

Minister got the file or saw the file after the press note reached the newspapers. So there is no contradiction on that. But I am just elaborating each step so that the full picture comes out.

As for the question of making the enquiry public, I think we have honest difference of opinion, and at least as a Member of Parliament I can express it. As far as the question of making the enquiry public is concerned, I do not understand how it could be an embarrassment to our Government in so far as the Indian agent was the nominee of the supplier and not—just hold on—and not that of our Government.

SHRI JASWANT SINGH: Quite right.

SHRI VISHWANATH PRATAP SINGH: I am glad that the Government has upheld the enquiry I had ordered and I want to express my gratitude. I am sure that the present enquiry, far from being an embarrassment, will provide an opportunity of reinforcing the Government's credibility by establishing that it means business when it comes to implement-in? the policies. By going public, other agents are also put to notice; the investigating officers are imbued with an added sense of urgency; and the commitment of all concerned is further firmed up. I am also sure that as a result of this, when the Government will be able to take action against the agent and knock off the commission money from, the price of the defence weapons and thereby increase their reputation you will say, "V.P. Singh did the right thing. That does not include any verbal communication between me and the Prime Minister on the subject.

SHORT DURATION DISCUSSION ON THE REPORTED DECISION OF THE GOVERNMENT TO INSTITUTE AN INQUIRY INTO THE INVOLVEMENT OF COMMISSION AGENTS IN CERTAIN DEFENCE DEALS-contd.

THE DEPUTY CHAIRMAN: Mr. Gurupadswamy.

PROF. C. LAKSHMANNA: Madam, I have that point.

THE DEPUTY CHAIRMAN: Please let him go on.

PROF. C. LAKSHMANNA: No, Madam, he said.... (*Interruptions*)

SHRI PAWAN KUMAR BANSAL: I am sorry for the interruption. But let him quote the rule.

PROF. C. LAKSHMANNA: Minister of State for Defence, while speaking in the House, said that the debate in the House has been degraded. I am taking objection to that term * If we accept the term* it will reflect on the quality of this House and lower the Prestige of this House. Therefore kindly expunge that. (*Interruptions*)

Why don't you look into the record?

SHRI ARUN SINGH: Madam, I do not want to show any disregard either for the House or to the Members of the House.

THE DEPUTY CHAIRMAN: I will look into the record.

SHRI M.S. GURUPARASWAMY (Karnataka): There are cases in history which decide the fate of man. Julius Caesar had his Brutus, Charles the First Cromwell and my friend, Mr. V.P. Singh has his Congress friends. Madam, the resignation or induction of Ministers is not so important. Ministers come and Minister- go. It is the prerogative of the Prime Minister to take anybody into his Ministry

♦Expunged as ordered by the Chair.

or as anybody to go out of the Ministry. We here are not concerned with such issues, but in this particular case of Shri V.P. Singh what intrigues me most is the circumstances which made him to resign. I am glad, after a good deal of thought, perhaps, Shri V.P. Singh has firstly issued the statement to the press, later read out the same statement just now, here. After seeing his statement I wonder why this matter is still shrouded in mystery, why it is being so, why it has been done, being done by the Government. A veil of mystery, a veil of secrecy, a kind of hush-hush atmosphere is being created around this episode. Many extraneous arguments have been advanced by the Minister of State in the other House—that Shri V.P. Singh has been guilty of indiscretion. And he has said, everything about the inquiry was proper; the only thing which was not proper was, it was released to the press to the public. He called it tragic, he called it unethical.

Madam, I am reminded of the saying of Mark Twain. He said, "Virtue is a very rare thing. Therefore, it has got to be used economically." Perhaps, my friends opposite and the Government of the day believe in this saying of Mark Twain; They do not want to use truth, virtue and honesty in full in their dealings. What is there to conceal in this, I would like to ask? My friends opposite have legitimately said that a small thing is blown out of all proportion. But who is blowing this issue out of all proportion? Is it the Opposition?

SOME HON. MEMBERS: Yes.

SHRI M.S. GURUPADASWAMY: Is it the Government?

SOME HON. MEMBERS: No.

SHRI M.S. GURUPADASWAMY: Is it the ruling party?

SOME HON. MEMBERS: No.

SHRI V. GOPALSAMY: Vested interests of the ruling party.

AN HON. MEMBER: The Janata Party... (Interruptions)...

SHRI M.S. GURUPADASWAMY: We are not responsible for this development at all. The opposition parties are not responsible in any way... (Interruption)... The opposition parties are not responsible for these developments. The opposition parties came into the picture only when there was scandal, only when there was an effort to cover up this scandal. Only then the opposition parties came into the picture. In what way are we guilty? I have been trying to understand you really—because I am not trying to score a debating point at all. No. I want to understand, really in fact I have not been able to understand all the ramifications all the aspects of this development. That is why I am raising this issue. It is the Government and the Government alone which was responsible for this debate not only in the press but in Parliament and outside. I blame you. You are responsible. You created the situation for yourselves. Now you raise the bogey of destabilisation. You destabilise your own Government and tell us that we are responsible for it. This is tragic. What is tragic is not the announcement of the enquiry by Mr. V.P. Singh. The situation that we are finding ourselves in here is a situation created by the Government for itself. It does not know how to get out of this mess for which it is responsible.

The Minister of State takes shelter under procedural niceties. Even there I would like to know where the procedural niceties have been violated by Mr. V. P. Singh. Mr. V. P. Singh was a very important member of Mr. Rajiv Gandhi's Government. Perhaps he occupied the third place in the Cabinet Second or Third. I do not know. It is a very senior position. And as a senior member of the Cabinet he knows very well the policies of the Government, the para-

meters within which he has to operate, let it not be the individual responsibility of a Minister, a senior Minister like him, to see that his Ministry functions well and effectively? It does give credit to Mr. Gandhi, not to me not to Mr. Dipen Ghosh here, if he functions well, effectively. It will bring him strength. It should be in the interest of the Government itself that a Minister like him functions effectively, truthfully, promptly. On a matter which is sensitive. Now it has been found that he has some transgression of a rule here, a rule there, and he has committed some travesty.

What is the main issue? What is the main focus? As he rightly said in the statement—I wish he had given the statement earlier—the principal aim, the objective of the enquiry was to find out the truth, whether there was any scandal, whether there was an agent involved. It is very true that there was no agent for the Government of India. We all know that the Government of India had no middlemen at all. Why is it afraid of saying things frankly? I say, it had no agent. I do not hold Mr. Rajiv Gandhi responsible because there is no agent involved in this. And he was not dealing with the agent or the Defence Minister was not dealing with the agent. The agent was the agent of a foreign firm. So, the Government of India was not responsible. That agent...
(Interruptions)

Why don't you understand? I am trying to understand you.

That agent has received, according to the report, a commission of seven per cent, for the submarine deal which runs to about Rs. 430 crores, and seven per cent comes to Rs. 30 crores. We find, the Opposition finds that this is an abnormal commission. In all international deals which run into crores and crores and millions and millions of dollars, even accepting that there are agents, the commission that is allowed, permitted, is about

one per cent or two per cent, not more than that. (Interruptions)

I am not criticising you. I am speaking for the whole House, I repeat again. I am trying to understand. If I am wrong, I would like the Prime Minister to tell us. In all international deals of this nature, which run into millions and billions of dollars, the commission normally allowed is one per cent or two per cent. I am not criticising the appointment of an agent even I know in various international deals agents do operate. Agents operate in all the countries. But why this hush-hush in admitting the fact? My complaint is there is an abnormal commission given to this agent. This agent functioned as, part of the outfit of the German firm. 'Now, naturally the members ask: how are we concerned, it is a foreign agent? It is not our agent. Here comes the crux of the problem. He gets Rs. 30 crores in foreign currency. The telex Mr. V. P. Singh got was from our Embassy in Bonn. I think the telex says that the German firm is not prepared to reduce the price because the agent does not agree to reduce his commission. But here the agent, though was an agent of the German firm, was an Indian. Why does the Government of India not tell us who was this Indian? We are made to draw our own conclusions—why? Who is responsible for this? Not me, it is the Government of India again. They should tell us who is the agent.

SHRI ARUN SINGH: May I interrupt for a minute? Would you yield for a minute because I have said in the statement that the identity of the agent or the amount of money said to have been deceived by him was not stated. (Interruptions).

SHRI M. S. GURUPADASWAMY: I believe him. I take his statement as it is. They do not know the name of the agent, I take it at that. Therefore, it is a matter also to be investigated whether the agent is A or B or C. Whoever may be the agent, I am

[Shri M. S. Gurupadaswamy] not concerned. But the fact of the matter is that there was an agent.

SHRI P. N. SUKUL (Uttar Pradesh): How do you know?

SHRI M. S. GURUPADASAMY: This is in the telex received by Mr. V. P. Singh How do I know? I get all from you.

SHRI DIPEN GHOSH: You will leak it to the Press and it will come from the Press.

SHRI M. S. GURUPADASWAMY: I am not running your Government. Mr. Rajiv Gandhi is running your Government. Please tell him about these things. I take it that you do not know yet the name of the agent or firm which functioned as agent. My point is that Es. 30 crores was involved. Another point is the German firm refused to scale down its price on the ground the agent, who was an Indian, did not agree for scaling down his commission. It may be a firm or it may be a person. It may be a *benami*, somebody else, who is not responsible for you and you are not responsible for that. Therefore, the fact is he did not agree for reducing his commission. This was loaded into the price. The whole commission was included and loaded into the price. When it is loaded into the price structure, who will pay? It is the Government of India which pays. Not the German Government. Mr. V. P. Singh as the Finance Minister had to pay at that time. So the German firm would not pay. The whole commission is borne by the Government of India exchequer. There we come into the picture, whether the Government of India was in its right to negotiate this commission even conceding there was an agent in the said deal because contact may be necessary for foreign Governments. I condemn it, I don't like it. But I can see it. Even then we should have used the opportunity of effectively negotiating the deal with the German firm. It was not done. Therefore, I said there is an effort to

keep the whole deal in a mystery, shrouded in a mystery, to use a Churchillian phrase: Why this was so? Why it should be so? To whose benefit it was done? And the Government of India suffered on account of this, otherwise there would not be panic reaction like the one we are seeing in the press. We go along with* the Government of India in one respect. We are not for sub standard military equipment, military hardware. My friend, Mr. Darbara Singh was making much of this. Do you mean to say that Opposition is lagging behind in patriotism? Whom are you teaching? We are all patriotic. When that is so, we are all interested in the best of equipment. There is no denying of *ir thact* and there is no dilfence of opinion on that. The point is, the deal has got to be fair, straightforward. There should not be any cloud and any underhand dealings attached to it. That is all the purpose. Even if commission had to be paid and it was inevitable, pay it openly. Did Mr. V. P. Singh commit any wrong or any offence? Now, he came out with a statement. What happened? The Prime Minister's office had his file in time before, the matter waff leaked out to the press.

THE PRIME MINISTER (SHRI RAJIV GANDHI): Madam, may I intervene? I think there is some slight confusion about what time my office got the file because I only just heard about the statement that was made in the House. I will check that and I will make the exact time known to the House. But one reason the file did get delayed was that it had not been marked either 'secret' or 'immediate' and it came through the normal channel. I have two channels where the information and files come to my office. One is those envelopes which are marked 'secret'. They, come directly to me and I open them myself and the result is that they are processed much faster. But if files are not marked 'secret' they come through the normal office channel, which means a clerk or a peon opens, them and they come through the normal

dak. This file came through the *nor. mai dak*. I believe that the file was received in my office around 9 P.M. but I am not absolutely sure of the time and that was "shown to me next morning at about 10.30 or 11.00. I don't remember the exact time and mid like to point out.

SHRI M. S. GURUPADASWAMY: Mr. V. P. Singh has given the time.

SHRI RAJIV GANDHI: That is why I am also giving the time. Part of the delay was that the envelopes not marked 'secret' or 'immediate'. That is why it has taken time and the file inside was secret and it was opened by a peon and it did come through the normal *dak* in the of te and not as seeret papers.

SHRI DIPEN GHOSH: Does it betray good functioning of the Government? (*Interruptions*) Does it speak wll of the funvotring of the Government?

SHRI M. S. GURUPADASWAMY: I do not want to pin down the responsibility either to the Prime Minister or to anybody because it is a minor matter. But only point is whether a Senior Mmister such as Mr. V. P. Singh had the right to order an inquiry and when he was conforming to the policies of the Government and when he was within the paramaters and lim tatiMs fin 1 in ir vs way, he committed a wrong thing in releasing this note to the pr^ss. Every Minister, I thing has got a Press officer. I wa? in the Government for sometime. Whenever some important decisions are taken, the Press Officer, wituvi even uj^rmin^ the Minister ccierned, issu-? thr or note. (*Interruptions*). What is secret about dt. (*Interruptions*).

SHRI V. GOPALSAMY: Because it was not secret. That is why, the Prime Minister was informed the next morning. (*Interruptions*).

SHRI M.S. GURUPADASWAMY: I do not see any reason why a press

release should be called tragic. What is the tragedy about it? I do not understand. Perhaps, my friends do not know the meanings of these words when they use them. (*Interruptions*). It is tragic that the word tragedy has been used in this context. There are other few things which demand explanation, I would like the Prime Minister to take us into confidence. I would like him to take the entire House into confidence and tell us who could be the a gent whether this agent was functioning only for this deal or for other deals also. There may be other deals in which he was associated. I would like the Prime Mmister to enlighten us whether this agent was only appointed for this specific task of a single deal or this agent was a usual agent for 'many years, where is he located, whether he is in Germany or England or in India? (*Interruptions*). Yes, if he is from Janata Party, certainly, you must blame us. After all, it is a national issue. T do not want to be-partisan on this issue. After all, we are concerned with a very sensitive matter which has taken the life of Shri V. P. Singh as a Minister. (*Interruptions*).

SHRI VISHWANATH PRATAP SINGH: I am alive.

SHRI M. S. GURUPADASWAMY: I mean, the life of his Ministership- (*Interruptions*).

SHRI RAJIV GANDHI: Madam, I just wanted to clarify that as far as we are concerned. I have not asked Shri Vishwanath Pratap Singh to resign on this issue. Shri Vishwanath Pratap Singh Ji himself came to me and talked to me. We had a discussion and there has been no effort in trying to get Vishwanath Ji out of the Ministry on this issue. Let that be very clear. We have carried out the notings that Shri Vishwanath Pratap Singh Ji has put on the file. We are carrying them out. Yes, we have some differences whether it should have been made public or it should not have been made public, but that is not

[Shri Rajiv Gandhi] -the sort of a difference on which I would dismiss a Minister. (*Interruptions*).

SHRI V. GOPALSAMY

THE DEPUTY CHAIRMAN: Please sit down. You cannot do like that. Nothing will go on record.

SHRI V. GOPALSAMY: He said something about the resignation. I ask you Did you pe'suade him not to resign?

SHRI RAJIV GANDHI: What transpires between any one of my Ministers and myself will remain secret and I will not tell about it.

SHRI V. GOPALSAMY: Then why did you say that?

THE DEPUTY CHAIRMAN: more interruption, please.

SHRI M. S. GURUPADASWAMY: Was this agent appointed by the German firm...?

SHRIMATI JAYANTHI NATARAJAN (Tamil Nadu): Ask the German firm.

SHRI M. S. GURUPADASWAMY: Why^ are you so impatient?

Was this agent 'appointed by the German firm because he had influence with the Government of India, he had contacts here? I do not object to that, but I would like to be informed about it.

Finally, this issue has led to various speculations both in the press, in the House and in the public too. The Prime Minister is here. I am very happy he is here. The reply of the Minister of State in the other House and the statement he made here does no clarify all these issues that I have raised in the debate. The'refore, for the purpose of clarifying the whole situation, if the Government wants us to believe that the

* Not recorded.

deal was above board and the people involved in the deal were above suspicion, and to believe that it was a straight-forward deal, we should be told by the Prime Minister as I know the limitations of the Minister of State. I would like the Prime Minister to tell us what are the things that are involved, the truth, the real truth, behind the whole episode and the agent, if he has got any information about the agent Who was that agent? I would like to know whether it was possible to reduce the quantum of commission which would have had Impact on the price structure.

And, lastly, I ask whether he would concede out demand, for an informal— I say this, informal—parliamentary probe into the whole matter; because there is an atmosphere of suspicion everywhere, doubt and misgiving everywhere. With a view to clearing this doubt and suspicion, will he agree for an informal protoe by Members of Parliament? All relevant files, all papers and all co'rrespondence should be placed before them. And lin this inquiry, I say, the majority of the members of the Treasury Benches will be there. I do not question their bona fides. They are as much interested in the welfa're of the country as we are. Therefore, will he concede my demand for an informal investigation into the whole matter by a committee of the House?

THE DEPUTY CHAIRMAN : Shri P. N. Sukul.

DR. (SHRIMATI) NAJMA HEPTULLA: Madam, how long is this Short-Duration going to be?

SHRI P. N. SUKUL: Madam Deputy Chairman, I thank you for giving me this opportunity to speak on this delicate and sensitive issue. It is a delicate and sensitive issue because it concerns our Defence organisation. And it is more so because in the Defence organisation it has a direct bearing on the morale of our jawans; what we discuss here is going to have an impact there...

श्री राम अवधेश सिंह : एजेंट के बारे में बोलिए ना ।

उपसभापति : आप अपनी सीट पर चले जाइये । आप अपनी सीट पर जा सकते हैं ।

SHRI SAT PAUL MITTAL: He has to go to his seat. From here he is making irresponsible interruptions. (*Interruptions*).

SHRI M. P. KAUSHIK (Haryana): First of all, he has to go to his seat. (*Interruptions*).

SHRI SAT PAUL MITTAL: He should not make irresponsible interruptions.

उपसभापति : आपको 221 नम्बर की सीट है । आप वहाँ जाकर उस सीट पर चले जाइये ।

श्री राम अवधेश सिंह : यह सीट हमारे दल के डिप्टी लीडर की है ।

SHRI V. GOPALSAMY: Mr. Singh, you have to go there. (*Interruptions*) Mr. Singh, you cannot challenge the Chair. You have to go to your seat.

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): Mr. Singh, kindly go to your seat.

उपसभापति : देखिए आप पहले बैठ जाइये । शीर मत कीजिए, मुझे कुछ कहना है । अगर आप इस सीट पर बैठकर कोई इन्टरप्शन न करें तो मुझे कोई एतराज नहीं है, आप यहीं बैठ सकते हैं । अगर आपको कुछ पूछना है तो आप वहाँ पर जाकर बैठिए ।

पर्यावरण और वन मंत्री (श्री मजन लाल) : यह बोलते रहते हैं । मेहरबानी करके आप पहले इनको बैठाइये ।

उपसभापति : अभी समय नहीं रहे है कि आपको वहाँ जाकर बैठना है ?

श्री राम अवधेश सिंह : मैं अब नहीं बोलूंगा । अगर बोलना होगा तो वहाँ पर जाऊंगा ।

उपसभापति : आप वहाँ पर चुपचाप बैठे रहिये ।

SHRI P. N. SUKUL: Madam, perhaps the honourable Members does

not know that he can speak only from his seat and nobody can speak from another seat _____ (*interruptions*).

