

(ii) S.O. No. 415(E), dated the 10th July, 1986, publishing the Pallavan Engineering Corporation Limited and Pallavan Transport Corporation Limited (Amalgamation) Order, 1986. [Placed in Library. See No. LT-4589/87 for (i) and (ii)]

MOTION FOR ELECTION TO THE NATIONAL OILSEEDS AND VEGETABLE OILS DEVELOPMENT BOARD

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI YOGENDRA MAKWANA): Madam, I beg to move the following Motion:—

“That in pursuance of clause (c) of sub-section (4) of section 4 of the National Oilseeds and Vegetable Oils Development Board Act, 1983 (29 of 1983) read with clause (i) of sub-rule (1) of Rule 4 of the National Oil Seeds and Vegetable Oils Development Board Rules, 1984, this House do proceed to elect, in such manner, as the Chairman may direct, one Member from among the Members of the House, to be a member of the National Oilseeds and Vegetable Oils Development Board.”

The question was put and the motion was adopted.

MOTION FOR APPOINTMENT OF A JOINT COMMITTEE OF BOTH HOUSES TO ENQUIRE INTO THE ISSUES ARISING FROM THE REPORT OF THE SWEDISH NATIONAL AUDIT BUREAU RELATING TO THE BOFORS, CONTRACT TO SUPPLY 155 MM HOWITZER GUNS TO INDIA

THE DEPUTY CHAIRMAN: Shri Shivraj Patil to move. I think the speech is longish. It can be distributed in the House.

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL):

On behalf of Shri K. C. Pant, the Defence Minister, I move the following motion:

“That this House concurs in the recommendations of the Lok Sabha that a Joint Committee of the Houses consisting of 30 members, 20 from Lok Sabha and 10 members of the Rajya Sabha be constituted to enquire into the issues arising from the Report of the Swedish National Audit Bureau relating to the Bofors' contract to supply 155 mm Howitzer guns to India, made in the motion adopted by the Lok Sabha on the 6th August, 1987 and communicated to this House on the 7th August, 1987 and resolves that this House do join in the said Committee and proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, 10 members from among the members of this House to serve on the said Committee.”

Madam, I have the speech in my hand and I seek the permission of this august House to put the facts mentioned in the speech before the Members. It is a little longish. However, I seek your indulgence.

THE DEPUTY CHAIRMAN: You have distributed it.

SHRI SHIVRAJ PATIL: Copies of the speech are being distributed.

I hope they would hear it.

SHRI PARVATHANENI UPENDRA (Andhra Pradesh): Is it your speech or Mr. Pant's?

SHRI SHIVRAJ PATIL: It is on behalf of the Defence Ministry.

श्री बिट्टल राव साधुवरार जाधव
(कह प ड्ड: हिन्दी काफी नहीं है इसकी हिन्दी काफी साकुलेंट कीचिए

SHRI SHIVRAJ PATIL: We would give Hindi copy also, and you would get Hindi translation, immediately. Those who want to have Hindi version of the speech will get Hindi translation.

श्री राम चन्द्र विकल (उत्तर प्रदेश) :
उपसभापति जी मैं एक प्रश्न निवेदन
करना चाहता हूँ ?

उप सभापति : मुझे मालूम है

श्री राम चन्द्र विकल : प्रायः यह प्रश्न
आ रहा है। यह प्रस्ताव लोक सभा में पेश
हुआ है। लोक सभा से लेकर आज तक
यह हिन्दी में नहीं हो सका और बार-बार
इस सवाल को उठाना पड़ता है। हिन्दी
की इतनी उपेक्षा नहीं होनी चाहिए।

(व्यवधान) जब तक यह हिन्दी में
नहीं आए तब तक के लिए इस पर बहस
बंद होनी चाहिए ?

उप सभापति : ऐसा नहीं हो सकता है।
हिन्दी में भेज दिया जाएगा। ...
(व्यवधान) मिस्टर विकल, बठ जाइये।

एक माननीय सदस्य : मडम यह अंग्रेजी
में पेश हो रहा है। हिन्दी में भी होना चाहिये।

उपसभापति : आप सुन भी सकते
हैं। जरा शांति रखिये आपको
सुनना नहीं है ?

श्री सत्य प्रकाश मालवीय (उत्तर
प्रदेश) : माननीय उपसभापति महोदया मेरा
व्यवस्था का प्रश्न है। जब तक प्रत्येक
सदस्य को वक्तव्य न मिल जाये तब तक
इसे रोक दिया जाये।

उप सभापति : आपने जो व्यवस्था
का प्रश्न उठाया है, उस पर कुछ कह
ते हैं।

SHRI SHIVRAJ PATIL: I will make
my submission. (Interruptions)

THE DEPUTY CHAIRMAN: Please
listen to the hon. Minister. He is mak-
ing a submission.

SHRI SHIVRAJ PATIL: Madam, if I
had submitted a statement to the House,
the English and Hindi versions have to be
given to the Members. I am making a
speech here. If the copies were not there
and if I were making a speech, I would
not have been able to speak in English as

well as in Hindi at the same time. I am
making a speech. I am not submitting
a statement. All the same, I have
said that the English version is available
to the Members and the Hindi version. .
(Interruptions)

श्री राम चन्द्र विकल : जो बांटा
जा रहा है वह हिन्दी में भी होना
चाहिये। अगर हिन्दी में नहीं है, तो
उसका वितरण नहीं करना चाहिये।

THE DEPUTY CHAIRMAN: Every-
body please sit down. I am on my
legs. He is reading out his speech. This
is not a written statement. It is only for
the convenience of the hon. Members
that copies are being circulated. It does
not mean that everybody should get copies
in both the languages. He is reading
out his speech. I have allowed him to
read it. (Interruptions) Nothing will go
on record now.

PROF. C. LAKSHMANNA (Andhra
Pradesh): Madam, I am on a point of
order.

THE DEPUTY CHAIRMAN: No
point of order. (Interruptions) There
must be some order now. We have decid-
ed that we will have a cordial atmos-
phere in the House. Let the Business
of the House proceed in an orderly man-
ner. But right from the beginning, if
you start interrupting the proceedings like
this, I think, it is not a good gesture. I
request you. Please do not raise issues
which are not relevant.

(व्यवधान)

श्री सत्यप्रकाश मालवीय : मैंने आपको
एलाउ किया। उसका जवाब भी दे
दिया गया। अब आप कृपा करके शांति
बैठिये।

SHRI MOSTAFA BIN QUASEM
(West Bengal): Madam, it is written
here 'Statement by Shri Shivraj Patil...
(Interruptions)

THE MINISTER OF DEFENCE
(SHRI K. C. PANT): Madam, may I ex-
plain? Sometimes, in the other House,
although I should not mention the other
House, situations arose in which it be-
came difficult to make a speech. There

[Shri K. C. Pant]

was a lot of turmoil and so on unlike this House where there is no turmoil, where people are very well behaved. So, Madam, in that House we felt that perhaps one should have a contingency plan, i.e. in case a speech cannot be made, then a statement can be distributed for the convenience of the Members. Here, actually he is making a speech, but perhaps wrongly he has assumed that if the infection spreads to this House also, the statement should be ready. That is all, Madam.

