to be discussed and a notice comes from very senior members like Advaniji, Vajpayeeji and some others. I found that there is no legal basis why the report of the CAG has to be discussed in the House, unless it goes to the PAC. The PAC is the proper authority to discuss. Unfortunately, our friends gave a notice but then they withdrew it. Sir, I am not giving out a secret when I say that on the very day when there was a stalemate and shouting, the Deputy Chairman held a meeting with the Opposition Members and I barged in and I asked my friends, is this the system that the CAG report has to be discussed? I told them

[Shri A. G. Kulkarni]

that it has to go the PAC. Why are you doing this unnecessary shouting and stalling the House? They said, we have not given the notice. But ultimately it was found out that notice was given by them. I told them, now that you have given the notice, the Government has the time to discuss. I do not mind, but you have broken a very sacred convention of this House and this should not be done. I am told that once before some time such a report was discussed in the Lok Sabha. Mr. Madhu Limaye discussed it but after the PAC findings came out and Mr. C. Subramanian was concerned with that PAC report. So, Sir, I am at the outset protesting to the presiding officers of the House and the Government and the Opposition for forcing such type of a discussion and flouting all the rules and regulations.

Then, Mr. Vice-Chairman, Sir, having given the notice, why run away? I do not understand. You have given the notice. There also that learned Professor gave the notice and he is not prepared and he is running away. Anyway, these are very small points. I am not concerned with it. What I gather is that it is not the intention to discuss the CAG report in depth. But there is some political aspect which perhaps some political parties might be thinking of getting the benefit of. At this moment I want to put on record one thing. There is a suggestion made. I read in the Press today that this report should not be sent to the Public Accounts Committee etc. This would be totally unwise. This would be totally flouting the rules of the Lok Sabha and the Rajya Sabha. It is never done. It will never be done. For

Heaven's sake, such a suggestion should not be given any credence whatsoever.

In regard to the aspect of Parliamentary democracy I will come to it at a later stage. The C&A.G. is a very respectable institution. I do not want to quote what Dr. Ambedkar has said because you are all knowledgeable persons and you must have also read. Personally, I have great respect for the Comptroller and Auditor-General. He was my neighbour some five to seven years back. I have found him to be an upright person with character and honesty needed for such a post. But what I find is this. It is for Mr. Pant to explain to me and to the House. Many of my friends here have all along been asking the C & A.G. about what is mentioned in the report of the J.P.C. They themselves quoted from the Constitution. They themselves quoted from the other rules. The role of the C & A.G. is outlined in articles 148 to 151 of the Constitution. The C. & A.G. is required to go into the financial aspect of the Government spending, whether the Centre or the States. It has got nothing to do with the J.P.C. As far as the J.P.C. was concerned, on the basis of whatever has come up before them, they have come to some conclusions. They may be weighty conclusions. I do not know. But as far as the C & A.G. is concerned, to blame the C & A.G. for not taking cognisance of the report of the J.P.C.

SHRI GHULAM RASOOL MATTO : Mr. Kulkarni permit me to interrupt you for half-a-minute. I have read the report of the C&A.G. from page to page. He has, at many places,

referred to the report of the J.P.C. and he has also quoted from the report. If the C. & A. G. has taken cognisance and quoted from the report he should have quoted other aspects also from J.P.C. report.

**SHRI A. G. KULKARNI :**

Mr. Matto, I have also read the report. What I am pointing out is that the C. & A.G. looks at it from the accounting angle, from the financial angle. What is written in the 'London Times' or the 'Washington Post'—that is not the function of the C. & A.G. to go into it.

I would come to the C. & A.G. observations at a later stage. But one thing I observed. I am a Member of the Committee on Public Undertakings. Perhaps, you are not with me; another Gujarat friend is there with me, on the Committee. The institution of the C. & A.G. was created at the time of framing of the Constitution when Dr. Ambedkar, the author of the Constitution, Pandit Jawaharlal Nehru, Dr. Rajendra Prasad and others were there. I would like to suggest to the Defence Minister that he should take it up with the Prime Minister. There is a great necessity for reviewing the role of the C. & A. G. in the changed circumstances. What is happening is, we are making a fool of ourselves. There are two bodies. One is the C. & A. G. who has gone into the question of defence purchases. He has not gone into the Bofors but into the question of Defence purchases, of weapon systems. There was also the J.P.C. which went into this. Obviously, conflicts do come in. As per my knowledge—whatever little knowledge I have—this confusion is sometime created. It is not always there.

There are certain reports. They are not very much discussed in this House or in the other House. They are just considered by the Government.

There are certain instances. I am a member of the COPU, as I said. There are certain issues which come before the COPU. I am not permitted to quote what are those issues. But I wrote, through the Chairman, to the Speaker of the Lok Sabha as well as to the Chairman of the COPU. I said : "We are discussing this matter today. There are many technical aspects in this. Do you mean to say I am an engineer? Do you mean to say I am a chemist? How am I to understand? One may say that the C. & A. G. might have consulted somebody. How? I asked some person from the C. & A.G.'s office who was present. I asked him whether they had any expertise with them. He said : No, Sir. We cull out the information from the papers submitted by the Government. Therefore, there is a deficiency in the set-up of the C. & A. G. itself.

Now, my learned friends, the auditors like Mr. Salve and others, have a difficulty. There is the technical aspect. I am one with them. Sir, I am a person connected with industry though it is a co-operative. It is a very large industry. We are employing more than 5,000 persons. Our sales are of a very high order. But once I appoint a Managing Director or a Manager, his opinion will be last word to me. I will not question what my accountant says or what my auditor says. Here, in this case, it is a technical matter. Sundarji might have said five times that the Sofma was the best gun. But on the basis of some information which he had, he changed his opinion. He is a technical person.

[Shri A. G. Kulkarni]

He is not barred from changing his opinion. My point is, the evaluation of any proposal from the accountant's eye has to be given less weightage than the opinion of the technical person which finally clinches the deal.

Therefore, Sir, I raise two issues. One is that this Committee requires technical assistance. Otherwise, such sensitive matters can not be handled by the accountants or the auditors or the Government. I have also said that the technical character of this has to be gone into. As I said, the role of the C & A.G., his powers and duties, has to be reviewed because new problems have come up. New technologies are being developed. Computer technology has come up. Therefore, bifurcating the technical and financial aspects requires the Government's attention.

Sir, a controversy is being raised. What I would like to emphasise is that we the politicians, and those in the Government must try to believe in the expert opinion. C&AG is an expert body. We try to believe and try to assess why he has come to this conclusion. Here only financial aspect is not involved, there are technical aspects, security aspects also on the basis of which the Government must have come to this conclusion. There are some two, three or four reasons given for this purpose, but these are very minor points. I do not want to quote and take time of the House. Enough quoting has been done in this House. I will only point out about the trip to Sweden etc. It has been explained veryably in the morning by Mr. Salve. I think neither the C&AG nor anybody else desired an go abroad. The point was, when the Swedish Government had engaged an audit Bureau for examination; was

there any possibility for us also to do so? That was the suggestion coming from our Swedish embassy. But I think nothing could be done because Bofors may just refuse to give their accounts for examination by this Committee. The other point which has been raised is about General Staff Qualitative Requirement, etc. That is a very technical point. It is for the Defence Ministry to look into it. It is for future action. It has got nothing to do with what has happened. These points are for future guidance and C&AG reports are usually for future action.

There are points about evaluation system, how many rounds were fired, about some of the canisters found empty, etc. These are small matters and I do not want to go into them. Now I will come to page 14 of the CAG's report and I will request the Raksha Mantri to explain on this aspect. I quote :

"Although the Negotiating Committee asked for a copy of the General Staff Qualitative Requirement in July, August and September, 1984, it was not made available despite Army HQ having agreed to do so."

If the Army HQ had agreed I cannot understand why it was not given. Either the statement of the CAG is wrong or there is something wrong somewhere.

Mr. Vice-Chairman, the other aspect is about the Business in the House. For the last three days no business has been carried out in the House. It is no use vexing eloquence or weeping over the rowdiness being observed in this House. I have already wept in the last Session. There does not seem to be any effect during this Session also. It seems

there is a confrontation now between the political parties, and the confrontation is of a serious nature. I know, elections are coming and confrontations are going to be more sharper, I can understand that, but there are certain limits for that. What has happened in the last three to four days, in the House, for that it is no use blaming the opposition, we are also responsible, and it is no use blaming us also because they have provoked us. So, who is to be blamed? Nobody can be blamed, I cannot blame anybody. What I find is, the Chair and the presiding officers are also forced into circumstances whereby the parliamentary system as such has come into disrepute. Already the political credibility has reached its nadir. Mr. Vice-Chairman, I have taken very less time, but I only say that by criticising the CAG, nothing can be gained. But whatever observations have been made have to be gone into and you must try to improve on it in future whenever the possibility is there. The opposition parties have made a mess of the whole matter. Having given notice of a discussion they have run away from it. I am very sorry, I do not want to take names, but the previous Finance Minister, as many of my friends have mentioned, has missed a great chance. He made accusations and he is not there to re-accuse the Government. That would have carried some weight. But having made accusations, you are not prepared to stand by them and you run away. This is total, what I call...

**SHRI JAGESH DESAI :** Backstabbing.

**SHRI A.G. KULKARNI :** Yes, that is right. So Sir, I am coming to the end of my short intervention. I would only request that the Raksha Mantri will explain to me these three or four points from the report—

what are the facts about the minor matters that I have referred to ; secondly, the JPC and CAG are two different bodies and cannot be superimposed; and the third point is that there is a dire need for reviewing the CAG's working because now new matters are coming up and unless CAG is given technical assistance, they cannot crack the nuts of the financial matters. Thank you.

**SHRI PAWAN KUMAR BANSAL (Punjab) :** Sir, ever since the controversy over the purchase of 155 mm Howitzer guns from Bofors of Sweden was raised in April, 1987, the gravamen of the Opposition charge has been that contrary to the avowed policy, commission agents were involved in the transaction and that a large sum of money was paid as pay-offs. Except wild allegations about the malafide of the Government, no veritable evidence whatsoever was offered or pointed to. The Government on its part did its best to pursue the matter at different levels to find out the truth. The matter was taken up with the Swedish Government. A request was made to the Opposition to give information, if they had any. And JPC was set up to go into the question. The JPC went into the matter in the minutest detail and when the report of the JPC was discussed in Parliament, the Opposition's desperate allegations against the Government were thoroughly demolished, putting, what we then thought, an end to a period of two years during which the precious time of Parliament was wasted on slogan-shouting and mudslinging in obstructing the functioning of the apex body of this country and in concerted efforts to overthrow a popularly elected government.

During the interregnum, some of the more adventurist and presumptuous Opposition leaders have

[Shri Pawan Kumar Bansal]

gone abroad in a vain effort to fish for any incriminating material connected with the Bofors contract. They have failed to lay their hands on any piece of evidence which could point an accusing finger at the Government about its involvement in any illegal pay off.

At home Shri Rajiv Gandhi was engaged in pursuing his policies to inject more vigour and dynamism into our democratic institutions by lowering the voting age to 18 years and by strengthening the Panchayat Raj system so that power really vests with the people at the grass roots level. This caught the the people's imagination, totally to the dismay of our Opposition leaders. The Opposition was also perturbed over the wide acclaim that the Prime Minister got from the countrymen over the launching of the Jawahar Rozgar Yojana. The increasing popularity of the Prime Minister was a cause of directly proportionate concern and worry to the Opposition. At this critical juncture of their desperate existence in India's political life has come the report of the Comptroller and Auditor-General of India for the period ending 31st March 1988 which so refers to the Bofors contract.

Sir, it is a cryptic report on a matter which had acquired great significance, but it has given the much-needed food to the enfeebled Opposition. Suffering from some form of megalomania, the Opposition once again has got into a trance, and what a blow they have inflicted on the parliamentary system by their outrageous behaviour in the two Houses of Parliament during the last one week is now very well known to the people of the country.

Sir, debate is the essence of democracy, but here our friends created bedlam to stall the discussion on the report of the CAG because they knew

that it would not help them and would rather implicate a worthy of Indian politics who, after being rejected by the Congress, now happens to be the President of the Janata Dal. Unfortunately, Sir, as has been pointed out by Mr. Kulkarni, senior leaders of the BJP, after giving notice of a discussion on this report, backed out advancing wholly untenable reasons.

Today when we are discussing the CAG's report, I want to reiterate our party's firm commitment to strengthening the institutions that go to impart the eminence that India has in the international arena today. I acknowledge the eminent and delicate role that the Comptroller and Auditor-General plays in our system, but I also very genuinely expect the CAG to be scrupulously conscientious about his obligations so that no other institution is denigrated by any minor lapse in his approach to a matter which may be under audit by him.