So, Madam, as I was saying, it is a very delicate and sensitive issue not only because it concerns our defence forces, our defence organizations, the morale of our jawans, but also because, in the wake of this issue, the Defence Minister had to resign. Whether he resigned himself or it was otherwise, he resigned and that has added an edge to the issue. And, Madam, as the honourable Member, Mr. Gurupadaswamy was saying, this morning about the Bofors case that it is a bolt, from the blue so far as the Treasury Benches are concerned I think this is a boon from the blue so far as the Opposition is concerned because you people were waiting to have some sort of a handle and you have been provided with it... (*Interruptions*)... I am sorry that this has been precipitated only because the Defence Minister released it to the Press. Otherwise, the Opposition would not have come to know about it. There was no news item about it. The then Defence Minister himself has informed the people, the world and the Opposition, that such a complaint has come. Now, you are still not convinced about the sensitivity of the issue how delicate it is. Our colleague, Mr. Darbara Singh was telling... (*Interruptions*).

SHRI NIRMAL CHATTERJEE: How do you say that?

SHRI P. N. SUKUL: Because you still go on chirping. (*Interruption*)

SHRI NIRMAL CHATTERJEE: You are afraid of the knowledge of corruption. (*Interruptions*).

SHRI P. N. SUKUL: You see Mr. Chatterjee, you have to prove the corruption. (*Interruptions*).

SHRI NIRMAL CHATTERJEE: You are afraid of the knowledge of corruption. (*Interruptions*) What you are afraid of is the knowledge of corruption. (*Interruptions*).

SHRI PARVATHANENI UPEND -DRA; Then why are you objecting to the appointment of a Parliamentary Committee? (Interruptions)'.

SHR P. N. SUKUL: Even if an FIR is lodged, you cannot say anything. Only on the basis of FIR a case is not decided. It is to be processed and it has to go through the process of law and only at the end you come to know who is at fault, who is the criminal. But you have not been able to prove it and you are saying that he is the that the Prime Minister is that the Government is as ... (Interruptions).

SOME HON. MEMBERS: Who said fit? ... (Interruptions).

SHRI V. GOPALSAMY: Who said it? The word used was only.*

SHRI P. N. SUKUL: In the morning you said this. (Interruptions) You said that it is a* Government. You were deliberately using the word* (Interruptions).

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (KUMARI SAROJ KHAPARDE): It should be expunged from the record.

SHRI P. N. SUKUL: It is not my word, I am using their word. (Interruptions). What I am saying is that our Opposition parties do not want to be convinced about the ultimate truth. Something is published and they start calling names to the Members, Treasury Benches, Ministers and others. The inquiry is on. The truth is not yet known. But the BJP in its Executive has passed a Resolution that the Prime Minister should resign. This is your sense of responsibility! (Interruptions). I am not yielding. (Interruptions).

THE DEPUTY CHAIRMAN: Let him complete.

श्री कलाशपति मिश्र (विहार) :
सुकुल जी, "आपकी कार्य-समिति ने इतना

* Expunged as ordered by the Chair.

निदान यह प्रस्ताव कैसे पास किया ? ...
(अवधान) ...

श्री पशुपति नाथ सुकुल : मिश्रा जी,
अखबार से पारित हुआ। अखबार में
एक तिकड़ा और आपने पारित कर दिया।
आपको सत्य से कोई मतलब नहीं है।...

What is still more tragic is that the Press is also colluding with some of you. Every day a news-item is given, whether it is a fact or not. Yes, a section of the Press; all sections are not equally responsible. (Interruptions), why don't you listen? (Interruptions).

SHRI SAT PAUL MITTAL; We will also not -let! them speak if they behave like that.

THE DEPUTY CHAIRMAN: Please don't interrupt. Like this it will never be possible fo'r us to complete this debate. You should have the patience to listen to other Members also.

SHRI P. N. SUKUL: What I was saying was that a section of the Press also seems to be colluding with some of the Opposition parties who want to take up such issues without knowing the truth. You do not know the truth and still you want to rake up such issues to confuse the people and to erode the credibility of this party and cheat the people. A large number of people are being governed by the government of their choice. Millions and millions of people have elected this Government. This Government is In absolute majority. It is only this Government the people want. But you do not want that, (Interruptions). Do not forget that it was Jayaprakash Narayan who wanted the jawans to revolt. That was the sense of responsibility you had during the emergency. (Interruptions). You are inciting the jawans to revolt. That was the sense of responsibility! There is a deliberate conspiracy today also to incite the jawans to revolt. But, fortunately, our jawans are also patriotic. They never responded to the call of J.P.

SHRI J. P. GOYAL; (Uttar Pradesh)
Why are you afraid?

SHRI P.N. SUKUL; Madam, as I was saying, it is a very delicate issue. Our Defence Minister has rightly said in the statement that our Defence organisation does not have any agent and it does not finalise any such deal with the agents of somebody else. That has been the official policy of the Government since 1980. *(Interruptions)* That can happen in West Bengal. What you are talking about cannot happen here. *(Interruptions)* We know your policy very well. In just one district of West Bengal, 400 Congress workers were killed before the elections this year. That is your policy, *(Interruptions)*.

SHRI NIRMAL CHATTERJEE: That is your understanding of the thing.

SHRI P.N. SUKUL; Madam, for a man like me, this issue is very delicate because all the persons concerned are from Uttar Pradesh, my own State. The Defence Secretary, the State Minister of Defence, the then Defence Minister and even the Prime Minister are from my State. They are all from my State. Therefore, it is really a very delicate matter for me.

SHRI V. GOPALSAMY: U.P. is not India. *(Interruptions)*.

SHRI P. N. SUKUL; Probes have been ordered and you will come to know the truth. You will not find an iota of truth in what has been published. In fact, there is not much to be discussed because the inquiries have already been ordered. Only when the inquiry is completed and the final position or factual position comes before us we will be in a position to discuss it meaningfully. As I said, the only flaw in this case seems to be that the ex-Defence Minister released it to the press and then sent the file for information for the Prime Minister. The ex-Defence Minister, when he issued it to the press, said that an inquiry had

been ordered. But no inquiry was ordered by that time. No inquiry had actually been ordered and the Defence Minister was not in a position to order an inquiry in this specific case. The inquiry had to be made by the Finance Ministry or the Directorate of Enforcement or the Economic Intelligence Bureau. So, that press note was factually wrong because he said that the inquiry had been ordered. The Defence Minister himself was not in a position to order an inquiry by the Finance Minister officials. He set up a three-man committee. That was all right. That was within his jurisdiction. He could appoint an administrative committee within his own Ministry. In this particular case, no inquiry had been ordered till the 9th April, 1987. *(Interruptions)*. Please listen. That is how our Government functions. That is why we are so frank in the matter. Now, our State Minister of Defence has come up with a statement. This statement makes some points clear and some points are still not clear. As I said, what is clear is that the Government of India does not have any agent of its own and it does not finalise any details or negotiations with the agents of any firms or any manufacturers or suppliers. Second, ly, what is clear is that detailed tests of the equipment are made to ensure that the equipment is neither sub-standard for Indian conditions nor unnecessarily expensive. But what is not clear is whether in spite of the Government decision not to have agents, not to have negotiations finalised by the agents, there is still room for the operation of agents. Is there still any room for the operation of agents? If not, then why is this hue and cry by the Opposition? That is the simple question. Secondly, action can be taken against Indian agents. But what action can be taken against foreign agents, if any? *(Interruptions)* And from these two it comes out that if no action can be taken and the functioning of these

[Shri P. N. Sukul]

agents cannot be dispensed with for practical purposes, then what is the use of having an inquiry or a probe? (*Interruptions*) I hope our Minister will reply to it. I would also like to know from the hon. Minister as to in how many similar cases the matters were reported to the press that such an inquiry was instituted as was instituted in this particular case. And if in other cases, the matter was not reported to the press, why in this particular case the matter was reported to the press?

Madam, what I have stated is by way of eliciting some information from the Government. I am sure about my Government, I am sure there was no agent and no commission was paid. And that is why I earnestly hope that ultimately it is going to be proved that all those who have tried to rake up this issue unnecessarily have not been correct and our Government has been right. Thank you.

PROF. C. LAKSHMANNA: Madam, while I stand here to speak on this particular issue, I do so with anguish, with a heavy heart that there has to be a doubt regarding the working of a Government which claimed to be working faster, cleaner, efficient and so forth. A Government ought to be honest. A Government ought to be incorruptible. A Government ought to be efficient. If I say that the present Government does not fulfil any of these well-laid principles, it is only a sad reflection on the functioning of the Government. I would like to remind the House that the much made-out question that there was no agent is belied by two facts, two facts which are irrefutable. The first fact is that there was a communication from an Indian Embassy based in a foreign country. Since the name of that country and the Indian Embassy is known, I would like to say that the

Indian Embassy is in FRG. What is the content?

The content was that the supplier of the submarine does not want to go ahead with the negotiations because 7 per cent commission had to be paid to an Indian agent by the supplier. Therefore, if a communication comes from our own Embassy located in a foreign country stating this, what further conclusive proof has to be there that there is an Indian agent involved, with the supplier? I am not questioning that this agent was appointed by the Government of India, which has been refuted by the Minister of State for Defence. Therefore, there is no doubt that there has been an agent involved, maybe necessarily appointed by the supplier for the sake of negotiation with the Government of India. That is number one. The second is the statement made by the former Defence Minister himself. I would like to quote from it since it has been made on the floor of the House also. Earlier it was a press statement: "However, while doing so I thought apart from the inquiry into this specified defence deal, which, will be done by revenue intelligence authorities, it would also be useful to get suggestions on the overall issue of defence agents" I would like to underline this "so that proper steps can be taken in future." I would like to underline that also. In this connection I would like to bring to the notice of the House that a former Minister of Defence Production elsewhere has made it very clear that the policy of the Government was not to deal with any agent. This pertains to the period 1980. The present Minister of State for Defence has also stated, we do not deal with any agent. That is pertaining to the year 1987. Madam Deputy Chairman for a period between 1980, to 1987 the avowed policy of the Government had been not to deal with any agents, but, nonetheless, it is an irrefutable fact in view of the two instances which I quoted, that there

had beep agents. And, here I would like to ask the Minister of State for Defence whenever there were suppliers, either eHWD or Dornier or Bofors or Westland, were there occasions when even on behalf of these organisations whether there were Indians who dealt with the Government or not? If the Government of India dealt with them, what was the status of those Indians or Non-Resident Indians who had talked to you. What was their *locus standi*?"

SHRI ARUN SINGH: On no occasion between 1980 and 1987 has the Department of Defence, Government of India ever dealt with any non-governmental agent, foreign or Indian, in any commercial negotiation.

PROF. C. LAKSHMANNA: Then the question becomes all the more intriguing. The question becomes intriguing because the statement clearly says that proper steps have to be taken in future to prevent the possibility of agents, trying to take away substantive part of the deals. (*Interruptions*).

SOME HON. MEMBERS: Where is that (*Interruptions*).

PROF. C. LAKSHMANNA: After is over, then I will talk. This record should be able to tell the word what it is. The second, I cannot comment upon nefarious activities. I can only be critical of it. (*Interruptions*). Therefore, I tell you...

THE DEPUTY CHAIRMAN: Please address the Chair.

PROF. C. LAKSHMANNA:
Madam, I am addressing you only.

SHRI PARVATHANENI UPENDRA:
Madam, why don't you control them on that side also? You are always addressing this side only.

PROF. C. LAKSHMANNA: I would like to ask the Minister of State for Defence, four submarines were ordered in the past, either in the year 1981, 1982 or 1983, I do not know when. Two have been supplied. Two are yet to be supplied. And fresh negotiations "were there" for two more submarines. I would like the Minister of State for Defence to tell us straight. Are there negotiations for two more submarines? If there are negotiations has the price been hiked to double than what it was in the previous deal? Was it a fact that the representatives of this company were in India and has discussed with you and as a result of this discussion, they agreed to reduce the price by 20 per cent but they made it clear, that 10 per cent of it would go to some agent or the other? Is it a fact that after they went back, they have gone back on this? This is a question which needs to be answered with all honesty and in its totality, because the entire House and the entire country is today in pursuit of truth and nothing but truth. Therefore, if truth has to triumph, everybody has to be honest about it and that is the 'honesty which I demand from the Minister of State for Defence.

'SHRI ARUN SINGH: I may clarify that such honesty is always available.

SHRI PARVATHANENI UPENDRA:
Personally from you, but not from your Government.

PROF. C. LAKSHMANNA: I was demanding the honesty of purpose, not merely honesty of an individual which is much in abundance; I do agree with the Minister of State for Defence. Honesty of purpose, honesty of dealing has to be established not merely by words but by deeds, by actions. Don't get perturbed; don't get sensitive the moment something is mentioned either about the in-laws or the outlaws. What is important is to be able to look at things dispassionately and objectively and with sensitivity. And that is exactly what we are asking.

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ): Half man and half woman.

PROF. C. LAKSHMANNA: I fully agree. One hon. Member talks about half woman and half man. I think somebody is obsessed with that phenomenon.

Madam, the question becomes very important because the outlay on Defence has been going up. In this very year, if my analysis of the Defence budget is any indication, an amount in the order of Rs. 3750 or Rs. 4000 crores will have to be spent on Defence deals. Therefore, when we are escalating Defence budget to this high proportion, there is need for being more truthful about it. The facts should be known; otherwise, the compounded problem will be such that it will be a very serious threat to the country itself. That is a threat to the country. Now, how can these facts be known? I am glad the Minister has stated that enquiry is on. Enquiry should be on. But the enquiry, in my view, is not sufficient. The enquiry will be meaningful, the results will be conclusive and it will be good for the country only if this august House and the Members of this august House have got access to the facts

so that we have not to speak, on the basis of newspapers about which our friends accuse. If the facts are made available to us, we will not depend on newspapers. In the absence of facts available to us, what is the source left to the Members of Parliament? Perhaps, it is the newspapers. Therefore, I request the Minister of State for Defence to kindly place these papers with the Chairman and the Chairman, in turn, can call either all the Members, or at least important Members, prominent Members from both sides, to look into those papers and examine those papers. If they feel that there is a *prima facie* case, then, perhaps, it has to be entrusted to a bigger enquiry. If it is otherwise, perhaps, the facts will be known. Therefore, I demand from the Minister of State for Defence two things. First, a white paper containing the various aspects of this deal and other such details and secondly, this white paper and other details should be made available to Members of Parliament, either through the Chairman or through a Committee to examine them. I think, nothing short of this will satisfy this House, will satisfy the Parliament, will satisfy the country. Therefore, in order to satisfy the country, a stage has come when we have to demystify the Defence Budget. When I say demystify, there are so many details which could be known, which have to be debated, which have to be understood and which have to be discussed. Then and then alone, the security of the country will be much more stronger than what it is today. But if you keep all the things in secrecy, avoidable secrecy, unnecessary secrecy, this will not lead us anywhere. Therefore, I request the hon. Minister of State for Defence to kindly think in terms of demystifying, a process which was, in one sense, started by the former Finance Minister in the Finance Ministry. The same spirit was pervading when he was the

Defence Minister. I think, it is in that direction the House and the country should move. I hope the Minister of State for Defence will place all the facts before the House. Thank you Madam.

SHRI PAWAN KUMAR BANSAL: Madam, it is a human weakness to try to show that what one had predicted has come true. Even at the risk of sue an accusation, I am constrained to say that my feelings and fears on the present controversy regarding the defence contracts have come true. After the hon. Minister of State for Defence had exposed the fallacy of the Opposition's allegation in the Lok Sabha, by giving the modalities of such deals that proved the Government's invulnerability to the unfounded attack I, like many others, entertained a feeling that another dimension would soon be added to the question. And here we are, with a new allegation coming up in the matter of purchase of 155 mm. Swedish guns. Coming on the heels of the controversy regarding the alleged receipt of commission in an earlier defence deal, this proves my worst fears that there is a concerted effort to create an atmosphere of crisis and hamper India's programme to modernise the armed forces which is of immense importance in view of the present-day security environment.

The untrammelled flow of sophisticated weapons to Pakistan, the improvement in China's tactical position in Tibet its intrusion in Arunachal Pradesh and adoption of a recalcitrant attitude and its modernised programme having military overtones have all lent grave dimension to the question of India's Security. In such a situation, the circulation of mendacious reports regarding defence contracts is only a part of the bigger controversy, of the bigger plan to destabilise the Polity the forces of exploitation and subjugation.

Madam Deputy Chairman, the successive Congress Governments have

accorded top priority to defence matters and we have met every challenge to our sovereignty and territorial integrity very successfully. Our jawans have fought valiantly to defend our borders and a grateful nation has dutifully provided the necessary back-up support. To meet any threat, we remain in a state of constant preparedness and every paisa is spent judiciously in the acquisition of the best available equipment. This was the clear message of the outcome of the 1965 and 1971 wars. By now we know that the raising of requirements by the Defence forces, the laying down of detailed specifications for the same, the trial and technical evaluation of performance of every equipment offered and the financial negotiations are all carried out stringently by different high-powered Committees, constituted for each specific purpose and no individual has any discretion in the matter. To completely insulate the decisionmaking process from any outside influence whatsoever, the entry of even retired Generals to the Defence Ministry is banned and no non-government representative of a supplier is permitted to be present at any negotiation concerning defence equipment.

In this conspectus of things, the issue arising out of the telex message received from an Indian Embassy was given a turn that has done no good to the cause for which perhaps it was meant, and it has, in fact, been twisted to launch a profane attack against the Government, irrespective of the denial of payment of any kick-back by the German firm.

Madam, I must hasten to add here that I find no fault with the orders instituting an enquiry into the matter. In a democracy, taking such a recourse in important matters is absolutely imperative to find out the truth and to preserve the sanctity of democratic institutions. The dust raised and the mud-slinging resorted to by various quarters notwithstanding, the decision of the Government to go

[Shri Pawan Kumar Bansal]

ahead with the said enquiry proves its commitment to democratic principles and proves wrong those chronic critics who are always at pains to devise means to launch attacks against the Government.

Now they have jumped in elation at the development and in that ecstasy have rushed to demand the resignation of the Government. Without seeing through the game of hostile forces, they boisterously demand an open probe by a specially constituted Parliamentary Committee, forgetting that the Public Accounts Committee and Estimates Committee regularly scrutinise the dealings of the Defence Department as well. Whose cause the Opposition thinks it would serve by raising sensitive questions? That of the powers hostile to us or that of our own country? They must ponder over this question with a sense of detachment after the present trance in which they find themselves today subsides.

In a democracy, it is the right of the Opposition and the media to point out and condemn any wrongful act of the Government. But they also have a duty to desist from blowing things to such monstrous proportions that do no good to them and rather harm the national interest. Given the security environment that we have today, an open enquiry, as demanded, would only reveal to others strategic classified information about our defence acquisitions and installations. In this fashion a controversy could well be raised over every deal to hamper quick decisions and retard the rate of our defence preparations by threat of blackmail by firms that fail to get the order. This is an important ingredient of the subtle plot to destabilise our system, impede modernisation of our armed forces and weaken the nation ' in every conceivable manner. Accordingly, incidents are so orchestrated and the media so played that the attack against the vitals of our system does not lose its ferocity, that the malicious Draoaaanda to create a crisis of

confidence goes unabated and that the forces of subversion, disruption and violence continue to hit at the foundations of our polity. The reason for this is not far to seek. The Rajiv Gandhi Government has belied the hope of those imperialist powers who expected a shift in our time-tested policies of socialism, secularism, democracy and non-alignment. They have their own calculations for the world set-up, but those are upset by India, they feel. Much to their chag- rin, Rajiv Gandhi today represents the conscience of mankind in struggle for peace and development. With conviction and force he speaks for the downtrodden, he raises his voice against the pernicious policies of neo-imperialism and neo-colonialism. Under his stewardship, the Non-Aligned Movement has received a new thrust. At home, under Rajiv Gandhi's leadership, the Congress continues to be the only party that symbol the nation's unity and integrity. Under his leadership, the poverty alleviation programmes have acquired a new impetus. A relentless war has been waged against corruption, disease and illiteracy. The general mood of despair and despondency has given way to hope and expectancy.

