

**Shri Lal Bahadur Shastri:** The hon. Member is wrong. The question is entirely different. It is not about the purchase of palaces of the Maharajas; it deals with the other matter.

**Shri Chintamani Panigrahi:** We could not follow him.

**Shri Vajpayee:** What about part (a) of the question?

**Shri S. M. Banerjee:** Part (a) of the question is whether Government propose to purchase the palaces of ex-rulers. He says certain palaces have been purchased, and yet he does not give us the information.

**Mr. Speaker:** The question refers to palaces.

**Shri Lal Bahadur Shastri:** Part (a) of the question is whether Government propose to purchase the palaces of ex-rulers; part (b) is whether it is a fact that a national trust will be set up for the purchase and maintenance of the palaces. Therefore, it is related to the national trust. The question is in regard to the palaces which we might purchase or which we might propose to purchase in connection with the setting up of a national trust, therefore I am answering that.

**Shri S. M. Banerjee:** The answer to part (a) is in the affirmative.

**Mr. Speaker:** He says the crux of this question is the national trust.

**Shri S. M. Banerjee:** After purchasing the palaces.

**Mr. Speaker:** What can be done? That is how the hon. Home Minister understood it. Part (a) of the question is related to part (b). Unless there is a proposal to purchase these, there is no meaning in establishing a trust. Therefore, he thought the trust was the main thing, and the trust related to the palaces. He has answered that. There is nothing escaping the notice of this House. If the hon. Member wants the amount spent so far on the purchase of the palaces, he can table another question. The hon. Minister is not in possession of the information now.

**Security Measures against Espionage**

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\*794. { **Shri Harish Chandra Mathur:**  
          **Shri Vajpayee:**

Will the Minister of Home Affairs be pleased to state:

(a) whether, in the light of espionage cases and infiltrations across the border, Government have considered the need for tightening security measures and revising security procedures in the public services; and

(b) if so, what are the conclusions of such examination, if any?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** (a) and (b). Appropriate measures have been taken to ensure proper custody and safety of secret papers and information.

**Shri Vajpayee:** Sir, is this a proper reply that appropriate measures have been taken? What are the appropriate measures?

**The Minister of Home Affairs (Shri Lal Bahadur Shastri):** We cannot give detailed information in this regard. It will not be advisable to tell the House that these are the specific steps which have been taken.

**Shri Harish Chandra Mathur:** This question has to be properly understood. There are two very vital parts of this question. One is the procedures in the public services which we adopt, another is the security measures against infiltration. May I invite the attention of the hon. Home Minister to the fact that very recently the Prime Minister of UK set up a committee in the wake of the George Black spy case, to examine the security procedures in the public services? So, the first part of my question relates to security procedures, whether they have examined the security procedures so that they may be able to tighten them, so that they may be able to fix responsibility. Just now the hon. Home Minister said that it was not possible to fix responsibility and find evidence. Therefore, it is necessary to revise these security procedures. Secondly, my question

deals with infiltrations and security measures. I hope he will throw light on the two vital parts.

**Mr. Speaker:** Has the Home Minister given it up, that it is impossible to find out how these people can be caught? Or, are the loopholes being tightened wherever they are, or has any committee on the lines of the committee in the UK been set up to find out how more effective measures can be adopted? That is the question.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** This is constantly being done here and in our foreign missions, wherever it is, but however constantly we may do it, sometimes there is human failure. It is not a question of the machinery. The human being fails, for some odd reason or other. In one case, for instance, a certain person behaved in a most extraordinary way,—a certain young man in the foreign service. His head went off suddenly. There is no excuse at all, because he lost all his capacity for his head to function. He did the most foolish thing.

**Mr. Speaker:** In our foreign service?

**Shri Jawaharlal Nehru:** Yes. It was not a case of espionage. It was a case of pure theft. It is inexplicable why a man in his position should commit theft of money belonging to the mission. Immediately thereafter he admitted it, there was no hiding it either. There are human failures, wherever it may be, whether it is an office or an aircraft. In an aircraft there was an accident, something happened to a human being. One has always tried to make it fool-proof in all these things so far as one can.

**Shri Hem Barua rose—**

**Mr. Speaker:** I have allowed him a number of questions.

**Shri Hem Barua:** Not on this.

**Shri Vajpayee:** In view of the fact that important papers are reported to have been recovered from the house of these employees who are involved in espionage cases, may I know whether Government have given thought

to the suggestion that these employees who are dealing with important and confidential papers should not be allowed to take papers or files to their houses?