SHRI SHIVRAJ PATIL: Madam, Deputy Chairman. This House would recall the lively Debate on the 21st April, 1987 which was occasioned by the then Minister of State for Defence Shri Arun Singh taking the House into confidence concerning the allegations against M/s. Bofors, of having violated its assurance to the Government of India that no Agents would be involved and having made improper payments in connection with its contract with the Government of India for the supply of 155 mm guns. The allegations were first announced by the Swedish National Radio on the 16th April, 1987.

Shri Arun Singh had then informed the House about the manner in which Bofors had eventually won the contract after keen competition, and the precautions taken by the Government of India to ensure that there would be no middlemen in the transaction. He had also mentioned that the assurance was even conveyed to our Prime Minister through the late Mr. Olof Palme who was then the Prime Minister of Sweden.

Voicing their extreme concern in the matter, many Members of the Opposition including Shri Gurupadaswamy, Shri Dipen Ghosh and Shri P. Upendra demanded a probe through a Parliamentary Committee into these allegations.

On this day, however, there was no basis whatsoever to the allegations beyond the mere fact that an announcement to this effect had been made in Sweden by the Radio Company on Thursday, 16th

April, 1987. Govt. immediately made inquiries through the Government of Sweden and it was re-confirmed by Mr. Aberg, the Permanent Under Secretary of Foreign Trade in the Swedish Foreign Office on the 17th April, 1987 that the Indian Government's policy had been conveyed to the late Mr. Palme, and this assurance of Bofors had been conveyed to our Prime Minister. Inquiries were also made from Bofors on Monday 20th April, who denied the allegations. There was, therefore, no *prima facie* substantiation of the allegations, available to the Government of India on the 21st April, when the matter was discussed in the House. It was also not possible, therefore, for Government to accept there and then the proposal for the establishment of a Parliamentary Committee to conduct a probe on the basis merely of an uncorroborated announcement by a foreign Radio Company. Nor would it have been prudent to create for the first time in Indian Parliamentary history, an investigative committee of Parliament on the basis merely of such allegations.

However, Government continued its efforts to obtain further information and the Indian Ambassador in Stockholm persisted in his enquiries from Bofors on the 22nd April, and on that day also requested the assistance of the acting Chief of the Swedish National Radio Company in providing him with any evidence in its possession. The Swedish National Radio Company declined to provide the required assistance to our Ambassador. However, in its broadcasts, it was persisting with its earlier story and even suggesting that a full disclosure would be made within a few days. However, no such disclosure has so far been made.

In the face of the denials by Bofors and a corroboration on the earlier assurance received by our Prime Minister from the Late Swedish Prime Minister the Government of India could well have been content to await the promised fuller disclosure by the Radio. However, our Government persisted with its efforts with the Swedish Government and as a result prevailed on it to refer the matter to the Swedish Na-

tional Audit Bureau for an audit review, This fact was immediately conveyed to this House on the 29th April. No further step was possible till the Report was received. It was then hoped that all pertinent information would become available as soon as the Swedish National Audit Bureau submitted its Report.

We are all aware that the Swedish National Audit Bureau submitted its Report to the Swedish Government on the 1st June, 1987 and after consideration, the Swedish Government forwarded to the Government of India through the Swedish Embassy in New Delhi an English language translation of the Report on the 4th June. The Report was not conveyed to the Government of India in its entirety. Instead, some key features of it had been excised therefrom. The Report established that substantial sums had been paid to various persons or companies in connection with the Indian contract. However, it was not clear from the Report, as received by us, who precisely the beneficiaries of these amounts were, nor what services had been rendered by them and over what period of time. It appeared that the major portion of these payments related to the winding-up of earlier arrangements which Bofors had in relation to their overall marketing effort.

As there was now some authoritative confirmation of the fact that substantial sums had been paid, the Government of India immediately released the Swedish National Audit Bureau Report as well as the forwarding note of the Swedish Embassy with which it had been received. Since neither House of Parliament was in Session on the 4th June, Government shared the available information with the Leaders of the Opposition on that day itself. Finally, on the same day, Government decided that the matter would warrant a further inquiry by a Joint Parliamentary Committee, the need for which had been voiced by almost all the Opposition parties during the Debates in the Lok Sabha and the Rajya Sabha on the 20th and 21st April, 1987. Government were anxious to ascertain full information on these transactions, and if any viola-

tions of law were detected as a result, to proceed firmly against those found guilty. The request for the establishment of such a Joint Parliamentary Committee was conveyed to the two Houses of Parliament on the 11th June, 1987. Thereafter, on the 17th June, 1987, the Leaders of the Opposition were again consulted on the establishment of a Parliamentary Committee.

A number of MPs from the Opposition submitted a draft Motion for the establishment of such a Committee. I will at this stage enumerate briefly the salient features of the draft proposed by the Opposition parties and will dwell later, at greater length, on the main differences between this draft and the contents of the Resolution of the Lok Sabha which is before this hon'ble House. The draft Motion proposed by the Opposition parties had the following salient features:

(i) That the Joint Committee will comprise of thirty Members, two-thirds from the Lok Sabha and one-third from the Rajya Sabha.

(ii) That the Chairman of the Committee be named in the Motion itself (rather than be nominated by the Speaker of the Lok Sabha as per the Rules).

(iii) That the Committee be empowered to hear and receive evidence, whether oral or documentary, and have the discretion to treat any evidence before it as secret or confidential (in other words, that the powers which already vest in Committees of the Lok Sabha under Rules 269 and 270 of the Rules of Procedure of the Lok Sabha) be specifically provided in the Motion.

(iv) That the Committee be empowered to hear as well as receive evidence from foreign nationals, companies, and other agencies including Governments, and for this purpose visit foreign countries.

(v) That the Committee be empowered to summon any person, including a Minister, for oral examination, and to call for the production of documents relevant thereto.

[Shri Shivraj Patil]

(vi) That Government shall render assistance as required for the purpose of this enquiry notwithstanding the Official Secrets Act.

(vii) That the Comptroller and Auditor General, the Attorney General and all investigating agencies of the Government shall render assistance to the Committee.

(viii) That the terms of reference will include an examination of Government policy and decisions in relation to purchase and procurement of Defence equipments since January 1980, as well as procedures laid down for such purchases in pursuance of General Staff Requirements. It would also enquire into the allegations concerning the illegal payments by Bofors. Finally, it would enquire into the allegations concerning the Submarine deal.

The suggestion of the Opposition Parties was carefully considered by Government. It was observed that the functioning of Parliamentary Committees is comprehensively covered by the Rules of Procedure, and the Directions of the Presiding Officers. Government, therefore, were of the view that there was no need to separately, and specifically, incorporate in the proposed Motion the substance of such well defined Rules and Directions. Accordingly, in the Motion which was moved by Government in the Lok Sabha on 29th July, it was proposed that the Rules of Procedure of the Lok Sabha relating to Parliamentary Committees should apply to the Joint Committee.