Now, what stands out prominently from the present report is that a serious doubt and suspicion has been raised about the integrity of the Chief of Army Staff. Sir, the Chief deposed, on oath, before the Joint Parliamentary Committee about the selection of the Bofors gun. The Joint Parliamentary Committee went into the minutest details of the procedures adopted for the selection of the gun. It witnessed field performances and came to an unassailable conclusion from the unimpeachable evidence on record that the Bofors with their shoot and scoot capability was the best available to suit our requirements in view of the counter-bombardment capabilities of a neighbouring country under hostile Government having been enhanced by the acquisition of a particular type of radar by them.

Sir, \*and has found fault with the change of preference from Sofma in 1984 to Bofors in 1986. I do not wish to comment harshly on this approach of the CAG, but as I said,\*

Shri Jaswant Singh, who, as a Member of the Consultative Committee attached to the Ministry of Defence, witnessed the performance of the Bofors gun, went on record to say that it was a perfect buy. But yesterday in his eloquence he went to the extent of saying that in the purchase of Bofors gun the country has had to pay a heavy price in as much as the Opposition Members in the Lok Sabha had to resign their seats. I wish that Shri Jaswant Singh, as an ex-service-man, had risen to the occasion and objected to the humiliation hurled on the Army by the Comptroller and Auditor General.

Certain comments and surmises in para 11.2 of the Report of the CAG in the face of clear and unambiguous assertion of the Ministry that reports about a neighbouring country acquiring the new radar, which I just referred to were confirmed only in 1986 lead me to infer that if the choice had been in favour of Sofma the CAG would have still passed the judgment of indictment therein that the relevant essential features of the Bofors were not taken into consideration and that the security of the country was jeopardised. This is unfortunately the position in which we find ourselves today. The Opposition in its anxiety to embarrass the Government on any possible account, has been trying to find fault with the Government in every manner. And today when I read this report of the CAG I cannot but help in coming to the conclusion that\*

\*Expunged as ordered by the Chair.

Sir I respect the person of the CAG but he also is a human being. It is quite apparent from the report that he felt offended by the initial inability of the Ministry to transmit to him all the records because the matter was pending before the JPC and the debates were raised in Parliament. This seems to have so incensed the CAG that even the Joint Parliamentary Committee has not been spared while the CAG offers presumptuous comments about his Constitutional role though on the question of the agents it relies on the report of the JPC.

Sir at places it is Army Headquarters that is castigate. At others it is the Negotiating Committee which faces the brunt of the attack; so much so that fault is found with the Price Negotiating Committee even for not following up with the recommendations in the post letter-of-intent period. Sir if I am not mistaken I do presume that it is not the duty of the Price Negotiating Committee to follow up the matter after it has given its recommendations and yet it has been faulted. Sir I am conscious of the constraint of time but very briefly I just want to refer to one paragraph from the report only to point out that\*

Sir in paragraph 11.6.03 there is a mention : "The High Commission of India London informed the Ministry that the Bofors had a representative in India."

In the following paragraph i.e. 11.6.04 it is mentioned :

"On the 10th March, 1986 Bofors in response to a verbal direction informed the Ministry that they did not have any representative or agent specially

[Shri Pawan Kumar Bansal]

employed in India for the gun project."

It further reads :

"However, for administrative services e.g. hotel booking, transportation, forwarding of letters telexes, etc. they were using a firm M/s. Anatronc General Corporation, New Delhi, as specified by the Indian Mission."

Now, these are the relevant lines \*  
It further reads ;

"No notice was evidently taken of the ambiguous nature of the phrase "especially employed in India" despite the intimation provided by our High Commission in London and, therefore, no categorical written assurance obtained. Also no effort was made to verify the veracity of the statement of Bofors as regards the specific nature and role of their agent in India."

Sir, in the opening part it has been very specifically said that Bofors had no agent specially employed in India and the only work their representative was doing was to look after the infrastructural matters etc., but so biased is the mind of the writer of the report that much has been tried to be made out of it. The CAG has been pedantic in its approach in commenting on a word or phrase in the correspondence between the CAG and the Government. Sir, it is this approach apparent in the report which impels us to rise and express an apprehension that this report has done more harm than doing any good to our system. It has deviated from the path which the Constitution of India postulates for the high office of the CAG. Much political heat has already been raised over the matter

\*Expunged as ordered by the Chair.

and we did not expect that an impartial authority would even in the remotest manner be influenced by what was going on inside and outside Parliament during the last few years. The functions of the CAG, with utmost responsibility I submit, is to go into the question of financial working of the various departments of the Government. I do not want to repeat what has been said earlier but I do wish to emphasise that it is high time that we have a second look at the functions and responsibilities of different institutions working in our system so that a situation does not arise which leads to a confrontation and ultimately destruction of the institution. The institutions have been sought to be strengthened by the Congress but in their endeavour to embarrass the Congress, it is the Opposition which has been spreading a false propaganda and the veneer over their intentions is lifted after this report. This report, Sir, unfortunately and I repeat only for the sake of adding emphasis to it, tends to put the Army Chief leading our brave soldiers in bad light. The need of the hour was that this matter should not have been subjected to discussion anywhere inside or outside Parliament because the acquisition of the gun system involved the security of the country. But here in the name of open democracy, we have not hesitated to inflict a serious blow on our defence preparedness and it is this approach of the Opposition which impels us to say that they have never taken into account in their utterances the national interest. I do not wish to use any strong words for them but, Sir, it is high time that they realise what damage they have done to the country. They know very well that in this transaction, by generating an intense competition between the suppliers, by insisting on the fact that there has to be no middlemen in the transaction with the Government of India, the Prime Minister saved Rs. 200 crores for the country.



Yet technical issues are raised that mention to that effect is not found in the contract Sir, it is time that the people of the country see through the game of the Opposition who, as I said yesterday, were never as desperate and reckless as they are today when they find that the time for elections is coming near and they have nothing to their credit except making an outrageous attempt from time to time to tear apart the beautiful fabric of India's unity and integrity. Today, in an effort to salvage their image, they resigned from Lok Sabha, perhaps, again to befool the people of the country. Sir, because of the shortage of time, I do not want to add more on that. I only want to conclude by saying that the gimmicks of the Opposition would not pay. In a democracy, right has to be conceded to them to be vigilant, to scrutinise every action of the Government and to castigate the Government on any conceivable fault committed by the Government. But they must also realise that it is their responsibility as well that in their game of self-seeking politics, they do not destroy the country and I am sure, at least the people of the country would know as to what their game has been all through, and give their verdict at the right time. Thank you, Sir.

**THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG) :** Now, intervention by the Minister of State for Home.

**THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBRAM) :** Mr. Vice-Chairman, Sir, I rise to make a brief intervention on the steps taken by the investigative agencies of Government, particularly the CBI, in trying to gather information about the various beneficiaries who received payments from Bofors in the Howitzer contract. Sir, the repre-

sentatives of Bofors passed on certain information to the Government and also to the JPC. They admitted that payments had been made to three companies, described shortly as Svenska, Pitco and AE Services. The JPC require the investigative agencies to make enquiries based on information available up to that point. The JPC was given a report on 22-2-1988. The main findings therein are contained in the report of the JPC. from pages 134 to 144 and I do not wish to refer to them now. I shall take them as read. Subsequently, the investigative agencies have done a great deal of work. Let me preface my submissions by saying that the work is not yet complete. Investigations are still on and as I shall presently share with this House, there are many difficulties, mainly legal difficulties, in gathering the informations that we desired to have. But Government have not closed the investigations. Government are determined to pursue the investigations and try and gather as much information as possible. However, questions have been raised both inside Parliament and outside about the sincerity of purpose and determination of Government to pursue the investigations and we, therefore, thought that this was the appropriate time to share with this House and the people of this country the work done so far by the investigating agencies and the tentative conclusions reached so far.

Sir, as the House is aware, there are three accounts. The first is Pitco, sometimes described as Moineao and Moresco. These three names, Pitco, Moineao and Moresco, are only code names of bank accounts. The second beneficiary is AE Services Ltd., a company registered in the U.K. The third is Svenska. I shall deal with each one of them very briefly. I have just shared with the other House a lot of information and I thought I should briefly share

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with this House the information that is with us. As far as Pitco is concerned, according to information furnished by Bofors, the company has its address at 13 Rue de Rhone, Geneva, Switzerland. Its bankers are Credit Suisse and Manufacturers Hanover Trust, both having their branches at Geneva. Our officers visited 13 Rue de Rhone, but there was no evidence of any company at this address : there was no sign-board. Credit Suisse Bank declined to disclose any information on the ground of violation of banking secrecy laws. Manufacturers Hanover Trust's Geneva branch said they did not have any transactions with any of the three companies or three accounts. *The Hindu* published some documents in April and June 1988. Of these, two documents are of the year 1982. The first is a remittance advice dated 4-3-1982 from Bofors to Skandinaviska Enskilda Bank and the second is a remittance advice dated 17-11-1982 from Bofors to the same bank. These two documents are long before the Bofors contract was entered into. It is nobody's case that payments made in the year 1982 have anything to do with the Howitzer contract. However, it appears that the implication of these two documents is that the Pitco account which is referred to in these two documents is owned by Mr. G. P. Hinduja because in one of them the reference is to Pitco, care of G. P. Hinduja, Sangam Limited, and in the other Pitco care of Sangam Limited. It is no part of my burden to defend the Hindujas and I do not propose to do so. However, when we enquired of the Hindujas, the Hindujas have denied any connection with the Pitco account. They have obtained a certificate dated 22-4-1988 from the British Bank of the Middle-East as well as a letter from their Chartered Accountants. We have obtained the copies of these documents. The banker's certificate states that the bank did not at any time have an

account in the name of Sangam Limited or any account in the name of Mr. G. P. Hinduja, Director. Similarly, the certificate of the Chartered Accountants states that neither G. P. Hinduja, Sangam Limited nor G. P. Hinduja have received any remittance from Bofors either in their own name or in the name of Pitco. Some other documents published by *The Hindu* in regard to this case are : (1) letter dated 19-10-79 from Bofors to the British Bank of the Middle-East ; (2) telex dated 22-6-81 from Bofors to the British Bank of the Middle-East ; and (3) letter dated 29-6-84 from Bofors to Moresco which was a successor of the Pitco account. All these documents are marked to the attention of one Mr. Marshi. Since these documents refer to the ongoing negotiations for the Howitzer contract and they also refer to the code name Pitco, the implication is that the beneficiaries under these documents are the beneficiaries of the payments made by Bofors. CBI have inquired of Mr. Lafond. Mr. Lafond refused to comment on the authenticity of the documents. CBI have also inquired of Mr. Marshi. Mr. Marshi told our officers that he had joined the British Bank of the Middle-East at a very young age. And he retired from that Bank after thirty years of service in May 1980. After a short break, he joined the Continental Illinois Bank, an American Bank, in its Geneva Branch, but resigned after about a year. He then joined Manufacturers Hanover Trust, Geneva where he is still serving. He was shown the credit notes and the debit advices and the telex messages and the letters. When asked to comment upon the telex dated 22-6-81 from Bofors to the British Bank of the Middle-East, attention : Mr. Marshi, he said that the telex could not have been sent to the British Bank of the Middle East for his attention because he had left the services of the Bank in May, 1980, almost one year before the date of the telex. When asked to comment

on the letter dated 29-6-84, addressed to Moresco, for the attention of Mr. Marshi, he said that the letter dated 29-6-84 could not have been addressed to Moresco, c/o Continental Illinois Bank because by that date he had left that Continental Illinois Bank. Therefore, there is some doubt about the authenticity of the telex dated 22-6-81 and the letter dated 29-6-84.

PITCO MOINEAO and MORESCO are only code names of bank accounts. There is no document which mentions the code name MOINEAO although it was a name furnished by Bofors to the JPC. The documents only refer to PITCO and MORESCO. Since these are code names of bank accounts and there is no conclusive evidence about who the owners of these bank accounts are the only way the beneficiaries in these bank accounts can be identified is by trying to get over the banking secrecy laws and securing legal assistance from the countries concerned to find out who the owners are. As I shall presently show to this House when I deal with the SEVENSKA case this is a very difficult proposition. We have not closed our inquiry. The tentative conclusion that we have drawn is that there does not appear to be any Indian or any Indian legal entity who is connected to the PITCO-MORESCO account. As far as the Hinduja's are concerned, it is for them to defend themselves. They have publicly denied connection with the PITCO account. But, as I said earlier, it is no part of my burden to say conclusively, one way or the other, whether the Hinduja's are connected with the PITCO account. All that I can say is that there is no evidence linking any Indian or Indian legal entity, which has been unearthed so far, with the PITCO account.

