

is any possibility of the overall relationship between India and U.K. in the matter of export and import of cloth being changed?

Shri A. C. Guha: I think that question may better be directed to the Ministry of Commerce and Industry.

Shri L. N. Mishra: If the total imports to India from U.K. have not gone down, what is the reason for demanding special privileges for the import of textiles to India?

Shri A. C. Guha: The reason is that Indian textiles are being imported into the U.K. The export of British textiles to India has gone down and thereby the labour position in the U.K. textile industry is somewhat in difficulty and the employment position is getting rather unsatisfactory. So they wanted that the import of Indian textiles into U.K. might be restricted and there might be some relaxation of the import duty to allow more of U.K. textiles into India.

LOAN TO MYSORE

*529. **Shri Keshavalengar:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the Government of India have given a subsidy or loan to the Government of Mysore for the construction of the Vidhana Sabha building which is being built at Bangalore; and

(b) if so, how much and on what terms?

The Deputy Minister of Finance (Shri M. C. Shah): (a) No, Sir.

(b) Does not arise.

Shri Keshavalengar: May I know whether, in view of the fact that this building may be made available for holding the Lok Sabha and Rajya Sabha sessions at Bangalore in future, if so, desired, a representation for a grant towards the cost of its construction, if made by Mysore, will be considered by the Centre?

Shri M. C. Shah: No representation has so far come from the Mysore

Government in connection with the building of the Vidhana Sabha.

UTILIZATION OF LOANS

*530. **Shri Bhagwat Jha Asad:** Will the Minister of Finance be pleased to state:

(a) whether Government have received any information of Central loans being used by State Governments for purposes other than that for which they were allotted;

(b) if so, from which States; and

(c) whether the States are allowed to divert the amount of a Central loan to purposes other than that for which it was specifically given by the Central Government without giving any reasons for such decisions to the Central Government?

The Parliamentary Secretary to the Minister of Finance (Shri B. B. Bhagat): (a) No Sir.

(b) Does not arise.

(c) No, Sir.

Shri Bhagwat Jha Asad: May I know whether any conditions are laid down before giving such loans so that the money may not be diverted from the prescribed sector to a non-prescribed sector?

Shri B. B. Bhagat: Under the rules and conditions prescribed for giving these loans, there is absolutely no possibility of any diversion because usually the loans are given only on statements submitted after the expenditure has been incurred. In some cases when advance loans are made firstly, a letter of endorsement is sent to the Accountant-General or the Auditor-General who keeps a watch on the expenditure. Secondly, the State Governments give periodical reports of expenditure so that we can judge it. Thirdly the loans are made from the consolidated funds of the State and any excess or shortage every year is adjusted in the accounts of the State and allowance will be made for it in future loans. Therefore, there is absolutely no prospect

of any diversion of loans to any scheme other than the prescribed scheme.

Shri Bhagwat Jha Azad: Is it not open to the State Government to reconsider and revise its plan of allotment and divert the loan given to it by the Centre from one industry to another industry?

Shri B. R. Bhagat: They will have to come for fresh sanction; they cannot do it on their own.

Shri R. S. Diwan: May I know if the loans which are given for a particular purpose are not utilised for that particular purpose and within the prescribed period, the amounts will lapse?

Shri B. R. Bhagat: They do not lapse, but allowance is made for them in future loans given to that State.

SALE OF WORLD BANK BONDS

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

(a) whether Government have been examining recently the possibility of allowing sale of World Bank Bonds in rupees in India; and

(b) if so, with what result?

The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat): (a) No, Sir.

(b) Does not arise.

Shri Sanganna: May I know whether this question was discussed at the World Bank Governors' Conference held at Washington in which India was represented by the Finance Minister?

Shri B. R. Bhagat: If, by this question, the hon. Member means raising loans in the Indian market in Indian rupees, then, Sir, this was not discussed.

SAW MILL

*532. **Shri Morarka:** Will the Minister of Defence be pleased to state:

(a) whether the attention of Government has been drawn to the obser-

vation made by the Public Accounts Committee in their Ninth Report that in the matter of disposal of a Saw Mill, in spite of favourable legal opinion, Government did not enforce the terms of the agreement but released the stores at 40 per cent. of the book value on the ground that it was in pursuance of a new policy decided by Government to sell surplus plant and machinery to industrial users; and

(b) whether Government have any intention to pursue this matter and fix the responsibility on those who did not guard the public interests?

The Deputy Minister of Defence (Sardar Majithia): (a) Yes.

(b) Yes.

Shri Morarka: May I know whether the Government has since recovered hire charges amounting to more than Rs. 60,000 from this party?

Sardar Majithia: The question relates to sale. In those negotiations the hire charges were also taken into account.

Shri Morarka: May I know whether the hire charges for the period 1945 to 1949 had been recovered? Because the sale was effected—as I understand—in 1949, I want to know whether this amount of Rs. 60,000 which, as the Minister says was taken into consideration, related to the period 1945-49?

Sardar Majithia: It has not been recovered.

Shri S. C. Samanta: How was this matter enquired into?

I want to know whether any Committee has been set up.

Sardar Majithia: I am personally looking into this matter now.

NATIONAL DRUGS LABORATORY, LUCRNOW

*533. **Shri Sarangadhar Das:** Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) the number of Scientific Officers and Research Assistants working in