But India's strength is anathema to the powers of reaction across the oceans. So they must connive to undermine our polity and, for that, attack the Congress and its leadership. The timing of their action, Madam, speaks volumes of their intentions.

Eruption of violence in the name of language, religion and region in some parts of the country points to an ongoing interaction and conspiracy between the disruptionist and divisive internal forces and hostile external powers who seek to impose their own will on the developing world. Resultantly, an environment of crisis is sought to be created on every issue which otherwise calls for a dispassionate consideration. Kicking up of the present controversies over defence contracts fits in well with such a scheme of things.

There is a consistent effort to undermine the confidence of the people, to create a crisis of confidence, to pressurise the Government to succumb to the machinations of the rightist, reactionary and fundamentalist forces and to cheat the millions of our countrymen. How else do we account for the demands raised for the resignation of a popular Prime Minister enjoying the support of three-fourths of the Members of Parliament?

AN HON. MEMBER: The whole nation.

SHRI PAWAN KUMAR BANSAL: A business tycoon and media magnate, who has earned for himself the sobriquet of a con man from his own fraternity and has some virulent grouse against the Government, seizes the opportunity. "He goes for a frontpage editorial and pens down wild accusations, brazenly violating all norms of human decency, journalistic standards and the freedom of expression.

The whole world knew of the recent tension along our western borders. Yet this repository of virtue wreaks personal vengeance and has the audacity to accuse the Prime Minister of conjuring up the miasma of Pakistan amassing troops on the borders. He arrogates to himself the right to hand down a verdict that Rs. 30 crores have actually been paid and choice of weapons influenced. Saying that a grave situation has arisen involving the defence of the country, he suggests the dismissal of the Government, an action which is not permitted by the Constitution itself. What do we infer from this? Is it not yet another dishonest attempt to cheat the countrymen and throttle democracy?

Madam, all unconstitutional attempts to play with our polity would be frustrated by the Government and the people of India. These tactics and the tirade to emasculate the popular Government have failed to unnerve Shri Rajiv Gandhi in whose hands millions of our countrymen

have placed their destiny and behind whom the partymen stand like a rock. The Congress and its leadership have emerged unscathed, rather stronger, from the barrage of this unprincipled attack, and would go ahead with determination in building the nation by creative, innovative and vital activity. Thank you.

SHRI JASWANT SINGH: Madam Deputy Chairman, I had seen the statement of the hon. Minister of State in the other House, and I have read it with more interest again today. I must say at the outset that it is very economical on facts. I have also heard with interest the interventions of the Members of the Treasury Benches, and broadly there are three themes which have been repeated by all of them—the propriety or otherwise of releasing this to the press, the aspect of destabilisation and the aspect of the morale of the armed forces.

Madam, because I consider this to be one of the most important discussions on the defence of the country that this House has been engaged in for some long time now, I took care to sort out my own thinking on the subject, I had rather hoped that the debate this afternoon would enlighten me and throw light on my own doubts. That, alas, has not happened.

There are some difficulties that I face in my participation in this discussion. These are very indignant days. We are all indignant. The nation, the Treasury Benches, the press, the public, we in the Opposition—we are all indignant. But what really deeply distresses me and also alarms me is that given the great import of the issues involved, we are indignant for different reasons, we are indignant with one another, passionate in our denunciation of others. We do not display similar indignation on the issues that are confronting us.

I started by saying, Madam, that I had certain difficulties in my partid-

[Shri Jaswant Singh] pation in this debate and a very real and deeply felt difficulty, is that I have always held the former Minister of Defence in very high esteem. I have said so in this House and in print, that I consider him, even though I might sit on the opposit end of the political well from him, to be a man of honour, of integrity and of irreproachable public conduct and incorruptibility. In like fashion, I have always held that the hon. Minister of State in the Ministry of Defence, whom I might, with his permission, claim the honour of calling a friend, is, to my mind, the finest de faetloi Defence Minister that independent India has seen, a man of rectitude, of efficiency and of integrity. What saddens me is that these two eminent Indians are today involved in contention. They are not involved in contention over issues of substance. They have become contending factors within the ruling party and, to my mind, of trivialities.

I put it to you, Madam, that there are certain integral constituents of the Indian nation. Those integral constituents are *iqbal* which is a near untranslatable word, *izzat* and *arz*, *arz* not as petitioners but *arz* as the right in dignity and in honour to come forth to the Government and to ask of it to share with us our concerns. I thought I should put across this point because I feel that in the issues that have been raised by this discussion, all these three integral aspects of the Indian nation have been diminished. It is our *ikbal* that has diminished; it is our *Izzat* that has gone down and our right, of *Arz* in Parliament and that '*Arz*', not as '*Arzi Navis*', as abject petitioner, but in honour and dignity to come forth to you as your colleague to ask you to share with us our concerns, that too has diminished.

I would like to take just a minute to quote from, firstly an intervention

in this very House by the Prime Minister and then to highlight just two aspects of the hon. Minister of State's statement.

The Hon. Prime Minister, speaking on the occasion of the discussion on Budget, amongst other things, said:

"Some Members had raised the point of defence expenditure and I think it is necessary that a few words are said about defence expenditure. While I agree with some Members that defence expenditure could be more efficient, I have no doubt that Vishwanathji, now that he is looking after Defence, will tighten up Defence in the same manner as he has tightened up the Finance Department."

This was the Prime Minister's intervention. I am struck by the irony now of that Statement made in this House. Of course, thereafter the hon. Prime Minister went into somewhat arrogant and illogical assertions about the patriotism of those who questioned Defence expenditure *per se* but that is not essential to our discussion today.

The hon. Minister of State has said the two most important aspects, along with the aspect of speculation on the question of Press release, are, he has said that:

"Existing instructions that the Department of Defence should not deal with any non-Governmental agent of a foreign supplier was repeated by the Prime Minister when he took office and that true to his information all this has worked with satisfactory results."

I am again filled with certain amount of disappointment at the irony contained in the phrases 'unequivocal and satisfactory results'.

[The Vice-Chairman (Shri Pawan Kumar Bansal) in the Chair].

I had looked forward to with some anticipation about the questions of the Defence deals—submarines and Bofors, which we are going to discuss tomorrow. All the issues have been thrown up. I think one of the issues that is thrown up—that is why this debate is so important—is the Parliament's right to discuss the nuts and bolts of Defence and the Government's approach to these nuts and bolts. It is in that sense also about an openness of the Government, about the liberalism and about an absence of hypocrisy from public life. The second issue is probity in public life. The third, which I think is very important and which should really be our key inquiry today, is about adherence by the Government to the Government's own established standards and criteria as, for example, unequivocal subscription to not having agents etc. There is an inside issue though not central to our today's debate, about the economy in defence expenditure. There is the aspect of the resignation of former Defence Minister... (*Time bell rings*) I beg your pardon.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please continue. This is to warn you about the time. You can take some more time.

SHRI JASWANT SINGH: There is the aspect of the resignation of former Defence Minister and as I said the aspect of a press statement. To my mind, another crucial issue is the steps taken by the Government of India once information about a telex had come into its possession. Before I take up each of the three issues, to my mind, there are four aspects of today's discussion. There is the technical aspect and the procedural aspect. I will not go into them. There is then the moral and the ethical aspect and there is a political aspect. I think it is also necessary for me here to share with my eminent colleague, the Minister of State, three overriding aspects of this whole question of

arms trade. Sir, all democratic Governments have to navigate and steer between the Scylla of confidentiality and the Charybdis of accountability and when it comes to defence this steering, this navigating of the Government is particularly called into account. Secondly, arms trade is a fact of life. It is today's great game and in that sense I would expect out of this debate—perhaps we would be able to evolve—to grow adult, to become adult about a fact of life that arms and trading in arms is there to stay. We will have to engage ourselves into it. How do we best do so? The third overriding aspect is that arms dealers do not make deals. They run after them. They are the hyenas of arms trade. It is the Governments that purchase arms—and, therefore, there is the critical aspect of examining a Government's functioning in arms trade.

Sir, I come very briefly to the aspect of hon. Minister of Defence and his resignation from the Government. Here I am compelled to mention that when I witnessed the ruling party conducting itself in the manner that it has done in respect of the former Minister of Defence, I am appalled. In now turning on him, as you do, of course, you convey a message about yourself, but because you are the majority, you are the ruling party and you do lead, not just politically and in governance, but by implication you lead morally, therefore, when you turn on one of your own former colleagues in the manner that you do, you communicate something about all of us all those that subscribe to the creed of public life, of political activism, and that something is unsavoury. It is deeply disturbing and it carries no reassurance, mind you, it carries no reassurance in public mind about this august Assembly. I will now proceed. Sir, with the politics of the resignation of the former Minister of Defence. Every

[Shri Jaswant Singh] speaker from the Treasury Benches—and I heard the hon. Minister of State replying to the debate in the other House—has talked about confidentiality, being flouted because the issue was given to the press, and about the morale of the Armed Forces. Then, though the hon. Minister of State has never himself said it; speakers from the ruling party have spoken of destabilisation of treason, of treachery, etc. If by going public, by being candid, it is your suggestion that the morale of armed forces is going to be affected, then I put it to you, Sir, that no one knows better than the user himself about the weapon that he is entrusted with to use the capability of that equipment. Indeed, he knows it much better than anything else because his life depends on it. He is not demoralised at all by knowing the details or the capability of the equipment that he is entrusted with. He is demoralised when he comes to realise that there is something with that equipment, about the procurement of that equipment or about the whole aspect of that equipment coming into the armed forces about which he has either not been informed or that there is something which is agitating the minds of the public that he does not know or that in the acquisition of arms, which he meant to use for the nation's security, even, that there is a slightest shadow of doubt of monies having changed hands. That is when morale is going to be affected. Not by an open and honest discussion about it. That, Sir, is the real destabilisation. That is the real betrayal, the real tragedy, to my mind. I wish that on this occasion the ruling party had not done two things. Firstly, it had not equated the party with the Government and Government with the nation and it had not yet again gone into the idioms of yester years and equated the Prime Minister with the nation and thereafter started using all the phraseologies which we

thought were now a part of our past, that we had grown out of, that we have now evolved into a nation * which could cope with this, kind of a thing and that we would not have to engage ourselves into empty and destructive rhetoric about forces of destabilization, treachery, CIA, KGB or whatever, of that kind. Sir, I have some specific questions to ask and one or two suggestions to make and I will conclude. (*Time bell rings*) Sir, I will raise my questions now and I will take a minute or two. I am very disappointed that the only occasion when the hon. Prime Minister those to intervene in this important debate he engaged himself in informing us about the complex working of the chaprasis of his office. I would have hoped that when he chose to intervene, he would have come forward with something more substantial. What are we actually looking for? We are looking for in our treasury benches, we are asking of our Government to be seized of the great moral dilemma with which the nation is today faced. Thereafter, with its demeanour, through its conduct, through its utterances to convince us that it shares with us the dimensions of the moral dilemmas that confront us and thereafter, to demonstrate to us a masterfulness in the details of how those dilemmas are to be confronted. So, my specific queries are that from the original receipt of the telex of 25th February, 1987 to 9th April, 1987, in 45 days, by the Government's own admission, and I do not have to repeat what it was all about, all that the Government has done is that a draft is prepared and approved by the hon. Minister of Defence and some inquiries are ordered which some hon. Members from the treasury * benches say, till April 9, were not actually ordered. Now, in 45 days, on as venous a matter as this, only a draft has been prepared and approved and some of the Members from the treasury benches say that even enquiries, which we have been

informed were ordered, were not actually ordered . and the hon. Prime Minister came and said, a letter did not reach at 6 O' Clock. It reached at 9 O'Clock and engaged ourselves with the working of 'chaprasis'. This is deeply 'disappointing. I would, therefore, request the honourable Minister of State to clarify whether, upon receipt of this telex or at any time in e 45 days, the Government of India or the Ministry of Defence immediately asked of our mission from whichever country this telex originated. I do not ask you to tell me even that which is now public knowledge. Did the Government of India or the Ministry of Defence immediately ask our mission from where this telex originated about details? And the telex originated from our mission, not a foreign mission. Did It ask of that mission to obtain all de. immediately, that is, on 25th February itself? It was incumbent on the Government immediately, fey a return telex, to ask for more details.

Secondly—this has been asked earlier; it is not my suggestion that Government appointed an agent. There is an assertion made that there is, an agent. It is an assertion made by our mission. Who was the supplier's agent? To whom did this unpronounceable German named company pay this commission or money or whatever? When was this paid? Where? How? How was it paid? I am given to understand that since 1980 it has been stated and unequivocal policy of the Government that there will be no agents, and yet, in this case when it comes to light that there is an agent, in these 45 days what did the Government of India do to find out from our mission, from the company which has supplied us this equipment who this agent is? Independent of ordering of the inquiry, what did the Ministry of Defence do to fulfil its obligation because since 1980 to our

understanding this is the existing regulation?

I will take only a minute now; I have to make a few suggestions which will not take me more than a minute. We are engaged in a similar discussion tomorrow also and I will benefit by it. I would like to inform, though it is not for me to inform the highly knowledgeable honourable Minister of State, that this phrase 'military industrial complex' was first used by that great soldier-statesman, Eisenhower, in his farefell address to his nation. That military industrial complex has now grown in size and dimensions and ramifications. That military industrial complex has grown into a situation where everybody knows this aspect of what is called the swing-door theory and the swing-door theory is some people, whether in the armed forces or in the bureaucracy or in the Government, in one fashion or another, revolve in the swing-door to serve the military industrial complex. I suggest numbly to the Ministry of Defence and to the honourable Minister of Stgte that the Government consider setting up of a commission somewhat similar to the Packard Commission, independent, autonomous, blue ribbon, to amongst many things, specifically recommended to Parliament and to Government—

- (a) an overall weapons procurement policy,
- (b) a system for continuous- evaluation of our military capability,
- (c) a definition and scope of Defence weapons procurement system,
- (d) to go to the extent of laying down a policy for procurement and research and development,
- (e) to advise the Cabinet Committee on Political Affairs independently on specific procurement programmes,

[Shri Jaswant Singh]

(i) to lay a puucy for and supervision of the performance of the entire department dealing with weapons acquisition,

and, finally,

(g) to develop systems for continuous guiding and audit of Defence agents and contractors.

And here I would like to make one more recommendation for the Ministry of Defence. Let us not feel shy of having agents. Let us recognise that if arms trade is a reality of life, then, agents too are a reality of life. So, devise a system whereby these agents are recognised, regularised and are under the control of the Ministry of Defence rather than that they be a nebulous something which should excite our suspicion everytime. I conclude. I conclude with just three passing thoughts and suggestions to my friend, the honourable Minister of State and this is a very sincerely-meant advice.

In matters connected with defence, particularly of defence procurement, please stay ahead of public and parliamentary concerns. What we are witnessing today is that the Government is lagging, not just in any expression of concern, but in the demonstration of concern about these issues. So, I sincerely advise my friend, the honourable Minister of State: Please stay ahead of the public's natural concern, of the Parliament's rightful function, of its concerns about weapons procurement, which you will not be able to do if you did not stand tall for truth and what we are witnessing for the last so many weeks now is because on every occasion the Government has not come forth and has exemplified standing tall for truth. One thing more, Sir.

Please re-examine your planning mechanism. You always say so when it comes to you? planning mechan-

isms. Yet when this Strategic Planning Group is formed with the Prime Minister at its head, that Strategic Planning Group dissolves ' without meeting even once! This does not fill us with reassurance, this does not fill us with reassurance about your methods... (*Time bell rings*) ...and this does not fill us with reassurance about your actual intentions.

Finally, I will conclude... (Interruptions) .

SHRI N. K. P. SALVE: That is the real threat!

SHRI JASWANT SINGH; I will conclude, Sir,...

SHRI N. K. P. SALVE: Another threat?

SHRI JASWANT SINGH; There is a crucial difference between actually doing the right thing and only appearing to do so. The choice is of this-Government to make. Thank you, Sir.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Now, Mr. Sharad Yadav.

श्री शरद यादव (उत्तर प्रदेश) :
उपसभापति जी, आज क जो बहस है, इस बहस में पिछले 5-6 सप्ताहों से सरकार का जो रवैया रहा है उसी रविये के अन्तर्गत आज भी पूरे दिन का बहस में सरकारी पार्टों के सदस्यों ने भाग लिया, और उन सारे सदस्यों को बात को मैंने बहुत ध्यान से सुना। जो मेरे पक्ष के लोग हैं, विरोध पक्ष के लोग हैं उनको बहस का आधार, उनके पास जो भी खबरें हैं और वे खबरें जो अंधरे क हैं क्योंकि सरकार तो आप लोग चला रहे हैं और सरकार को चलाते हुए आप लोगों के आपस के झगड़े और झड़प क जो खबरें हमको मिली हैं, उन्हीं खबरों के आधार पर आपसे सवाल पूछने का काम हम लोग लगातार कर रहे हैं। मैं आपसे एक ही बात कहना

चाहता हूँ कि हिन्दुस्तान का जो सर्व साधारण आदमी है, चाहे वह शिक्षा चलाने वाला हो, चाहे खेत और खलि-हानों में काम करने वाला आदमी हो, सब के मन में एक बात चली गई है, विश्वासपूर्वक चली गयी है कि यहाँ दाल में काला है, कोई बहुत बड़ा गड़बड़ा है। महोदय, जितने लोग आज सरकार पार्टी में हैं मैं उनसे कहना चाहता हूँ कि पिछले तस-चास वर्षों में आपने इस देश की राजनीति को और खास करके इस देश की सम्पत्ति के लुट के मामले में इस देश को सड़ा दिया है। जब चुनाव होते हैं तो आपके एक एक मेम्बर, मैं साफ कहना चाहता हूँ कि श्री विश्वनाथ प्रताप सिंह जी हैं वे आपने ईमानदार के लिये थोड़े से चमके हैं, लेकिन यह आपका ही पार्टी है जो स्वतंत्रता के बाद राजनीति में है। इस पार्टी के हर एक सदस्य ने राजनीति के लिये अपना चुनाव लड़ने में लाखों रुपये खर्च करने का काम किया। एक एक आदमी ने कहा है। हिन्दुस्तान की जनता मोटे तौर पर आपको इन हरकतों को देख कर (व्यवधान) यह जितने लोग आप बैठे हैं इस हाउस में बैठे हैं, उस हाउस में बैठे हैं यह सब लोग बगैर गाड़ी के नहीं हैं, इन के सब के पीछे एक एक गाड़ी है (व्यवधान)

श्री बिट्टलमाई मोतीराम पटेल (गुजरात) : गलत है (व्यवधान)।

श्री शरद यादव : ठीक है पटेल साहब आप जरा कमजोर आदमी हैं और सच्चे आदमी हो सकते हैं मैं सब लोगों को नहीं कह रहा हूँ लेकिन बहुसंख्यक लोग इसी तरह के हैं। आपको रोज देखते हैं लोग, आपका आचरण देखते हैं। आप प्रमाण मांग रहे हैं कि आप तो बहुत कलान हैं। आपने दावा भी किया था लेकिन जिस दिन आप वायदा कर रहे थे, दावा कर रहे थे, उस दिन मैं जानता था कि उस दिन मैं महसूस करता था कि आप* आदमी हैं हमारा विश्वास

है कि आप* हैं, आपका रास्ता गलत है (व्यवधान)

श्री हयातुल्ला अन्तारी (नाम निर्देशित)
*कहना अन्तर्पालियामेंटरो है (व्यवधान)

श्री शरद यादव : ऐसा है कि अगर आप उलझेंगे (व्यवधान)

उत्सवभाष्य (श्री पवन कुमार बांसल) :
अगर कोई ऐसा बात है तो मैं उसको देख लूंगा।

SHRIMATI MARGARET ALVA: He cannot use this word.