The next is A.E. Services. Bofors informed the JPC that A.E. Services was a company registered in the

U.K. It has two Directors, Mr. Myles Stott and Maj. R. A. Wilson. Its Bank is NORD FINANZ BANK, Zurich. The CBI has done a detailed investigation and the CBI has found that Maj. R. A. Wilson promoted the company called TARGET PRACTICE LIMITED. On 9-8-79, the name was changed to A.E. Services. It is a subsidiary of CIAOU ANSTALT VADUZ, registered in Liechtenstein. Mr. Myles Stott and his Personal Secretary, Ms. Zumbrunnen each held one share while 98 shares are owned by a Hongkong-based company. CIAOU is a holding company. One Dr. KARL HEINZ RITTER of Vaduz is the administrator of the company. CIAOU has 14 subsidiaries and we have obtained the list of 14 subsidiaries and one of them is A.E. Services. We contacted Mr. Stott who told us that the principal promoter was Maj. R. A. Wilson. And he should be the person whom we should contact. Accordingly, CBI officers contacted Mr. Wilson. Mr. Wilson was very frank and cooperative. He disclosed that after retirement from the Army he took a law degree and he specialised in Defence contracts. He is Consultant to a well recognized association known as Defence Manufacturers' Association of Great Britain which provides comprehensive support services in the area of representation, liaison, technical procedures, marketing and communication. He confirmed that CIAOU was a holding company and A.E. Services was its subsidiary. He stated that CIAOU was founded and owned by influential and rich Arabs from the Middle East. He categorically stated that no Indian was a shareholder or connected in any way with CIAOU.

The *Hindu* published an agreement dated 15-11-85 between Bofors and A.E. Services. This agreement has since been replaced by another agreement bearing the same date but by a different signatory on behalf of A.E. Services. This

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agreement was cancelled by a Deed of declaration dated 8-9-86. CBI have obtained a copy of this Deed of Declaration. By this Deed of Declaration A.E. Services have acknowledged the agreement dated 15-11-85 between them and Bofors to provide consultancy services. They also acknowledged that they have received in full and final settlement of their entitlement to fees the sum of Swedish Kroners 50 million, 463 thousand and 966, and that with effect from 8th March 1986 A.E. Services have renounced the balance of their rights and entitlement to fees. The Declaration also carries a categorical statement that to the best belief and knowledge of A.E. Services no Indian Individual or no Indian legal entity or no Indian person or legal entity connected with any Indian individual or legal entity received any payment whatsoever from the compensation figure referred to in the Declaration. The money was put in the bank and was held there for a while in anticipation of tax demand from the Inland Revenue Department of U.K. This case also does not disclose the connection of any Indian or Indian legal entity. Unless we go behind the bank account and find out who the owners of the bank account are, it is not possible to establish who the beneficiaries of this payment are. But as I shall presently show, in the case of Svenska, we are faced with tremendous odds. The most important case is of Svenska. The largest payment was made to Svenska. The material relating to Svenska is available on pages 134 onwards of the JPC report and I shall take it as read.

The *Hindu* published certain documents in April, June and November 1988. In so far as Svenska is concerned, the *Hindu* published a number of documents, including agreements, credit notes and letters. CBI has done a consi-

derable amount of work in trying to trace Svenska's account and its beneficiaries. In July 1988, CBI officers met with Dr. Lionel Frei who is the chief of International Legal Assistance Section Federal Office of Police Matters, Berne, Switzerland in order to explore the possibility of cooperation of Swiss authorities in investigation of the case. Following the meeting on 30-7-88 CBI formally wrote to Dr. Lionel Frei asking him for assistance. A note giving the facts of the case was enclosed. What is significant and important about this note is that the note proceeds on the basis that the documents published by the *Hindu* were genuine and authentic documents. Even before we received confirmation from any authority, we assumed that the documents were genuine and authentic and asked for cooperation from the Swiss Police and Justice Department. On 17-10-1988, we received a reply from Mr. Gillio on behalf of the Swiss Police Department. After summing up the legal position, the Swiss told us that they would allow India to decide whether India wanted to present to the Swiss authorities a formal request for legal assistance. This letter was received by us on 24-10-1988 and as an expression of our determination and sincerity of purpose, I wish to state that within two weeks, that is on the 8th of November, 1988, the C.B.I. formally registered an inquiry in India. In the meanwhile, the Parliament amended the Criminal Procedure Code, in particular Section 105. I do not wish to dwell on the details. Suffice it to say that this section, as amended, enables the Government of India to seek assistance through a court in a foreign country. In the meanwhile, negotiations were under way between India and Switzerland regarding mutual assistance in criminal matters. On 20th February, 1989, India and Switzerland exchanged letters which constituted a Memorandum of Understanding on

providing mutual assistance in criminal matters.

Sir, I wish to pause here and say that the criticism that we should have acted earlier is ill-founded and misconceived because after protected negotiations it was only on the 20th of February, 1989, that India and Switzerland were able to exchange letters on providing mutual assistance in criminal matters. Again, as an expression of our determination and sincerity, three days thereafter, on the 23rd of February, 1989, the C.B.I. formally sent a letter rogatory requiring legal assistance to procure documents and to examine persons. The letter rogatory signed by the Special Public Prosecutor listed documents which we wished to procure and listed persons whom we wished to examine. That was done three days after India and Switzerland entered into a mutual assistance agreement. We have since received a reply. The reply is dated 16-6-1989. It was received by us on 28-6-1989. It is with considerable regret that I have to report to this House that after taking four months despite an agreement for rendering mutual assistance in criminal matters and despite a letter rogatory served by our Special Public Prosecutor, the Swiss have told us that they regret the Swiss are not in a position to render legal aid to our request. It is, therefore, totally correct to say that India has not done all that needs to be done. But we have not closed the matter with this letter. This has been placed before our legal advisers and we are asking our legal advisers to advise us whether it is still possible to invoke any provision of the law any provision of the Memorandum of Understanding, in order to persuade the Swiss legal authorities to render us legal assistance. This case illustrates the tremendous difficulties that we have in trying to breach the secrecy laws of Swiss bank and in trying to explore and find out who the true owners of certain bank accounts are.

But what I shall say presently will highlight the difficulties even more. While we were pursuing with the Swiss, the Swedish Government and the Swedish Prosecutor were also pursuing the matter with the Swiss authorities. In August, 1988, we handed over to the Swedish Prosecutor a set of documents as published by the 'Hindu' and asked him to confirm whether the documents were genuine and authentic. In personal talks he told us that he would confirm to us document-wise whether it was authentic and genuine after comparing them with the original documents. We were expecting a detailed reply. However, on 20-10-1988, we received a very cryptic Telex from the Swedish Prosecutor. Referring to the documents handed over by India the Telex said This is the same as already in our files. All that the Swedish Prosecutor would say is that the set of documents furnished by CBI was the same as the documents in his file. I do not know what do make out of this cryptic Telex message. But I shall assume that he is confirming broadly the genuineness of these documents, and I have no quarrel with that conclusion at all. Sir, the Swedish had the documents. In fact, they must have had the original documents. They must have had access to the bank documents. While we were pursuing with the Swiss and our pursuit was delayed by the fact that our Memorandum of understanding was entered into only on 20th, February, 1989, the Swedes and the Swiss have between them an agreement for mutual assistance. In fact, I am told that the agreement among European countries for mutual legal assistance is far more liberal than the agreement that we have with Switzerland. Be that as it may, our enquiries have revealed that on 31-8-1987, the Swedish Embassy handed over a note to the Swiss Justice and Police Department seeking assistance in

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the same manner as we sought assistance. On 11-9-1987, the Swiss Justice and Police Department replied to the Swedes summing up the legal position, and awaited a formal request. On 15-9-1987, the Swedish Prosecutor, Mr. Ringberg formally sought legal assistance. We have copy of his letter seeking legal assistance. For want of a better phrase, I shall describe that also as a *letter rogatory* because that is the term we use in India. I do not know the corresponding terms in Sweden. Going through that *letter rogatory*, I find that it is almost on the same lines as our *letter rogatory*. He also sought information about certain bank accounts, about persons who had opened the bank accounts and he also wished to secure evidence on that. To this *letter rogatory* which was forwarded to Switzerland by the Swedish embassy, *vide* its notes dated 19-10-1987 and 27-10-1987, the Swiss authorities sent a reply on 6-11-1987. The reply dated 6-11-1987 is with us. It is in translation. The reply says broadly as follows : After summing up the legal position and after referring to the demand made by the Swedes, the Swiss authorities say, "because of what is stated above, it has not been possible for the Federal Office for Police Affairs on the basis of documents attached to the two applications for help, to determine the liability to punishment in both the lands, specially from the Swiss angle. The applicant authority, (that is the Swedes) is, therefore, invited to supplement the description of deeds in the spirit of what is stated above if and to such extent as it is possible. Till that happens, the authorities that is the Swiss will urged to do so not be able to deal with the application in question for legal assistance." In short just as the Swiss have turned down our request for legal assistance, the Swiss have turned down Sweden's request for legal assistance. But

the difference is that while we have not closed our enquiry despite the letter of rejection from the Swiss authorities, Sweden, the Swedish prosecutor, has by an order he made on 25th January, 1988, closed his enquiry. As far as Sweden is concerned, despite the more liberal terms of the European Agreement on mutual assistance, despite their efforts to secure from the Swiss documents and evidence, they have closed their enquiry. We have received more or less a similar reply from Switzerland but we have not closed our enquiry. And I wish to reiterate on behalf of the Government that we are determined to continue the enquiry and try to find some way by which we can persuade the Swiss authorities to render us the legal assistance that we have asked. In the mean while since we know that Svenska is incorporated in Panama, we made certain enquiries in Panama. At this stage entered Mr. Jethamalani? Mr. Jethamalani represents what I consider the pitfalls of assuming to oneself the role of an investigator when one is not qualified to be an investigator. Investigation is a painstaking process. Investigation requires patience, painstaking effort, careful study of the law, trying to obtain assistance through other legal agencies. CBI, Sir, is an investigating agency. The CBI does not have a deep throat or a mole in other countries who will hand over documents to the CBI. The CBI derives its jurisdiction from the Delhi Special Police Establishment Act. It is a matter of common knowledge that the CBI cannot investigate a crime outside the Union territory of Delhi unless it receives the consent of the State Government. A *fortiori* CBI cannot investigate any crime anywhere in the world unless it gets assistance from the Interpol's agency in that country, just as the CBI is the Interpol's agency in India. Through painstaking effort, we have gone to Panama. We have secured the assistance of Interpol's agency there. One of Interpol's officers was at-

tached to the CBI officer. The Indian Embassy's officer went along with the CBI officer. We have found in Panama Svenska's incorporated address is Interseo Building No. 10, Alveiror Mendez Street, Panama City. The person in charge is one Mr. Norlando L' Pelhye. He is the President of Inter-Trust. He declined to disclose the names of the real owners of Svenska. Virginia Coverde Rodrigues is an employee of the Inter-Trust. Mr. Jethmalani in a letter to the CBI alleged that Miss Virginia Coverde Rodrigues is the same person who acted on behalf of a company known as Tribute Caskets in 1975 which dealt with some business in India. He made very serious allegations against certain named persons. I shall not repeat the names. He also attached a letter dated 19-6-1975 signed by Virginia Coverde Rodrigues and said she was the same person as Virginia Coverde Rodrigues who was behind Svenska Inc. In Panama we obtained the registration deed of Svenska Inc. It is dated 13-2-1978. We obtained the identity card of Virginia Coverde Rodrigues bearing No. 1-7-1974. We obtained a copy of her passport application dated 5-5-1987. All these three documents bear her admitted signature. We have her admitted signature for the period 1978 to 1987. Even on a visual inspection her admitted signature bears no resemblance to the signature on the disputed document produced by Mr. Jethmalani. Nevertheless, we sent the disputed document to the Central Forensic Science Laboratory. The Central Forensic Science Laboratory has submitted a detailed report on 14-3-1989 coming to the categorical conclusion that the disputed signature in the disputed document produced by Mr. Jethmalani bears no resemblance and is not by the same person as the person identified as Virginia Coverde Rodrigues in three documents in Panama. I would only wish to add here a caveat for all those who wish to take up investigation, be they journalists be they advocates. In-

vestigation, as I said must be done by trained persons. The pitfalls of investigation are far too many and if one is not a trained investigator, one is bound not only to land in these pitfalls; one is also bound to hurt people who are innocent, hurt the reputation of people who are innocent.

Sir we have also, through a source located another person who was Vice-President Corporate Affairs Svenska. He belongs to a European country. We met with him on 30-3-1989. He confirmed that he had become Vice-President for Corporate Affairs for Svenska in June 1981. He confirmed the contract between Svenska and Bofors was intended to provide intelligence relating to prices designs etc. for Bofors. He confirmed that when the Government of India insisted that all middlemen be eliminated Bofors cancelled the contract and paid a cancellation fee to the tune of 188 million Kroner as shown in a credit note dated 30-5-1986. He also identified the credit note. He confirmed that he represented the beneficiary interest but he made it absolutely clear that among the recipients there was no Indian and no Indian legal entity. He also said that he had never visited India.

Sir the sum and substance of our enquiries is and our tentative conclusion is that there is no evidence of any Indian or any Indian legal entity or any one connected with an Indian legal entity who is the beneficiary of the payments made into the Pitco-Moresco accounts or to the payment made to A.E. Services or to the payment made to Svenska. But as I said earlier investigations are not complete. Investigations are going on. In particular we wish to pursue the line that we have taken with the Swiss authorities. We wish to pursue the matter as we believe we are entitled to do under the letters exchanged

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on 20th February 1989 with Switzerland and under the letter rogatory served by our Special Public Prosecutor on the 23rd of February. For the present, I wish to say that it is not correct, it is, in fact, unfair to say that Government has not done anything. It is unfair to say that the investigative agencies have not been able to identify anyone.

