

connected with such trade or business as they apply in respect of goods which are not produced or manufactured by any Government. Income-tax: No steps have so far been taken, but the matter is under examination of Government.

Shri K. C. Sodhia: What was the amount of tax realised during 1952 so far under the heads mentioned by the hon. Minister?

Shri Tyagi: Approximately Rupees five lakhs was realised by way of excise duty on the State undertakings.

RESERVE BANK OF INDIA BUILDING

*1154. **Shri M. L. Dwivedi:** Will the Minister of Finance be pleased to state:

(a) the progress made since March, 1951 towards the starting of the construction work of the proposed Reserve Bank of India building in Delhi;

(b) whether the quantity surveyor has submitted his bill of quantities preliminary to inviting of tenders;

(c) the reasons for the delay in the procurement of special steel which is a condition precedent to taking up in hand the excavation for the basement of the building; and

(d) whether estimated cost of the building remains the same or is likely to undergo change in view of the fluctuations in prices?

The Minister of State for Finance (Shri Tyagi): (a) and (b). Since March, 1951, the Architects have completed the working drawings and forwarded them to the Municipality which has given its approval. The Reinforced Cement Concrete Specialist has also completed the R.C.C. drawings. On the basis of these drawings, the Quantity Surveyor has worked out the bill of quantities and a notice calling for tenders for the general building work has already been published in the leading newspapers. The last date for receiving the above tenders has been fixed as 15th July 1952. A contract for the fabrication of the steel vaults has already been placed.

(c) A quota certificate for 1,180 tons of special steel for the period April/June 1952 has been received and steps have been taken to place orders on producers with instructions to supply the materials on highest priority. The delay in placing the indent for the special steel was due to the fact that it was considered necessary to wait till the contract for the fabrication of the vaults had been finalised.

(d) The estimate of the cost of the building is being worked out by the Quantity Surveyor but it is too early to say how the cost will compare with the earlier estimated cost.

Shri M. L. Dwivedi: May I know whether the excavation work in the basement has been taken up?

Shri Tyagi: The construction has not commenced.

Shri M. L. Dwivedi: May I know the time likely to be taken when the building will be completely ready?

The Minister of Finance (Shri C. D. Deshmukh): We have no information.

POST-WAR U.S. AID

*1155. **Pandit Munishwar Datt Upadhyay:** (a) Will the Minister of Finance be pleased to state what is the amount received by India in the year 1951-52 under the Post-War U.S. Aid?

(b) What is the condition attached for its utilisation?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). India received a loan of \$190 million for the purchase of two million tons of wheat. The local funds obtained by the sale of American loan wheat are being loaned to the Governments of the States for financing development schemes. As the Member will have observed from the Loan Agreement which was presented to the Parliament on the 22nd August, 1951, no conditions have been attached for its utilisation.

Pandit Munishwar Datt Upadhyay: May I know how this amount is determined, whether any scheme is submitted by the country, or how the demand is made?

Shri C. D. Deshmukh: It was determined with reference to our own requirements of food primarily.

Pandit Munishwar Datt Upadhyay: May I know whether the aid is always in cash or sometimes in kind?

Shri C. D. Deshmukh: It is not an aid, it is a loan, for purchasing the wheat in the United States of America.

Shri H. N. Mukerjee: Will the hon. the Minister kindly say why it is necessary to give diplomatic immunity to field workers who work under the Indo-U.S. technical agreement?

Shri C. D. Deshmukh: It does not arise out of this particular question, because there are no conditions in regard to this particular loan.

Shri H. N. Mukerjee: Is it a fact that diplomatic immunity is really given in the case of American personnel who work under this agreement?

Shri C. D. Deshmukh: I shall be prepared to answer this question, but it does not arise out of this particular question.

Mr. Speaker: The hon. Member's question is with reference to the American personnel employed under this scheme.

Shri C. D. Deshmukh: There is no scheme, Sir. We have purchased wheat, and we lent the money got by sale of this wheat, to our own State Governments.

Pandit Munishwar Datt Upadhyay: How has this amount been distributed Statewise?

Shri C. D. Deshmukh: That obviously requires notice.

Shri Barman: May I know the actual value of the sale proceeds of the loan wheat?

Shri C. D. Deshmukh: I think the statement has already been made in the course of the Budget discussions. The actual recovery in rupees would be about Rs. twenty crores less than the rupee equivalent of the loan.

Shri B. S. Murthy: What is the rate of interest, and the period agreed to, for the repayment?

Shri C. D. Deshmukh: The rate of interest is 2½ per cent., and the period of repayment is 30 years beginning from June 30th, 1957.

TERRITORIAL ARMY

*1156. **Pandit Munishwar Datt Upadhyay:** (a) Will the Minister of Defence be pleased to state what is the increase in the Territorial Army since August, 1947?

(b) What are the main difficulties in the recruitment of the Territorial Army and what steps have been taken to remove them?

(c) What is the expenditure per year per head of an ordinary soldier in the Territorial Army and how does it compare with the expenditure on a soldier of a regular army?

The Minister of Defence (Shri Gopalswami): (a) Recruitment to the Territorial Army commenced only in August 1949. It is not in the public interest to divulge the figures of recruitment.

(b) Our main difficulties in recruitment to the Territorial Army arise from the fact that—

(1) a very large number of the people who wish to join are desirous of being taken in on a whole-time basis whereas the Territorial Army is designed only for part-time service;

(2) those who have other regular employment are apprehensive of

(i) having to face a substantial drop in their emoluments if they are called up for whole-time service for then they would receive payment with reference to the duties they will be performing in the Army in accordance with the Army scales of pay, and

(ii) their liens on their civil appointments being lost in the event of their being called up for Army service in an emergency for a prolonged period.

There is no solution for the first of these difficulties. Such applicants must come in for recruitment to the regular Army. The problem of retaining the lien has been solved by amending the Territorial Army Act during the last session of Parliament by which it has been made obligatory on the civil employer to retain an employee's lien when he is called up for service in the Territorial Army. The other difficulty of the difference between the civilian earnings and the Army rates of pay is one which can be surmounted only if the employers are prepared, as a matter of public service, to make good the difference between the civilian rates of pay and the Army rates of pay. So far as the Central and the State Governments are concerned, this liability has been accepted. It is to be hoped that private employers will follow suit to the maximum extent possible.

(c) It would not be in the public interest to disclose this information.

Pandit Munishwar Datt Upadhyay: What is the percentage of men that is being maintained in regular payment in that army? Otherwise, the people come only for a particular period, and then go away.

Shri Gopalswami: I do not know what exactly the hon. Member means. Obviously the answer to that question will also not be in the public interest.

Pandit Munishwar Datt Upadhyay: Is there any section of technicians in this Territorial Army, if so, what is the strength?

Shri Gopalswami: There are technical units to which recruitment is made.