Rule 258 of the Rules of Procedure of the Lok Sabha provides that the Chairmen of Parliamentary Committees are to be nominated by the Speaker from one of the Members of the Committee. Likewise, Rule 269 and 270 empowers Parliamentary Committees to summon witnesses and receive evidence. In this context, therefore, it was Government's view that the proposed Committee could function under the time honoured Rules of Procedure.

Government also considered the proposed size of the Committee and it was felt that a thirty Member Committee may be unwieldy. It was, therefore, felt that a Committee of twenty one Members, with two-thirds from the Lok Sabha and one third from the Rajya Sabha would be adequate.

As regards the Terms of Reference, Government were of the view that the crucial issues to be examined related to a determination of the recipients of the payments made by Bofors, as had been established in the Swedish National Audit Bureau Report, and a conclusion whether the payments were violative of Indian Laws, so that suitable action could be taken against the violators. These issues were sharply defined and were proposed for reference to the Committee. On the other hand, Government did not perceive the need for a general review of the modalities followed by Government in making Defence acquisitions. A roving enquiry into such matters would not yield benefits commensurate with the effort, and would instead have the further disadvantage of diverting focus from the main issue, namely that of determining culpability in respect of the Bofors transactions. In fact, it would be necessary to note that Government's anxiety to quickly finalise this matter is reflected in Government's proposal that the committee submit its recommendations by the commencement of the Winter Session of Parliament rather than to allow the Committee to prolong its deliberations till the commencement of the Budget Session of Parliament, as was proposed by the Opposition Parties.

Concerning the Opposition proposal that the Submarine matter should also be remitted to the proposed Committee, Government were of the considered opinion that because investigations into the various aspects thereof had already been entrusted to the concerned agencies of the Ministry of Finance under the directions of Shri V. P. Singh, and because in the meanwhile the firm HDW had replied to Government's enquiry by stating that the information conveyed about their having made improper payments was incorrect

and possibly the result of a misunderstanding, and because also of the fact that the Contract in respect of which these allegations were made had been substantially executed, no tangible gain would accrue from entrusting this allegation also for enquiry to this Joint Parliamentary Committee. When the investigations are completed, Government would of course take Parliament into confidence.

During its considerations in the Lok Sabha, various Opposition Parties proposed amendments to the Government Motion. Although the amendments differed *inter-se*, it would not be incorrect to sum up the nature of these amendments by stating that, taken together, they reverted substantially to the formulations contained in the draft proposed by the Opposition Leaders.

Apart from fully explaining the basis of the Government Motion in the Lok Sabha, we also had the benefit of extensive discussions with the Opposition leaders on several occasions concerning the composition, the powers, and the Terms of Reference of the Committee. In a spirit of accommodation, we made extensive changes in the Motion introduced by us. Consequently we introduced on the 6th August, 1987 amendments to our original Motion, with the sole purpose of accommodating the views of the Opposition, and securing their participation in the Committee. The Motion, as passed by the Lok Sabha on the 6th August, is now before this hon'ble House.

A reference to the Motion passed by the Lok Sabha shows that the size of the Committee has been increased from 21 Members which had been proposed by Government initially, to 30 Members as suggested by the Opposition parties. As earlier stated, a committee of thirty would have been excessively large. However, we have yielded to the wishes of the Opposition. As further demanded by the Opposition, this Motion also provides explicitly for the Committee to be assisted by the Comptroller and Auditor General of India, the Attorney General of India and by the investigating agencies of Government, besides, specifically empower-

ing the Committee to ask for and receive evidence, oral or documentary, from foreign nationals and agencies.

As regards the Opposition's demand that overriding the Rules of Procedure, the Committee be specifically empowered to visit foreign countries, it is to be observed that unlike as in other cases, any foreign visit by this Committee would necessarily require ensuring:

—that the foreign persons, agency or institutions to be heard are unwilling to visit India, to meet the Committee;

—that such persons, agencies, institutions or the concerned foreign Governments are willing to come forth and be heard by the Committee.

These safeguards are most essential as the Committee cannot be made to run the risk of being affronted, in any manner whatsoever, while on a foreign visit. The dignity and honour of the Committee must be ensured as any denigration suffered by it will be an insult to the Parliament and to the country. In view of these considerations and the inescapable need of prior consultations and concurrences, we have, to further meet the opposition demand, provided that a Sub-Committee of the Committee may visit foreign countries with the approval of the Speaker.

In other respects, the Motion contemplates the regulation of the proceedings of the Committee and its powers in terms of the Rules of Procedure—which, as has been mentioned, already comprehensively provide for most matters.

One of the suggestions by the Opposition went so far as to suggest that the Officials Secrets Act should in effect be waived in relation to the evidence to be tendered to this Committee. The essential rigours of the Officials Secrets Act flow from the statute which cannot be abrogated for the purpose of this Committee by means of such a Motion. However, we assure this House that the Government will provide necessary support to the Joint Parliament Committee in the performance of its duties.

[Shri Shivraj Patil]

Turning finally to the Terms of Reference, it would be observed from the text of the Motion before us that the Committee being constituted would enquire into the questions of whether the laid down procedure for acquisition of weapons and systems were adhered to in the purchase of the Bofors gun; ascertain the identity of the recipients of the payments referred to in the Swedish National Audit Bureau Report, determine also the identity of persons who may have received other payments if there appears to be *prima facie* evidence of other payments having been made; and determine the Indian laws, rules and regulations which might have been violated by M/s. Bofors or any of the recipients of the payments referred to. This comprehensive formulation of the Bofors matter will allow the Committee to deliberate upon every relevant aspect of the transactions in question without running the risk of its getting sidetracked into an unfocused and unrewarding exercise of prolonged durations.

The House will see that in our effort to achieve the prompt setting-up of the Committee, and to entrust to it an activity which it can complete in the shortest time-span we have accepted a majority of the requests of the Opposition. We have also consulted the leaders of the Opposition parties on several occasions in our endeavour to mutually determine an acceptable and appropriate composition of the Committee and its powers, and terms of reference.

It was a matter of great disappointment for us, when at the end of a three-day long Debate in the Lok Sabha, our friends from the Opposition benches thought it fit to stage a walk out. We trust that the Opposition would in the meanwhile have reconsidered their position on this issue, and this House will pass this Motion unanimously. With these words, Madam, I would request that the Motion be considered in this House for its unanimous acceptance.

The question was proposed.

SHRI DIPEN GHOSH (West Bengal):
Madam, I move:

1. "That at the end of the Motion, the following be added, namely:—

'subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) For paragraph 2, substitute the following:—

The Committee shall—

(a) examine the Government policy and decisions in relation to purchase and procurement of Defence equipment, stores and ancillaries since January, 1980, and procedures laid down, from time to time, for purchase of such equipments and stores in pursuance of GSR. (General Staff Requirements);

(b) enquire into and investigate the payment of commissions and any other illegal payments to certain persons and agencies by the Swedish Firm, Bofors, for securing the contract for the supply of Howitzers 155 mm guns and other Defence equipment to Government, in the context of the announcement made by the Swedish Broadcasting Company and the enquiry Report of the National Audit Bureau of Sweden;

(c) enquiry into the alleged payment of commissions in the purchase of West German submarines by Government, as mentioned in the statement made on the floor of this House by the Minister for Defence; and

(d) enquiry into all matters incidental and consequential thereto.

