

**LOK SABHA**

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**SYNOPSIS OF DEBATES  
(Proceedings other than Questions & Answers)**

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**Wednesday, January 2, 2019 / Pausha 12, 1940 (Saka)**

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**FELICITATION BY SPEAKER**

**HON'BLE SPEAKER:** I wish you all a happy new year 2019. May you all have a happy life!

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**THE AADHAAR AND OTHER LAWS (AMENDMENT) BILL, 2018**

**THE MINISTER OF LAW AND JUSTICE AND MINISTER OF ELECTRONICS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)** moved the motion that leave be granted to introduce a Bill to amend the Aadhaar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act, 2016 and further to amend the Indian Telegraph Act, 1885 and the Prevention of Money-laundering Act, 2002.

**PROF. SAUGATA ROY** *opposing the motion for introduction of the Bill,* said: The Bill is in contravention of the Supreme Court judgment dated 26.09.2018 in Justice A.S. Puttuswamy versus Union of India in W.P. Civil No. 494. The

judgment explicitly prohibits use of Aadhaar by private parties. The present Bill proposes amendments to the Aadhaar Act, the Telegraph Act and the PMLA, which will in effect circumvent the Supreme Court judgment. Privacy and security concerns related to Aadhaar remain unaddressed. The Bill has been brought without stakeholders' consultation, hence, the amendment should be thoroughly studied. In the light of the above, I beg to place that this Bill is outside the legislative competence of the House in that it violates the Supreme Court's judgment. Hence, this Bill should not be introduced.

**DR. SHASHI THAROOR:** The Supreme Court of India in its landmark judgment known as the Aadhaar Judgment case restricted the Government's ability to link everything they like to Aadhaar. This Bill enables the Government to facilitate the enactment of laws to provide for mandatory Aadhaar-based authentication for the provision of "any service" which can therefore also include private services. Second reason is that the Bill is premature, because we first need the enactment of a Data Protection Law to prescribe the basic standards to protect our right to privacy. The Bill uses the terms 'identification' and 'authentication' synonymously, thereby blurring this important distinction. Due to these reasons, I urge the Minister to withdraw this Bill and bring a revised list of amendments to the Aadhaar Act after we enact a data protection framework.

**SHRI N.K. PREMACHANDRAN:** This Bill infringes the Right to Privacy. The original definition of Aadhaar is being drastically changed. By the

new provision through this Amendment, Parliament is giving ample authority and power to the Government and Executive to decide what an 'alternative virtual identification number' is. The legislative competence of Parliament is being taken by the Government. So, I strongly oppose the Bill since it is violating the Fundamental Right to Privacy and against the provisions of the Legislature.

**SHRI RAVI SHANKAR PRASAD** *replying said:* I have heard the objections of all the three hon. Members. This proposed Amendment in the shape of the Bill is being done in compliance with the Supreme Court Judgment itself. Whatever gaps the hon. Supreme Court has found, we are addressing those gaps in the shape of this Amendment. Secondly, it is not mandatory at all, it is voluntary whereby alternative mode of authentication is also being provided. Thirdly, regarding privacy issue, I wish to deny that privacy is being invaded at all. The hon. Supreme Court itself held that the Aadhaar in the present architecture completely safeguards the privacy. The Aadhaar has led to saving of Rs.90,000 crore of public money in the Direct Benefit Transfer which used to be pocketed by individuals. This parallel authentication is basically designed to safeguard the privacy issue. I want to convey to the House that the Data Protection Bill is ready. The entire Aadhaar architecture will be in tune with the entire Data Protection Law. As regards the Supreme Court Judgment, we are not violating any Supreme Court Judgment. We are acting in consonance with the Judgment. Therefore, all

the three objections are misplaced. When the Bill is taken up for consideration, I will further address them.

*The Bill was introduced.*

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**\*MATTERS UNDER RULE 377**

1. **SHRI SUBHASH CHANDRA BAHERIA** laid a statement regarding need to set up MEMU coach factory in Bhilwara, Rajasthan.
2. **SHRI PARBHUBHAI NAGARBHAI VASAVA** laid a statement regarding increase in air-fare.
3. **SHRI RAJESH KUMAR DIWAKAR** laid a statement regarding need to confer Bharat Ratna on Raja Mahendra Pratap.
4. **SHRI NIHAL CHAND** laid a statement regarding augmentation of railway facilities in Ganganaar parliamentary constituency in Rajasthan.
5. **SHRI LAXMAN GILUWA** laid a statement regarding need to make sale of paddy by farmers hassle-free in procurement centres of Jharkhand.
6. **SHRI SUNIL KUMAR SINGH** laid a statement regarding need to reopen closed mines in Jharkhand.