**Shri Jawaharlal Nehru:** They are not supposed to take them out. Of course, that is an offence—taking anything out.

**Shri Vajpayee:** It means that proper check is not being maintained; and in spite of the instructions, employees are taking important files to their houses.

**Mr. Speaker:** The hon. Member may come to any conclusion. All that can be elicited has been elicited.

**Shri Ranga:** In view of these instances multiplying themselves or increasing in recent years, may the House be assured that a special study has been made by the concerned Ministries in order to prevent their recurrence and also to ensure that these officers would be supervised and controlled so that such things would not be repeated?

**Shri Jawaharlal Nehru:** The hon. Member's advice would be remembered.

**Shri Ranga:** May I know what those special studies or special steps are that Government have been able to take in order to see that these things are prevented? It is easy to say all possible steps are being taken. In the light of these things, some special study has got to be made in order to prevent the recurrence of this mischief.

**Mr. Speaker:** The hon. Prime Minister just said that so far as the rules and regulations are concerned, there is no defect.

**Shri Ranga:** That is not enough.

**Mr. Speaker:** He added that sometimes there are human frailties. However, constant watch is being kept. I do not think there is any use pursuing this question.

**Shri Ranga:** That may be all right in regard to occasional lapses, but these things have been happening repeatedly.

**Mr. Speaker:** We are converting this into a resolution hour. Hon. Members will constantly bear in mind that the Question Hour can be used only for the purpose of eliciting information. Occasionally I allow some suggestions to be made, but they must stop with them. They ought not to force an assurance on the basis of the suggestion. That should be done during other periods. In the Question Hour we can only elicit information.

**Payment to Palai Bank Depositors**

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- \*796. { Shri T. B. Vittal Rao;  
 Shri D. C. Sharma;  
 Sardar Iqbal Singh;  
 Shri M. K. Kumaran;

Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 1744 on the 26th April, 1961 and state:

(a) whether the investigation into the affairs of the Palai Bank in relation to the conduct of Directors has since been completed;

(b) if not, the reasons thereof;

(c) the number and the amount paid to depositors by way of initial preferential payment by the end of July, 1961; and

(d) whether there is likelihood of depositors other than those who received initial preferential payment receiving any amount by the end of July, 1961?

**The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha):** (a) Yes. An application under Section 45 G of the Banking Companies Act was filed in the Kerala High Court on the 17th August, 1961.

(b) Does not arise.

(c) Upto the 30th July, 1961, the liquidator has issued cheques to 50,268 depositors for a total sum of Rs. 62,09,501/-.

(d) No, but every effort is being made to expedite the further payments.

**Shri T. B. Vittal Rao:** Out of 88,000 depositors who had to receive initial preferential payment, may I know why only 50,000 have got?

**Shrimati Tarkeshwari Sinha:** The hon. Member knows that immediately after the liquidation, a go-slow policy was adopted by the staff. They also went on a pen-down strike. Therefore this whole matter was delayed. The persons participating in the strike were dismissed under the court's order, and after that the work is being expedited.

**Shri T. B. Vittal Rao:** May I know if it is a fact that one of the directors or his wife has drawn an advance of Rs. 24 lakhs while the assets are only Rs. 1 lakh?

**Shrimati Tarkeshwari Sinha:** The whole matter is under examination, and actually a report has been submitted to the Kerala High Court dealing with all these questions. I think the hon. Member should wait.

**Shri T. B. Vittal Rao:** According to the Banking Companies Act, the Official liquidator has to furnish a statement within six months from the date of the order of winding up passed by the High Court. May I know what the difficulty is in stating these things?

**Shrimati Tarkeshwari Sinha:** As I said, the Liquidator has already submitted a report to the Kerala High Court, and the decision of the High Court is still awaited. Orders of the High Court on this application are still awaited. Therefore, I cannot give anything now.

**Shri T. B. Vittal Rao:** Whatever the High Court order may be, may I know if the report of the official liquidator will be placed on the Table of the House?

**Shrimati Tarkeshwari Sinha:** The matter is still before the High Court and it is for the High Court to take any suitable action. I cannot say whether the report can be placed on the Table of the House.