SHRI SAT PAUL MITTAL: I have all respect for Mr. Yadav. But while speaking he must use appropriate words. He does not. (Interruptions)

उत्सवभाष्य (श्री पवन कुमार बांसल) :
यादव जी आपको जो समय मिला है आप उसका फायदा उठाइये, विषय पर अपनी बात कहिये।

श्री शरद यादव : मैं इस हाउस में आपसे कहना चाहता हूँ (व्यवधान) मैं आपकी बात मान लेता हूँ (व्यवधान) मैं आपकी बात मान रहा हूँ। (व्यवधान) आपका जो आचरण है उससे साफ जाहिर होता है कि जो चुनाव हैं उस में करोड़ों रुपया बहाते हैं। आप आजकल देश पंजापतियों से नहीं जो देश के अन्दर काम कर रहे हैं जो देश के पैसे वाले हैं उन से कम लेते हैं लेकिन बाहर से पैसा आता है आजकल ऐसा लोगों का मानना है। पैसा कहाँ से आता है मैं नहीं जानता लेकिन आता बड़े पैमाने पर है। चुनाव में आप पैसा और सम्पत्ति जो खर्च करते हैं, वह बड़े पैमाने पर बाहर से आता है। इस सवाल पर विश्वनाथ प्रताप सिंह जी ने ईस्तीफा कर दिया। यह आज जो बहुत है जिस पर करण सिंह जी ने अपना बयान दिया है (व्यवधान)

•Expunged as ordered by the Chair.

•Expunged as ordered by the Chair.

[श्री शरद यादव]

यह मामला हो डिफेंड डॉल था, चाहे फोरफैक्स का मामला हो, चाहे बोफर का मामला हो पूरे देश में पिछले तीन चार हफ्ते से हर चार पांच दिन में कोई न कोई घटना बाहर आ जात है आपको लड़ाई के चलते बाहर से भी कई सूचनाएं आ रही हैं। बाहर के सभी लोग गलत नहीं हैं। हिन्दुस्तान के आजादों के मामले में चर्चिल की पार्टी आपको आजादों देने के लिए मांग करती थी लेकिन ब्रिटेन में बहुत से लोग आपको आजादों दिलाने के पक्षधर थे। इसलिए मैं यह बिनती करना चाहता हूँ कि बाहर से खबरें आ रही हैं, वे सभी झूठ हैं इस तरह से आप पेंट करना चाहते हैं। आपने कहा कि विदेशों हाथ है इस विदेशों हाथ का, आपने इतना जिक्र कर दिया है, इतना हीवा खड़ा कर दिया है कि सारे देश में सच्चाई को आप बाहर नहीं आने देना चाहते हैं। ईमानदारों का आप बाहर नहीं आने देना चाहते हैं। विश्वनाथ प्रताप सिंह जी ने जो काम किया है इससे एक बात अलग है कि वे ईमानदार हैं। लगातार पिछले इतिहास में अष्टाचार के आरोप में तो मन्त्रियों को मिनिसट्रोज से निभाला गया लेकिन विश्वनाथ प्रताप सिंह जी आपके अन्दर या अन्तर का जो खराब था गन्दवा था उस को साफ कर रहे थे, उसे साफ करने में उनको बाहर धकेल दिया गया, ऐसा इस देश का जनता महसूस करता है। इस देश का जनता यह महसूस करता है कि कोई आदमी पहली बार मंत्रिमण्डल से ईमानदारों के कारण धकेल जा रहा है, बाहर निकाला जा रहा है। लेकिन उन्होंने जो ईमानदारों का काम किया है थोड़े झलकों के रूप में वह अब मौन है। अब प्रधानमन्त्री और विश्वनाथ प्रताप सिंह जी के बीच में कोई सिफ्ट डॉल हो गया है कि चर्चा नहीं होगी देश में। काहे के लिए आते हैं आप, काहे के लिए चुनाव लड़े थे, फिर काहे के लिए प्रोब का आदेश दिया,

क्यों इस्तीफा दिया, आपके अचानक वैराग्य क्यों आ गया? यदि वैराग्य अचानक आ गया है तो आप कहिये कि हम को अचानक आ गया, हम विक्षिप्त हो गये इसलिए हम ने इस्तीफा दे दिया हम वैराग्य हो रहे हैं इसलिए हिमालय जा रहे हैं, इसलिए हम ने इस्तीफा दे दिया। नहीं तो पूरा का पूरा मामला देश के सामने आना चाहिये। आप कहते हैं विदेशों हाथ। याद रखना, इस विदेशों हाथ का हवाला कब तक देते रहेंगे, याने विदेशों हाथ का हवाला दे कर इस देश के लाखों लोगों को गरब को रेखा के नीचे डालते जाएंगे। यह जो आपका विदेश हाथ है और जो आपका देश हाथ है, जो अष्टाचार का है, जो लूट का है, जो इस देश में गरबों बेकार और बेरोजगारों को बढ़ाने का है, यह जो हाथ है, जो देश हाथ है, क्यों चलेगा विदेशों हाथ को दिखा करके। यह आप विदेशों हाथ दिखाने का काम कर रहे हैं। चूंकि आपके आस पास आजाद हुआ था। आपसे तीन गुना अनाज पैदा करता है। आपसे हर मामू में, लहे के मामले में, पेट्रोल के मामले में, तेल के मामले में, हर चीज में मजबूत है। इसलिए जब चूंकि आपको तरफ देखता है तो आपका दम निकल जाता है। लेकिन पाकिस्तान की तरफ आप रोज उंगलें दिखाते हैं। अभी दरबारा जी बोल रहे थे, बड़े सम्माननीय व्यक्ति हैं, उनका मैं आदर करता हूँ, पुराने आदमी हैं। उन्होंने पूरा भाषण दिया कि किस-किस तरह से खतरा है, अलगा में क्या है, चीन में क्या है, पाकिस्तान के पास जो हथियार आये हैं वे क्या हैं। मैं मानता हूँ कि 60 पर 70 करोड़ लड़ सकते हो आप। आपका ऐतिहासिक कार्य होगा। आप पाकिस्तान के हर मामले को जरूर उठाओगे लेकिन चीन के मामले को नहीं उठाओगे। देश मजबूत तक होता है जब देश को अंदर से मजबूत करो, देश के लोगों को मजबूत करो, देश के किसानों को मजबूत करो, देश के खेत को मजबूत करो, देश के खलिहान को मजबूत करो, देश के अंदर ईमानदारों का राज चलाओ। आपने

राज चलाया है और सारी चीजों को छिपा रहे हैं। बाहर के पदों में बम्बू में तम्बू गाड़ रहे थे उन* को आपने अंदर पहुँचा दिया और तम्बू में तम्बू गाड़ने के लिए उनके भाई बंधु जो अष्टाचार कर रहे हैं उनको दवाना चाहते हैं, ऐसा लोग महसूस करते हैं। उन लोगों को बचाना चाहते हैं। हो सकता है कलाकार बढिया हो, कोई अच्छा बजाता हो, अच्छा गाता हो, मैं मानता हूँ। पहले की सरकारों पर मेरा इतना चाँच नहीं है जो कांग्रेस की थी लेकिन यह जो सरकार है राजाव गांधी की इस सरकार ने और इनके लोगों ने जब से हिन्दुस्तान में नेतृत्व में आये हैं सेवा को, त्याग को, तपस्या को राजनीति को पोछे किया है तथा बैंड कम्पन के, वहीं बूट कम्पन के सारे के सारे नौकरों, राजा और रानी सबके सब लोगों को सरकार में लाने का काम किया है। फिल्म में काम करने वाले लोगों का क्या मतलब है हिन्दी के लोगों का तबलाफ से, कामन लोगों से, रिश्ते वालों से, खेत वालों से, खुलिहान वालों से। स्टेट मिनिस्टर सड़क बैठे हुए हैं इनका एक बार बयान पढ़ था मैंने कि इन देश में पहले जो मिनिस्टर रहते थे वे इसलिए अष्टाचार करते थे कि वे साधारण जगहों से आते थे और राजा और रानी होते हैं वे नहीं करते हैं।

SHRI ARUN SINGH: I take serious objection to it. I refuse to be criticised on the basis of absolute untruths.

श्री शरद यादव : मैं अरुण सिंह जी से कहना चाहता हूँ कि जो बात "रवि-वार" में आया था यदि गलत है तो क्यों नहीं खंड किया आपने. (व्यवधान)

श्री अरु सिंह : आप क्या बात कर रहे हैं।

श्री शरद यादव : खंडन नहीं किया। मैं मानता हूँ कि... (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please conclude now.

श्री शरद यादव : मैं इन्तलूड कर रहा हूँ। मैं आपकी बात से चुप नहीं होने वाला हूँ, झंझट करोगे तो बढ़ जायेगा, यह हाउस नहीं चल पाएगा। मैं साफ कहना चाहता हूँ... (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I will go through the record and see if there is anything unparliamentary and objectionable it would be expunged

श्री शरद यादव : देश सचवाई जानना चाहता है और आप सचवाई दवाने का काम कर रहे हैं।

श्री राम नरेश कुशवाहा : हल्ल करके दबाएंगे। बहुमत तो आपका है। है आप जो चाहिएगा पास करा लीजिएगा... (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please conclude.

श्री राम नरेश कुशवाहा : आपके सुनने का मतलब नहीं है। आपके कुल भाषण का मतलब था, आप हैं देश भक्त हैं बाक लोग देश द्रोह हैं और आप दूसरे की बात सुनना नहीं चाहते हैं (व्यवधान)

श्री सतपाल मिश्र : सबको मिलकर काम करना है... (व्यवधान)

श्री शरद यादव : मैं अपनी मर्यादा जानता हूँ, खूब जानता हूँ मर्यादा। मर्यादा तोड़ है आपने, आपने लूटा है इस देश को, आप * को दबा रहे हैं। सचवाई को दवाने का काम आप लोग कर रहे हैं. (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Nothing of this will go on record.

रिडर

SHRI SAT PAUL MITTAL (Pun-tab):

उपसभाध्यक्ष (श्री पवन कुमार बांसल):
है कि जो आप दोनों के बीच में
गया है, वह रिकार्ड नहीं होगा।

श्री शरद यादव : मंडीदप, देश की
जनता . . . (व्यवधान)

उपसभाध्यक्ष (श्री पवन कुमार बांसल) :
आप अपनी स्पीच कंक्लूड कोजिये।

श्री शरद यादव : अन्त में मैं कहना
चाहता हूँ . . . (व्यवधान)

उपसभाध्यक्ष (श्री पवन कुमार बांसल) :
यादव जी, आपका टाईम पूरा हो गया
है। आप दो मिनट में समाप्त कोजिए।

श्री शरद यादव : मुझे बोलने कहा
दिया गया है।

उपसभाध्यक्ष (श्री पवन कुमार बांसल) :
उससे पहले आपका टाईम पूरा हो गया
था। आप अपनी बात दो मिनट में खत्म
करना चाहते हैं, तो कर लीजिए।
Otherwise I will call the next speaker.

आपका समय चार मिनट का था
आप 15 मिनट बोल चुके हैं।

श्री शरद यादव : अन्त में मैं कहना
चाहता हूँ कि पूरे देश की जनता, एक-
एक आदमी अपने चला दिया है कि
विदेशी हाथ है। इस देश की जनता को
इतना कमजोर मत मानों और अपने को
इतना ज्यादा कम्पलसरी, इतना ज्यादा
थोपा हुआ देश का आइडेंटिफिकेशन मत
मानों कि यह जो देश है, वह आपके वगैर
नहीं चल सकता। देश की जनता जानना
चाहती है पूरी सच्चाई के साथ . . .
(व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN
KUMAR BANSAL); Please let him
conclude.

श्री शरद यादव : देश की जनता
जानना चाहती है—आप जो कह रहे हैं,
दरबारा-सिंह जी जो कह रहे थे कि
देश खतरे में है, देश खतरे में पड़ता है
इससे कि जो बाहर विदेशों में बड़े पैमाने
पर आप जो खरीदारी करते हैं और
स्विस बैंक में पैसा जमा करते हो। मैं
नम्बर एक, यह बात जानना चाहता हूँ
कि जो डील है जिसकी ईक्वायरी हो रही
है, उसके बारे में आप प्रोब कर रहे हो,
कि पूरी डिफेंस डील में पूरे देश में पिछले
दस साल में डिफेंस डील में चोरी हुआ,
कितना भ्रष्टाचार हुआ, कितना-कितना दिया
गया, कितना नहीं दिया गया, इसकी सम्पूर्ण
कोई संसदीय समिति के द्वारा जांच कराई
जाए, इसलिए कराई जाए कि आपकी
अकेले की जो जांच होगी, हम क्या पूरे देश
की जनता आप पर विश्वास नहीं करेगी।
यदि चाहते हो कि आप पर विश्वास करें,
तो सच्चाई के साथ आगे आओ। एक
मौका आ गया है कि आप खुल गये हो
पूरे देश की जनता के सामने, आपके बारे
में यह चला गया है कि आप बड़े पैमाने
पर विदेशों से डिफेंस का सामान
और तमाम तरह के सामान ला करके
उसमें बड़ा पैसा कमा रहे हो और जो
लोग हैं आपके नाते या रिश्तेदार जो
बाहर हैं या भीतर हैं, इन सब लोगों के
पास बड़े पैमाने पर सम्पत्ति है, इसलिए
संसदीय समिति बने।

तीसरी बात, मैं कहना चाहता हूँ कि
प्रधान मंत्री के जो रिश्तेदार . . . *

THE VICE-CHAIRMAN (SHRI PAWAN
KUMAR BANSAL); Please do not record
this.

श्री शरद यादव . . . (व्यवधान) चूंकि
याद रखना चाहिये कि जब प्रधान मंत्री
पहली बार राजनीति में हवाई जहाज से
उतरे थे, तब उनमें मैं चुनाव लड़ा था और
मुझे मालूम है कि उस चुनाव कंस्टीट्यूएन्सी

में उनके पहले एक लाख वोट से एक आदमी कम नहीं पाया, लेकिन इस देश का प्रधान मंत्री जिस दिन चुनाव जीता हमसे, उस दिन . . . *

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): These words do not go on record.

श्री शरद यादव : मेरे कहने का मतलब यह है कि देश की आजादी और वोट के बारे में कहने का मुझे हक है . . . (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): You please come to the subject.

श्री शरद यादव : मैं जानता हूँ . . . (व्यवधान) मैं चुनाव लड़ा हूँ मैं उनकी कस्टोडियन्सी से आता हूँ . . . (व्यवधान)

एक माननीय सदस्य : जब आप चुनाव लड़े थे, तो आपको कितने वोट मिले थे ?

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Mr. Yadav, you please sit down.

5.00 P.M.

श्री शरद यादव : उसको बताने का कष्ट करें . . . (व्यवधान)

उपसभाध्यक्ष (श्री पवन कुमार बांसल) : यादव जी, प्लीज सिट डाउन . . . (व्यवधान) अगर आप चेयर की बात नहीं सुनेंगे तो रिकार्ड नहीं होगा। मैं आपको कह रहा हूँ कि आप मेरी बात को सुनिये। आपको मालूम होना चाहिये अगर चेयरमैन खड़ा होता है तो उस वक्त मेम्बर को बैठ जाना चाहिये। इसलिये आप बैठ जाइए।

I will go through the record. If anything unparliamentary is recorded that will be expunged.

Not recorded.

श्री शरद यादव : यह जो आप कह रहे हैं चीज को डिलीट करने का काम कर रहे हैं . . . (व्यवधान)

उपसभाध्यक्ष (श्री पवन कुमार बांसल) : प्लीज सिट डाउन।

श्री शरद यादव : माई प्वाइंट आफ आर्डर . . . (व्यवधान) आप मेरी बात सुनिए।

उपसभाध्यक्ष (श्री पवन कुमार बांसल) : आप स्पीकर हैं और आप बोल रहे हैं इसलिए आपका कोई प्वाइंट आफ आर्डर नहीं हो सकता . . . (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please sit down. I will request all the Hon. Members to please sit down. I have to decide his point of order and I will decide.

श्री शरद यादव : आपको मेरा प्वाइंट आफ आर्डर सुनना पड़ेगा।

श्री रऊफ उल्लाह : यह तो खुद बोल रहे हैं और खुद ही प्वाइंट आफ आर्डर कर रहे हैं।

श्री शरद यादव आप मेरा प्वाइंट आफ आर्डर सुन लीजिए।

SHRI SAT PAUL MITTAL: He says he will not permit this House to proceed. Now, how can he rise on a point-of order on his own intervention?

श्री शरद यादव : आप नहीं तो खने देंगे तो निश्चित रूप से ऐसा ही होगा।

SHRI K. MOHANAN: Why not?

श्री शरद यादव : आप हमें बोलने देते।

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I have permitted the Member to raise the point of order. Let me decide about that.

श्री शरद यादव : उपसभाध्यक्ष जी, मैं आपसे एक विनती करना चाहता हूँ। मेरी सबमिशन है, मेरा प्वाइंट ऑफ आर्डर है कि इस हाउस में लगातार मैंने यह देखा है कि आप रोज कहते हो कि अनपार्लियामेन्टरी लैंग्वेज को निकाल देंगे इसलिए एक तो यह निकालने वाला सिलसिला है और साथ ही इन सारे शब्दों के बारे में देखने का सिलसिला भी है। . . . (व्यवधान)

SHRI RAOOF VALIULLAH: Where is the point of order? He has already the floor.

श्री शरद यादव : नम्बर दो, मेरा कोई इरादा नहीं है, कि हाउस नहीं चले, लेकिन ये चिल्ला करके मेरे जैसे लोगों को चुप कराना चाहते हैं तो मुझे निश्चित तौर पर यह नहीं कर पायेंगे। तुम्हारी सबकी आवाज के बराबर हमारी आवाज है। . . . (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): You please let me decide about it.

SHRI N. K. P. SALVE: I want to quote a rule. Permit me, Sir. You have Allowed him.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): A point of order is well raised by referring to the concerned rule, and he is doing that.