(ii) For paragraph 3, substitute the following:—

That a Member from the Opposition shall be appointed Chairman of the Committee. The Chairman shall have the power to choose a Secretary and other members the staff from among the Lok Sabha/

Rajya Sabha Secretariats in consultation with the Secretary-General of the respective Houses.

(iii) For paragraph 6, substitute the following:—

That the Government shall render such assistance to the Committee as may be required by the Committee for the purpose of this enquiry, including production of files, papers and other documents, notwithstanding the Official Secrets Act.

(iv) For paragraph 7, substitute the following:—

(a) That the Committee shall have power to hear and/or to receive evidence, oral or documentary, connected with the matters referred to the Committee or relevant to the subject matter of the enquiry and it shall be in the discretion of the Committee to treat any evidence tendered before it as secret or confidential;

(b) That the Committee shall have unfettered power to hear and/or receive evidence from any foreign national or companies or any other agencies including the Governments and for this purpose visit any foreign country; and

(c) That the Committee shall have unfettered power to summon any person, including a Minister, for oral examination and call for the production of any document relevant for the purpose of the enquiry.

(v) In paragraph 10, for the words 'last day of the first week of the next session of Parliament', insert 'by the first day of the Budget Session of 1988 of this House'.

SHRI PARAVATHANENI UPENDRA: Madam, I move:

2. "In the text of the Motion, for the words 'to enquire into the issues arising from the report of the Swedish National Audit Bureau relating to the Bofors'

contract to supply 155 mm Howitzer guns to India' substitute the words 'to enquire into issues relating to certain defence purchases'."

3. "In the text of the Motion, for the words 'and proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, 10 members from among the members of the House to serve on the said Committee' substitute the words 'and request the Chairman to nominate 10 members from among the members of the House, in consultation with the Leader of the House and Leaders of various opposition parties and groups, to serve on the said Committee'."

4. "That at the end of the motion, the following be added, namely:—

'subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) for paragraph 2, substitute the following:—

The Committee shall enquire into the following matters:

(a) the Government's policy and decisions in relation to purchase and procurement of Defence equipment, stores and ancillaries since January 1980, and procedures laid down, from time to time, for purchase of such equipments and stores in pursuance of GSR (General Staff Requirements);

(b) the payment of commissions and any other illegal payments to certain persons and agencies by the Swedish firm, Bofors, for securing the contract for the supply of Howitzers 155 mm guns and other Defence equipment to Government, in the context of the announcements made by the Swedish Broadcasting Company and the Enquiry Report of National Audit Bureau of Sweden;

[Shri Parvathaneni Upendra]

(c) the alleged payment of commissions in the purchase of West German submarines by Government, as mentioned in the statement made on the floor of this House by the Minister for Defence, and

(d) all matters incidental and consequential thereto."

(ii) for paragraph 3, substitute the following:—

That the Speaker shall nominate one of the Members of the Committee belonging to the Opposition to be its Chairman.

(iii) for paragraph 5, substitute the following:—

That the Comptroller and Auditor General of India and the Attorney General of India shall provide assistance to the Committee, as required by the Committee.

(iv) for paragraph 7, substitute the following:—

That the Committee shall have the power to ask for and receive evidence, oral or documentary, from foreign nationals or agencies, Government and private.

(v) for paragraph 8, substitute the following:—

That the Committee or its sub-Committee may visit any foreign country for specified purposes connected with the enquiry.

(vi) for paragraph 9, substitute the following:—

That the Committee shall have power to summon any person, including a Minister, for oral examination and call for the production of any document relevant for the purpose of the enquiry.

(vii) Add the following paragraph 10 after paragraph 9:—

That the Government shall render such assistance to the Com-

mittee, as may be required by the Committee for the purpose of this enquiry, including production of files, papers and other documents.

(viii) Re-number paragraphs 10 and 11 as 11 and 12."

PROF. C. LAKSHMANNA: Madam, I move:

5. "That at the end of the Motion, the following be added, namely:—

subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) Insert the following sub-paragraph (v) after sub-para (iv) of paragraph 2:—

Also to enquire into the alleged payment of Commissions in the purchase of West German submarines by Government as mentioned in the statement of the former Defence Minister in the Parliament.

(ii) For paragraph 7, substitute the following:—

The Committee shall have the power to ask for and receive evidence, oral or documentary, from foreign nationals or the agencies relevant for the purpose of the Committee.

(iii) Insert the following paragraph '8' after paragraph '7':—

The Committee shall have the power to summon any person including a Minister for oral examination and call for the production of any document relevant for this enquiry.

(iv) For paragraph 8, substitute the following:—

The Committee shall have the power to nominate a sub-Committee to visit any foreign country for specific purposes connected with the enquiry and empower such sub-Committee to record evidence or take decisions necessary for the purpose.

(v) Re-number paragraphs 8, 9, 10 and 11 as paragraphs 9, 10, 11 and 12".

SHRI ATAL BIHARI VAJPAYEE
(Madhya Pradesh): I move:

6. "In the text of the Motion, for the words 'and proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, 10 members from among the members of the House to serve on the said Committee,' substitute the words and request the Chairman to nominate 10 members from among the members of the House, in consultation with the Leader of the House and Leaders of various opposition parties and groups, to serve on the said Committee."

7. "That at the end of the motion the following be added, namely:—

subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) in paragraph 2, after sub-para (iv), add the following sub-paras (v) and (vi) :—

(v) to enquire into the alleged payment of Commission in the purchase of West German submarines, as informed by India Embassy there and also into all correspondence of the Government in this regard along with all other related documents;

(vi) to enquire into all matters incidental and consequential thereto.

(ii) for paragraph 3. substitute the following:—

"3. That the Chairman of the said Committee will be from the Opposition, as recommended by them. The Chairman shall have the power to choose a Secretary and other members of staff from among the Lok Sabha and Rajya Sabha Secretariats in consultation with the Secretary-General of the respective Houses."

(iii) in paragraph 7, delete the words 'provided that if any question arises whether the evidence of a person or the production of a document is relevant for the purposes of the committee, the question shall be referred to the Speaker whose decision shall be final.'

(iv) At the end of paragraph 7, add the following sub-para (ii):—

"(ii) The Committee shall also have the power to summon any person, including a Minister and the Prime Minister, for examination/evidence and call for the production of any document for the purpose of the enquiry, notwithstanding the provisions of the Official Secrets Act."

(v) For paragraph B, substitute the following:—

8. The Committee or its sub-Committee shall have the power to visit a foreign country and held sittings there in order to record evidence or to hear persons or companies or any other agencies including Government relevant to the inquiry with the permission of the concerned Government(s)."