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\* Laid on the Table as directed by the Speaker.

7. **SHRI OM BIRLA** laid a statement regarding need to provide financial assistance to farmers for fencing of their agricultural fields.
8. **DR. UDIT RAJ** laid a statement regarding need to stop sealing drive in Delhi.
9. **SHRI HARISHCHANDRA CHAVAN** laid a statement regarding need to ensure remunerative price to onion growers.
10. **SHRI GOPAL SHETTY** laid a statement regarding need to utilise surplus money lying with RBI and other PSUs for developmental works.
11. **SHRI AJAY MISRA TENI** laid a statement regarding need to implement the approved cadre restructure and career progression for physiotherapists in the country.
12. **SHRI RAVINDRA KUMAR PANDEY** laid a statement regarding putting Saakshar Bharat Mission in Jharkhand on hold.
13. **SHRIMATI RAMA DEVI** laid a statement regarding construction of bridge on river Burhi Gandak in Sheohar Parliamentary constituency, Bihar.
14. **SHRI S.P. MUDDAHANUME GOWDA** laid a statement regarding eight-laning of National Highway No 4.
15. **SHRI RAJEEV SATAV** laid a statement regarding need to provide financial assistance to farmers affected by drought in Maharashtra.

16. **SHRI R. P. MARUTHARAJAA** laid a statement regarding setting up of integrated Veterinary Park in Perambalur Constituency, Tamil Nadu.
17. **SHRI K PARASURAMAN** laid a statement regarding release of funds for damage caused by cyclone Gaja.
18. **SHRIMATI PRATIMA MONDAL** laid a statement regarding non-completion of one side platform of Chandkhali Halt station on Sealdh-Canning line.
19. **DR. MAMTAZ SANGHAMITA** laid a statement regarding safeguarding the interests of poor migrant workers.
20. **DR. KULMANI SAMAL** laid a statement regarding inclusion of local MP and MLA in Paradip Port Trust Board.
21. **SHRIMATI SUPRIYA SADANAND SULE** laid a statement regarding need to include Dhangar community of Maharashtra in Scheduled Tribes List.
22. **SHRI TEJ PRATAP SINGH YADAV** laid a statement regarding need to set up a Mega Food Park/Food Processing Unit in Mainpuri Parliamentary Constituency, Uttar Pradesh.
23. **SHRI PREM SINGH CHANDUMAJRA** laid a statement regarding need to streamline loan disbursement mechanism by banks for developmental projects.

24. **SHRIMATI TABASSUM BEGUM** laid a statement regarding need to cover damage to crops caused by stray animals under Pradhan Mantri Fasal Bima Yojana.

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### **DISCUSSION UNDER RULE 193**

*Re: Issues related to Rafale Deal*

**SHRI RAHUL GANDHI** *initiating said:* As an opposition leader, my job is to raise questions on the Government. The entire nation is asking why the Prime Minister can speak for one and a half hours in a staged interview and not answer the fundamental questions of Rafale. The questions of Rafale occur on three pillars. The first pillar is the process with regard to the deal. The second pillar is the pricing and the third and most interesting pillar is paisa-patronage. These are questions that we have been asking from the beginning. The Rafale aircraft was chosen after dedicated work by the Air Force. The Air Force wanted 126 aircraft. Now, the question is, who changed the requirement of the Air Force from 126 to 36? Did the Air Force request the Government? The excuse given for 36 aircraft was that we needed the aircraft urgently. If you needed the aircraft urgently, why is it that not a single Rafale aircraft has landed on Indian soil until today? The entire procedure of the deal from the beginning to the end was by-passed. The Cabinet Committee on Security which is supposed to authorise any deal gave no

authorisation. So, my fundamental question is why the old deal of 126 aircrafts was replaced with a new deal of 36 aircrafts. Everybody knows that the Rafale aircraft was going to be bought by the UPA Government for Rs. 526 crore each. The price of the aircraft under the new deal went from Rs.526 crore to Rs.1600 crore. Why did the price go up? HAL has been making aircrafts for 70 years. It gives jobs to thousands of youngsters. A failed businessman opens a company 10 days before he receives the contract that cost the exchequer Rs.30,000 crore? The Government talks about Make in India and the world's largest defence contract is Made in France. The Supreme Court has given a verdict about Rafale Deal, but the reality is that the Supreme Court has said that conducting an enquiry is not in their jurisdiction.