I wish to conclude with a brief reference to the kind of protection which is given in tax havens. Take for example Panama. In Panama, to incorporate a company, no names need be disclosed. Two persons can constitute shareholders of a company. For directorship you need not hold qualifying shares. Two officers, President and his private secretary can be the officers of the company; no requirements of audit and authorised capital to start a company is 100 U.S. dollars. In Liechtenstein another well-known tax haven, no disclosure of names is needed to form a company. One person can be a shareholder. One person can be a director; no qualifying shares, no officers required, no requirement of audit. In Switzerland, no requirement to disclose any names of shareholders or directors. One person can be a shareholder; one director; no qualifying shares; auditors can be external auditors. A Swiss company can have an Indian auditor. This is the kind of tax haven that we have in the world. Swiss law provides for strict bank secrecy and severe penalties for breach thereof. It is impossible to penetrate except through courts and only in criminal cases. It is a cruel and unjust world and we have to live in this world. It is in the face

of these laws we have to find out who the true owners of these accounts are.

As I have tried to demonstrate in the Svenska case, it is against heavy odds that we are trying to find out who the owner of Svenska account is. The Swiss have declined to render us legal assistance but we have not taken that as the final answer. The matter is before our legal advisors and we have asked them to advise on how best to continue the matter. If we succeed in getting legal assistance from the Swiss—the Swedes have failed; the Swedish authorities have failed and they have closed their enquiry—I hope that it will be possible for us to establish who the true owners of these accounts are. For the present, our tentative conclusion is, as a result of the efforts made by the CBI and other investigative agencies, that there is no Indian or Indian legal entity who appears to be a beneficiary of any one of these payments. Thank you.

**SHRI JAGESH DESAI :**  
From what I have heard as also what is happening in our country too, sometimes this kind of Commission is taken by the company director himself. I would like the CBI and would request the Minister to consider it, to see if there is also a possibility in this case that some of the officers of the Bofors themselves might have taken this money and might have spent. That aspect also should be referred to the CBI for investigation.

**SHRI SAT PAUL MITTAL**  
(Nominated) : This is an attempt at witch-hunting.

श्री सुरेन्द्रजीतसिंह महसूबालिया (बिहार) :  
उपसभायक्त महोदय, दुर्भाग्य इस बात का है कि महावीर, गीतम, नानक और



गांधी की भूमि पर हम 150 एम०एम० फोर्स तोप की खरीद के बारे में नियंत्रक महालेखा परीक्षक के प्रतिवेदन पर विचार कर रहे हैं। इसकी शुरुआत इस जमाने से नहीं हुई इसकी शुरुआत बड़े लम्बे असे से हुई है और मैं सज्जता हूँ कि शायद इसकी शुरुआत 8 नवम्बर, 1962 को हुई थी जिस दिन हमारे मुल्क के गृह मंत्री श्री लाल बहादुर शास्त्री हमारे मुल्क पर जब चीन का आक्रमण हुआ था तो इसजैसी लाने के लिए जो उन्होंने बिल लाया था और उन्होंने उसमें कहा था :

“It might be sad that we were caught napping, whereas the Chinese have made such intensive preparations. We must accept, as I said in the beginning, that we have had a number of setbacks, both in the eastern front as well as on the western front, but I do think that the House is in a position to appreciate the way we have been trying to manage the affairs of the country. It is known to us and to the world at large that India is pledged to peace and we have not the faintest notion of even going an inch beyond our territory. We have no aggressive designs and it is much more important for us after having attained our freedom after centuries to try to develop our country, to remove poverty and misery of our people. What would have been the position of our country if during the last 10 or 15 years we had spent 60 per cent or 70 per cent of our Budget in building up our armed forces or building up a strong military machine.”

इस बात की शुरुआत उस दिन हुई थी जिस दिन सारा विपक्ष सरकार के ऊपर दोषारोपण कर रहा था कि किमने नना किया था आपको हथियार खरीदने से, किमने मना किया था आपको देश की सुरक्षा के लिए और देश की इज्जत को बचाने

के लिए बड़ी-बड़ी तोप, बड़े-बड़े जहाज, बड़े-बड़े गोला-बारूद खरीदने से किमने रोका था। पर आज दिमाग में आता है कि उसे रोका हुआ था गौतम बुद्ध के विचारों ने, उसे रोका हुआ था महावीर के विचारों ने, उसे रोका हुआ था नानक के विचारों ने, उसे रोका हुआ था गांधी के विचारों ने। इन गांधी के विचारों को, नानक के विचारों को, गौतम बुद्ध और महावीर के विचारों को पोल्क्यूट किया पो था उस दिन आपोजीशन ने और आलोजीशन ने मजबूर किया था भारत सरकार को शांति का रास्ता छोड़कर आर्म्स-रेस में ज्वायन करने के लिए और इस दौड़ में हमें उस दिन शामिल होना पड़ा। उस दिन बड़े फुल्ल से अटल बिहारी वाजपेयी जी ने भी विपक्ष की तरफ से चिल्ला-चिला कर कहा था कि अपनी सत्-भूमि की रक्षा के लिए हम रे पास अच्छे सोफिस्टिकेटेड हथियार क्यों नहीं हैं ? उस वक्त इन लोगों की बातों को सुकार विपक्ष की बातों को सुनकर हमें इस बारे में विचार लेना पड़ा।

उपमहाध्पक्षमाहोदय, मुझे याद आता है, उस वक्त शहयद जवाहर लाल नेहरू के दिमाग में, जैन में यह विचार भी डाला गया कि गुरु गोविंद सिंह जैसे महान योद्धा ने अपने दशम ग्रंथ में कहा है —

जब मुख भनियों गरीब नवाज  
शस्त्रण के अधीन है राज  
बिना राज सहधर्म चले है  
बिना राज सब दले-मले।

अर्थात् बिना शस्त्र के कोई राज नहीं, चल सकता और राज को चलाने के लिए, जिस तरह से भी राज हासिल किया हो गुलामी की जंजीरों से तोड़े हुए और अपने आप हासिल किए हुए राज को भी चलाने के लिए हमें अस्त्र-शस्त्र की जरूरत पड़ती है। हमें मजबूर किया गया था कि शस्त्र खरीदे जायें। इन शस्त्रों की शुरुआत हुई थी उसी दिन। उसके बाद पाकिस्तान के साथ हमारा युद्ध हुआ 1965 में और 1971 में, सेवर-जेट, पटन टैंक को धराशाही करके गिरा दिया और

[श्री सुरेन्द्रजीत सिंह ग्रहलुवालिया]

हमने यह महसूस किया कि हमारे पास बड़ापुर जवान तो जरूर हैं, किन्तु हमारे पास अच्छे किस्म की बंदूकें नहीं हैं, अच्छे किस्म की तोपें नहीं हैं। तो यह शुरूआत थी, जिस पर आज हम यहां विचार करने के लिए बैठे हैं।

महोदय, इस पर विचार करते हुए महालेखा परीक्षक अपनी रिपोर्ट में प्रस्तावना में लिखते हैं :—

“11-1-01 रक्षा मंत्रालय (मंत्रालय) ने अगस्त, 1980 में थलसेना मुख्यालय द्वारा तैयार किए गए प्रलेख जिसमें अन्य बातों के साथ-साथ दोनों कर्षित और स्वतः प्रवोदी 155 एम एम कॅलीबर मीडियम तोप के सेना में प्रयोग करने की विफारिश की गई थी, का अनुसोदन किया। गोला-बारूद सहित तोप पैकेज (कर्षित) की आपूर्ति हेतु संविदा स्वीडन की बोफोर्स के साथ मार्च, 1986 में की गई।”

यह शुरूआत की गई थी कि हमारी सेना में यह बोफोर्स तोप भी होनी चाहिए और यह बोफोर्स तोप के लिए जब हम लोगों ने टेण्डर मांगे तो 11 टेण्डर आए। उन 11 टेण्डर में 8 लोगों ने तोपें चलाकर दिखाई और हमने 8 में से 4 तोपों को सही माना। फिर टेक्निकल स्पेसिफिकेशन के अनुसार मारी चीजें आ जाने के बाद हमने उन 4 में से 2 को चुना और फिर 2 में से एक फाइनल हुई। अब कहते हैं कि एक को फाइनल क्योंकि? तो उस वक्त के वित्त मंत्रालय के अधिकारी वित्त मंत्री हमारे, उन्होंने इस चीज पर ध्यान दिया था कि 11 मार्च को बोफोर्स की तोप की कीमत 1440.72 करोड़ थी और सोफमा की कीमत थी 1538.1 करोड़। जब 12 मार्च को लैंडर आफ इण्डेंट इस्यु हो गया तो अगले दस दिनों के अंदर सोफमा ने अपनी तोपों की कीमत करीब 100 करोड़ कम कर दी। उसी ध्यान महोदय, मैं आपके माध्यम से एक छोटा सा सवाल करता हूं कि यह कौन सी तोप थी कि दस दिन के अंदर, जिसमें 100 करोड़ की कीमत घटा दी? सोफमा तोप में आखिर कौन से बिचौलिए

थे? हम लोगों ने बोफोर्स के बिचौलियों की बात की, अभी गृह मंत्रालय से सी०बी० आई० की जहां तक जांच हुई है, उसका ब्योरा दिया गया उसमें बताया गया कि बिचौलिये कैसे हैं, कौन हैं, हैं या नहीं हैं या यह सारे भूत हैं या भूत के नाम हैं, कुछ पता नहीं चल सका है आज तक। पर सी०ए०जी० की रिपोर्ट में आज तक एक क्वाश्चन ऐसा क्यों नहीं किया गया कि 11 मार्च से 21 मार्च के बीच एक सौ करोड़ की तोपों की कीमत में कमी का क्या कारण है? आप किसी व्यापारी से पूछ लें, किसी इंडस्ट्रियलिस्ट से पूछ लें, किसी अखबार वाले से पूछ लें या किसी घर चलाने वाले से भी पूछ लें कि अगर किसी चीज की बिक्री करना हो तो इतना मुनाफा किम मकसद के लिए रखा होता है? उसके साथ बात इसलिए नहीं हो रही थी क्योंकि जब बोफोर्स के संबंध में बात चल रही थी उस वक्त स्वीडन के प्रधान मंत्री हमारे यहां आए थे और राजीव गांधी से उनकी बात हुई थी तो उनमें कहा गया था कि इस सौदे में कोई बिचौलिया नहीं रहेगा। बोफोर्स ने बिना बिचौलिए के अपनी कीमत बतायी थी और सोफमा ने बिचौलिए के समेत अपनी कीमत बतायी थी और जब सौदा हाथ से निकला तब ये तड़फड़ाने लगे। अब इन्होंने प्रश्न खड़ा किया जनरल सुन्दरजी का जो कि सी०ए०जी० के तहत नहीं आता है, फायनेंसियल आस्पेक्ट पर विचार करने के लिए कि वित्तीय क्षेत्र में कितना ज्यादा पैसा दिया या कम कीमत वाली चीज को ज्यादा पैसा देकर खरीद लिया गया है, उस पर विचार की बात थी। लेकिन इन्होंने टेक्निकल आस्पेक्ट पर भी हाथ डाला। महोदय, हमें अमेरिका की आर्म्स रेंस में शामिल होना पड़ा, इसके पीछे और भी कारण हैं। आज सारे विश्व में इस समय करीब 2500 यू०एस० मिलिटरी बैस हैं जिसके तहत 114 देशों में करीब हाफ मिलियन अमेरिकन मैन नौकरी कर रहे हैं। इसमें कुछ मिलिटरी बेस पाकिस्तान के अंदर भी हैं जिसके कारण हमें इस रेंस में शामिल होना पड़ता है। हमें गोला-बारूद और तोपें खरीदनी पड़ती हैं। लेकिन हमारे भूतपूर्व वित्त मंत्री गांधी से जाकर कहते हैं कि ये तोपें खरीदने की क्या जरूरत थी।

इन तोपों से स्कूल बन सकते थे, इन तोपों से नलकूप खोद जा सकते थे, इन कूपों से और विकास कार्य किया जा सकता था। आज उन्हीं के दल के एक सदस्य एन. टी. रामाराव के खिलाफ, यह सी.ए.जी. की रिपोर्ट जो कि 9 फरवरी, 1989 को रिलीज की गयी है, उसमें उनके खिलाफ 22.27 करोड़ का घपला है। उसपर विचार करने के लिए जब ये सी.ए.जी. की रिपोर्ट ली गयी तो बी.पी. सिंह, अरुण नेहरू और दूसरे

विपक्ष के लोगों की जवान पर ताले लग गए थे। तब ये मांग नहीं कर रहे थे कि एन.टी. रामाराव इस्तीफा दें। अगर सी.ए.जी. की रिपोर्ट पर ही इस्तीफा दिया जाता है तो यदि एक राज्य में 22 करोड़ रुपए का घपला होता है तो वे इस्तीफा क्यों नहीं देते। एक राज्य में उस राशि से कितनी उन्नति के काम किए जा सकते थे। इतना ही नहीं उन्होंने डायवर्सन आफ फंड में दिखाया है—

“Central Assistance under irrigation was for works like extension of irrigation system, construction of reservoirs, field channels, pathways and bridges over canal etc., but did not include repairs and restoration of buildings. However, Rs. 1,03.38 lakhs were spent on other items as shown below :

Rs. 88.75 lakhs	. . .	Repairs to buildings at Dowlaiswaram
Rs. 3.40 lakhs	. . .	Improvements to Cotton Guest House, beautification of Landscape Garden
Rs. 2.83 lakhs	. . .	Original works on water supply in Sir Arthur Cotton Barrage Colony and Central Store Yard
Rs. 2.40 lakhs	. . .	Purchase of air conditioners, thermocol ceiling, sofa sets, flush doors etc.
Rs. 6.00 lakhs	. . .	Advance payment for construction of office building for a drainage division.