(vi) For paragraph 9, substitute the following:—

"9. That this Committee shall be a Special Parliamentary Committee which might take guidance from the Rules of Procedure relating to Parliamentary Committees but shall establish its own rules for better discharge of its functions."

SHRI JASWANT SINGH (Rajasthan):
Sir, I move:

8. "In the text of the Motion, for the words 'and proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, 10 members from among the members of the House to serve on the said Committee' substitute the words 'and request the Chairman to nominate 10 members from among the members

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of the House, in consultation with the Leader of the House, and also the Leaders of various opposition parties and groups, to serve on the said Committee."

9. "That at the end of the motion, the following be added, namely:—

subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) In paragraph 2, after sub-para 4 (iv) add the following sub-para (v) and (vi):—

(v) to enquire into the alleged payment of Commissions in the purchase of West German submarines, as informed by India's Embassy there and also into all official correspondence in this regard along with all other related documents;

(vi) to enquire into all matters incidental and consequential thereto."

(ii) For paragraph 3, substitute the following:

3. That the Chairman of the said Committee will be from the Opposition as recommended by them. The Chairman shall have the power to choose a Secretary and other members of the staff from among the Lok Sabha and Rajya Sabha in consultation with the Secretary-General of the respective Houses.

(iii) In paragraph 7, delete the words 'provided that if any question arises whether the evidence of a person or the production of a document is relevant for the purposes of the Committee, the question shall be referred to the Speaker whose decision shall be final'.

(iv) At the end of the paragraph 7, add the following sub-para (ii):—

7 (ii) The Committee shall also have the powers to summon any person, including a Minister and the Prime Minister, for examina-

tion/evidence and call for the production of any document for the purpose of the enquiry, notwithstanding the provision of the Official Secrets Act.

(v) For paragraph 8, substitute the following:—

The Committee or its sub-committee shall have the power to visit a foreign country and hold sittings there in order to record evidence or to hear persons or companies or any other agencies including Governments relevant to the inquiry with the permission of the concerned government(s).

(vi) For paragraph 9, substitute the following:—

That this Committee shall be a Special Parliamentary Committee which might take guidance from the Rules of Procedure relating to Parliamentary Committees but shall establish its own rules for better discharge of its functions."

10. (i) In text of the Motion, for the words 'That this House concurs' substitute the words 'That this House do not concur'.

(ii) In text of the Motion, for the words 'and resolves that this House do join in the said Committee and proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, 10 members from among the members of this House to serve on the said Committee.' substitute the words 'but this House recommends that both the House of Parliament do unanimously pass a Motion requesting the Government of Sweden to immediately make public the excised portions of the report of the Swedish National Audit Bureau and also that both the Houses of Parliament unanimously call upon Bofors AB to make full disclosures of all the facts connected with the contract(s) for the supply of 155 mm Howitzers, failing which the House recommends to the Government of India an immediate cancellation of the contract(s).'"

11. "That at the end of the Motion, the following be added, namely:—

'subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) For paragraph 2, substitute the following:—

The Committee shall investigate and enquire into the following matters:

(a) the contract for the purchase of 155 mm Howitzers from Bofors AB of Sweden;

(b) to investigate fully all allegations made regarding the purchase of submarines from M/s HDW of the Federal Republic of Germany;

(c) all Governmental policy and procedures followed in respect of the above two defence contracts;

(d) the report of the National Audit Bureau of Sweden on the Bofors contract;

(e) all correspondence, communications, messages, assurances, oral or written, in respect of the above two defence contracts;

(f) action taken by Government of India on the above-mentioned communications, etc. particularly in respect of the activities of the admitted agent, nominee, or consultant of Bofors AB;

(g) efforts made by and actions of the Government of India to enquire into and establish breach of contract by the supplier and/or agents, consultants, etc. after receipt of clarifications from Bofors AB on April 24, 1987;

(h) all matters incidental and consequential thereto;

(ii) For paragraph 3, substitute the following:—

That the Chairman of the said Committee shall be from the

Opposition; as recommended by them.

(iii) For paragraphs 5, 6, 7, 8, 9, 10, and 11 substitute the following paragraphs 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14:—

5. That the Committee may hear or take evidence connected with the matters referred to the committee or relevant to the subject matter of the inquiry.

6. That the Committee may hear or take evidence in any place in India or abroad as it may decide.

7. That the Committee be empowered to enlarge the scope of its investigation, should during the process of its work, it may deem it necessary to do so for a better discharge of its obligations.

8. That this Committee shall be a special Parliamentary Committee, which might take guidance from the Rules of Procedure relating to Parliamentary Committees but shall establish its own rules for better discharges of its functions.

9. That the Committee shall have powers to hear and/or receive evidence from an foreign national or companies or any other agencies including the Governments.

10. That the Committee shall have power to summon any person, including a Minister, for examination and call for the production of any document(s), relevant for the purpose of the inquiry.

11. That the Government shall render all such assistance to the Committee as may be required by the Committee, for the purpose of the inquiry, including production of files, papers and any

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other documents, notwithstanding the Official Secrets Act.

12. That all investigative agencies of the Government of India shall be directed to render all such assistance to the Committee as may be required by the Committee, for the purpose of this inquiry.

13. That the Committee will be empowered to call upon the Comptroller and Auditor General of India, the Attorney General, the Solicitor General and all such other officials as it might find necessary for the purpose of this inquiry.

14. That the Committee shall submit its report for the consideration of the House, by the first day of the first week of the Winter Session of Parliament.

(iv) Re-number paragraph 11 as paragraph 15?."

SHRI SATYA PRAKASH MALAVIYA: I move;

12. "That at the end of the Motion, the following be added, namely:—

'subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) For paragraph 1, substitute the following:—

That a Joint Committee of both the Houses consisting of 30 Members, 20 from Lok Sabha and 10 from Rajya Sabha be constituted to enquire into the issues arising from the Report of the Swedish National Audit Bureau relating to the Bofors contract to supply 155 mm Howitzer Guns to India and also to enquire into the alleged payment of commissions in the purchase of West German Submarines by Government.

(ii) For paragraph 3, substitute the following:—

That Chairman of the Committee will be appointed by the Speaker of the Lok Sabha with the consent of the leaders of the parties of the Opposition having the largest number in both the Houses. The Chairman will have power to choose a Secretary and other members of the staff from among the Lok Sabha/Rajya Sabha in consultation with the Secretary General of the respective Houses.

(iii) In paragraph 7, delete the words 'provided that if any question arises whether the evidence of a person or the production of a document is relevant for the purposes of the Committee, the question shall be referred to the Speaker whose decision shall be final'.

(iv) For paragraph 8, substitute the following:—

8. (a) If the Committee wishes to visit a foreign country for specified purposes connected with the enquiry, it shall have power to hear and/or receive evidence from any foreign national or companies or any other agencies including the Governments and for this purpose may visit such foreign country or countries.