**THE MINISTER OF FINANCE AND MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY):** We all are utterly disappointed; the country is disappointed because every word the Hon. Member has said is something which is belied in the face of the judgement of the Supreme Court. In a society where judicial review is the last resort, when the Supreme Court speaks on every issue that is treated as the last word except for the jurisdiction of the legislature in some cases. In the given context on every issue that the Supreme Court has said and spoken very clearly and categorically, the lead speaker of the Congress still has a view which has all been thrown out by the Supreme Court because each one of those contentions was raised before the Court. Every word spoken by the



Opposition in the last six months on this subject, including in this House, is utterly false. The case being made out is that the procedure was wrong. There was no Negotiating Committee; there was no contract by Price Negotiating Committee; there was no Defence Acquisition Council; there was no Cabinet Committee on Security. One man decided the transaction. It is a tragedy for this country, that the grand old party of Indian Politics, which has in the past been headed by great legends, today headed by a gentleman who does not even have a basic understanding of what a combat aircraft is. The argument put forward here i.e. 500 against 1600 sounds as one of simpleton's for the simple perceivable reason that certain individuals and families understand the math of money but fail to see the complexities involved in maintaining national security. It was only after Kargil war that the Defence Forces of the country had made demands for medium multi role combat aircraft like Rafale. The UPA Government too granted acceptance of necessity soon after coming into power. My allegation is that the UPA Government compromised the security of the country.

An article has been published in the Wire magazine wherein it is stated that the Defence Minister has stated in his file notings of the Defence Ministry that the Prime Minister must not interfere with the negotiation process of Rafale. It is not an ordinary issue and we need its answer to. I would like to say that there is no need to be scared of. HAL was deprived of the contract and it was given to a French company. Let the JPC be constituted and let the truth come out before the

country. No decision was taken till the year 2014. When the new Government took charge, the Air Force, once again, put forth its request. Our Government took the decision to purchase Rafale on the terms and conditions which were better than those of the times of the UPA. Subsequently, 74 meetings of the Contract Negotiation Committee, Price Negotiation Committee and the Defence Representatives were held. The record of these 74 meetings was handed over to the Supreme Court which examined the process thoroughly and expressed its satisfaction over the entire process which was followed by the government. Now I come to the second point. What is this comparison between 500 and 1600? There are two prices of an aircraft. One price is of the basic aircraft which is just a flying instrument whereas the second price is of the weaponized aircraft. The offer made in the year 2007 contained both these prices. Secondly, that price was not fixed. The offer had the escalation clause in it. Later on when the negotiations were held afresh, the government took the decision on both prices again and an agreement was signed. I can say with a firm belief that the price of the basic aircraft reached in the year 2016 was 9 per cent less than that which was reached by the UPA. Likewise, the price of the weaponized aircraft was 20 per cent less than that which was concluded by the UPA. As regards the pricing of the aircraft, the Supreme Court judgment says, 'we asked for the price in order to satisfy the conscience of the court. The Government placed the price before us. We opened the envelope; we read the price. After going through it, we don't think it is a case where we

would like the judicial review of the pricing at all'. Now I come to the third point. It is said that a particular industrial house has been given undue benefit by the Government. In this respect I would like to throw light as to what is this offset? It means that if we purchase any type of defence equipment from a foreign company it will purchase materials worth 50 per cent of the total cost from India. The company will purchase this material from the offset suppliers, the names of which will be decided by the company itself. It will be their choice. Now this deal is worth Rs. 58,000 crore. The offset amounts to Rs. 29,000 crore which will be provided by the 100 to 120 suppliers. The company which has been named in this deal will supply materials to the Dassault the worth of which is just 3-4 per cent of the total value of the offset. This company is an offset supplier and not the manufacturer of the Rafale. Thus the charges that offsets were given worth Rs. 1,30,000 crore are baseless. Now I come to the last point that why the manufacturing of these aircraft was not assigned to the HAL. It would have been a matter of pride for all of us if our public sector manufacture this aircraft. But it is also in the national interest that our forces get the combat ability at the earliest. The Supreme Court has noted in its judgement that the discussions between the HAL and the Dassault were not concluded. There were many complications. One of them related to the admission of the HAL that they require 2.7 times higher man hours compared to the French side to produce the aircraft in India. By then Pakistan and China would have enhanced their combat ability. We also need to

keep in mind that the price escalates with the delay. Now I come to the last point as to why the Joint Parliamentary Committee cannot be constituted. The reason being that the JPC is a partisan body. It cannot conduct investigation.

