

LOK SABHA

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Thursday, 8th August, 1957.

*The Lok Sabha met at Eleven of the
Clock*

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Indo-Pakistan Financial Issues

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*698. { Shri D. C. Sharma:
Shri Kalika Singh:

Will the Minister of Finance be pleased to refer to the reply given to Unstarred Question No 30 on the 26th March, 1957 and state:

(a) whether any date has since been fixed for the meeting of the Finance Ministers of India and Pakistan to resolve the outstanding financial issues between India and Pakistan; and

(b) if so, what is the date?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) No, Sir.

(b) Does not arise

Shri D. C. Sharma: May I know how many outstanding financial issues we had with the Pakistan Government in 1947, and how many of them have been settled up to this time?

The Minister of Finance (Shri T. T. Krishnamachari): It is very difficult for me at the present moment to say what was the total number of financial issues and how many were settled, but so far I think we have roughly 20 to 21 issues unsettled, and they are fairly big issues.

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Shri D. C. Sharma: May I know what is the total value of these 21 issues that we have outstanding so far as the Pakistan Government is concerned?

Shri T. T. Krishnamachari: Again I have to do some arithmetic by adding it all up, but particularly there is a big sum of Rs 300 crores and odd of the over-all partition settlement due to us from Pakistan, apart from quite a number of other items, and so far as Pakistan's claim on us is concerned, they say that the divisible assets of the Issue Department of the Reserve Bank have not been completely transferred to them, and they claim something like Rs 48 or Rs 49 crores.

Shri B. Ramanathan Chettiar: May I know whether Pakistan is paying interest towards this large amount that is due to us?

Shri T. T. Krishnamachari: It is common knowledge that no payment is received from Pakistan.

Shri Heda: How do the Government explain their position in view of the fact that Pakistan had been consistently evading a solution of these disputes and the Government of India are not taking recourse to the World Court?

Shri T. T. Krishnamachari: My knowledge of international law is somewhat rusty, and I do not know whether for a fiduciary claim we can go to the World Court. I will have to get some verification from my adviser the Law Minister on that point, but so far as what we are doing for the settlement of these issues is concerned, hon Members again know that the relationship between the two countries today is such that moral

persuasion has no place in matters of this nature

Shri Achar: What are the main items constituting the Rs 300 crores?

Shri T. T. Krishnamachari: The Rs 300 crores is the over-all partition settlement between the two countries, that is to say they have with them assets of that category which are not balanced by assets in India. Therefore, they owe us about Rs 300 and odd crores

Shri D. C. Sharma: May I know when the last meeting between the Finance Ministers of India and Pakistan was held and what efforts have been made to have another meeting, and whether the fault has been on our side that we have not had a meeting?

Shri T. T. Krishnamachari: I would draw the attention of the House and ask my hon friend to recollect the supplementary question which he put to my distinguished predecessor on the 27th July, 1955. The position remains much the same. In order to arrange a meeting, two people must come together. In this case Barkis is willing, but I am afraid Peggotty will not play up.

Panna Diamond Mines

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*699. { **Dr. Ram Subhag Singh:**
Shri Raghunath Singh:

Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that the company which operated the Panna Diamond Mines ceased its operations since the nationalization announcement made on the 9th April, 1956,

(b) whether it is a fact that the workers of the Mines are sitting idle for lack of work;

(c) when the procedure relating to nationalization will be completed; and

(d) whether the quantum of compensation to the company has been decided?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) and (b). The operations of the Company were undoubtedly affected by the nationalization announcement, but even earlier financial difficulties had rendered it necessary for the Company considerably to reduce its scale of operations. These difficulties have continued to multiply and have resulted in the laying off of surplus labour.

(c) and (d). If agreement is not reached in the negotiations that are proceeding Government intends to promote legislation to acquire the business of the Company which will contain a provision defining the principles on which compensation is to be assessed.

Dr. Ram Subhag Singh: May I know the number of workers who are lying idle because of this confusion?

Shri K. D. Malaviya: There are three or four concessions. The Panna Diamond Mining Syndicate is the only active holders which were doing something before these announcements were made.

Dr. Ram Subhag Singh: I wanted to know how many workers are going without any work because of this announcement of the Government and the consequent suspension of work on the part of that company.

Shri K. D. Malaviya: Part of the working was going on and is still, I am told, going on, but I do not know just now the exact number who are idle.

जी व० सा० द्विवेदी : मैं जानना चाहता हूँ कि क्या जो कम्पैन्सशन दिया जा रहा है वह उस कम्पनी के प्लांट और मैशिनरी के बेल्गुएशन से कहीं ज्यादा है, और क्या यह सब है कि जो कम्पैन्सशन दिया जा रहा है उसका एमार्चेंट बढ़ाया जायेगा ?

जी के० दे० बालवीय : कम्पैन्सशन की निकटार का अभी कोई निश्चय नहीं हुआ है ।