ये पैसा किधर जा रहा है। सेंट्रल एड से एयर कंडीशनर खरीदे जा रहे हैं, सोफा सेट खरीदे जा रहे हैं, कालीन खरीदे जा रहे हैं। उसपर विचार नहीं किया जाता उस वक्त जनता दल के नेता बी.पी. सिंह की जवान क्यों बंद थी। उस वक्त उन्होंने ये विचार अपने दल के साथी मुख्य मंत्री को क्यों नहीं बताए कि आप भी इस्तीफा दें। उसके साथ—

“Rs. 1.34 crores were spent on relief works in areas not affected by drought. Rs. 8.65 crores were drawn in advance to show the amount as spent before the cut-off dates.”

वह सारा जब में गया तेलंगू देशम की।

“Rs. 2.4 crores were spent on items of works not covered by guidelines for employment generation works.”

इस तरह सारे ब्यौरे हैं और जहां कह रहे हैं कि कुछ खुदवाए हैं, जहां कह रहे हैं कि नलकूप लगवाये हैं, जहां कह रहे हैं कि स्कूलों की बिल्डिंगें बनवाई हैं, वहां पहले से बनी हुई हैं, उसके अग्रेस्ट में पैसा ले चुके हैं।

अब मैं असली मुद्दे पर आता हूँ कि हमने इस सी.ए.जी. की रिपोर्ट पर और बोफोर्स के इस सारे डिस्कशन पर अपने मुल्क को खतरे में डाला है। आज तक डिफेंस में जो घुसपैठ करते हैं, हमारे मुल्क के नक्शे और हमारे पास क्या-क्या हथियार हैं इसकी जानकारी जो विदेशों में भेजते हैं उसमें कई अवकाश प्राप्त सेना के

[श्री सुरेन्द्रजीत सिंह अहलूवालिया]  
आफिसर जेलों में भजे गए हैं। मैं आपसे इतना कहता हूँ कि अगर जेल में भजने लायक हैं तो यह विपक्ष के लोग हैं जिनको कि जेलों में भजना चाहिए, जिनके कारण हमारी कन्ट्री के कितने सीक्रेट डाक्यूमेंट्स व उन सबको सभापति पर रखकर विचार किया जा रहा है और वे सबकों की खबर बन रहे हैं। इतना ही नहीं महोदय, पहले था कि जो आदमी सेना बनाता था, अपनी सत्ता में कितने अस्त्र-शस्त्र रहते हैं, उसको छुपाकर रखा जाता था, बताया नहीं जाता था शत्रु पर, लेकिन आज हम शत्रु को हर चीज बता रहे हैं। जनरल सुन्दरजी पर उंगली उठाई गई, कहा गया कि उसने पहले सोफमा का नाम लिखा और दूसरा नाम बोफोर्स का था, अपने क्यों विचार करके फिर बोफोर्स का नाम पहले किया और सोफमा को हटा दिया। जनरल सुन्दरजी ने यह बात कही :

"Then, subsequently in February 1986 when I took over as Chief of Army Staff, two major events had occurred. First of all, the USA had successfully developed the fire-finder radar. The ANTPS 37 had also included this radar in the package which they were giving to Pakistan as part of the aid.

Now this made a considerable sea change in our vulnerabilities which we would face in the decades to come. Now, what I had hoped was a threat which would materialise in 1997 or so, unfortunately materialised much more rapidly than we anticipated or suspected."

यहां बात यह है कि बोफोर्स और सोफमा तोप के बीच में, जो एक चीज की कमी सोफमा तोप में थी और एक चीज की बढ़ाई बोफोर्स तोप में थी वह यह थी कि फायर फाइंडर राडार जो है, बोफोर्स तोप फायरिंग करने के बाद 13 सैकण्ड के अंदर अपनी पोजीशन बदल लेती थी। फायर फाइंडर राडार का काम यह होता है कि वह मीलों दूर, कई सैकड़ों मील दूर तक उसे पता लग जाता है कि कहां से गोला चला है। और वह राडार अपनी

मिसाइल को निर्देश देता है और उस एंगल पर फायरिंग होती है जिससे कि हमारी तोप को नष्ट कर दिया जाता है। उस तोप से रक्षा के लिए बोफोर्स में आर्टिलरी मैटिक सिस्टम बना हुआ था जो कि बहुत कम समय के अंदर अपनी पोजीशन को बदल लेता था और यही एक बढ़ोत्तरी थी बोफोर्स तोप में और दूसरे कीमत कम होने के कारण हमने यह तोप खरीदी थी। परन्तु यह जो चीज है आज हमारे मुल्क के जो दुश्मन हैं उनको पता लग गया है, जिनके पास फायर फाइंडर राडार हैं, उनको पता लग गया है कि इनके पास पोजीशन बदलने वाली तोपें हैं और वह भी अपना कोई नया रास्ता ढूँढ़ निकालेंगे, कल को हमारी इस तोप के खिलाफ एक नया राडार पैदा करने की कोशिश करेंगे जो कि हमारे मुल्क के लिए खतरा बन सकता है। तो मैं इसके लिए पूरे विपक्ष को जिम्मेदार समझता हूँ जो हमारे मुल्क के जितने सीक्रेट्स हैं, वह हमारे मुल्क की सबकों पर तो बिक ही रहे हैं, बंट रहे हैं, विदेशों में भी यह खबरें जा रही हैं जिससे कि कल को हमें खतरा मोल लेना पड़ सकता है इसके साथ साथ हम लोगों ने नाम सुना है गुनान खोगीशा का, बड़े नामी ग्रामी स्वामी चन्द्र स्वामी का जिनका हाथ इन चीजों के पीछे रहता है और अब वे कैद में हैं। उनका सारा पेशा यही है। पीछे हमने पामिला का किस्सा पढ़ा। इसमें भी यही है जो अस्त्र शस्त्र का व्यापार करते हैं और ये भारत पर भी अपना अधिपत्य जमाना चाहते थे।

महोदय, एक तरफ ये विपक्ष से चर्चा करवाते हैं कि मुल्क की सुरक्षा के लिए अच्छे से अच्छे शस्त्र होने चाहिए और अगर शस्त्र खरीदते हैं तो पला देश से ही खरीदने पड़ेंगे नहीं तो हम इसी तरह की सी.ए.जी. की रिपोर्ट आपके सामने पेश करते रहेंगे, इस तरह का ब्लैकमेल हमारे देश को किया जा रहा है।

महोदय, मैं ज्यादा वक्त न लेते हुए फिर एक बात याद दिलाना चाहता हूँ कि यह चर्चा बड़ा लंबा है। जैसा कि कल भी मैंने कहा था, इन लोगों ने

ज्योतिषियों से पूछकर इस्तीफे दिए और ज्योतिषियों से पूछकर ही इस्तीफे दिए। ये किताबें छपा छपाकर कह रहे हैं कि इलेक्शन के बाद कौन प्रधान नज़मी हवा। प्राइम मिनिस्टर कौन होगा? एन०टी० रामाराव, रामकृष्ण हेगड़े या वी०पी० सिंह तो एक बार मैंने आपको बताया था कि कि एक ज्योतिषी चौधरी चरण सिंह और चन्द्रशेखर दोनों के पास जाया था और कहना था कि अगला प्रधान मंत्री "च" चन्द्रशेखर बनेगा। वह चन्द्रशेखर के पास जाता था तो कहा था कि "च" से चन्द्रशेखर प्रधान मंत्री बनेगा और जब चौधरी चरण सिंह के पास जाता था तो कहता था कि आप तो "च" का प्यार है आप प्रधान मंत्री बनेंगे। आज ज्योतिषियों के कहने पर कोई अर्द्ध-न राश्वर बन रहा है, कोई रुद्राक्ष करवा रहा है, कोई महा-मृत्युंजय करवा रहा है। इन्होंने डेट देखकर ही रिजिगनेशन करवाया है। ये सोचने की बातें हैं कि इन्होंने कहा 128 इस्तीफा देंगे, 24 ताराख को इस्तीफा करना, इसके पीछे भी अंक था। यह सारा विचार करके ये मुल्क को गिराने की कोशिश कर रहे हैं।

उपसभाध्यक्ष महोदय, मैं आपको अग्राह्य करना चाहता हूँ कि इसके पीछे सिर्फ़ एकसद यहाँ है कि 64वाँ अमेन्डमेंट पास न होने पाए, पंचायती राज बिल पास न होने देना है। ये 64वाँ अमेन्डमेंट के खिलाफ कचहरियों में गए, 64वाँ अमेन्डमेंट को पास नहीं होने देना है। अभी इनको पता है कि 65वाँ अमेन्डमेंट भी नगरपालिकाओं के लिए आ रहा है उसको भी पास नहीं होने देना है। इनको पता है कि राजीव गांधी ने कृषि क्षेत्र को औद्योगिक क्षेत्र के समान करना है, फेजवाइज 5 साल में करना है, उसके लिए शुरूआत इसी साल से करने का मूव सदन में आना है। उस पर भी विचार न हो सके। इन सारी चीजों को रोकने के लिए जिनसे जनता का फायदा हो, उनको रोकने के लिए सिर्फ़ 14 दिन का लस करके एक नई हवा चलाने की इन्होंने कोशिश की है।

यदि सी.ए.जी. की रिपोर्ट मुद्दा होता तो वी.पी. सिंह को रिजाइन करवाते, एन.टी.आर. को रिजाइन करवाते। अगर सी.ए.जी. की रिपोर्ट मुद्दा होता तो वी.पी. सिंह रिजाइन करते और फिर इलेक्शन लड़ते जिसने बोफोर्स की कीमत तय की थी। यह राजीव गांधी ने नहीं की थी। जैसा कि मेरे पूर्व वक्ता श्रीनि कहा, यह पोलिटिकल गिम्निक है। सी.ए.जी. की रिपोर्ट की आड़ में देश को बिखेरने की कोशिश की जा रही है। धन्यवाद।

7.00 P.M.

**डा. रत्नाकर पाण्डेय (उत्तर प्रदेश) :**  
माननीय उपसभाध्यक्ष महोदय, मैं समझता हूँ कि इस डिबेट का मैं अंतिम वक्ता हूँ ....

