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FORMER INDIAN PRIME MINISTER QUESTIONED IN LIBEL SUIT By F.N. D'ALESSIO CHICAGO

Former Indian Prime Minister Morarji Desai has resumed answering questions for a deposition in his \$100 million libel suit against Pulitzer Prize-winning journalist Seymour Hersh.

Desai on Monday began giving the final phase of the deposition he started 11 months ago, with all the first day's questioning done by attorneys for Hersh's publisher, Simon & Schuster, according to Hersh attorney Bernard Nussbaum.

Desai, 90, was expected to continue giving his deposition for at least four more days, said one of his attorneys, Cyriac Kappil.

The suit contends Hersh libeled the former prime minister in his 1983 book "The Price of Power: Kissinger in the Nixon White House," when he said Desai was paid informant of the CIA.

Kappil said he felt "more and more optimistic" about the outcome of Desai's suit, but added that he and his client were under court order not to discuss specifics of the case.

David Carden, Chicago attorney for Simon & Schuster, also declined comment on the case.

Hersh's book said Desai was paid \$20,000 a year by the CIA to provide cabinet information, including Indian plans to attack Pakistan in 1971 when East Pakistan second to form the new nation of Bangladesh.

Desai, who served as prime minister from 1977 through 1979, said Hersh's allegations were "a sheer mad story." At a weekend rally, he said Hersh never spoke with him while researching his book.

"He says I passed cabinet secrets," Desai said, "but I was not even in the cabinet (in 1971). I was in the opposition. I couldn't have had any access."

Nussbaum earlier denied Desai's allegation of inaccuracy.

"Anybody who knows Seymour Hersh knows he is the single most respected investigative reporter in the U.S.," Nussbaum said. "He believed what he wrote was accurate."

Desai first visited Chicago for questioning a year ago, but his deposition was not completed and court officials said he refused to answer some significant questions. Proceedings were further delayed by the illness of the father of Hersh's attorney.

Desai was a close associate of Mohandas K. Gandhi in the fight for Indian independence during the 1930s and 1940s. After Gandhi's assassination in 1948, Desai held high office in the government of Jawaharlal Nehru, India's first prime minister.

Desai later had a falling out with Nehru's daughter, Indira Gandhi, after she became prime minister in 1966.

Mrs. Gandhi dismissed Desai from executive office in 1969, but he returned to parliament as leader of the opposition Janata Party.

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