श्री एन. के. पी. साल्वे : महोदय, माननीय सदस्य ने भाषण किया। उनको जो कुछ कहना था, उसमें एतराज नहीं है। मगर कुछ आपत्तिजनक बातें उन्होंने कही हैं अरुण सिंह जी के खिलाफ और प्रधान मंत्री महोदय के खिलाफ, मेरा सिर्फ उन अनपार्लियामेन्टरी शब्दों को निकालने का सवाल है। अगर आप कूल 261 देखें, तो उसमें लिखा गया है :—“यदि सभापति की राय हो कि वाद-विवाद में किसी ऐसे शब्द या शब्दों को प्रयुक्त किया गया है, जो मानहानिकारक या अशिष्ट या असंसदीय या गरिमारहित है या हैं तो वह, स्वविवेक से, आदेश दे सकेगा

कि ऐसे शब्द या शब्दों को सभा की कार्यवाही के विवरण में से निकाल दिया जाये।”

उपसभाध्यक्ष (श्री पवन कुमार बंसल) : मैंने कूल देख लिया है और मैंने यह कहा था कि वह प्रोसीडिंग देखी जाएगी और यदि कोई अनपार्लियामेन्टरी शब्द कहे गये हैं तो वह निकाले जायेंगे।

श्री एन. के. पी. साल्वे : मेरा निवेदन यही था कि जो शब्द अरुण सिंह जी पर बोले हैं और प्रधान मंत्री जी पर बोले गये हैं, वह निकाले जायें। . . . (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I have said I will go through the proceedings and if anything unparliamentary has been recorded, it will be expunged.

SHRI DIPEN GHOSH: The Vice-Chairman is supposed to know the rule.

SARDAR JAGJIT SINGH AURORA (Punjab): The point I want to make is that the security of our country is essential and in order to ensure it, these days we have to buy expensive and modern equipment from abroad. Unfortunately, modern technology and sophistication in the equipment which has increased the lethality of these weapons immensely, has also increased the cost of these weapons immensely. The high cost and substantial margin of profit make such deals extremely attractive and again, expediency often overrules scruples and the people involved—both buyers and sellers—often find it difficult to resist temptation and remain clean and honest. Whether these deals are affected through agents or directly between Government to Government, the possibility of unscrupulous persons concerned with these deals getting ill-gotten gains, remains. Bribery and corruption is not limited to agents only. The submarine deal which we have been discussing today is gyp-

posed to have been carried out by an agent, not appointed by Government but somebody outside. There is no doubt considering the amount involved in this investigation, and a thorough investigation, I am glad that the Defence Minister had ordered it. It is a pity that just the mode and the timing of having ordered investigation, led to misunderstanding and his resignation. That is what has really caused much disturbance in people's mind that, he had to resign when what he had ordered was perfectly legitimate within his competence. Now, it is essential that this investigation should be carried in a manner that people do not feel—as it happened in the case of 'Fairfax'—that it is being side-tracked. If that happens, it will further erode Government's credibility, both at home and abroad.

The other aspect of the problem is, whether the equipment acquired is the best available and, in any case, not substandard. For this, the user is the best judge. The hon. Minister of State for Defence has given us a categorical assurance in this regard, and we should accept it. The procedure for demand and acceptance of any weapons as laid down by defence service regulations is thorough and detailed. Many people are involved in testing the equipment when putting them through user trials. It would be a tragedy if the user themselves fall a prey to the lure of money and endanger the security of the country.

At this stage, I wish to make one more point. It comes up any time there is a doubt about any controversial deals in defence. One hon. Member from the other side proudly mentioned that we are very clean, we are so clean that we have debarred the entry of retired Generals into the Defence Headquarters. I think, this sort of remark is really reprehensible. It is a fact of life as has been mentioned earlier that any deal whether

it is done by a company or even on a Government-to-Government basis does need associates, agents or advisers to be able to make progress through the various Governmental offices. Even many of the Indian Corporations which do not have their offices in Delhi make use of experienced personnel to help them to get their projects through. Further, a retired defence service officer is far better suited to deal with defence equipment items than anybody else. He might have been a user himself. He also has his loyalty to the service and his comrades to see that only the best equipment is contracted.

Lastly, a retired service officer gets only a retainer-ship or a small commission from the seller for the service rendered. The final decision is taken by the Ministry of Defence or even at the highest level. Only those who have access to the corridors of power can fix such deals. There is no justification in maligning a retired service officer who takes on such, not a very edifying job to supplement his meagre pensionary benefits. The culprits in such deals are either very senior serving officers or people with vast political influence...

SHRI P. SHIV SHANKER: Not senior serving officers.

SARDAR JAGJIT SINGH AURORA: I think, there are. This is where the shoe pinches if I may say so. We have been told that all possible measures have been taken to ensure there are no kickbacks and the quality of...

SHRI RAJIV GANDHI: With your permission, General, may I intervene for a second? Mr. Vice-Chairman, Sir, I would request the hon. Member not to bring in generalised accusations about army officers, specially army officers in service. If anything has been said in generalised terms about retired officers, I would say that that is also regrettable. I would request the hon. Member not to make

[Shri Rajiv Gandhi]

such generalised accusations which cannot be specifically answered and more specifically which cannot be answered because the gentlemen cannot be present in the House to answer them.

SARDAR JAGJIT SINGH AURORA: I am sorry if I have misunderstood. I did not mean the army officers or service officers at all because I said that the deals are not made by the service officers but they are made at the Ministry of Defence level or at the highest level. I had no intention and if I have been misunderstood, I would like to rectify it.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Would you mind if we expunge those two words?

SARDAR JAGJIT SINGH AURORA: Sir I had no intention. You can go into the record. (*Interruptions*)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): It is his opinion. He has given his explanation. I am retaining it.

SARDAR JAGJIT SINGH AURORA: May I go on with this? I apologise if I have been misunderstood because I did not mean that. The question of expunging does not arise because I said that these deals are not done at Service Headquarters; they are done at the Ministry of Defence at the highest level. So how do Army officers come into it, or Defence Service officers - come into it? (*Interruptions*)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): He has given his explanation.

SARDAR JAGJIT SINGH AURORA: There is one other aspect that I would like to mention here. Much is made of, or much concern is expressed about the morale of the Defence Services — that if such and

such thing is talked about, it is going to affect the morale of the Defence Services. I can assure you that the only thing that will adversely affect the morale of the Defence Services is if the equipment that has been bought is not upto the standard. My worthy colleague said that if they find that there has been some underhand dealing or some extra money has been paid, it would affect their morale. Even that I think it would be to a minimum extent. What they want is that the equipment given to them - is good, it is serviceable and usable. Therefore on this aspect that has been brought out by several hon. Members from the other side that if we are going to talk about or if we are going to go into details about the shady deals that have taken place, it is going to affect the morale of the Defence Services, I am afraid, they are totally wrong. I have had 35 years in the Army. I think that is not the thing that concerns us; what concerns us is that the equipment given to us is sturdy, useful, effective and efficient. Another point is that we must not make the defence subject a holy cow. It is necessary, absolutely essential, that the people generally should understand what the Defence Services are, what their needs are and why it is necessary to look after them. But it is also necessary that we must know that for every penny that is spent on the defence, you get what is known as, cost-effectiveness — that is, what you are spending, you are getting the effectiveness for it. If we were to look at defence expenditure, in this manner we will possibly get better equipment, more of it, and a well-informed public would make certain that the Defence Services are much better looked after. Thank you very much.

SHRI GURUDAS DAS GUPTA (West Bengal): I have been listening to the speeches of our hon. colleagues on the other side, particularly Shri Darbara Singh. I know that the forces of destabilisation are at

work in the country. It is no news to us that there are forces, externally and internally, who are out to weaken our country, malign our country and destabilise our country. But it is also common knowledge that the forces of destabilisation belong to the imperialist camp, the forces of destabilisation belong to foreign multi-nationals, forces of destabilisation belong to precisely those arms-producing firms from whom we have sought to purchase the arms. Sir, while speaking of destabilisation we are purchasing arms from West Germany. While speaking of destabilisation you are purchasing arms from Sweden. While speaking of destabilisation you are purchasing our arms from those imperialist countries, I would like the honourable Prime Minister to kindly ponder over whether this is consistent with the theory or problem of destabilization that his Working Committee has called the nation to fight. I would like the Prime Minister — since he is present in the House — to tell us why the submarines were purchased from West Germany and why they were not purchased from the Soviet Union, because everybody in the world knows that the Soviet Navy is one of the best in the world. Therefore, is it because the Soviet Union refused that we had to approach West Germany or

SHRI PARVATHANENI UPENDRA:
Can they give better commission? ..
(Interruptions)...

SHRI GURUDAS DAS GUPTA: Or is, it because of the question of commission which had figured in the decision as to from whom we shall purchase the submarines? Sir, in my opinion, the bogey of destabilization is being raised deliberately by leaders of the other party just to hide that there is corruption in high places; the bogey of destabilization is being raised just to hide that people in high office are connected

with corruption; the bogey of destabilization is being raised to ensure that no thorough probe is made about the illegal investments in foreign countries of the commission received as a result of transactions of the arms deal.

Sir, the country can only be destabilized if we destabilize ourselves. Since the Prime Minister has been assured, as per the press report, that 400 Members of Lok Sabha are solidly with him, therefore, no force on earth can destabilize him from the position of Prime Minister. It is only a destabilization in the party itself which can destabilize the Government and the set-up that we are having at the moment. But I tell you one thing, Sir. The country will be destabilized if the parliamentary democracy is undermined, the country will be destabilized if the parliamentary system is short-circuited, the country will be destabilized if Parliament is not taken into confidence, the country will be destabilized if the nation is not taken into confidence. Therefore, it is by strengthening the democratic functioning of Parliament, it is by taking Parliament into confidence, it is by taking the nation into confidence that the forces of destabilization can be fought. It is not by hiding the scandals it is not by hiding the places of corruption, it is not by refusing to go into a detailed investigation that the forces of destabilization can be fought in our country.

Sir, unfortunately we are living in a country where the Government that rules faces charges of corruption from foreign multinational firms on repeated occasions. It is a matter of dishonour not to the party which rules but it is a national dishonour; it is not a dishonour to the man who rules the nation but it is a dishonour to the citizens of the country. India has been humiliated because there had been broadcasts over the Swedish Radio. India has been humiliated because there has been a

[Shri Gurudas Das Gupta] * telex message from Bona that a seven per cent commission was sought to be grabbed by a man who is a Middleman. He might not have been a Government agent but, after all, he is an Indian. Therefore, Sir, India feels humiliated and, as a citizen of the country and a Member of Parliament of the country, I feel humiliated. And I feel the Government should also feel humiliated and the feeling of humiliation should bring about a little sense of responsibility in the people who are running the Government.

Sir, what about the submarine deal? There was a telex message and after the telex message there was an inquiry ordered, and after the ordering of the inquiry the Minister had to go.

AN HON. MEMBER: No.

SHRI GURUDAS DAS GUPTA: The Minister had to resign. 'Sir, whether it is a resignation or it is a forced resignation or it is a dismissal, I do not know. It is a matter to be probed. (*Interruptions*)

Sir, this is the sense of responsibility the hon. Members show. I have the freedom to speak.

The point is very simple. There was a telex message, there was an enquiry and there was a resignation. Therefore, the three components, if put together, mixed up into an integrated whole, puts the Government under suspicion, the Government is held suspect. There is a suspicion because the Minister resigns after ordering an enquiry into the scandal. Let me remind you, Mr. Chairperson, Sir, in our country after the independence, 25 Ministers have resigned, but not a single Minister has resigned while fighting corruption. This is a unique distinction of the Government led by hon. Mr. Rajiv Gandhi to see one of his colleagues resigning fighting corruption.

Sir, the point is very simple. The point is, the Government is trading corrupt multinational firms. The Government is trading with blacklisted foreign firms, and this with the blacklisted multinational firms brings the Government under suspicion. You are under suspicion because you are trading with

which has been blacklisted in the whole world. Therefore, this suspicion must be removed. And if the suspicion is to be removed, there must be a total, and there must be a complete enquiry, and the enquiry can be done only by a parliamentary body.

Sir, the Government is held suspect because the defence materials which have been purchased, are, in many cases, substandard. It has been purchasing substandard materials.

SHRI ARUN SINGH: Will you yield?

SHRI GURUDAS DAS GUPTA: Let me finish.

SHRI ARUN SINGH: Please yield because you have mentioned that I have made a categorical statement of this matter. I do not know a single instance the Member is so happily quoting, in which substandard materials have been purchased, be they weapons, sensors or platforms. I will be very grateful if you could quote an example.

SHRI NIRMAL CHATTERJEE: The Public Accounts Committee has come out with reports again and again about substandard construction, substandard purchases in the Defence Ministry. I am making this assertion. Kindly go through the PAC reports on Defence. There are hundreds of examples.

SHRI GURUDAS DAS GUPTA: Sir, only the other day there has been a report in the press, in a Delhi journal, that the discharge tube of the submarine was not properly wo-

king, that torpedoes could not be charged properly from the suoma; es me uo vernment has purchased from West Germany, and the torpe does ...

SHRI ARUN SINGH: That has been denied by the Government. That is categorically incorrect. Either you accept that, or you go and ask somebody who writes about submarines.

SHRI GURUDAS DAS GUPTA: That is not a matter for a - Minister to say. That is a matter to be probed. Sir, we want a proble. (*Inter, ruptions*)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please try to conclude now.

SHRI GURUDAS DAS GUPTA: It cannot be concluded if they go on like this. It is for you to restore order and enable me to speak. The point is, there have been persistent reports of purchase of substandard defence . material, persistent reports. (*Interruptions*) Sir, the latest example is tht purchase of the Hermes. The Hermes is only a junk according to some specialists who are associated wii,h the Defence Department. Sir, in my opinion,...

SHRI ARUN SINGH: You cannot get; on like this. You are throwing the defence of the country to pieces like this. On whicii authority are you quoting that the Hermes is a junk? I -vill be grateful if you will name the authority. As far as we are concerned, the technical specifications will be drawn up by the users; as has been, mentioned by Gen. Aurora. They will draw up the specifications and they will certify the technical cauability. We will then buy. We will not accept this business of defence experts when people like Mr. Das Gupta will certify whether Hermes is junk or not.

SHRI DIPEN GHOSH: Not about the Hermes, I was a member of the

PAC which has commented upon the bogus P and faise par biases.

The PAC has recently laid a report on the construction of air wheels a said there were sub-standard air wheels. PAC report is the prop-of the House. (*Interruptions*)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I will request the hon. Members not to interrupt. Let the hon. Member continue his speech now and conclude it.

SHRI GURUDAS DAS GUPTA: I again say that the cuntry is being destabilised because of the people who run rne Government. It is the misdeeds... (*Interruptions*) . . .The point is very simple. The point is that the nation is not being- taken into confidence; Parliamentary proble is not being accepted and there is transfer of officials who have been associated with the inquiry and there has been resignation of Ministers. If we put all these factors together, then there is an inescapable conclusion that there is suspicion and suspicion affects credibility. Not only that it brings about a sense of uncertainty. You must realise that the suspicion is touching the credibility. Your credibility has been touched and eroded and it has downgraded the morale of the nation. I am not happy to say.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Mr. Das Gupta, if you don't conclude now I will call the next speaker.

SHRI GURUDAS DAS GUPTA: I am concluding, Sir. I am not happy to say that the credibility of the Government is touched. I am not happy to sav that the peoplq who run the Government are under suspicion I am not happy to say that the morale of the nation is at one of the lowest ebbs in the recent period. The morale of the Indian nation...

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I am sorry. You must conclude now.

SHRI GURUDAS DAS GUPTA: Only two minutes more, Sir. You have given time to others also.-

The point is that the more have there been attempts to hide the things, the more will the Government be open to the conspiracy" of the forces who would like to bring about destabilisation in the country. My point is very simple that the morale of the nation is falling down seriously. Therefore, it is the task of the Government to lift the veil of secrecy; it is the task of the Government to exonerate itself of all the charges that have been brought against them; it is the responsibility of the Government to restore the credibility; it is the responsibility of the Government to bring back its credibility among the people and the nation. Therefore, from all point of view I demand a Parliamentary probe, from all points of view I demand a White Paper on corruption, from all points of view I demand the Prime Minister to tell here and now that the inquiry as regards the illegal investment will be carried out despite the resignation of the Minister. I would like to demand from the Prime Minister that each and every bill regarding the defence purchase especially will be rigorously scrutinised. I want the Prime Minister to say that the Government will take steps to exonerate itself from all the charges that have been levelled against it not only by the Opposition, but also by the nefarious multi-national companies with whom you have a vowed friendship to buy strategic materials for Defence.

In conclusion I would say if the credibility of the Government is not restored, then there is only one future for the Government—the future is of total doom. We do not like the Government to be doomed like

this. Therefore, the Government in order to restore its credibility, must exonerate itself of all the charges. Thank, you.

SHRI V. GOPALSAMY: Mr. Vice-Chairman, Sir, a very remarkable event took place in the year 1933 on one midnight in Berlin in Germany. The Reichstag building was on fire. Immediately the Chancellor, Adolf Hitler declared "it is the work of the Communists, therefore, there is a grave danger to the security of Germany—I declare that Communist Party is hereby banned." Before dawn hundreds of Communist cadres were shot dead in the streets of Berlin. I am sorry to say that our present Government of Rajiv Gandhi is toeing the line of that Chancellor Adolf Hitler of 1933... (*Interruptions*) Yes, when something is done, they raise the bogey of national security.

SHRI RAJIV GANDHI: Sir, I must object to what the hon. Member has said. The charges that he is leveling against our Government now and equating our Government with that of Adolf Hitler are as unsubstantiated as the charges levelled against our Government on the discussion in question. If he wants to substantiate these charges, we will answer them. But it is impossible to substantiate these charges.

