

U.K.; purchases in India on behalf of Dominions and other foreign governments and, in the case of defence services, cost of stores issued from defence stock in India to the U.K. Government's formations; sea transport charges in respect of U.K. Government's stores and personnel and cost of supplies to U.K. Air Ministry.

(b) I am not aware of any disputed items except the one in respect of expenditure on Indian Registered Vessels requisitioned by the Government of India on behalf of the U.K. Ministry of War Transport. The item has since been cleared except for a small amount of about a lakh of rupees.

Shri S. N. Das: May I know what are the reasons for so much delay in adjusting these accounts?

Shri C. D. Deshmukh: The accounts, vouchers and other details have to be agreed upon before these amounts could be cleared.

Shri S. N. Das: From the reply of the hon. Minister I gathered that there was no item under dispute. When there was no dispute, what are the reasons why they are not settled?

Shri C. D. Deshmukh: Agreeing on accounts is not a matter of dispute. A person against whom a claim is preferred has a right to obtain vouchers, and to have them examined by his own accounting and audit agencies. It is after that procedure has been completed that he accepts the charge and makes payment. Much of the time is taken up in this exchange of vouchers and other kinds of information.

Shri S. N. Das: In reply to my question last year, it was said that the net amount outstanding at the end of 1950-51 was 8 million pounds. May I know whether throughout the year accounts for only 1 million pounds have been settled and how long it will take to settle all these accounts?

Shri C. D. Deshmukh: That is difficult to say. But I can give an instance of this. The last item relates to the Ministry of Transport. Our original overall claim was Rs. 5,96,00,000. HMG have so far paid Rs. 5,95,00,000. I have no doubt that after the details have been agreed upon the other amounts will be settled. Of the big items, one is postal and money order transactions: that is nearly 1½ million pounds; cost of stores 2½ million pounds; sea transport charges 2½ million pounds.

Shri K. K. Basu: May I know whether these accounts relate to dealings in the year 1951-52 or outstanding of

previous years carried over, and if so, how far back?

Shri C. D. Deshmukh: These two big items I mentioned, viz., cost of stores issued from Defence stocks in India to HMG and their Air-nominees—that disbursement was made in 1946-47 and 1947-48. The sea transport charges in respect of U.K. Government's stores and personnel were disbursed on their account in 1947-48, and 1948-49.

Shri K. K. Basu: How long does the Government think it would take to settle these accounts?

Shri C. D. Deshmukh: It is difficult to prognosticate, but all I am sure of is they will be satisfactorily settled.

NATIONAL SAMPLE SURVEY

***2370. Shri Sanganna:** Will the Minister of Finance be pleased to state:

(a) whether the National Sample Survey conducted by the Government of India has been completed; and

(b) what is the total expenditure incurred on it so far?

The Minister of Finance (Shri C. D. Deshmukh): (a) The National Sample Survey is conducted in phases and so far three rounds have been completed and the fourth round is now in progress. The National Sample Survey is intended to be a continuing project and any question of completing it does not arise.

(b) The total expenditure incurred from the start of the Survey in May, 1950 upto the 31st May 1952 was Rs. 47.49 lakhs.

Shri Sanganna: May I know the agency through which the survey is being carried out?

Shri C. D. Deshmukh: Partly through agencies entertained by the Central Government, and partly through the Indian Statistical Institute in Calcutta. The assistance of the latter is taken for the more technical work like processing and tabulating information that has been collected by the field workers.

Shri Sanganna: What is the scope of the survey?

Shri C. D. Deshmukh: The general over-all aim is to improve official statistical data, particularly those relating to food grains production, national income and similar estimates of expenditures, savings and so on. I might add that the information on the

basis of which the National Income Committee published its first report was collected by this organisation.

Shri Sanganna: Is the Government in a position to give the House the information so far collected?

Shri C. D. Deshmukh: Yes, Sir. I think we should be in a position to publish a booklet on the subject by the end of September, 1952.

ACCEPTANCE OF INDIAN CURRENCY BY SOVIET GOVERNMENT

*2371. **Shri K. Subrahmanyam:** Will the Minister of Finance be pleased to state:

(a) whether Government's attention has been drawn to the statements issued by Members of the Indian Delegation to the Moscow Economic Conference that the Soviet Government has accepted the Indian Government's request for trade transactions in Indian currency;

(b) when such a request was made by Government? Whether any such transactions have taken place so far, either with the Soviet Government or those of the Eastern European countries? If so, whether any money in Indian currency has been paid by the Indian Government either in respect of freight and insurance or towards the cost of goods imported;

(c) if the answer to the above be in the affirmative, what the amount was and when it was paid and to whom; and

(d) if in future transactions monies in Indian currency are paid for Soviet or Eastern European goods, will the Government have a check over the disbursement of these amounts by the concerned Embassies or Trade Commissioners?

The Minister of Finance (Shri C. D. Deshmukh): (a) Yes, Sir.

(b) and (c). No request has been made by the Government of India to the Soviet Government or to any of the Governments of the Eastern European countries that trade transactions with them should be financed in Indian currency. As stated in my reply dated the 11th June, 1952 to Question No. 706 no amount has been paid in Indian rupees in respect of any transaction to the Soviet Government by the Government of India. Nor has any amount been paid in rupees to the Government of any of the Eastern European countries. Payment in Indian rupees for import of

goods from foreign countries is, however, permissible under the Exchange Control Regulations and small private imports have taken place from Russia against payment in Indian rupees.

(d) Payments in Indian rupees against import of goods from foreign countries are credited to non-resident accounts which come under the general supervision of the Reserve Bank of India. Exchange Control Regulations, as at present, do not provide for a detailed check on non-resident accounts. The accounts of foreign Embassies and Trade Commissioners are treated as resident accounts and are not subject to the scrutiny of the Reserve Bank.

Shri K. K. Basu: In view of the shortage of dollars, does the Government propose to open negotiations with these countries so that payments could be made in soft currency?

Shri C. D. Deshmukh: There is no bar on that. It is a matter for private trade now to settle. If anybody importing offers to pay in Indian Rupees, I believe the U.S.S.R. would be prepared to accept Indian Rupees.

Shri H. N. Mukerjee: Will the hon. Minister please tell us if the Government has in contemplation expansion of trade with these countries, particularly because of the very favourable terms of payment which they are offering us?

Shri C. D. Deshmukh: These things are not unilateral, and as I have said on a previous occasion, it depends really on the importers. All we can do is to help them along. If they are in difficulties, we can help to remove them. As I said, so far as exchange control or import regulations are concerned, there are no obstructions in the way.

Shri H. N. Mukerjee: For financing national planning and that sort of thing, as Government is purchasing goods in bulk, both capital goods and consumer goods, is it not in the interests of the country to purchase in those markets where the terms offered are very much more favourable than elsewhere?

Mr. Speaker: It is obvious. It is a matter of opinion.

Shri Sarangadhar Das: May I know, Sir, if the Rupees paid in this connection can be used by the foreign Government in India for any purpose?

Shri C. D. Deshmukh: Yes, Sir. The balance in these non-resident accounts I spoke of are available freely for financing exports to the countries concerned.