**उपसभाध्यक्ष (श्री मीर्जा इशार्द बेग) :**  
नहीं और भी है।

**डा. रत्नाकर पाण्डेय :** इसके पूर्व कि मैं कुछ कहूँ मैं आपकी अभिनन्दन करना चाहता हूँ। आपको उपसभाध्यक्ष के आसन पर विराजमान देखकर लग रहा है कि नयी पीढ़ी का एक प्रतिनिधि इस सदन का सभापति बन कर बैठा है जो राष्ट्रियता के प्रति, भारतीयता के प्रति और भारतीय संस्कृति के प्रति समर्पित हैं और ऐसे समर्पित सभापति की अध्यक्षता में मुझे बोलने का मौका मिल रहा है।

अल्पकालिक चर्चा 31 मार्च, 1988 को समाप्त हुए वर्ष के लिए भारत के नियंत्रक महालेखा परीक्षक के प्रतिवेदन (1089 का. सं. 2) - संघ सरकार—रक्षा सेवाएं (सेना और अयुध कारखाने), जो 19 जुलाई, 1989 को राज्य सभा के पटल पर रखा गया था, के पैरा 11 और 12 के संबंध में 21 जुलाई, 1989 को श्री एन. के. पांडे साहब द्वारा प्रारम्भ की गई चर्चा पर आगे चर्चा करने की अनुमति आपने जो मुझे दी है इसके लिए मैं आपका कृतज्ञ हूँ। अपोजिशन इतनी अस्थिर है, चंचल है, मन का संकल्प और विकल्प इतना

## [डा० रत्नाकर पाण्डेय]

अस्थिर है कि हमारे लाल कृष्ण आडवाणी और अटल बिहारी वाजपेयी ने सी० एंड ए० जी० की रिपोर्ट पर चर्चा करने का नोटिस दिया और फिर उसे वापस ले लिया। लोक सभा में भी इस चर्चा का नोटिस दिया गया था और उसे वापस ले लिया गया। जैसा हमारे कई माननीय बुजुर्ग सदस्यों ने कहा कि सी० एंड ए० जी० की रिपोर्ट पहले पी० ए० सी० के पास जानी चाहिए लेकिन वहां नहीं गयी और इस सदन में रखी गयी। भारत को स्वतंत्र हुए 42 वर्ष हो रहे हैं और 42 वर्षों के इतिहास में जितने भी हमारे भारत के नियंत्रक महालेखा परीक्षक के प्रतिवेदन आये हैं उसे उठाकर देखा जाए तो किसी भी रिपोर्ट में कोई न कोई खामी जरूर निकाली गयी है। यह पहली रिपोर्ट है जिसे संसद में हम बहस के लिए ले आये हैं। आज प्रातःकाल हमारे नेता राजीव जी ने एक माननीय सदस्य को जिज्ञास पर कहा कि सरकार किसी भी कार्यक्रम पर, किसी भी कार्रवाई पर किसी भी क्षण, किसी भी प्लेटफार्म पर चर्चा करने को तैयार है। हमारे अपोजिशन के भाई चर्चा का नोटिस देकर वापस भी ले लेते हैं यह स्वयं जनतंत्र के साथ खिलवाड़ करना है। और ऐसे लोग जनता के बीच में जाकर जब राजीव गांधी की या हमारी सरकार की आलोचना करेंगे तो जनता उनसे पूछेगी कि आपने बहस के लिए क्यों नोटिस दिया था और क्यों वापस ले लिया। यह शहीद होना चाहते हैं। शहीद वहां होते हैं :

जाइये कुर्बान शहीदाने वतन की आन के,  
जड़ गये सूली पर भी सावन का झूला  
जान के।

वे लोग शहीद होते हैं जो अपना सर्वस्व त्याग देते हैं। जो भीन के लिए, सत्ता प्राप्ति या इसलिए कि किसी तरह से हमें शासन में कोई न कोई पद मिल जाये उसके लिए अपोजिशन में रोल कर रहे हैं। विरोधी दल के लोग इसी लालच में यह सब कर रहे हैं। भारत के जनतंत्र के साथ जिस तरह का मजाक कर रहे हैं ऐसा

मजाक शायद दुनिया में कहीं न हुआ होगा। आप बैठे हैं आपको कुर्सी को बर लिया जाए, आपके आदेश को न माना जाए, चाहे उस कुर्सी पर महामहिम शंकर दयाल शर्मा जी बैठे हों, चाहे हमारे भूतपूर्व सभापति और वर्तमान राष्ट्रपति वैटरमन जी बैठे हों, आप बैठे हों या कोई भी बैठे हो उस कुर्सी को गरिमा मान्यता और महिमा है और उस महिमा को कांग्रेस के सदस्य के नाते हम धूमिल नहीं होने दगे। अगर चेयर की महिमा गिरती है तो इस सदन में हमारा बैठना बकार है। चेयर सर्वोपरि इस सदन में होती है। सदन की महिमा को गिराने वाले लोग, चेयर को अपमानित करने वाले लोग, चेयर के आदेश को न मानने वाले लोग कितना जनतंत्र में विश्वास रखते हैं आने वाले दिनों में जनता इसका जवाब देगी। सी० ए० जी० की कोई भी रिपोर्ट अब तक सीधे पार्लियामेंट में डिसकस नहीं हुई है। विरोधी दल के सदस्यों की मांग पर राज्य सभा और लोकसभा में सरकार ने बहस कराने की स्वीकृति दी, लेकिन बाद में विरोधी दल के लोग बहस न कराने पर अड़े रहे और उन्होंने लोक सभा की सदस्यता से त्यागपत्र दिया। अनेक विरोधी दल के सदस्य इस बात से पीड़ित हैं कि जपने स्वार्थ के लिए वी० पी० सिंह और रामाराव मिलकर उनकी पेंशन भी खा गये। पेंशन उनका एक सद्भारा थी, वह भी उनसे छीन ली गई। जब वे लोग जपने सदस्यों के साथ पेंशन के मामले में विश्वासघात कर सकते हैं तो कुछ भी कर सकते हैं के जनता द्वारा चुने गये इन सदस्यों ने जनता के उस विश्वास को भी धोखा दिया है। खुले आम जन विश्वास के साथ आत्मघात किया है और बिना जनता से पूछे लोक सभा से इस्तीफा देकर भले ही वे शहीद बनने का स्वांग कर लें अभिनय कर लें, लेकिन जनता उन्हें हिंकारत की नजर से और घृणा की दृष्टि से देखती है और कोटि-कोटि जनता द्वारा सौंपे गये दायित्व से मुंह चुराकर निर्वीर्य और कायर की तरह से भागने वालों के प्रति जनता घृणा का भाव रखती है। ऐसी सोच और समझ एक लम्बी साजिश का हिस्सा है

जो बहुत दिनों से इस देश में चल रही है। यह किसी से छिपा नहीं है कि प्रधानमंत्री के दफ्तर से फाइलें गायब होती थीं और कनाट प्लेस में किसी दलाल के यहां उनका फोटो प्रिंट होता था। जैसा हमारे माननीय सदस्यों ने कहा, बहुत कुछ चीजें ऐसी होती थीं जो सीधे विदेशों को दे दी जाती थीं और वहां से हमारे सैनिक सुरक्षा की बातें लोक त्राउट होती थीं। ऐसे लोग जेल के अन्दर हैं। लेकिन जेल के अन्दर ऐसे लोगों को होना चाहिए जो जनतंत्र पर कुठाराघात करते हैं। आज मुझे दुःख के साथ कहना पड़ रहा है कि चाहे रामाराव हों, अरुण नेहरू हों, चाहे बी०पी० सिंह हों, ये सब अपनी धैर्य और कर-भालोमाल हो गये हैं और अपने उन गरीब साथियों की, सहयोगियों और कुलीन की पेंशन तक खा गये हैं। वे इनको माफ नहीं करेंगे। आने वाले दिनों में आप देखेंगे कि इनकी स्थिति दयनीय प्राणी की तरह होगी जो राजनीति और समाज सेवा के क्षेत्र से समाप्त हो जायेंगे।

बोफोर्स तोपों का मामला ज्वायन्ट पालियामेंटरी कमेटी ने हर पहलू से देखा है। मैं जानना चाहता हूँ कि जब ज्वायन्ट पालियामेंटरी कमेटी ने विपक्ष को आमन्त्रित किया तो आपने उसकी सदस्यता से क्यों इन्कार किया? विपक्ष ने उसकी सदस्यता स्वीकार करने में एक नया बवैला क्यों किया? आप किसी न किसी बहाने से सरकार को क्लीन चिट देने में असमर्थ रहे। फिर भी हम किसी भी दल के सदस्य हों, इस सदन में हमने प्रिय ली है कि संविधान के प्रति अगर कोई भी गलत काम करता है तो हम गलत काम को गलत कहेंगे और सही काम को सही कहेंगे। हमारे अनेक माननीय सदस्य और अगर मैं भूलता नहीं हूँ तो श्री भी उस समिति के सदस्य थे और आज आप चेयर पर बैठे हुए हैं, उस रिपोर्ट को गलत कहना उन सदस्यों का अपमान है। कोई भी आडिट की संस्था ही, कोई भी संस्था किसी मंत्रालय के अन्तर्गत अगर काम करती है और अगर वह स्वायत्त संस्था ज्वायन्ट पालियामेंटरी

कमेटी के मत के विपरीत कोई निश्चय करती है तो निश्चय ही वह मान्य नहीं होगा। हमारे देश की जनता अपने जन प्रतिनिधियों पर विश्वास करती है। उनके विश्वास को झुठलाना बहुत बड़ी साजिश का अंग है। सी०ए०जी० की रिपोर्ट में तकनीकी पहलुओं पर ज्यादा नुक्ताचीनी की गई है। यह सही नहीं है। सी०ए०जी० कोई एक्स्पर्ट टेक्नीकल बाडी नहीं है। विरोधी पक्ष ने लोक सभा की सदस्यता से इस्तीफा देकर जनता के साथ विश्वासघात किया है। राजीव गांधी की सरकार पंचायती राज बिल के द्वारा जो सत्ता देने वाली है अथवा हमारी नगर-पालिकाओं से संबंधित हम कानून बनाना चाहते हैं उन बिलों को पास न होने देने में ये बाधा डालना चाहते हैं। यह जनता दल नहीं, जनता विरोधी दल का काम है। अब तोता मैना का कहानी पुरानी हो गई। इतनी बार आपने बोफोर्स, बोफोर्स, कहा, जनता अब इसमें उब गई है। वह इसका नाम भी नहीं सुनना चाहती है। हमारे नियंत्रक महा-लेखाकार कभी गृह सचिव थे। मैं 67 से दिल्ली में हूँ। वे मेरे पुराने परिचित हैं। साहित्य, कला और संस्कृति में उनकी रुचि है और इस संदर्भ में वे मेरे पास आते हैं। किस रूप में उन्होंने यह सब किया है यह शंका का

विषय हो जाता है। अपने साढ़े चार वर्ष की सदस्यता के दौरान विरोधी दल ने जनता की भलाई के लिए क्या काम किये हैं? अगर इनमें हिम्मत है, अगर विरोधी दल के लोग किसी तरह नैतिकता में विश्वास करते हैं, पालिटिकल मारेलेट में विश्वास करते हैं तो जनता के सामने आकर बताये। उन्होंने राजीव गांधी और कांग्रेस की सरकार को गाली देने के अलावा कौन सा काम किया है? इसमें साजिश बहुत बड़ी है। रामाराव जी के दल के लोग बड़ी लम्बी चौड़ी बातें करते हैं। वेस कल जब मैं अपने विचार रख रहा था तो वे एक साथ खड़े हो जाते थे। मञ्चाई कहने में अच्छा लग रहा था। लेकिन आज उनका आनन मैं खाली देख रहा हूँ। लेकिन मुझे फिर भी सच्चाई कहनी पड़ रही है। वह यहां रहते तब भी मैं कहता।

[डा० रत्नाकर पाण्डेय]

तुम्हीं गरन होगे तो क्या रंगे भदफिल,  
कि। देखकर आप शर्मिंदेगा।

मान्यवर, रामाराव जी के दामाद के बारे में मैंने अखबारों में पढ़ा कि उन्होंने रश्मि नाम की एक दो साल की लड़की को किडनेप किया है और सुप्रीम कोर्ट ने आदेश दिया है कि उस लड़की को पेश किया जाय। उस लड़की की मां समोन रेड्डी इस समय दिल्ली में उपस्थित है और वह कहती है कि आर्थिक शोषण के लिए मेरी बेटी का अपहरण किया गया है और उसे लौटा नहीं रहे हैं। ये लोग इस तरह से छोटे-छोटे बच्चों का शोषण करते हैं। डाकू, लुटेरे सिनेमा और कहानियों में, हम लोग मूलावर की रोमांचक कथा पढ़ते हैं। इस रोमांचक कथा के करने वाले का ससुर, 70 साल की अवस्था में ब्रह्मचारी का रूप धारण करके विलास लीला के कृत्य कर रहा है और मुख्य मंत्री पद का फायदा उठा रहा है। ऐसे लोगों के खिलाफ हाई कोर्ट स्ट्रिकचर पास करता है। ऐसे लोग तिरुपति से लेकर गुटूर तक न जाने कितने हजारों एकड़ जमीन पर कब्जा किये हुए हैं। ऐसे लोग जो उनके दल में हैं वे डिक्टेटर-शिप चलाते हैं। उनकी क्या स्थिति हो गई है यह जानने के लिए मैं उनसे कहना चाहता हूँ कि वे जनता के बीच में चले। 9 अगस्त को क्रांति दिवस है। इस क्रांति दिवस के दिन हम विश्वास करते हैं कि इस देश की जनता राजधानी दिल्ली में दिखा देगी कि देश की जनता किसे चाहती है। इस देश की जनता राजीव गांधी को चाहती है। राजीव गांधी अगर बेईमान है, अगर उसने किसी तरह की हेराफेरी की है तो इस देश और संसार में एक भी व्यक्ति ऐसा नहीं होगा जो ईमानदार होने का सर्टिफिकेट कहीं से प्राप्त कर सके। जिसने अपने छोटे भाई की चिता सजाई हो जिसने अपने पिता की चिता सजाई हो, जिसने अपनी मां की चिता सजाई हो, जो भरी जबानी में योगेश्वर हो चुका हो उसके ऊपर लॉखन लगाने वाले लोगों की जुबान इस देश की जनता जरूरत पड़ने पर बंद कर देगी और उनके सारे नारे