SHRI V. GOPALSAMY: Mr. Vice-Chairman, Sir, why the Government has raised the bogey of national security? Regarding the enquiry into the defence contract of submarines from West Germany, may I know from the hon. Prime Minister, how investigations into any financial aspect of the deal endanger our security? This bogey has been raised by none other than the Treasury Bench. That is why, Sir, whenever they feel their credibility is lost their image is lost serious questions arise in the minds of the people right from Cape Comorin to Himalayas. They raise the bogey of national security, as if there is a

danger to the security of the country. You should investigate and find out who are the economic criminals who have deposited the funds illegally in the foreign banks. There are very serious questions. Mr. V. P. Singh made a statement to the press as well as on the floor of the House. He has been very categorical in his statement. He ordered the enquiry on the 11th March, 1987 and at that time Fairfax issue was not at all in the news. Then the Commission On Fairfax was announced, that is, 24 days later, on the 4th April. There is a relevant question: Why the Defence Secretary did send back file after 15 days for approval of the draft letter? The draft letter was the replica of the original order of the Defence Minister. There was no necessity on the part of the Defence Secretary send it back after 15 days. Mr. V. P. Singh is not the Defence Minister now, therefore, may I know from the Government what happened for 15 days? Why the Defence Secretary kept the file on his desk? May I know whether anybody interfered or any influence from the highest authority came? Therefore, why it was sent back to the Defence Minister for approval? There was no necessity. This question has to be answered by the Government. Then again, Sir, there is one more question. Our hon. Prime Minister was kind enough to inform this House in the morning that at no point of time, the Prime Minister asked for the resignation of the then Defence Minister, Shri Vishwanath Pratap Singh. Then, I asked a specific question, in that case, when Shri Vishwanath Pratap Singh approached our Prime Minister with the, resignation letter and when he was informed about the resignation, did the Prime Minister persuade the Defence Minister not to resign? (Interruptions). I am not confused. You have shifted him from Finance Ministry saying that Pakistan troops are in the border. The situation was described to be very serious and the tension prevailing in the border. Therefore, Shri Vishwanath Pratap

Singh was asked to hand over the portfolio of Finance Minister. In that case, if it was so, our hon. Prime Minister should have handled the portfolio of Defence and when Parliament has to be presented with the Budget, there was no necessity to shift him from the Finance Ministry to the Defence Ministry. This is the question because there are vested interests in the ruling party. That is why they have raised the slogan of Trojan horse. (Interruptions) The whole country is discussing this issue of resignation. Therefore, Sir, may I ask the Government, the ruling party a question. Some of the hon. Members of the ruling party have branded him as a Trojan horse. They have forgotten as to what happened to the city of Troy when the Trojan horse entered the city. The citadel of power of Troy was destroyed. In that case, the citadel of Congress power can be destroyed. (Interruptions). Sir, Mr. V. P. Singh is keeping quiet here as well as elsewhere. He has stated, my lips are closed. As a Member of the House, may I ask through you, he has taken a Bhishma Pratigya as described by Mr. Advani. I may not share this view because Bhishma had to take the pratigya to fulfil the desire of his father that he said, I will not hold any office. That was to fulfil the desire of his father and unfortunately, Bhishma had to support Duryodhana. (Interruptions). Now, the position of Mr. V. P. Singh is more or less like Vidhura (Interruptions). Sir, these interruptions should not be counted in my time. Now, his position is more or less like Vidhura because Vidhura was insulted by Duryodhana and he broke the unconquerable bow and he had to come out not to enter the battle field. Of course, his honesty, the honesty of Mr. V. P. Singh, the straightforwardness of Mr. V. P. Singh, the efficiency of Mr. V. P. Singh was the bow of Vidhura. Now that he has been insulted, he has left the Ministry, he has broken the bow. My request to him is that he should not be Vidhura, He should not be a Bhishma. He should

[Shri V. Gopal Samy] become a Krishna. He should come out with the side of the 'right persons. That is why, he has come out with the truth. What happened to the defence deal? Therefore, he said, my lips are closed. For 15 days, why Mr. V. P. Singh was keeping quiet? (*Interruptions*). After 25th March till 9th April. It is not a secret document. It was a 'routine administrative inquiry. Sir, it is the Government, it is Mr. V. P. Singh when he started free Budget discussion, open discussion, he was appreciated and applauded. When, new Budget was kept as a secret document could be discussed before its presentation to Parliament, why should this inquiry be kept a secret, how could it be a secret one, a confidential one? It was only a routine inquiry, a routine matter. And then, I am surprised that it was not informed to the honourable Prime Minister till the next morning. So, the doubt should be cleared in the minds of the people that the credibility of the Government is totally lost. You are marching into the quagmire. Don't forget to see the writing on the wall. Therefore, I support the demand put forward by the honourable Opposition friends for a parliamentary probe and to present a white paper; otherwise, the credibility of the Government is totally lost. You will be thrown out. The people will teach you a fitting lesson.

SHRIMATI BIJOYA CHAKRA-VARTY: Mr. Vice-Chairman, it is with deep anguish that the people of the country note the malfunctioning and corruption in the Defence deal. It is unfortunate that there is such corruption in Defence matters. Since independence none can imagine such rampant and grave corruption in Defence deals. (*Interruption*) If you are correct then you have nothing to fear. Why are you afraid? It is very unfortunate that people should have occasion to talk about corruption in Defence matters. There must be some truth; otherwise, such type of things can never happen in this country. Moreover, it is very unfortunate that whenever an inquiry

is ordered, a Defence Minister had to resign. Such things never happen and should not happen in a country which has got a great past, which has got a great heritage. Secondly, secrecy in Defence matters is a British legacy. The Britishers kept Defence matters a closely guarded secret for their own ends. But now in independent India; in our free country; why should our Defence Ministry keep things as closely guarded secrets? Why is not Parliament taken into confidence? But

[The Deputy Chairman in the Chair.] the irony is even before you know it, before our Parliament ' knows it, before our people know it, your secret is known all over the world. We here come to know of it only latter. If corruption creeps into Defence, then it spells danger to the very existence of our country, the very security of our country will be endangered. The Prime Minister has committed to the nation that he will give a clean administration. The Prime Minister is a great son of India and he should prove his credibility, he should prove his sincerity and cleanliness by handing over the inquiry to a parliamentary committee. I want to make clear one thing. I do not want to show my accusing finger towards anybody for the Defence deal. But I do feel that the administration should admit that it is the administration which is responsible for the corrupt practices in Defence deals. I, therefore, demand of the Prime Minister that he should come out with a white paper, he should call a spade a spade, he should take Parliament into confidence, he should speak to the people as a whole, and tell us what happened in the Defence Ministry. Thank you.

THE DEPUTY CHAIRMAN: Now, Mr. Chitta Basu.

SHRI CHITTA BASU: Madam Deputy Chairman, at the outset, let me be on record to say that I wholeheartedly appreciate the statement made by the honourable Minister of State, Mr. Arun Singh.

Madam, we appreciate that the object of this important effort is to have a direction of a sort, to make the debate a purposeful one and a meaningful one. In that respect, Madam, I would like to assure you that my efforts and my endeavour would be to make this debate a meaningful one and a purposeful one.

SHRI N. K. P. SALVE: Thank you very much.

SHRI CHITTA BASU: Madam, I have gone through the statement of the honourable Minister of State for Defence. Here the honourable Minister has sought to raise shrouds of secrecy and under the cloak of secrecy, he has sought to conceal more than what the nation desires to be revealed. -As a matter of fact, the Minister's position or stand is that many details cannot be divulged because the matter relates to sensitive and strategic questions. So far as the arms purchases are concerned, I understand that most of the details of the purchases are published in the trade journals all over the world. The journals mention even the type, the class, of the equipment to be purchased by a particular country from a particular manufacturer and they mention even the delivery schedule. If this is the practice, if this is the practice in vogue, what prevented the Government from giving a little more details about the purchase of submarines from a particular West German company? Therefore, I would say—I do not say that I charge—that it is the Minister who does not want a proper direction for the debate, it is the Minister who does not want that Parliament should know the details of the deal and the intention of the Minister is to conceal more than to reveal.

I am now coming to the other points and I am coming to the different positions taken by the honourable Minister of State for Defence and the former Defence Minister. The honourable Minister of State for Defence,

te Singh—one Singh, of coun. agrees with another Singh, the former Defence Minister, that the latter's order for an inquiry was justified. He does not disagree and does not say that there was no need for an inquiry of this nature into the Defence deal. But what he objects to is the Press note and what he objects to is the publication of the Press note by the former Defence Minister regarding that inquiry decision, his decision for having an inquiry. Again, what he objects to is the omission, if I accept it that way, by V. P. Singh, to seek the Prime Minister's consent. As far as I have understood the former Defence Minister and as far as I have understood the mechanism of working, there is no need, for arriving at a decision of this nature, to seek the prior consent of the P. Minister, it is exclusively within the diction of the Minister concerned—in this case the Minister of Defence. Now Madam, I find that the authority was vested in the former Defence Minister and he acted within the limit of his authority. But he has been forced to resign, or tension was built up, a situation was deliberately built up by the Congress Party, and he had ultimately to take resort to an honourable decision of resigning or quitting. Madam, if that had been an omission—I again repeat, the omission of not seeking the P.M.'s approval before issuing the Press note, had it been a matter of such gravity? Is it betrayal? Is it treachery? Is it treason? As a matter of fact, I find some of the Members sitting here, issuing a public statement accusing that Mr. V. P. Singh was a part of diabolical plot! If there is the destabilisation theory, I agree, there is a destabilising force. May I know, through you, Madam, from the Prime Minister is the omission also a destabilising factor? Or a psychology was built up against him as a man who is engaged in treason, who is engaged in betrayal, who is engaged in destabilising process? It is not my indignation. The countrymen will not accept your approach or attitude at its face value. It is your responsibility to create a sense of credibility. My charge, against you is that you have

[Shri Chitta Basu]

spoiled, you have destroyed, that sense of credibility about it. (Interruptions) You may protest, But the countrymen, outside will not accept your loud voice of sycophancy. (Interruptions)

Sir, in this particular case there are many issues involved. I would humbly ask in all humanity if the hon. Minister of State for Defence can clarify them, I think the House is entitled to know the terms and conditions of the Agreement of 1981 which was entered into with the West German company in regard to the supply of submarines. I would like to know whether other companies were also interested to supply submarines to our Government. Was there any provision of study by an experts' body regarding the cost structure and the capabilities of the two sets of submarines? Apart from the cost structure, was the capability aspect of the submarines also taken into account? Is it not a fact that the West German company rather did not fulfil the obligations under the contract? The submarines were to be handed over to our country by 1986. In fact, these reached our country this February. Then, there was a part of the agreement which says that there should be assembling of two other submarines at Mazagon and other places. According to our report, this has been delayed, and it is not likely to go into commission before 1990.

6 P.M.

I want to know whether it is also a fact that there was no Memorandum of Settlement or a Memorandum of Understanding in the contract. Only exchange of minutes were there. One of the reasons for a higher price demanded by the same company each time is the absence of a Memorandum of Understanding and that has entitled them to ask for higher price for the submarines for which the same contract had been signed. I would like to ask whether it is proper or regular to have purchase deals of this nature without any kind of Memorandum of Understanding with the contracting party.

Lastly, I would like to say that the general idea which has been conveyed is that

the defence expenditure is a sacred cow and that it should not be discussed. No body should ask any questions. Madam, if you look at the defence budget of 20 or 25 years back, you will find that the defence expenditure has been increasing by leaps and bounds, in 1950-51 it was 168.32 crores. (*Time bell rings*) I shall not give the other figures. The budget estimate for the year 1987-88 is 12512 crores. There has been such an increase of expenditure for defence. Our allegation or charge is very simple. Our complaint is that there are practices of receiving kick-backs or commission. I do not say that the Government appoints agents. But there are various agents who are either self-employed or they are employed by other manufacturers. As they work here, they approach the corridors or the persons in high authority at the behest of their employers in foreign countries. Madam, we incur this high expenditure. It is the duty of Parliament to see that the expenditure is not wasteful and that it should be used properly. In this context, I would like to know from the hon. Minister whether it is not a fact that during the last 3 years there have been at least 200 defence deals, if this practice of kick-back and this practice of commission is not prevented, the country will have to bear a huge wastage of our exchequer. The country will have to suffer. In this connection, it is my right as a Member of this House to ask whether such a large number of purchase deals have been entered into during the last three years, if so, is the Government willing to probe into these defence deals? I suggest that there should be a comprehensive probe into all these purchase deals which are worth more than 10 crores. That will give a sense of credibility.

Lastly, I join my friends on this side to demand a parliamentary committee. And this Parliamentary Committee is not for my benefit or for the benefit of the opposition. It is for your benefit because the Government's credibility has been eroded. It has reached the lowest point in our country. It is in your interest. You are under a shadow. You are under a cloud. It is for you to clear that cloud, to clear that mist,

to clear that fog. You should have a comprehensive probe so that people can restore their credibility on you. And I say this is the only way by which Mr. Prime Minister, you can uphold your image of Mr. Clean. I want that you remain Mr. Clean and win the confidence and the credibility of the people.

THE DEPUTY CHAIRMAN: Now the Prime Minister is intervening.

SHRI RAJIV GANDHI: Madam Deputy Chairman, at first I would like to correct the statement that I made in the House earlier. The file that was sent to me by the then Defence Minister was delivered to my office at 1.30 in the afternoon. But as the envelope which contained the marked secret was marked neither secret nor urgent, it went into the normal channel in the office and it took much longer to get to me than it should have. It also meant that a file that was marked secret was opened by people who should not have opened that file.

Madam, I will basically refer to only three points and leave the major arguments to be answered by the Rajya Raksha Man-

The first point I would like to raise is the casual and totally thoughtless manner in which the arguments have been

ed by the Opposition. The charges, the Opposition. The charges the allegations are completely vague. And there is no substance that we can even get a grip on to answer to. So we are left with giving a

trivialised answer. If the hon. Members had given specific allegations ..

SHRI M. S. GURUPADASWAMY: I have made specific allegations. I have ! in your presence. (Interruptions)

SHRI PARVATHANENI UPENDRA: Madam, I am on a point of order. (Interruptions)

THE DEPUTY CHAIRMAN: Mr. Upendra, you should know your limitation. I cannot allow you like that. Please sit down first. (Interruptions) You cannot have a point of order as you desire. There cannot be any point of order. No rule of the House has been breached. No procedure has been broken.

SHRI PARVATHANENI UPENDRA: You must hear me.

THE DEPUTY CHAIRMAN: You please sit down.

SHRI PARVATHANENI UPENDRA: You cannot say 'no' without hearing me. (Interruptions)

THE DEPUTY CHAIRMAN: You please sit down first. (Interruptions) You cannot talk like that. Whenever there is any breach in the procedure of the House, you can raise a point of order. Any time you desire, you cannot stand up. You cannot shout at the Chair like this. (Interruptions) If there is any point of order, you have some method to raise it. The Prime Minister is speaking. He has made a point. And there was some question whether this question was raised or not. Mr. Gurupadaswamy said, 'Yes, I have raised.' He was answering. Where was the point of order? You cannot at any moment of time rise in your seat on a point of order. (Interruptions)

SHRI PARVATHANENI UPENDRA: On the first sentence of the Prime Minister itself, I wanted to rise.

THE DEPUTY CHAIRMAN: Then at that time you should have raised it. Please sit down now.

SHRI B. SATYANARAYAN REDDY (Andhra Pradesh): The Member rose on a point of order. (Interruptions)

SHRI PARVATHANENI UPENDRA: He said "wild allegation." That is why I wanted to object to that. (Interruptions) Madam, I wanted to object to the words "wild allegation". That is not the correct expression that the Prime Minister should use. (Interruptions) . Then every point we make is a wild allegation.

THE DEPUTY CHAIRMAN: Please sit down. You have to keep the dignity and decorum of the House.

SHRI PARVATHANENI UPENDRA: We are not here to hear cock and bull stories, if every point that we make is a

[Shri Parvathanen Upendra]

wild allegation, we are not here to hear cock and bull stories. Interruptions).

THE DEPUTY CHAIRMAN: Order Please, do not make any noise. No, no please sit down. You cannot run the House like that.

SHRI B. SATYANARAYAN REDDY: Madam, he has risen on a point of order.

THE DEPUTY CHAIRMAN: No, no Mr. Reddy, Mr. Lakshman, please sit down. (Interruptions). I request you please sit down.

SHRI VISHVJIT PRITHVIJIT SINGH: Madam.

THE DEPUTY CHAIRMAN: Mr. Singh, please sit down. Let there be order in the House. Some points have been raised. Now the answer is being given. You should listen quietly. If there is any point of order I will allow you. But everybody is standing up and starting a point of order. You cannot run the House like that

SHRI V. GOPALSAMY: Madam Deputy Chairman, with all respect to you, it is the right of a Member to raise a point of order. You cannot simply overrule it. You have to listen to the point of order and then give a ruling.

THE DEPUTY CHAIRMAN: I request you to please sit down.

PROF. C. LAKSHMANNA: The point of order is still there.

THE DEPUTY CHAIRMAN: No please sit down Mr. Vishwajit Prithvijit Singh, please sit down.

SHRI DIPEN GHOSH: Madam, I want to make a submission, Madam, let me make a submission on behalf of the entire opposition.

THE DEPUTY CHAIRMAN: Please sit down.

SHRI DIPEN GHOSH: Madam, I am seeking your permission.

THE DEPUTY CHAIRMAN: AU right.

SHRI DIPEN GHOSH: My colleague, Mr. Upendra had wanted to raise a point of order.

SHRI SURESH KALMADI: A point of disorder.

SHRI DIPEN GHOSH: Let him act like this, more loyal than the king himself, because the vacancy is only one. I pity the Prime Minister,

THE DEPUTY CHAIRMAN: What is the point of order?

SOME HON. MEMBERS: No, no.

SHRI DIPEN GHOSH: I am going to make a submission. I am going to abide by the Chair and not by any other person.

SHRIMATI MARGARET ALVA: ' Do you also want a seat? He is also in the running now.

SHRI DIPEN GHOSH: My colleague, Mr. Upendra, leader of the Telugu Desam Party wanted to raise a point of order. It is expected that the Chair would hear the point of order and then dispose it off, whether there is any point of order or not. Naturally, the Member expects the Chair to listen to the point of order and then give his or her ruling. So, my submission is, let Mr. Upendra be permitted to raise his point of order and you please decide whether there is any point of order or not.

THE DEPUTY CHAIRMAN: There is absolutely no point of order and whatever Mr. Dipen Ghosh has said, is only his submission and he has not raised any point of order (Interruptions). Do you know that? I have listened to his submission. Now, let the Prime Minister go ahead..... (Interruptions).

SHRI V. GOPALSAMY: You never lost your temper like this. You should allow Mr. Upendra to raise his point of order. This is my request.

THE DEPUTY CHAIRMAN: Only Mr. Upendra will be allowed to raise his point of order; nobody else.

SHRI PARVATHANENI UPENDRA:

Thank you. I am sorry if I shouted at you. I wanted to raise a point of order. Here we are acting as responsible Members of this House. May be, sometimes, emotions were roused (Interruptions).

SHRI SURESH KALMADI: What is point of order? (Interruptions).

THE DEPUTY CHAIRMAN: I am going to deal with the point of order. Why are you worrying? Please sit down. Don't make any noise.

SHRI PARVATHANENI UPENDRA: in the morning, you would recall, when one of our colleagues on this side made an uncalled for remark, myself got up and requested him to withdraw that. There-; today, here when the Prime Minister that wild allegations have been made from this side, I rose on a point of order to request the Prime Minister that it is not proper to call them wild allegations, because we may be misinformed or uninformed, but these are not wild allegations. It is not proper for the Prime Minister. (Interruptions). Is it proper on the part of the Prime Minister to call the remarks of the hon. Members as wild allegations?

THE DEPUTY CHAIRMAN: There is a point of order.

SHRI RAJIV GANDHI: Madam Deputy Chairman, I see nothing unparliamentary in using the words 'wild allegations' and I would like to reiterate that I do believe the very many, perhaps most of the allegations that have been made, have been wild allegations. They have been unsubstantiated charges, without a shred of evidence, to back what has been said, with no foundation at all (Interruptions). This is precisely what we have been saying. What evidence? There is no evidence (Interruptions).

SHRI K. MOHANAN: He is precisely asking for evidence... (Interruptions).

SHRI GURUDAS DAS GUPTA: It is absolutely preposterous on the part of the Prime Minister to say that our allegations are unsubstantiated. It has not been enquired into... (Interruptions).

THE DEPUTY CHAIRMAN: You don't want to listen to the reply, it seems. Please sit down.

SHRI RAJIV GANDHI: Madam, let me reiterate that this Government is totally committed to clean public life. (Interruptions)

SHRI V. GOPALSAMY: This is the biggest joke of the century. (Interruptions)

[SHRI RAJIV GANDHI: Let me remind this august House that the actions that this Government has taken against corruption, against black money, against tax evaders have been unprecedented in the history of India.

(Interruptions)

THE DEPUTY CHAIRMAN: Mr. Satyanarayan Reddy, please sit down. On every sentence, you cannot interrupt like this. It is not good.

SHRI RAJIV GANDHI: Let me reiterate that we will continue this action even more vigorously. This action was not of any individual. This action was of the whole Government collectively, and it will continue.