**PROF. SAUGATA ROY:** Our Party believes in transparency and probity in all defence purchases. I think the Government has to appoint a Joint Parliamentary Committee to probe into the whole thing. I want this for several reasons. The price negotiated for Rafale at the time of UPA was Rs. 526 crore. Why have 36 aircraft been bought for Rs. 1,671 crore each? It was negotiated that 126 aircraft would be purchased for the Indian Air Force. Out of them, 18 will be in fly-away condition, rest 108 would be manufactured in India by the Hindustan Aeronautics Limited. Now, why from 18 they have increased the fly-away purchase to 126? And why instead of HAL, they have had one private company acting as an offset partner? Moreover, when the NDA Government decided to buy 36 jets, it did not consider the Eurofighter which was cheaper as per the Government's analysis. Moreover, it is not clear whether adequate safeguards had been built into the contract to ensure that India can penalize the manufacturer for violations such as delivery delays or a failure. That is why I demand the JPC.

**SHRI KALIKESH N. SINGH DEO:** I do not want to go into the credibility of the Rafale or Dassault. But there are few questions which arise about the pricing. It is the well-known public fact that Qatar has bought the same planes at a much cheaper price than what India has. So, in the Parliament, we have a right

to ask these questions. Similarly, the questions still remain on whether the correct process or procedure was used or not. Certainly, we will ask question as to why was RFP scrapped when it is in the process of being finalised. Government should tell us what was the reason for the urgency. Why could not we go ahead with the RFP and go ahead with the contracted amount as was being decided? Secondly, the biggest loss to the country has been a lack of technology transfer. This has been solely let gone off by the current Government and if the difference of pricing is not enough to justify it, I think, the Government should come up with a White Paper as to why technology transfer was not given. This would have been the biggest boon to the defence manufacturing sector. Thirdly, my question to the Government is that when the technology transfer was taken out of the negotiations, did Rafale become L-2 or not? Whereas, information is that the Euro fighter, without technology of transfer, was by far L-1 in the process. Therefore, my next question would be why did we not go with the Euro-fighter or negotiated with both of them to try and get better deal for India? Why did we become so hell bent on getting the Rafale and getting 36 numbers without any technology transfer and without any job creation in India? Now, I come to the question of the selection of the offset partner. If the HAL can manufacture a Fourth Generation Sukhoi-30 what was the problem in the HAL manufacturing the Rafale? So, I would urge you to have a closer look at this deal. I think this deal deserves transparency. People

of India should know what went behind the deal and the reason for why it was propagated by the Government.

**SHRI ARVIND SAWANT:** The issue is being discussed very seriously in the politics of the country. A Member from the Congress party levelled charges against the Government and the Government refuted the charges. But I do not understand why HAL has been deprived. Not only that, HAL has got a very good track record in the manufacturing sector. To meet the need of fighter aircraft and set right the imbalance, Sukhoi 30 MKI aircraft from HAL is under process. Unfortunately, the process was initiated as early as in the year 2001 but neither Sukhoi, Rafale nor Eurofighter was delivered. As a result, our Air Force is reeling under such shortage. As far as Rafale deal is concerned, its delivery will commence from September, 2019 and delivery of all 36 Rafale aircraft are likely to be completed by 2022. When we say that Rafale is the best then why should we reduce the number. People used to say that Bofors was good but the deal was bad. Now people are saying that Rafale is good but the deal is bad. Now if the Government wants to defend themselves taking the help of the judgement of the Supreme Court, then I must say that the Supreme Court never said why there should not be a JPC and why there should not be an inquiry. Therefore, I demand that JPC should be constituted. Most importantly, Rafale should be delivered to the Air Force at the earliest.