(b) That the Committee shall have power to summon any person including the Prime Minister or any Minister for oral examination and call for the production of any document relevant for the purpose of the enquiry.

(v) Delete paragraph 9,

(vi) Re-number of paragraphs 10 and 11 as paragraphs 9 and 10."

PROF. C. LAKSHMANNA: Sir, I move:

13. "At the end of the Motion add the following:—

'That this House further requests the Government of Sweden to make

public, immediately, those portions of the Report of the National Audit Bureau, withheld by the Government of Sweden, so that a thorough enquiry into this matter may be undertaken by the proposed Joint Committee."

SHRI JASWANT SINGH: I move:

15. "That at the end of the Motion, the following be added, namely:—

'Subject to the following modifications being made in the said Motion of the Lok Sabha:—

(i) For paragraph 2, substitute the following:—

The Committee shall:

(a) Investigate and inquire into the contract for the purchase of 155 mm Howitzers from Bofors AB of Sweden;

(b) Investigate fully all allegations made regarding the purchase of submarines from M/s HDW of the Federal Republic of Germany;

(c) Investigate into all Governmental policy and procedures followed in respect of the above two defence contracts;

(d) Investigate the report of the National Audit Bureau of Sweden on the Bofors contract;

(e) Investigate into all correspondence communications, messages, assurances, oral or written, in respect of the above two defence contracts.

(f) Investigate into action taken by Government of India on the above-mentioned communications, etc. particularly in respect of the activities of the admitted agent, nominee, or consultant of Bofors AB;

(g) Investigate into efforts made by and actions of the Government of India to inquire into and establish breach of contract

by the supplier and/or agents, consultants, etc. after receipt of clarifications from Bofors AB on April 24, 1987; and

(h) Investigate into all other the matters incidental and consequential thereto.

Further, that instead of the institution of a Parliamentary Committee, this House recommends that both the Houses of Parliament do unanimously pass a Motion requesting the Government of Sweden to immediately make public the excised portions of the report of the Swedish National Audit Bureau; That this House further recommends that both the Houses of Parliament unanimously call upon Bofors AB to make full disclosure of all facts connected with the contract for the supply of 155 mm Howitzers, failing which the House recommends to the Government of India an immediate cancellation of the contract.

(ii) For paragraphs 3 to 11, substitute the following paragraphs 3 to 11:—

3. That the chairman of the said Committee shall be from the Opposition; as recommended be them.

4. That the Committee may hear or take evidence connected with the matters referred to the Committee or relevant to the subject matter of the inquiry.

5. That the Committee may hear or take evidence in any place in India or abroad as it may decide.

6. That the Committee be empowered to enlarge the scope of its investigation, should during the process of its work it may deem it necessary to do so for a better discharge of its obligations.

7. That this Committee shall be a special Parliamentary Committee, which might take guidance from the Rules of Pro-

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cedure relating to Parliamentary Committees but shall establish its own rules for better discharge of its functions.

8. That the Committee shall have powers to hear and/or receive evidence from any foreign national or companies or any other agencies including the Governments.

9. That the Committee shall have power to summon any person, including a minister, for examination and call for the production of any document(s), relevant for the purpose of the inquiry.

10. That the Government shall render all such assistance to the Committee as may be required by the Committee, for the purpose of the inquiry, including production of files, papers and any other documents, notwithstanding the official Secrets Act.

11. That the Committee shall submit its report for the consideration of the House, by the first day of the first week of the Winter Session of Parliament."

THE DEPUTY CHAIRMAN: Amendment No. 14. Shri Chaturanan Mishra is absent.

The questions were proposed.

THE DEPUTY CHAIRMAN: The Motion, along with the Amendment, is now open for discussion.

SHRI SATYA PRAKASH MALAVIYA: Madam, I would like to mention one thing. In the statement of the Minister at page 4, it has been mentioned:

"The request for establishment for such a Joint Parliamentary Committee was conveyed to the two Houses of Parliament on 11th June, 1987."

Both the Houses of Parliament adjourned on 12th of May. How it could have been conveyed to both Houses of Parliament?

AN HON. MEMBER: But a request can be made.

1.00 P.M.

SHRI SATYA PRAKASH MALAVIYA: It cannot be made. It was not conveyed.

PROF. C. LAKSHMANNA: It was not conveyed to this House or that House.

SOME HON. MEMBERS: Where is that error?

SHRI SATYA PRAKASH MALAVIYA: It is on page 4, from line 6 to 10.

THE DEPUTY CHAIRMAN: Do you want to make any clarifications? (*Interruptions*).

SOME HON. MEMBERS: There is some mistake. (*Interruptions*).

THE DEPUTY CHAIRMAN: In his reply he will give us the position. In the meantime, let Mr. Dipen Ghosh continue.

PROF. C. LAKSHMANNA: As the Minister is present here he can as well make the clarification on that.

THE DEPUTY CHAIRMAN: He will make it. But in the meantime let Mr. Dipen Ghosh continue.

SHRI JASWANT SINGH: Madam, may I submit that this is a substantial point? This is not a superficial point or some clerical error and an assertion has been made by the Government about informing the Parliament on a particular date. Of course, your suggestion that he would clarify in the course of his reply saves him. But it denies us the chance of really questioning the Government and it is as simple as saying that they rectify this matter of dates now so that the debate is more meaningful. It does not make sense to say that he will correct in his reply which comes tomorrow evening. The sensible thing would be for the Minister to make a clarification now.

THE DEPUTY CHAIRMAN: Probably there is a mistake. Let us give him some time to find out. (*Interruptions*) you cannot stop the proceedings of the House like that.

* PROF. C. LAKSHMANNA: Madam, what is important is whether that forms part of his speech or not

THE DEPUTY CHAIRMAN: It will be corrected.

SHRI SHIVRAJ PATIL: Madam, there is some typographical error. I will explain this. The sentence reads like this: The request for the establishment of such a Joint Parliamentary Committee was conveyed to the Presiding Officers of the two Houses on the 11th June. "The Presiding Officers" is missing in the sentence. I am sorry for that.

SHRI DIPEN GHOSH: Madam Deputy Chairman, apparently it is praiseworthy that the Government has changed its position from saying that the Opposition's allegations are baseless and mischievous about the existence of middlemen and payment of kickbacks to the position today of seeking the Opposition's assistance and help to find out the truth who the recipients were of that kickback. Yet one is afraid whether the motion which has been moved by the Minister of State in the Department of Defence Production & Supplies in the Ministry of Defence, Shri Shivraj Patil followed by his long speech is another exercise of operation cover-up.