On the specific point in question, Government of India has ordered an enquiry. This enquiry will be carried out without fear or favour. We have carried out such enquiries in the past. We have got results. We have taken action and the guilty have been punished in the severest possible way. This case will be no different., (Interruptions)

THE DEPUTY CHAIRMAN: Mr. Reddy, please sit down, (interruptions) I would request all the hon. Members to keep quiet. (Interruptions)

SHRI RAJIV GANDHI: Madam, let there be no doubt in anybody's mind that the Government is not going to

[Shri Rajiv Gandhi]

let things slip. We are going to take action in this case, no matter whoever is involved, small or big, however influential, he or she will not be spared in any way.

(Intemptions)

श्री शरद यादव : भजन लाल के मामले में आपने क्या किया ?

श्री राजीव गांधी : आपका नाम आयेगा तो आपको भी स्पेयर नहीं करेंगे । *

SHRI M. S. GURUPADASWAMY: Madam, I appreciate...

THE DEPUTY CHAIRMAN: Are you on a point of order? (Intemptions)

SHRI RAJIV GANDHI: I am not yielding. (Interruptions)

SHRI DIPEN GHOSH: Are you not yeilding to his appreciation also? .

SHRI M. S. GURUPADASWAMY: Madam, I appreciate the Prime Minister's concern... (Intemptions)

SHRIMATI JAYANTHI NATARAJAN: Madam, on a point of order.

SHRI M. S. GURUPADASWAMY: My fair lady, you must keep quiet. I appreciate the concern of the Prime Mmister in curbing corruption in any quarter.

SHRIMATI MARGARET ALVA: Also in Karnataka.

SHRI M. S. GURUPADASWAMY: What is wrong with you, I don't understand? The position of the Opposition is simple. I go along with him. The cloud has to' be cleared; the doubt has to be cleared. There should not be any doubt regarding this deal. Therefore may I request the Prime Minister, what objection he has to have an informal parliamentary probe...

(Interruptions)

SHRI DIPEN GHOSH: I want to seek a simple clarification. He is to reply. (Tnterruptions) One minute. I will also appreciate.

SHRI RAJIV GANDHI: A little, bit later.

SHRI DIPEN GHOSH: Let me apreciate you also. You are the leader. Let me appreciate you.

SHRI RAJIV GANDHI: Are you really going to apreciate? -

SHRI DIPEN GHOSH: Will you yield to my appreciation or not? I want to remind you...

SHRI RAJIV GANDHI: I am not yeilding. What do you want to remind me of?

SHRI DIPEN GHOSH: You need not yield. You just simply listen.

SHRI RAJIV GANDHI: How can wo carry on like this?

SHRI DIPEN GHOSH: Yon just listen. Madam.

THE DEPUTY CHAIRMAN: Mr. Dipen Ghosh, I have given you enough chance.eNo, please. That will not go on record. What Mr. Dipen Ghosh says will not go on record. Please sit down.

SHRI DIPEN GHOSH:

THE DEPUTY CHAIRMAN: It is not going on record. Quiet please.

SHRI NIRMAL CHATTERJEE: Some , evidence for your wild assertions.

SHRI RAJIV GANDHI: Madam, this Government has taken very strong measures to ensure that defence contracts are decided upon on merits and without any extraneous considerations^influencing deci sions. We have made it very clear that no middlemen or agents should be involved in any defence transactions.

SHRI NIRMAL CHATERJEE: Officially,

Not recorded.

SHRI RAJIV GANDHI: And unofficially. None means none. There is no definition of "none". We are saying "categorically none". These are the conditions we have down. We have told every manufacturer that has come to us that if we find out at a later date that anybody has been involved, we will take the toughest action to see that that person is brought to book. We have made it known to the manufacturers.

SHRI J. P. GOYAL: What is lotus

SHRI RAJIV GANDHI: If I understand correctly, lotus is the symbol of the BJP. (Interruptions).'

THE DEPUTY CHAIRMAN:
Silence,

SHRI PRAMOD MAHAJAN (Maharashtra): The English translation of Prime Ministers name Rajiv name is also lotus.

SHRI RAJIV GANDHI: We have made it very clear that no middlemen or agents to be involved. We have made it very clear that if we discover at a later stage, the severest action will be taken against those companies who violate this rule. Up to the extent of blacklisting them and not dealing with them in the future. We have made this clear at the negotiating level. We have made it clear Government to Government. In some cases we have made it clear Head of Government to Head of Government. We have not let this be at any point. Our stand is very very clear, Government's position is very clear. We are only interested in one thing and that is to see that such middlemen and agents are cut out of this and the benefits from this, the benefits that flow from this cutting out of agents, flow directly to the Government and to nobody else. In our negotiations we have made it clear that the prices must be reduced by the equivalent amount that these agents were to have been paid. We have fought for lower prices and, perhaps, specially during these last two years, the way we have negotiated Defence contracts, we have never negotiated in our Defence contracts before. Perhaps, no other country in the world has taken tough negotiating stands. The

reductions in prices that we have got are unimaginable.

Honourable Member has spoken of a parliamentary committee going into it. Not even a prima facie case has been made out. :

SHRI K. MOHANAN: And even without a prima facie case you have ordered an inquiry ...' (Interruptions) ...

SHRI RAJIV GANDHI: Let me remind Members that all Defence deals are open to inspection by the PAC, and we have no objection to the normal procedure being followed. So, where is the question of anything? There is the process which is available. No specific allegations are available today. So, from the sort of nebulous accusations you have cast, we have put an inquiry to go into it. If that inquiry throws up anything, like I have said, we will see that nobody goes unpunished, no matter how high up one may be, how well-connected one may be (Interruptions). I have also instructed the Departments to look further into how we can further eliminate any malpractices that might still have been taking place about which we have not found out yet. So, we are looking onto that as well. There is no question of relenting on this issue at any point of time. This must be very clear, to this House and this must be very clear to the whole country. Like I have said, whether in this case -- in Defence — or outside Defence, or in any Government contract, in any other case, if anybody is found to have contravened our instructions or laws, obtained payments or any other considerations illegally, we will see that he is punished, no matter how high up or how well-connected he is. There will be no let-up in the exercise in any way. This Government has made it its basic policy, at the outset, to clean public life and we will not relent. no matter what it means. Thank you. Madam.

SHRI DIPEN GHOSH: Madam Deputy Chairman I want to put a specific question to the Prime Minister.. (Interruptions).

THE DEPUTY CHAIRMAN: Nobody else will be allowed. Otherwise everybody will go on asking.

SHRI DIPEN GHOSH: The question is, our Prime Minister has stated that no concrete evidence could be put forth by the Opposition Members while taking part in the debate. But the question which we were debating was about the inquiry set up or ordered by the erstwhile. Defence Minister on the payment of commission to Indian agent for buying certain arms or certain submarines. The question is that the inquiry that has been instituted is a departmental inquiry. So instead of a departmental enquiry, if a parliamentary enquiry is instituted (Interruption)—just Listen, the Prime Minister is here and he will be replying—then the question will be of evidence. Whatever evidence we have got, we will be placing before that committee of enquiry to be instituted by Parliament. In this connection I would like to quote from the proceedings of Parliament of India. I quote:

"Sir, a mutiny in my mind has compelled me to raise this debate."

I will be brief. I quote;

"When things are of such magni
as I shall describe to you later."

(Interruptions)
I know why they are
ing it. I quote silence becomes a crime. Public expenditure shall be subject to severest public debate is a healthy tradition." Now I quote again.

THE DEPUTY CHAIRMAN: You ask question. Don't make a speech.

SHRI DIPEN GHOSH: Half-a-minute,
Madam Deputy Chairman, (Interruptions)

Now I in:

I am not ashamed

SHRI M. M. JACOB: A point of order.

SHRI DIPEN GHOSH: By this time I could have finished.

SHRI M. M. J] CC B: > ou have pleaded so far that every Member has the right to raise a point of order. I was only trying to raise a point of order.

My point of order. Madam, is that the Defence Minister is ready to reply to the whole debate. Any question can be asked, if it is there, when the debate is over. In between the debate, how can a statement be made by a Member?

SHRI DIPEN GHOSH: Madam, I quote:

ashamed to face an enquiry."

(Interruptions) I would like the public to

THE DEPUTY CHAIRMAN: No reading out things which are not necessary.

RS DIPEN GHOSH: I would like the Government to know. I would like The Members of Parliament to know. Do you know who had made this statement?

SHRIMATI M. RGAKET ALVA: We

SHRI DIPEN GHOSH: It was your father, Mr. Feroz Gandhi, who said this while the Mundra scandal.

THE DEPUTY CHAIRMAN: This will not go on record. It is not going on record.

SHRI RAJIV GANDHI: May I answer that?

The first point I would like to make is I realised from his first few words that he was quoting from my father's speech -- that the hon. Member in the Opposition have not done as much home work—anywhere near it — father had done when he made that statement.

SHRI DIPEN GHOSH: You are not following your father's path.

SHRI RAJIV GANDHI: You have spoken. Let me speak. Not recorded.

THE DEPUTY CHAIRMAN: His words will not go on retooled.

SHRI RAJIV GANDHI: Whereas during that debate my father had raised very specific, very pointed charges, I must repeat that the Members during this debate have remained content—let them be—with only with unsultry—let me say—charges. And in the 20-year debate, the 25-year debate here is not going to help. The fact is that you have not done your home; you have not substantiated anything. And the fact is that the enquiry has been ordered not because of any information that you have furnished but because of the information we have got.

SHRI DIPEN GHOSH: If you have the courage, face a parliamentary enquiry. I urge, if you have the courage, face a parliamentary enquiry. (Interruptions)

I am not going to yield. If you have the courage, agree to hold a Parliamentary inquiry. (Interruptions) you say whether you are going to agree to a parliamentary inquiry or not.

THE DEPUTY CHAIRMAN: Please sit down now. Mr. Ghosh you have raised a question. Now let him answer. (Interruptions)

SHRI RAJIV GANDHI: Let me reiterate today that this inquiry has been initiated by the Government on information that was available to Government. It is an inquiry which has been initiated under any pressures from outside. Let that be very clear.

SHRI DIPEN GHOSH: When you claim about the cleanliness, hold a parliamentary inquiry.

SHRI PARVATHANENI UPENDRA: Why are you afraid of the Parliamentary inquiry, may I know? (Interruptions)

THE DEPUTY CHAIRMAN: There should be silence in the House. Please sit down, everybody. (Interruptions)

SHRI DEPEN GHOSH: You say whether you agree to hold a Parliamentary inquiry or not. You have to tell us. (Interruptions)

[At this stage some hon. Members left the Chamber]

SHRI SAT PAUL MITTAL: Shame, shame. Why are you running now? (Interruptions)

THE MINISTER OF HOME AFFAIRS (SHRI BUTA SINGH): I will be sad if Shri Jaswant Singh becomes a party to all this. You have come back, I am happy.

SHRI JASWANT SINGH: I did walk out. But I have now come in to listen to the Minister.

THE DEPUTY CHAIRMAN: Let there be silence in the House now.

SHRI ARUN SINGH: May I start by saying the very fact that they have chosen this opportunity to walk out is clearly indicative of all what the Prime Minister has just said. There are no facts available. They know that. Because there are no facts available, there may be no charges; and because there may be no charges, there need be no reply. That is the factual position.

I may state the events, but we know them. Some of them I have mentioned in my statement. It has been clear in the course of today's strange debate full of sound and fury probably signifying nothing that the facts stand unsubstantiated. The position is that we, as Government, received certain information. The Minister ordered an enquiry or, in fact, a set of inquiries. Those are underway. May I point out, as I have stated in my statement we have no information whatsoever. This is true, we have no information whatsoever about who the agent is or what was paid to him. So, all these extraordinary charges were levelled today and in some cases. Madam Deputy Chairman, you have been kind enough to expunge these from the record. The expunction from the record is a technical matter: it suits posterity. Those of us who have been in the House have had to listen to all this rubbish. Our senescence has been criticised our birth has

[Shri Arun Singh] been criticised, our education has been criticised, our integrity has been criticised and our patriotism has been criticised and all on the basis of nothing. I think that is something which I, as a very junior Member of the Rajya Sabha, can only feel very sorry about. Because in the minds of the people like myself, Members of this House and most important of all, I believe, in the minds of the people of this country, it should be an honour to be a Member of Parliament. Today, I must put before you respectfully that I am somewhat ashamed that I was here. However, to the extent Parliament represents the people, which it does, therefore, to that extent some of the hon. Members from the other side chose to slander and vilify, taking full advantage of Parliamentary privilege — all I can say is that I am very sorry. So far as events are concerned, there are no facts. The Prime Minister has given what can only be described as a total categorical assurance that every effort is on, enquiries are underway, the facts will be determined and suitable action will be taken. To my mind, Madam, that ends the particular chapter. There is nothing that I can add to the assurances that the Prime Minister has given.

. Before I reply to Mr. Jaswant Singh's comments, there is one general area to which I would like to draw the attention of the hon. Members of this House because I think it is an area which is much misunderstood and I tend to agree with him and also -with some other Members. I used the word 'tragic' in the other House, because I felt that a debate on defence, in many years, took place under these kind of circumstances. That is why I called it tragic'. I did not call the enquiry as tragic or the press note as tragic nor did I call any of that tragic. The fact is that this kind of a very serious debate took place in these circumstances which to my mind, is tragic. However, one of the basic questions that has come out of this debate is an impression which I would like to deal with somewhat substantially, Madam, I am perhaps going to be a little repetitive and it will be what I have said in the other

House. I hope the Members will forgive me. I cannot help it. The real question that arises is when the Ministry of Defence or the Department of Defence goes out to buy something, whatever it may be, may be a weapon system, a sensor or a platform or a combination of all the three, does it do so on the whims and fancies of an individual? Can a Prime Minister or a Minister of Defence or a Minister of State or a Chief of Staff wander around the Bazaars of the world picking out an equipment at will and place orders for despatch to India? Is it a right of an individual? Indeed, is it a right of the Government as a whole to do this on their own free will. On the basis of this question various things have been said, I presume this question is going to be dealt with in greater depth. But I thought I would take this opportunity to explain today, in some terms, the procedures that are involved so that when the debate starts tomorrow then there will be a background available to Members within which the debate can take place.

We are not only sophisticated but one of the largest Army, Navy and Air-Force combinations in the world today. The starting point of any acquisition is a set of specifications. Because without a set of specifications, there is no knowledge of what is going to be acquired. And that set of specifications can be exceedingly elaborate for a very high technology system. It may be less elaborate for a lower technology system. We have before us the classic case of specifications. I think I am quoting the right incident of Wriggley Chewing-gum, U.S.A. The U.S.A. general staff requirement specifications for chewing gum is a 15-page document. Specifications are the starting point of any sophisticated Army, Navy or Air-Force. Once the specifications are identified that process itself is a process of debate and discussion within our headquarters. It is not one man who can sit down and write down these specifications. No one man has that knowledge. A wide spectrum of knowledge is required to create a set of specifications. From that starting point comes the process of evaluation. This varies from country to country. I will now describe what happens

country. In a sophisticated defence set-up, specifications is a common starting point. Thereafter the evaluation of product against specifications starts with a look at India, our indigenous production capability which we have within the country to match those specifications with the product. There are many cases where the answer is 'yes'. The answer is 'yes' arising out of Ordnance factories, arising out of the defence public sector units, arising out of the private sector units. For example, we buy trucks 3 tonners or one tonner. We buy these from Ordnance factories. We buy them from defence public sector units. We buy them from private sector units. But always against specifications. In the event that there is no indigenous product, the next look out is at non-convertible rupee sources. In the event that there is no product, we look at the free foreign exchange market. So far as free foreign exchange products are concerned, it is by exception, not as a rule. The first thing that is done in order to identify potential products is—what is called a paper search, a paper search involves our embassies abroad, published literature, suppliers literature, brochures, booklets, books. After the paper search is done, paper evaluation takes place. The specifications that are derived from the paper search are measured against the general staff qualitative requirement. Out of that paper evaluation, some products will stand discarded. They don't meet the specifications. That leaves a few products. Those products are then evaluated—one of the most complex procedures. I will come to Mr Jaswant Singh's comments on that a little later. He referred to the Packard Committee. One of the main basic points of Packard Committee was to look at this process of acquisition, trials and so on. It is a very complex case. I am in no position to elaborate it now at great length. My hon. friend, Gen. Aurora knows much better than I know. What I can say is that in our country for certain type of equipment, there is no process like it in the world because we do span in our country everything from Barmer to Siachin and that means from plus 50°C to minus 50°C all within one country and an altitude of mean are level and a 22,000 ft. fighting

altitude in the same country. So we do have a span of trial evaluation which is probably unparalleled. Each trial has a report. All those reports are sent to the headquarters. At the end of the trial process, the headquarters sums up all the reports and evaluates them. The summary of those reports is a complex task because as I said, we will be dealing with that in some more detail tomorrow. If you take a weapon system that is going to be used either in Barmer or Siachin, the trial team from Barmer has submitted its report based on 50°C temperature plus at mean sea level and the Siachin team will be sending a report on minus 50°C and 21,000 feet. So all that information has to be re-tabulated and reanalysed in relation to the original general staff requirement. That process is a complex process it is a time-consuming process because—here is the rub—some equipment will perform exceedingly well at plus 50°C and bad at minus 50°C and vice-versa. So this process of combination of evaluation reports and assessment is a complex process. However, at the end of this when all this process is over, then the concerned Service HQs, whether Army, Navy or Air Force, will confirm to the Government and what they confirm to the Government is as follows:

"The following products tested by us do not meet our technical requirements. The following products meet our technical requirements."

That is step one. No product that does not meet the technical requirements is pursued in terms of anything further thereafter. That product is dead. The further process now commences only with those products cleared for technical requirements. After this is done, then, a very detailed questionnaire goes out to the suppliers whose products stand cleared for technical requirements. That is in generic terms called an RFP - request for proposals. The RFP basically consists of two parts; technical and commercial. In response to that questionnaire the manufacturer concerned, whose products stand cleared as of that date, sends his reply. The technical replies are then re-examined against

[Shri Arun Singh]

ainsi the same general staff requirement because what the general staff wants to know is that the product that came and was tested in detail, whether the manufacturer will confirm that the mass supply that he will make will be the same product that was tested, because sometimes it happens that the manufacturer has to make some amendments, some deviations, some alterations and he cannot strictly conform to the original tested product, and you find that those specifications are different. Therefore, the response is then evaluated again technically by the Hqrs concerned and the Hqrs concerned at the end of the second examination then confirms to the Government, "Now the final commercial negotiations may commence", and it is only then that the Government can proceed to buy the equipment. Even if tomorrow any individual like the Prime Minister or a Minister or even the Cabinet were to turn round and say, we are going to buy the following tank or the following ship or the following what have you, as per the procedures laid down it will not be possible. Only after the technical evaluation process is complete and the product stands cleared technically can commercial negotiations be finalised.

Now I will come to the commercial negotiations side, because, again the same questions arise...

SHRI VISHVJIT PRITHVIJIT SINGH: May I interrupt the honourable Minister. I want to know from the honourable Minister at what stage contact is made with the manufacturers. He has talked about getting the product evaluated and all that. At what stage is contact made?

SHRI ARUN SINGH: After the general staff requirement is made, indigenous product is looked for; not found; non-convertible looked for; not found: then contact is made, obviously. They have to send their product to be evaluated.

Now about the question of commercial negotiations. Again the same possibility exists. Some insinuations have been made.