बेकार जायेंगे। इस देश की जनता कर्मठता में विश्वास करती है। हमने नेहरू रोजगार योजना गरीबों की भलाई के लिए प्रारंभ की। हमने लोगों की भलाई के लिए वह काम किये जो पिछले 40-42 वर्षों में कोई भी सरकार नहीं कर सकी। हमने बाढ़ पर नियंत्रण किया। जब भूखमरी फैली तो हमने इतना अनाज दिया कि लोग तृप्त हो-गये केवल मनुष्य ही नहीं बल्कि पशु पक्षी भी तृप्त हो गये। इतने बड़े और अच्छे काम जो हमने पिछले साढ़े चार सालों में किये जनता दल के लोगों को उसमें कोई अचछाई नहीं दिखाई पड़ती। उन्होंने जो उस सदन से इस्तीफा दिया है उसके कारण वे अब पश्चाताप कर रहे हैं। जो विरोधी दल के लाग मिल रहे हैं वे कह रहे हैं कि हम क्या करते पाठों का आदेश था। हमारा मन तो नहीं था। इस तरह का गलत कदम उठाकर इन्होंने अपने पैरों पर स्वयं कुल्हाड़ी मारी है। किसी शायर ने कहा है कि :

सिर्फ एक कदम उठा था गलत राहें शौक में  
मंजिल तमाम उम्र मुझे ढुंढती रही।

इनको पता नहीं चलेगा अगर सदन छोड़कर गये हैं। ये नैतिकता की बात करते हैं। कल मैंने इसी सदन में कहा था कि अगर अपनी मां का दुष्ट पाया है विरोधी दल के लोगों ने तो इस तरह जनतंत्र का मखौल न उड़ाकर, अगर तुम्हारे में हिम्मत है तो तुम इस सदन को भी छोड़ो और चलो सड़कों पर, गलियों में। आपसे जिस भी, जहां भी और जिस रूप में भी जिस भी शख्स के साथ निपटना हो; निपटने के लिए तैयार बैठी है इस देश की जनता। तुम ने जनतंत्र के सा- विश्वासघात किया है। मान्यवर, अगस्त 1980 में 155 एम एम मीडियम गन खरीदने का फैसला हुआ। यह काम स्वीडन की बीफोर्स कम्पनी को मार्च 1986 में सौंपा गया और इतनी इस पर चर्चा, परिचर्चा, वादविवाद और निर्णय हो चुके हैं। रिपोर्ट में कहा गया था कि सी० ए० जी० ने सभी सम्बन्धित फाइलें आडिट के लिए जुलाई, 1986 में मांगनी शुरू की लेकिन जुलाई, 1988 में उन्हें



मुद्रय्या की गई। यह सभी सम्बन्धित फाइलें रक्षा मंत्रालय ने पार्लियामेंट को ज्वाइंट कमेटी के लिए रखी हुई थी। जून, 1987 में रक्षा मंत्रालय ने सी.ए. जी. को बता दिया था कि वह जो भी रिकार्ड देखना चाहे रक्षा मंत्रालय उनको पूरी सुविधा प्रदान करेगा लेकिन अक्सोस है कि आडिट ने रक्षा मंत्रालय को इस आफर का फायदा नहीं उठाया। आज हमारे आडिटर जनरल जो भी रिपोर्ट दें उस रिपोर्ट में राजीव गांधी के सम्बन्ध में मैंने देखा है कि इस रिपोर्ट में प्रधान मंत्री ने जो कुछ भी किया है वह वित्त मंत्री की रिकमेंडेशन पर किया है। मैं यह रिकार्ड कराना चाहता हूँ इस सदन में कि इस देश का वित्त मंत्री जो है उस ने क्या-क्या किया। यह मैं आगे रिकार्ड कराऊंगा। बोफोर्स तोपों के आडर देने में; निर्धारित प्रक्रिया का पालन किया गया है उसमें किसी प्रकार की कोई कमी नहीं है, न किसी निर्धारित मानदण्ड का उल्लंघन किया गया है और जो आपत्तियां आडिटर जनरल द्वारा लगाई गई हैं वह विचारणीय नहीं हैं और जो हमने नेगोशियेशन किये उस में बिचौलियों को हटाया। हमने 10-10 तोपें अधिक ले कर के सौदा किया फायदा किया। कभी यह कहते हैं कि क्वालिटी ठीक नहीं है। जब मैदान में तोप चला दी गई जैसी क्वालिटी निर्धारित हुई थी उससे भी अच्छी निकली तब भी इनकी जवान बन्द नहीं हुई। यह बेशर्मा हो चुके हैं और इस सन्दर्भ में; कोई बात आई, आज इस सदन के सदस्य राम जेठमलानी जिसका नाम जवान पर लाने से पाप लगता है वह कहाँ है? वह आज अमरीका में; पड़ा हुआ है। वह क्या कर रहा है? वह अमरीका के सांसदों से मिल रहा है और मिल कर के बता रहा है कि —

वह कर क्या रहा है —

“Congress Party Government has followed the Soviet model economy and that has not helped India, he declared. He said that if the Opposition... to privatisation.”

प्राइवेट करण करेगा। हम रूस हो या चीन हो या अमरीका हो या जपान हो रूस से सहयोग तो ले सकते हैं। हमने अपना संविधान भारत का संविधान बनाया जिसमें विश्व की समस्त अछाड़ियों को लिया है आर्थिक दृष्टि से हम विसी के मोहताज नहीं हैं। हम दुनिया के पिछड़े हुए हैं दबे हुए राष्ट्रों के नेता बन कर राजीव गांधी के नेतृत्व में काम कर रहे हैं और जनता पार्टी जैसे बम्भी स्वतंत्र पार्टी बनी थी और राजाओं को, पूँजी-पतियों को लेकर वे चलना चाहते हैं। अमरीका के पूँजीवाट की दलाली करने के लिए राम जेठमलानी गया है और प्राइवेट रूप से सरकार को चलाना चाहता है आर्थिक व्यवस्था में उनकी विश्वास नहीं है। इतना ही नहीं राम जेठमलानी ने कहा है ..

उपसभाध्यक्ष (श्री सीजी इशदिवग) :  
व्यक्तिगत नाम न ले तो ठीक होगा।

डा० रस्ताकर पाण्डेय : ठीक है। एक विरोधी दल के सदस्य ने कहा है, इसमें एक डाकूमेंट कोट कर रहा हूँ जिसमें लिखा हुआ है खालिस्तानियों से हमारे प्रधान मंत्री ने कहा कि उस सदस्य की सज्जिश है। कोट किया। मैं यहां रुक करना चाहता हूँ कि विदेश में खालिस्तान का स्वरूप संचालित करने वाले जो लोग बैठे हुए हैं केन्द्र बिन्दु बनकर उनसे उनकी सौंठ गाँठ है और

“...pre-election understanding and has made it clear that V. P. Singh, a former Finance Minister and Defence Minister would head a new Government and Ramakrishna Hegde, former Karnataka Chief Minister, would be in the second position, Ram Jethmalani said.”

“Prominent leaders of the Sikh community in New York, most of them supporters of Khalistan, had to cancel the twice-scheduled meeting with Jethmalani about three weeks ago, when the lawyer said that he was too ill to meet all the

[डा० रत्नाकर पाण्डेय]

"Prominent leaders of the Sikh community in New York, of them supporters of Khalistan, had to cancel the twice-scheduled meeting with Jethmalani about three weeks ago, when the lawyer said that he was too ill to meet all the social engagement at that time and he said that he had nothing against meeting the Sikh leaders there. Mr. Jethmalani said that they had invited him, but he was too ill to attend. On his way to they US, he said, he had made an address at the Gurdwara in Southall in London."

हो क्या रहा है। मैं इस सदन के माध्यम से कहना चाहता हूँ कि इस सदन में सी. आई. ए. से, खालिस्तान बनाने वालों से साजिश करने वाले लोग प्रवेश कर गये हैं। मैं अब कहना चाहता हूँ, रिकार्ड कराना चाहता हूँ कि सी.आई.ए. से सांठगांठ कर रहा है वह आदमी बंठकर, बी.पी. सिंह और राम कृष्ण हेगड़े का जो चुनाव हूआ प्रतिनिधि है। जब गुरुपदस्वामी जो उसके नेता के रूप में, उसके दल के नेता के रूप में जिसका वह सदस्य है, बोलने हैं तो मुख और हमारे मानवीय सदस्यों को विवश होकर खड़े होना पड़ता है क्योंकि सी०आई०ए० और खालिस्तान की मांग करने वालों से सांठ गांठ करने वाला व्यक्ति इस सदन में बैठा हुआ है तो आपोजिसन के लीडर चाहे गुरुपदस्वामी जी हों या कोई हों उन्हें अधिकार नहीं है विरोधी दल का नेतृत्व करने का, जब तक कि इस चीज का पर्दाफाश नहीं हो जाता है। वहाँ के सांसदों से अनेक लोगों से गुप्तचर एजेंसियों से क्या यह छिपा है कि इस देश के बी. पी. सिंह ने हर्षमैन को फाइनेंस की फाइल, अपने देश की फाइल दी थी, जो सी०आई०ए० का रिटायर्ड डाइरेक्टर था, प्राइवेट फर्म चला रहा था। दी थी कि नहीं दी थी। वैसे व्यक्ति आज प्रधान मंत्री बनने का ख्वाब देख रहे हैं। कितने लोग प्रधान मंत्री बनेंगे। चन्द्रशेखर अलग काट रहे हैं, देवीलाल जिन्होंने बहुत कुछ किया अपने प्रदेश में और इस तरह किया कि उनके दो-दो बेटे, दामाद, सारे रिश्तेदार, चाहे इस सदन में

हों चाहे कहीं और हों, पावर में आ गये, हरियाणा की जनता का जिस तरह से आज शोषण हो रहा है इसके पहले कभी नहीं हुआ था और शोषण ही शक्ति है यह मानने वाले लोग, बी. पी. सिंह जैसे लोग, खुलेआम सी.आई.ए. से ताल मेल करके कांग्रेस के शासन को अस्थिर करना चाहते हैं उनसे मैं कहना चाहता हूँ कि 9 अगस्त क्रांति दिवस जो इस वर्ष का है, वह क्रांति होगी और क्या किसी देश में क्रांति होती है तो विध्वंस नहीं होता है, नवनिर्माण की आधारशिला रखी जाती है। उपसभाध्यक्ष महोदय, इतिहास बड़ा निर्भम होता है और निर्भमता की सीपी में राजनीति की मोती सुरक्षित होती है और उस मोती के रूप में राजीव गांधी की जितनी परीक्षा हुई है उतनी इस देश में किसी की नहीं हुई है। कहते हैं कि टी. बी. में मुस्कराहट राजीव गांधी की कम नहीं हुई है। मुस्कराहट अंधेरे की कम न हुई है तो एक शमा जलाने से क्या फायदा होगा। बी.पी. सिंह से मैं कहना चाहता हूँ कि मुस्कराहट अंधेरे की कम नहीं हुई तो एक शमा जलाने से क्या फायदा जिसमें कोई अढ़ा, कोई फन ही नहीं, जिसमें ढिल जीतने की कशिश ही नहीं, ऐसे साका के हाथों में प्याला लिये बीच महफिल में आने से क्या फायदा। राजीव गांधी वह पुत्र है जिसकी मां ने अपने सारे जीवन का बलिदान किया और जनतंत्र में विश्वास करते हुए अगर इंदिरा गांधी जी ने बैंकों का राष्ट्रीयकरण किया, अगर नेहरू जी ने पंचशील के सिद्धांतों के माध्यम से सारी दुनिया में शांति की स्थापना की तो राजीव गांधी ने पंचायत राज, 18 वर्ष का मताधिकार, महिलाओं को 30 प्रतिशत जन प्रतिनिधित्व और सबसे बढ़कर नगरपालिकाओं को स्वायत्तता दी। हम पावर को डीसेंट्रलाइज कर रहे हैं। और यह चिल्ला रहे हैं। दिन में सपना देख रहे हैं प्रधान मंत्री होने का, सब प्रधान मंत्री होना चाहते हैं। ऐसे निम्न भावों से भरा हुआ, स्वार्थी और ढोंगी का रूप धारण करने वाला बहूषिया रामाराव जी हों, चाहे निरंकुश

शासक के रूप में परिवारवाद को बढ़ावा देने वाले देवीलाल हों, चाहे और कोई हो, मैं कहना चाहता हूँ कि इस देश की कोटि-कोटि जनता—चाहे आडिटर-जनरल की रिपोर्ट आप लायें, चाहे जायंट पाल्लिया-मेंट्री कमेटी की रिपोर्ट लायें, उसको उससे मतलब नहीं है, उसका मतलब अपनी क्षुधा शांत करने से, अपने ऊपर छत उसको चाहिए। वह छत राजीव गांधी दे रहा है, अन्न दिए, उसका पेट भर रहा है और आँखों में जो आँसू भरे हुए हैं, हमारे छोटे छोटे नौनिहाल बच्चे जो कीचड़ में भरे हुए हैं, जिन होठों पर बचपन में ही बुढ़ापे की रेखाएँ पड़ गई हैं, झुरियाँ पड़ गई हैं, उन झुरियों को मिटाने का राजसूय यज्ञ राजीव गांधी कर रहा है। विश्व की जनता के लिए और उसमें इस आडिटर-जनरल की रिपोर्ट पर बहस की मांग करके मैदान छोड़कर भागने वाले अपोजीशन के लोगों से मैं कहना चाहता हूँ कि चलिए मैदान में, जहाँ चलिएगा कन्या कुमारी से लेकर कश्मीर तक हम चलने को तैयार हैं और जनता के बीच में तुम्हारी ध्वजियाँ उड़ा करके रख देंगे।

इस आडिटर-जनरल की रिपोर्ट से राजीव गांधी इस्तीफा क्यों दें ? तुम बात नहीं करोगे। जनतंत्र का मूल मकसद होता है कि हम बहस के माध्यम से चीजों को सामने लायें। इस्तीफा दें राजीव गांधी और तुम शाह हो। अपोजीशन में एक-एक आदमी भ्रष्टाचार से घबरा हुआ है। सबकी बात मैं नहीं करता हूँ, पर जो लोग नेता बने हुए हैं, ऐसे लोगों का पर्दाफाश करना होगा और खुल करके करना होगा।

अब, मान्यवर, यहाँ एक मंत्री बैठे हुए हैं। मैं इनसे पूछना चाहता हूँ ...