Madam, two or three days ago, may be on Thursday last, our Prime Minister in the other House has made a statement saying that he or anybody of his family have not received any consideration from these defence transactions, from Bofors. Of course, afterwards, as usual, the people and press for posing the question whether family includes the in-laws or certainly not the friends. Though there may be some confusion, at least to me, friends are not included in family. May be, it will include in-laws in wider terms. However, I assure that the Prime Minister or anybody of his family had not received any consideration. But the fact is that the Prime Minister himself, the

Minister of State for Defence at that time, Mr. Arun Singh, and the Minister of Defence Mr. K. C. Pant, for times without number, asserted that the Government had taken a decision, a policy decision, had spelt out certain strict procedures and parameters as far back as in 1980 that there should not be any middlemen, nor should there be any payment of commission to such middlemen in the matter of defence transactions. So, Madam, I may assume that the Prime Minister and anybody of his family had not received any consideration; I may assume that sincerity of the Government is there to find out as to who the recipients are. But the fact remains that the Government's policy, the Government's procedure, the Government's parameters decided by the Government in the Ministry of Defence in the year 1980 have been violated because now the Government has conceded, after the receipt of the Swedish National Audit Bureau's report, that middlemen did exist and the payments were actually made. But, how could the middlemen exist despite the Government's decision? How could payments be made to such middlemen despite the Government's machinery? I was going through the speeches made by the Prime Minister and the Minister of State for Defence Mr. Arun Singh—I am not quoting. I am taking time off it—that the procedure has been laid down and attempts have been made. They have stated that all safeguards have been taken so that no middlemen could exist in making this transaction. But, Madam Deputy Chairman, today, with the moving of this motion, it is proved that the Government is inefficient, that even this Government cannot ensure implementation of the policies and procedures framed by it. I assume that the Prime Minister did not receive any consideration. I assume that nobody of his family had received any consideration. But the question is, it was the responsibility of the Prime Minister as Defence Minister at that time to ensure that the policies and the procedures framed by the Government his Government, were followed. Today it is proved that these were not followed and thereby the inefficiency of the Government is proved.

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Suppose a caravan is looted by robbers. Whom should we blame? Whom should we hold responsible? The robbers whose job it is to rob, or, the leader of that caravan whose job it is to protect the caravan from the robbers but who could not protect it? Therefore, here is a case of utter inefficiency of leadership of Government which could not ensure implementation of its own policy that there should not be any middlemen, there should not be any payment of kickbacks to such middlemen. In that background will the Minister of Defence, Mr. Pant, or Mr. Patil or anybody from the Government side, say that this Government has any moral authority to govern or this Prime Minister has any moral authority to lead the Government?...

SOME HON. MEMBERS: Yes, yes.

SOME OTHER HON. MEMBERS: No, no.

SHRI DIPEN GHOSH: Today despite your Government's policy and procedure some people could rob the Indian exchequer of Rs. 50 crores and yet you say your leader is efficient. Today it is Rs. 50 crores, tomorrow it will be Rs. 500 crores and the day after something else. That is the whole tragedy...

SHRI DEBA PRASAD RAY (West Bengal): In Bengal it is only one crore...

SHRI DIPEN GHOSH: I am telling you the truth. This is the tragedy... (Interruption) Madam, I will not speak if I am interrupted.

SHRI N. K. P. SALVE (Maharashtra): We will not interrupt.

SHRI DIPEN GHOSH: Here the tragedy is when there was an allegation from the Opposition, this Government said that the allegation was baseless, false, mischievous and it went to the extent of suggesting that the allegation was part of an international conspiracy to destabilise the country...

SHRI K. MOHANAN (Kerala): Not the country but the Ministry.

SHRI DIPEN GHOSH: Today that Government has come up saying—to put it in his own language—"Yes, there has been, it has been proved substantially that there has been, a middleman and the payment has been made." Is there a single sentence owning the responsibility for Government's failure to protect and ensure their own policy? No. So, at the outset, Madam, I would say, assuming the sincerity of the present Minister of Defence that he, or, for that matter, his Government, wants to get at the truth, he cannot absolve the inefficiency of his Government which could not ensure its own policy that there shall not be any middleman and that there shall not be any payment of kickbacks during Defence transactions, Mr. Arun Singh, the former Minister of State for Defence, is present here. I do not want to quote from the lengthy speech he made while replying to the debate in this House, 21st April or the 24th April; on the 21st April, I think. One part of the sentence is rather startling. He said, and I would like to quote:

"If we are found guilty, hang us."

AN HON. MEMBER: Hang whom? (Interruptions).

SHRI DIPEN GHOSH: "Hang us". He did not say, "Hang me." But he said, "Hang us." ... (Interruptions).

SHRI K. MOHANAN: It will be a massacre. (Interruptions).

SHRI DIPEN GHOSH: I appreciate that by resigning from the post of Minister of State for Defence, he has avoided that situation ... (Interruptions) ... and that he did not give the Opposition an opportunity to hang hang today ... (Interruption) ... But, Madam, at least by his resignation it is established that whatever he defended on that day he would not be in a position to defend today.

SHRI K. MOHANAN: Suicide, not hanging. (Interruptions).

SHRI DIPEN GHOSH: But what about the then Minister of Defence during whose tenure the decision taken by Madam

Gandhi's Government was violated? And, Madam, still he says, he accuses the Opposition, that the Opposition cannot go to get at the truth. But one truth has already come out, whether the Parliamentary Committee is there or not, and that truth is that this Government is so inefficient that it could not protect the public, exchequer of this country to the tune of some Rs. 50 crores despite their own decisions, despite their own procedures and despite their own policies and, therefore, that Government loses the moral authority to govern. So, I demand the resignation of that Government first before accepting this Motion. ... (Interruptions).

AN HON. MEMBER: It is "Quit India" day. So, let them quit the Government. (Interruptions).

SHRI DIPEN GHOSH: Now, Madam, I come to the question of constituting the Parliamentary Committee which is contained in the Motion which Mr. Patil has moved. It has been stated very often by Mr. Pant during their meetings with the Opposition leaders, in the other House also, and also by Mr. Patil, that the Joint Parliamentary Committee which they propose to constitute is a very special type of Committee because this is a special situation. Never in the past has the Government been so much under a cloud and never in the past had the Parliament been called upon to constitute a Committee to find out the truth about an allegation that, despite there being a Government instruction, in violation of that instruction come middle men were there and they received certain kickbacks. So, when the situation is special, in that special situation, to handle the special thing, a special Committee is being proposed! So, the approach to the constituting of that Committee should also be special! If the Parliamentary Committee which is now proposed to be constituted cannot do this job, the job of finding out the truth in this arms deal, as it will be asked for or as it is being asked for, it will set a bad precedent about the efficacy of setting up such Committees in the future also. In this situation, it should not be merely a committee constituted for doing any other job. If the committee which we propose to constitute cannot deliver the goods on the

suggested lines, it will create a bad precedent about the efficacy of forming such committees in future. Naturally, we must take adequate safeguards and adequate protection. We must also give adequate powers to this committee so that it can deliver the goods.