I am the Minister of State in the Ministry of Defence. After receiving the technical evaluation report, can I or the Army liqrs call a supplier and say, "Right, you give me X per cent". Can I do it? Can anybody I do it? is that process possible? No. Every purchase is handled for negotiating terms, by the Price Negotiating Committee. The Price Negotiating Committee will have three mandatory members — a Chairman who will be an officer of the Department of Defence; one Member (Finance) and one representative from the use. 7.00 P.M. Depending on the size of the contractual requirement, both the size of the Committee and its level can alter. One of the interesting things which will come up tomorrow on the Bofors' product which we will discuss is that it is the Price Negotiating Committee of four Secretaries to the Government of India. Three Additional Secretaries and one Lt. General. So, the level can alter even from Joint Secretary as the Chairman of the Price Negotiating Committee. In addition to the three virtually mandatory Members, there may be, depending on case to case, scientists from the Defence Research and Development Organisation, officers from the Directorate of Inspection, Ministry of Law, Department of Defence Production and the Department of Electronics, sometimes all, sometimes some of them. This Price Negotiating Committee is the one, that opens the offer on the commercial which came with the reply to the RFP. As I told you, the RFP came in two packages, technical and commercial, and the commercial packages are then opened by the Price Negotiating Committee and subject to their having received certification from the General Staff or Air Staff or Naval staff that the product still stands acceptable based on the technical evaluation of the second document, the price negotiating process starts. It is always a Committee, no individual, irrespective of his level, who can seek a contract with the supplier; it is always a Committee. At the end of the negotiations and the negotiations can run concurrently with two or three or four suppliers as the case may be sometimes for months on end, and we will bring out in the Bofors case, for example, what kind of negotiations went on—and at the end of that process, the Price No-

gouating Committee will finalise the deliberations and they in turn will make a recommendation to the Government and that recommendation will sum up the financial submission or recommendation of Price Negotiating Committee will go to the Government, to the Minister, and depending upon the level of finance involved, it can go even to the Cabinet Com-

ee on Political Affairs. All I wanted to put to the honourable Member for information was that I want to make it very clear that there is no possibility at all of an individual taking a decision. There is always going to be a set of people

set of people, technical, and a set of people, price, and then, of course, in the official structure of the Government, in the final stage, Ministers. I think the question of agents and go on has been dealt with at great length by the Prime-Minister himself. So, I won't go into great detail. I would like perhaps to draw an illustration on the problem of agents. It is a somewhat different sphere that I will be taking into accounts. Let us now take example of sale and purchase of farm agricultural land, in a village and thus take the Tehsildar. Now, unless a person arrives in front of the Tehsildar's power of attorney saying that he is not the person who actually owns the Tehsildar cannot take cognizance of the gentleman and he cannot transfer it; based on the fact that he knows the man. Either the man has to be the original owner or the actual owner has to give a power of attorney. The point that we are making is that in the transactions of business between the Government and the supplier there can be no power of attorney. Therefore, the Government will only do business with the supplier. The supplier there can be no power of attorney. It may be a Government. So at no point of time can a supplier say to the Government, of India: I have an agent. Arun Singh, please conclude everything. With Arun Singh, he will deal with everything on my behalf, and here is the power of attorney or letter of authority. That is not possible. Therefore, the relationship of it can never be with Government; it must be only with the supplier. The first

point that I have to make absolutely clear is that there can only be a relationship of an agent to the supplier; there can be no question of relationship of an agent with Government. Now, some very authoritative students of Defence, the arms bazaar, the international arms market, have likened agents in Defence to pushers in the narcotics trade. (Interruptions) I am serious. It is an absolute fact. They have drawn a parallel between international narcotics trade and international arms bazaar. And they say that like any narcotics you have buyers and sellers and pushers, which is the parallel, I think, similar to what Mr. Jaswant Singh quoted. Similarly, in the Defence business you have buyers, sellers and pushers, except that the agents are called pushers. It is immoral, it is unethical. But it exists. There is another trade in which the same concept exists; there is another trade in which the same concept exists; I will not name it. (Interruptions) Therefore, if anybody says or lays a claim to the theory that a Government or a Minister can categorically remove from the surface of this earth all such people, then I am afraid that that claim has no relationship to fact. Therefore, what must be done is to find a method of how to control it. This, then R. M. has ordered, and he has ordered it in two places. How do we know what is going on? We have a fair idea of how it goes. We have made our position very clear. We have made it clear to the supplier and we have made it clear to everybody. Wherever we ever had in the last two years or in the recent case any suspicion that some hanky-panky is going on, we can act. Of course, we have suspicion. Suspicion may or may not turn out to be true. But that is something that an inquiry will tell. But at least we have a suspicion. But is this random? Or do we need to examine the entire area? That is what he has ordered, which is now being carried out. It is the entire area. And let us see whether actually by law, by an amendment of law or any other form of regulation, a known, given relationship can be built. For example, some countries have found that you may have a process of registration, and then he will say: I am the agent of so and so. And then you control the access, you control the feasibility-

[Shri Arun Singh]

lity, you control the contact; you can control because you have identified. In our system the question that has been posed by the then R.M. is ; Is there any possibility that our system is perhaps too loose or does 'it lend itself to misuse? We are telling everybody, we are telling the suppliers, "we are telling the Governments and everybody : No agent, no agent. We are telling them in any negotiations. Every time the Price Negotiating Committee calls a supplier, they tell them kindly confirm whether there is any agent or no agent. If he says that there is a commission of 2 per cent, they say : take it off.-But in spite of that, on the same analogy of pushers in the narcotics trade, is there a misuse? If that is so, can we structure that relationship? The other point I wanted to put across was that as per the laws of the land — not only this land but any land, you have agents to sell life insurance, you have agents to sell land, you have agents to do rentals of houses and you have agents even to arrange marriages. Therefore, a global law which bans agents, is not possible. I mean to say that it is physically impossible. What you can attempt to do is to modify or restructure that relationship, regularise that relationship; recognise the distance of it, deal with it clearly and firmly. This is the process that has been ordered and this is the process that we have begun. (Interruptions) Yes, I think 'regularisation' is a wrong word. 'Regulate' is the right word for it.

I would like to deal with one or two more areas. This is the subject on which there may be more than one points of view. Still I would like to put across why I say what I am saying." The concept of defence as a holy cow — let Us take it. I am not in favour of the secrecy of defence. I do not believe that necessarily better public interest is served by being ultra secret about it. Why is it that we don't talk about specifications? Let us talk about specifications. For example, certain sections of the press which I happened to come across this morning — some of them have been kind enough to call me as the enemy of the nation and all that - have said

that obviously this chap is mad because all these specifications are known to everybody. They are even published in La books all over the world.

SHRI GHULAM RASOL MATTO :
Even the photographs have been published.

SHRI ARUN SINGH : The beauty about specifications is that the actual specifications, the actual operational specifications of equipment owned are normally known only to that particular user. What is published even in most authentic journal and books and so on is most often the manufacturer's claim which may hold good in a laboratory environment under controlled conditions, but which is seldom likely to be operationally viable in the field. What an enemy wants to know is not what the manufacturer's claims are about the specifications of operational capability, but what the actuals are. Therefore, as a tradition, we do not disclose, in a public debate, the operational specifications. In a way, we are restricting ourselves. I explained the whole procedure of technical evaluation and purchase. This does not happen very often. I would have a marvellously winning argument if I could release the specifications. I know that. In fact, I could use, it as a telling reply to a political debate. But as the Minister of State for Defence, I am not going to be a party to that. I refuse to release those specifications even though at the end of it all I could be accused of being a party to the cover up because I have not released the specifications. I have to stand here and say it. You have to take my word for it. The submarine is good. You have to take my word for it. The gun is good. I can be pinned down to prove that it is good. But there should be a forum for it. I think through a process of time and through a process of education, with some kind of modification to the Oath of Secrecy or something like that, in a Consultative Committee kind of environment, may be over a period of time, we can start discussing these things. But not in a general debate.

The second area is commercial. You cannot tell us the specifications. We know

that you are lying. We know that all your equipment is useless because after all you knew that all the specifications are already published. Now tell us the prices. You may say all this. I will tell you about the prices. Why do we not disclose the prices? The logic is very simple. And it is very crude. It is so simple that it is crude.

Madam, when we are buying, we buy as major buyers. We have a great advantage of being major buyers. We can use the power of our purchase to drive down a price. Other buyers are often smaller buyers. But let us take two types of contracts. Let us take Government to Government contracts. A Government is selling to us. The same Government selling to and their country may not be prepared to let us disclose the prices that we are paying to that Government for that product because it might at some point or in some way affect or impair their relationship with the other country. They might be overcharging them. I know. And by simply revealing the information of the price all that we will be saying is that we are buying, look at these two. Now let us take company to country, the foreign exchange purchases. In the cases, bargaining is hard contractual negotiation. And the process, as I have described, through the Price Negotiation Committee is literally to make two suppliers fight each other all the way. And you tell one, if you do not do this you are losing the contract. You get another 2 per cent off. You call the other chap. 2 per cent has gone there. Give me another 5 per cent or you lose the contract. And it is like that. It is hard trading, it is market place trading. And we, both because of our trial and evaluation process and our bargaining system — and the credit must go to the Department of Defence — have in the last few years become known as some of the hardest bargainers in defence in the world. At the end of all that, supposing we were to release the price at which we bought the equipment, that supplier, be it a private company, to every one of his other customers would have to sell it at the same price because no other customer would be prepared to pay more. And every customer in the world would have got the benefit of our

hard bargaining here. So, what the supplier will do thereafter is that he will guarantee that we become what I would define as the top-end bracket. He would refuse to come down below a certain level because he knows, that we would go public, we would release the price, and all his other buyers would come below that. For purely commercial reasons, it makes no sense to go public on prices. Yes, scrutiny is necessary. Such doubt have been cast, Madam, in today's debate here — potentially in tomorrow's debate — such doubts that this whole structure, the officers in uniform, the civil servants, politicians of all hues and all levels are all corrupt, a den of inequity. This is so unfair. For a start, two out of these structures have no right of reply here at all. Neither these officers, in uniform nor the civil servants can stand up here and give a reply. And we have people who are entirely honest men. In the case of officers in uniform, most of them at senior levels have combat experience. Most of them have been in a situation, as Gen. Aurora will confirm, where two chaps are standing, one chap is dead, the other chap carries on. Neither of them knows why one of them died and the other did not. But by this generalised accusation, they are all brought into the same category. About the civil servants, they say, oh, all civil servants are corrupt, every civil servant takes kickbacks. What a garbage level? What a garbage! And the fact is that in a Ministry like ours, a Price Negotiation Committee may be of 7 members or 9 members or 12 members. Can you imagine somebody fiddling with 9 people simultaneously? That means, you bribe everybody. That means, everybody is a crook. The beauty of these accusations based on no evidence. Madam, is only one thing. It is, an extraordinary shift of the burden of proof. I say, I am not corrupt. You say, I am. I say, I tell you I am not. You say, I do not believe you, I say, you prove it you are not.

Madam, how can I prove I am not corrupt and even if I prove I am not corrupt in this country, you say, I have got bank accounts abroad in Switzerland. Now, I have to prove that I do not have a bank

[Shri Arun Singh]

account in Switzerland. It is impossible to prove that. I do not think people are aware of that. Even if I go to a Swiss bank and take my colleague with me and call the bank, please tell him whether I am having an account here or not, I will be violating Swiss banking laws. He will not tell him. If I send a letter of authority and say, please declare to Mr. Shiv Shanker if I have an account in this bank, he will not do so because if he does, he will be violating the Swiss banking law. Therefore, hurling of epithets and accusations of this kind, they are absolutely immoral.

And, I think that in this process to criticise an entire institution, an institution on which I am so proud to work with, the Ministry of Defence is utterly, I do not want to say, degrading. And, I think that this part of it must go on record.

Madam, I will deal with one Hon. Member who is sitting here.

SHRI JASWANT SINGH : No, no, my gallant colleague, General Aurora is also here.

SHRI ARUN SINGH : Yes, I will come to him later.

Now, insofar as some of the questions that he has raised are concerned, he has raised the question of satisfactory results, which I have made in my statement. When we say satisfactory results, what is implied is that we have through the process of negotiations, as the files will show as the time passes, very successfully managed¹ to drive prices down and I think that this is a factor of satisfactory results. That is one of the descriptions of satisfactory results. Then there is the word 'unequivocal'. Madam, because it is unequivocal, every supplier, every Government that we deal with now is told that the Government of India will not stand for a commission or fee being paid to an agent in connection with this contract. When we discuss tomorrow, the import of what I am saying will be brought out more clearly. It is, of course, Parliament's right to question. I cannot, for a moment, suggest that it is not. In

fact, we are subject to Parliament's review. We may debate the quality of that review based on the quality of information that we give. I am proud to say it was the then Raksha Mantri's idea that the Parliamentary Consultative Committee for the first time I think in independent India went on a major army exercise and was given a full audio-visual presentation on the Defence Budget. Of course, it is our idea to improve. We want to increase the flow of information. We are dealing with it in a scenario in which we have a historical past. There has been a way of dealing with it. We want to change it. We shall do so in a reassured fashion evaluating results. I think I have dealt with very satisfactorily with the hyenas of the arms trade, as you call them.

The question of the morale of the armed forces has come up. General Aurora has also raised it. I think perhaps either I have been misquoted or misunderstood.

SARDAR JAGJIT SINGH AURORA : I hope, Madam, I have your permission. We really did not mean what you had said. But there are a large number of others who said this. It was really for the general people making such remarks, it has become a fashionable thing to say. The second point I am very sorry that you felt so hurt. But I can assure you that if people were not so ignorant about the defence matters, they would not have used certain words and certain expressions that they have. It is only due to ignorance. And unless we are able to educate Parliamentarians, not just a few of them, you will find that people will make these wild allegations.

SHRI SAT PAUL MITTAL : We are glad you said it but there are still people who would not like to be educated.

SHRI ARUN SINGH : In so far as morale is concerned, I have only one comment to offer, and this is based on what I said in the other House. Somebody may have misunderstood it or misquoted me. I am not really an officer in uniform nor am I a Jawan; but to some extent I hope I stand for the - or adequately portray

represent honour of the Government in dealing with those men; but I am not a part of them. And, therefore, criticism of me is still a criticism of an entity outside the institution. The morale is affected, in my view, when the criticism becomes global and extends to the institution itself. For example, one of the more insidious criticisms that has worked in other parts of the -- let us be aware of that -- is that all officers are bad, all officers are corrupt, or the Ministry of Defence is a cesspool of corruption, and all that, in tomorrow's debate, we are dealing with the phrase Key Defence officials, which was brought out. That is one type of the problem.

The other type of problem is that whereas I fully concur with my hon. colleague, Jaswant Singhji, obviously the user knows more about the equipment than we know and, therefore, the user, whether it is the submarine or the aeroplane or the tank, is more in the picture than we are. But that may not be true of cross user. The Navy *may know* that they have, as I know that they, think they have, the finest conventional part, the hunter-killer submarine in the world today in this SSK; but the Air Force who do not know anything about the submarine at all, may base their views on that submarine on what has been printed or what has been said, and the Air Force may start thinking that Navy has been sold a pup. And that is the problem of the morale I was raising.

Of course, there is also the third problem, and that is that you may not have time in certain scenarios to rebut these accusations. The chap may think that he is taking a dud to war and this may cause a great damage. I take serious objection to Jaswant Singhji's phrase to call a great moral dilemma facing the nation. I have not yet been able to see even the shadow outlines of a great moral dilemma.

SHRI JASWANT SINGH : It is only a difference of perceptions.

SHRI P. SHIV SHANKER : And, perhaps, the way of expression.

SHRI ARUN SINGH : I do however agree with him that a grave unsubstantiated, false, baseless and mischievous moral dilemma is being sought to be created.

In so far as the question of what happened to the file is concerned, I am not really going to go into it; you will forgive me. I think it is no use explaining in Parliament when the file went, whether it was sent on 23rd, or 25th or what happened to it on 31st and all that. I am not entering into it.

SHRI JASWANT SINGH : I did not, a moment ago, ask for clarification on the file. It is The Prime Minister who spent so much time explaining what happened to it.

SHRI ARUN SINGH : Let me put it this way. Let me leave it to you like this.

In so far as enquiries are concerned, then R. M. had every right to order it which he did. His orders are going to be carried out. And it is not me who is saying it; Prime Minister has said so, and the procedures adopted in so far as the enquiry is concerned, are in conformity with the rules of business of the Government of India. Shri Jaswant Singh advised us to stay ahead of Parliament and public concern.

SHRI JASWANT SINGH : If the hon. Minister would yield just for a minute because he has now come to where I shared some ideas on the subject with him. There was one specific query which I had asked. Of course, there are also many subsidiary queries which had arisen. My specific point was, for 45 days roughly from 25th February till the 9th of April, by the various statements which have been made by various Ministers, all that has emerged is that papers were being pushed around. And for 45 days, no decision was taken other than that of ordering an enquiry or whatever. I had specifically asked that in these 45 days, did the Ministry of Defence or did any branch of the Government of India immediately revert to the Mission that had first sent this telex? Did you ask of that Mission to enquire from this unpronounceable German manufac-

[Shri Jaswant Singh]

urer of submarines 'what is this 7 per cent of which you are talking to whom did it relate; to whom did you earlier make this payment and to whom do you intend making it now?.' I said that that would be an essential input available to the Government before it ordered an enquiry and this is the specific question I would like the hon. Minister of State for Defence to answer. During these 45 days, did the Government take any of these actions?

SHRI ARUN-SINGH : Madam, in so far as this question is concerned, there has been shifting around a bit. I am aware of the position in contractual law, but I am not aware of the position in "order law" as it were. An order, theoretically, is implemented when it is given to a subordinate.

SARDAR JAGJIT SINGH AURA : May I just make a point? I am sorry to interrupt the hon. Minister. There are certain orders which are implemented at various levels. When this information came, I think, a Secretary or even a Director dealing with that department would have had the right to go and ask. If he waits for the Minister to issue an order, I do not think that that is using his initiative.

SHRI ARUN SINGH: As I understand, the question is, why was it not dealt with at any level.

SHRI JASWANTSINGH : Or, what was done, whatever other than this.

SHRI ARUN SINGH : That becomes a moot question. The answer to that is the

answer to what was done or not done. Why was the paper moved up? This is General Aurora's question. I think, I do not have an answer to this.

SHRI JASWANT SINGH: Fine.

SHRI ARUN SINGH : But when the direction arrived, it was implemented. Now, as far as the planning mechanism is concerned, I will leave it just now. If hon. Members like, we can take it up when we discuss the Demands for Grants in respect of the Ministry of Defence. I think, that is the appropriate time to do it.

AN HON. MEMBER : It will not be Demands for Grants. It will only be a discussion on the working of the Ministry of Defence.

SHRI ARUN SINGH : Shri Jaswant Singh said 'Do the right thing, not just appear to do so'. The answer to this is the Prime Minister's categorical statement. We will do the right thing. This is not some kind of facade that is being put up. It will be seen through to the end and all those who are guilty will be punished. I think, I have answered most of Gen. Aurora's points. I thank all hon. Members for having listened to me.

THE DEPUTY CHAIRMAN The House is now adjourned and we will meet again at 11 A.M. tomorrow. _

The House then adjourned at thirty-five minutes past seven of the clock, till eleven of the clock, on Tuesday, the 21st April, 1987.