उपसभाध्यक्ष (श्री सीर्जा इशार्दबेग) : नहीं दो मंत्री हैं।

डा० रत्नाकर पाण्डेय : वह तो हम लोगों के मंत्री हैं। मैं पूछना चाहता हूँ मंत्री जी से, जब-जब हमने राजीव गांधी का नारा लगाया, आप लोग बैठ करके मुस्कराते हैं। हम झूठते हैं, आप बैठ करके

मुस्कराते हैं भोग आप करेंगे, हम जान की बाजी लगायेंगे, यह बंद करो और राजीव गांधी की जय बोलनी हो, तो इस सदन में जय बोलने में तुम्हारी जुबान चुप नहीं रहनी चाहिए।

राजीव गांधी आपको यहाँ लाये हैं, इंदिरा गांधी आपको यहाँ तक लाई है और जब राजीव गांधी को \* इस सदन में कहा जाता है, तो मुस्कराने वाले मंत्रियों से मैं कहना चाहता हूँ, उन सांसदों से कहना चाहता हूँ कि यह बंद करो और निष्ठा और लायल्टी अपने नेता के प्रति और दल के प्रति दिखाओ।

इस रिपोर्ट की ध्वजी जनता में उड़ गई है, न जाने कितनी चीजें बोफोर्स पर आई। जनता इस पर ध्यान नहीं दे रही है।

रक्षा मंत्रालय में रक्षा उत्पादन, और पूति विभाग में राज्य मंत्री (श्री डी० एल० बेंठा) : यह मुस्कराने की बात जो है, वह आप किसको कर रहे हैं ?

DR. RATNAKAR PANDEY :  
I am addressing the Chair.  
(Interruption) I want to convey my hard feelings.

श्री डी० एल० बेंठा : कोई मंत्री मुस्करा नहीं रहे हैं।

डा० रत्नाकर पाण्डेय : मैं स्पष्ट हूँ। जो कुछ मैंने कहा है ... (व्यवधान)

श्री डी० एल० बेंठा : कोई मंत्री मुस्करा नहीं रहे।

डा० रत्नाकर पाण्डेय : मैं किसी व्यक्ति की बात नहीं कर रहा हूँ।

श्री डी० एल० बेंठा : नहीं, आपने मंत्री का नाम लिया है।

डा० रत्नाकर पाण्डेय : मैं जो कुछ कह रहा हूँ, अपनी आत्मा से कह रहा हूँ और राजीव गांधी को पाली दी जाए और उसके दल का व्यक्ति मौन बैठा रहे—मुस्कराहट को मौन में समझ लीजिए—

\*Expunged as ordered by the Chair.

यह मैं अनुचित मानता हूँ। यह दल के प्रति और नेता के प्रति निष्ठा की, मैं कभी मानता हूँ।

उपसभाध्यक्ष (श्री सीर्जा इश्रादबेग) : अब आप समाप्त कीजिए।

डा० रत्नाकर पाण्डेय : वी० पी० सिंह का दामाद संजय सिंह, लघुमति का खिलाड़ी—सैयद मोदी की हत्या की साजिश करके उसकी पत्नी अनिता मोदी को हथियाने वाला, प्रदेश के जनता दल का अध्यक्ष है कहीं विद्या चरण शुक्ल हैं, इमरजेंसी के संस्थापक, न जाने कितने लोग

तो इन शब्दों के साथ इस परिचर्चा में आपने मुझे भाग लेने का अवसर दिया, हम विश्वास करते हैं कि इस देश की जनता अनपढ़ हो सकती है, गरीब हो सकती है, लेकिन वह सनसदार न हो, ऐसा नहीं है। वह सब कुछ समझ रही है और इस रिपोर्ट में जो तथ्यहीन तर्कों के माध्यम से गलत अर्थ विरोधी दल के लोग लगा रहे हैं, वह समाप्त करेगी जनता, और राजीव गांधी के प्रति उनकी आस्था है और इस रिपोर्ट में कहीं भी राजीव गांधी पर आलोचना नहीं की गई है, सारी जिम्मेदारी वी० पी० सिंह पर है।

वी० पी० सिंह दोषी है। उन पर सारी कड़ी कार्यवाही करना चाहिए।

माननीय उपसभाध्यक्ष जी, मैं समाप्त करने से पहले कहना चाहता हूँ कि मेरा कोई भ्रम नहीं था कि किसी मंत्री या किसी सदस्य का अवमानना या उसकी प्रतिष्ठा के प्रतिकूल कोई शब्द कहना, लेकिन दलीय चरित्र होना चाहिए और उस दलीय चरित्र के बल पर मैं फिर कहना चाहता हूँ कि अगर नेता के प्रति कोई कु-वाक्य कहता है, कोई कुवचन कहता है, तो उसके लिए कुछ भी करना ही, हमें करना पड़ेगा।

आपने मुझे बोलने का मौका दिया, इसके लिए धन्यवाद।

THE VICE-CHAIRMAN (SHRI MIRZA IRSHAD BAIG) : Mr. Lenka. He is the last speaker.

SHRI KANU CHARAN LENKA (Orissa) : Mr. Vice-Chairman, Sir, I am the last speaker of the House today. I know that everybody is tired and nobody is interested in listening. So, I will try to be brief.

THE VICE-CHAIRMAN (SHRI MIRZA IRSHAD BAIG) : No. It is not so.

SHRI KANHU CHARAN LENKA : I will try to be brief. Sir, we are discussing the C.A.G. report in this House. I have gone through the report. This report is reminding me of a proverb in Oriya. It means that the thief says that the thief is going away. Catch him. पकड़ो उसको, पकड़ो उसको। चोर चोर भागा। चोर कहे, चोर भागा।

The C.A.G. has nowhere blamed the Prime Minister directly. If he has blamed any body, he has blamed Mr. V.P. Singh. So, the decision that they would resign from the House was taken long back because they know that if the C.A.G. report is discussed in the House, every thing will come to limelight. So they have taken this frustrated step. They are not frustrated today. They have been frustrated for the last six months. When the Prime Minister insisted upon bringing the Panchayati Raj Bill in the House, since then the opposition is frustrated. They have no patience. In the Chief Minister's Conference, they were confused whether to support the Panchayati Raj Bill or not. So, they decided to quit Parliament in this session long before. They decided then and they were waiting for a chance. They were waiting for a plea. The C.A.G. report is not new today. Every year, the C.A.G. report is placed in the

House. Why has this report assumed so much importance this year? There is nothing new in it. The C.A.G. report has pointed out many lapses in the past. It is for the Government to look into them. But why has the opposition made it an issue this time? During the last five years, the opposition has acted in an irresponsible manner in the country because they have lost the confidence of the public. When there was drought in the country and people wanted that everybody should go to them and rescue them, these people were sitting in Delhi and shouting Bofors and Bofors. The Prime Minister was touring the country at that time. He went to the people and rescued them in the flood areas.

Sir, the opposition has also acted irresponsibly on Punjab issue, Assam issue, on Shri Lanka issue and on the issue of Maldives. In all these cases, you will see that they have acted against the national interest. The people of India knew that this opposition has not only acted against the national interest, but they have lowered the prestige of the opposition in Indian politics. So, they are frustrated now. They cannot go to the people. Why they demanding the resignation of the Prime Minister and not of anybody else? Why are they not demanding the dissolution of Parliament? Why do they want it? They know that Mr. Rajiv Gandhi is the only leader in the country who is capable of exposing them to the public. He is capable of exposing their misdeeds before the people. They knew that Rajiv Gandhi is liked by the people of India. The people of India have great confidence in Rajiv Gandhi. They knew it. And they knew it that in the coming general elections, they will not be able to face Rajiv Gandhi. They feel that if they can damage the image of Rajiv Gandhi, they can damage

the image of Congress. So, by this mind of action, they want to come to power. So, they took this decision. The opposition have also taken a decision that they will not allow any work in this House and that they will try to stop the proceedings of this House. They want to do it every morning for 10 or 15 minutes until this session is over. Why have they taken this decision? They thought that if they remain in the House and co-operate, then, when the Panchayat Bill comes before the House, what will they say? If they oppose it, the people of India will reject them. If they support it, Rajiv Gandhi will take the name. So, they have taken this decision that everyday they will do it.

Sir, with the Agni test in Orissa, the prestige of India has gone up. India is a mong the five great powers. But these Opposition parties, instead of praising the scientists of our country and Rajiv Gandhi, they are blaming Rajiv Gandhi. And they said that they do not want Agni, They do not want missiles in India, and that they do not want nuclear weapons. They have lowered the prestige. Never in the history of Opposition in the country had this been done before. It is a shame. Indian Opposition in the past had great prestige. But during these last five years, these people have lowered down the prestige of Opposition. The Bofors issue has made them mad, since the last two years. On the issue of Bofors, their behaviour seems to be of loafers. Sir, as the saying goes, spoils have no other way than to ruin themselves. This Bofors issue has rung the death-knell of the Opposition in India. After some days, these people will go to the people. People will ask them as to what they have done in the Parliament. Sir, I heard today that some of the Members are not ready to resign. They are arguing with their leaders in the Central Hall. Some of the sensible Members are asking their leaders that

[Shri Kanhu Charan Lenka]

for the sake of one person, (a mad person like Mr. V.P. Singh—it is because Mr. V.P. Singh's activities will come to limelight)—they decided to resign. Some of them have started repeating that they have committed a mistake. An unwise strategy that has been imposed upon their Members. Some of them are accusing the leaders like Shri A.B. Vajpayee, Shri Ghosh and others. For the sake of Janata Dal, the CPM has lost its prestige.

For the sake of the Janata Party, the BJP has lost its prestige. Who is the Leader of the Opposition in the Janata Party? Yes Mr. Gurupadaswamy, is the leader and he is mad for power. (*Interruptions*). He is mad and others like Atal Bihari Vajpayee and Dandavate and Advani also followed the same suit. But the cat is out of the bag. Now the people of India are eagerly awaiting what Rajiv Gandhi is going to do for them. They thought that after the resignation Rajiv Gandhi will not be able to manage the Parliament and he will certainly declare dissolution of Parliament. By not doing so, Rajiv Gandhi has shown his courage and his determination. In this session the historic Bill of Panchayati Raj will be passed and by this Panchayati Raj Bill he is going to give power to the people at the grassroots level. These panchayat people are ready now to ask this Opposition one question when the power was being given to you what you people were doing in Parliament? They are weeping now. I saw one of the leaders today who was practically weeping and said, what mistakes we have done. Actually they have been frustrated. It is natural because when they have gone out of the way, many mistakes they will commit. The people of India are aware that the leadership of Shri Rajiv Gandhi is very much needed for India. This CAG report is nothing, only

opposition made have been made a scapegoat. Mr. Subramanian Swamy has said that V.P. Singh has destroyed the image of the Congress Party in the past, and now he has come to the Opposition to destroy the image of the Opposition and he has successfully done it. I think V.P. Singh has made all the Opposition leaders mad by giving them the suggestion that they should resign from the House. This has been done.

Now it is the responsibility of the Government and the Congress Party how to conduct the elections, how to keep the interests of the country supreme, how to keep the dignity of the country and how to maintain the integrity of the country. This is the Prime responsibility of every Member of this august House. Let us discuss the report in the House, not as a revenge; but keeping the country's interests in view. Let us help our leader Rajiv Gandhi to go ahead with what he has thought for the country.

Thank you Sir.

THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG): Now the discussion on the CAG report is over and the Minister will reply later on.

Now the House stands adjourned till 11 A.M. tomorrow Wednesday, the 26th July, 1989.

The House then adjourned at fortyfive minutes past seven of the clock till eleven of the clock on Wednesday the 26th July, 1989.