Madam, it has been said in this House and the other House also that this transaction with the BOFORS had taken place after prolonged negotiations started in 1977 or 1978 and that there was a very powerful Price Negotiating Committee consisting of 7 or 9 important members of the Government. They have also said these members had taken care of all the procedures, parameters and everything before the Price Negotiating Committee took a final decision to strike a deal with the BOFORS. Today, after the Swedish National Audit Bureau Report, it is revealed that there were middlemen and payments were made to these middlemen. My first question is: Will this committee be allowed to summon and examine all those members of the Price Negotiating Committee and if so, will the members of this Price Negotiating Committee not take shelter under the Officials Secrets Act? This is very important. These 7 or 9 members of the Price Negotiating Committee had negotiated, short listed the number of prospective sellers and finally made a contract taking care of Government policies, Indian laws, decisions, procedures, etc. etc. Summoning and examining these 9 members of the Price Negotiating Committee is very important. Obviously, the Minister will say: "Yes, you can summon and examine." But if the members of that Committee appear before the parliamentary committee and say that they will speak to the extent that the Official Secrets Act is not affected, then what will happen in that case? Naturally, they can take the position that the Official Secrets Act is a statutory Act and, therefore, it cannot be waived. I appreciate that position. But my point is that to come at the truth the committee should be empowered or rather should be given such powers so that one cannot take shelter under that Act. I repeat the words "Cannot take shelter under the Act". You have not

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proposed anything about that. You cannot force anybody if he takes shelter under the Official Secrets Act. Naturally you will have to give thought to it, as to how to find out the truth. Even though the Official Secrets Act is a statutory Act and it cannot be waived, a person summoned for examination cannot take shelter under that Act. That is my point number one about the constitution of the Committee. The second point is regarding the power to summon and examine Ministers. I have listened to what Mr. Pant had stated in the other House, from the gallery. He said, which of course Mr. Patil has not said here, yes if any Minister desires to appear before this Committee, he can do so. Even if he does it, he or she can take shelter under the oath of secrecy. and, I would have been happy, but I am sorry to say that that happiness is far away at the moment., if I found any Minister on the other side who would come on his own to the Committee and say that this is the truth. But that type of Minister is absent today on the other side.

SHRI V. NARAYANASAMY: (Pondicherry): Madam, we take strong objection to those words. He should withdraw them. These are insinuations. (*Interruptions*).

SHRI DIPEN GHOSH: The question is that it is the experience, I am sorry that it is the experience, that I saw Ministers here saying that our allegation was baseless, false and mischievous. Now I see Ministers saying that there is truth in those allegations; and when did you come to know of this truth? Only when a foreign Government, a foreign audit bureau, via a foreign Government stated it to them. Their knowing of truth is limited to that. Even truth they cannot know on their own. They cannot even find truth on their own and that is their capability. So given that capability, is it expected that a Minister will come, walk straight to the Committee's room and say, Mr. Chairman, I want to give some evidence, please record my evidence? (*Interruptions*). I

would be happy. But I think that we will find such a Minister only after resigning from his post, as Mr. V. P. Singh is doing now. That is why, Madam, it is not a question of leaving the matter to Minister's own desire, because there is hardly any Minister in this Government who works on his own desire or of his own volition and not by what his leader says.

THE DEPUTY CHAIRMAN: You have the Government of West Bengal.

SHRI DIPEN GHOSH: Secondly, Madam, it was stated that since it is a Parliamentary Committee, it is being constituted under the Parliamentary Rules and Procedures, so it will be subject to Speaker's approval. Even in the case of summoning and examining the foreign officials it has been left to the Speaker's approval in the Motion. But who is the Speaker? Who is the Presiding Officer? Without casting a remark on the august chair of the Presiding Officer, I can say that they are elected by the House. The Speaker of the Lok Sabha is elected by the Lok Sabha and the Deputy Chairman of Rajya Sabha is elected by the Rajya Sabha. Chairman, of course, is the Vice-President of India, elected by both the Houses. Now, who is supreme? Supreme is Parliament, both Houses of Parliament.

THE DEPUTY CHAIRMAN: It is time for us to break for lunch. If you all desire, we can just continue.

SHRI JASWANT SINGH: We do not desire that; that you are suggesting.

THE DEPUTY CHAIRMAN: If the House agrees we can continue it; otherwise, we can break for lunch.

So, we break for lunch and meet again 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-one minutes past two of the clock.

The Vice-Chairman (Shri H. Hanumanthappa) in the Chair.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA) Papers to be laid on the Table.

SUPPLEMENTARY DEMANDS FOR GRANTS FOR EXPENDITURE OF THE GOVERNMENT OF PUNJAB FOR THE YEAR 1987-88

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): Sir, I beg to lay on the Table a statement (in English and Hindi) showing the Supplementary Demands for Grants for expenditure of the Government of Punjab for the year 1987-88 (First Batch—August, 1987).

SHRI NIRMAL CHATTERJEE (West Bengal): How much is the additional expenditure?

SHRI B. K. GADHVI: I have laid the statement on the Table. You can go through it.

SHRI NIRMAL CHATTERJEE: You can mention it since you are on your leg.

PAPERS LAID ON THE TABLE—Contd.

Notification of Ministry of Finance (Department of Revenue)

SHRI B. K. GADHVI: It is easy for you to work out. This is mostly for industry, planning, relief and rehabilitation. (Interruptions)

Sir, I also lay on the Table, under section 159 of the Customs Act, 1962, a copy (in English and Hindi) of the Ministry of Finance (Department of Revenue) Notification No. 289/87-Customs, dated the 10th August, 1987, amending Notification No. 30/83-Customs, dated the 25th February, 1983, so as to reduce the basic customs duty from 25 per cent to

10 per cent *ad valorem* on components of fuel-efficient two-wheeled motor vehicles under phased manufacturing programme, together with an Explanatory Memorandum thereon. [Placed in Library. See No. LT—4583/87].

MOTION FOR APPOINTMENT OF A JOINT COMMITTEE OF BOTH HOUSES TO ENQUIRE INTO THE ISSUES ARISING FROM THE REPORT OF THE SWEDISH NATIONAL AUDIT BUREAU RELATING TO THE BOFORS CONTRACT TO SUPPLY 155 MM HOWITZER GUNS TO INDIA—Contd.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Shri Dipen Ghosh to continue his speech.

SHRI DIPEN GHOSH: Mr. Vice-Chairman, Sir, I would like to complete. I was talking about the power to be given to this Committee, unhindered power, to summon and examine Minister as well as foreign officials and agencies, to get at the truth. Here, the Minister of Defence has agreed to give this power, but the prerogative is with the Speaker. This means, the Speaker has been given the overriding authority to decide whether the Committee would be given such power or be able to exercise such power. But I was pointing out that the House is supreme, Parliament is supreme and this is a special situation where Parliament has been called upon to set up a Committee to find out the truth. Therefore, when this Motion has been brought to this House, the House should straightway give the power to the Committee; the House should leave it to the collective wisdom of the Committee. This Committee will consist of Members of Parliament. The Chairman will be a Member of Parliament. The collective wisdom of the Committee will be surely better than that of a particular individual, who is elected by the House. My point is that the Speaker should not be given this overriding authority. Instead the Committee should be given the power, unhindered power, to summon and examine Ministers as well as foreign officials and agencies.

The third point is—to which also the Minister of Defence has not agreed—in regard to giving the Chairmanship of the