**SHRI JAYADEV GALLA:** The Government has the bounden duty to explain to this House as to when the Report of the CAG was examined by the PAC. The Chairman of PAC is on record saying that PAC has never examined the CAG report on Rafale. This clearly indicates that the Government, which is misusing every institution in the country has even tried to mislead the highest Court of the country. I demand the hon. Minister to explain why the Government misrepresented before Supreme Court. The Government has eliminated HAL altogether from the contract and brought in Reliance ADAG. I request the Defence Minister to explain this. There is an audio clip which has gone viral in the social media. I question how are the files of sensitive, confidential, secret, classified and relating to national security, lying in the bedroom of the present Chief Minister of Goa? Rafale aircraft is approximately Rs.670 crore and if you calculate the total for 36 aircrafts, it should come to Rs.24,000 crore. Dassault Aviation clearly says that the actual price to be paid for 36 aircrafts is about Rs.60,000 crore. That means the Government has misled the Parliament and it is tantamount to a privilege issue also. When the PM visited France in connection with this deal, who else were travelling with him and how the cantors of the deal have changed during those meetings? I hereby submit that a Joint Select Committee be formed without any delay, so that the role of the Prime Minister and the Government is enquired in order to find out the truth of the matter.

**SHRI MOHAMMAD SALIM:** The price of each aircraft was increased by 47.7 per cent. The benchmark price had to be corrected before and then negotiations should have been carried out, but the Hon. Prime Minister made a declaration prior to correction of benchmark price and then the Government gave a false statement in the Supreme Court. Our Air Vice Chief had said that the benchmark price should have been 5.2 billion euros but it was increased by 3.2 billion euros for each aircraft. How was this increased? They did not pay heed to the expert committee. All the objections were not addressed by the committee under the then Minister of Defence. Then the matter went to the Prime Minister led committee, CCS, which overruled all those objections and fixed the price. That is why the Prime Minister's name is being taken and he will have to face it because there is his involvement at every step in this case. Therefore, there is a charge of corruption in this matter. Could we not do the research in our own country in the name of which we are paying three billion euros more for each aircraft? We could have increased our capability. The company which could not even run Airport Metro in Delhi, we are asking it to manufacture aircraft in collaboration with Dassault. I think this discussion could be carried out in a better way if the demand for JPC is agreed to.

**SHRI DHANANJAY MAHADIK:** An hon. Member of your alliance partner, Shiv Sena party has expressed doubts on this deal. When your alliance partner expresses doubts, the whole country starts believing that something wrong



has taken place. HAL manufactures fighter planes and has been engaged in manufacturing, spares and support for many years. They have their plants at many places even then despite it having such huge infrastructure and experience, a company has been made offset partner which has no experience. On 8<sup>th</sup> April, 2015 the Foreign Secretary himself had told that the agreement of HAL with the French company Dassault was complete upto 95 per cent. Then why this deal was done with a private company leaving aside HAL? When the present ruling party had raised the Bofors issue during the previous regime and demanded JPC, the then Government had accepted their demand. Then why the current Government is having problem in constituting a JPC? It has also been stated that this deal is cheaper by 9-20 per cent. If this deal is so cheap, then why 126 aircraft were not procured instead of 36 aircraft? A JPC should be constituted and these points should be clarified.

*The discussion was not concluded.*

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## **SUSPENSION OF MEMBERS FROM THE SERVICE OF THE HOUSE**

### **UNDER RULE 374A**

**HON'BLE SPEAKER:** Shri K. Ashok Kumar, Shri R.K. Bharathi Mohan, Shri M. Chandrakasi, Shri G. Hari, Dr. J. Jayavardhan, Shri K. Parasuraman, Dr. K. Kamaraj, Shri P. Kumar, Shrimati M. Vasanthi, Shri C. Mahendran, Shrimati K. Maragatham, Shri P. Nagarajan, Shri R. Parthipan, Shri K. R. P. Prabakaran, Shri

A. Anwhar Raajhaa, Shri T. Radhakrishnan, Shri S. Rajendran, Shrimati V. Sathyabama, Shri S. Selvakumara Chinnaiyan, Shri P. R. Sundaram, Shri M. Udhayakumar, Shri V. Elumalai, Shrimati R. Vanaroja, Shri T. G. Venkatesh Babu have come to the well of the House and are abusing the rules of the House by persistently and wilfully obstructing the Business of the House. By your wilful and persistent obstruction, grave disorder is being occasioned. I am, therefore, constrained to name all of them under Rule 374A.

Therefore, all of them stand automatically suspended from the service of the House for five consecutive sittings of the Session under provision of Rule 374A. They may forthwith withdraw from the precincts of the House.

**SNEHLATA SHRIVASTAVA**  
*Secretary General*

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