

by Government on the recommendations contained in their Two Hundred and Eighteenth Report (Fifth Lok Sabha) relating to Illegal Import of Gold.

12.46 hrs.

COMMITTEE ON PRIVATE MEMBERS BILLS AND RESOLUTIONS

SIXTEENTH REPORT

SHRI VINODBHAI B. SHETH (Jamnagar): I beg to present the Sixteenth Report of the Committee on Private Members' Bills and Resolutions.

There is a change of sex in my name, in every paper that I receive, it is 'Bai' and not 'Bhai'. I request you to kindly have it corrected, Mr. Speaker

MR. SPEAKER: You won't become a Bai by that.

SHRI KANWAR LAL GUPTA: Your office has changed his sex. Ask your office not to change his sex.

MR. SPEAKER: You are quite right. He is a good-looking man. Now, Item No 12.

12.47 hrs.

STATEMENT RE. ALLEGED TRANSFER OF 10-11 MILLION DOLLARS TO A SWISS BANK

THE MINISTER OF EXTERNAL AFFAIRS (SHRI ATAL BIHARI VAJ-PAYEE): Mr. Speaker, Sir, the Hon'ble Member, Shri S. N. Mishra, in a statement made in the House on March 2, 1978, had referred to \$ 10 to 11 million having been paid into a Swiss bank during the previous Government's rule and sought explanations of the manner in which the Ministry of External Affairs was involved in it. I have carefully enquired into these payments.

It is correct that two payments of \$5.5 million each were sanctioned on March 15 and October 28, 1976. These

payments were in accordance with the terms of a commercial transaction between the Government of India and the Government of Iran negotiated by our Economic Affairs Department under orders of the then Prime Minister. In accordance with the terms of the agreement, part payments had to be made in Switzerland. Therefore funds were provided under the head of special discretionary expenditure in the budget of the Ministry of External Affairs. The amounts were paid by cheque and did not involve any illegal payments to any Indian.

I would also like to clarify the position regarding some other matters to which the member had alluded in his statement. The Ashoka Traders with which Hinduja family is associated is a Company registered in Iran. It is not an Indian company and was not as far we know recipient of this payment. The Kudremukh agreement or sales of cement and sugar to Iran had also nothing to do with these payments.

Having clarified the relevant facts about transactions which were authorised by the previous Government, I would like to state that the present Government has decided that in current and future agreements, there is to be no provision of such part payment. At the same time I would like to affirm that we consider it to be in our national interest to develop our relations with Iran. We intend to promote trust, mutually beneficial cooperation and confidence with Iran especially after close rapport and far reaching understanding arrived at during the visit of His Imperial Majesty Shahenahah last February. It would be contrary to our policies and intentions if any misunderstanding should have been created as a result of past transactions.

MR. SPEAKER: Now, the statement by the Hon. Minister for Agriculture.

SHRI SHYAMNANDAN MISHRA (Begusarai): Sir, I am not asking any question on the statement made by the Minister of External Affairs.

The question is that I had not brought in the relationship between India and Iran at any stage during the course of my statement. So, the hon. Minister is not correct in inferring that anything to that effect had been said in my statement. So, I reserve my right to make comments on the statement made by the Minister later.

SHRI SAUGATA ROY (Barrackpore): Sir, I seek one clarification on the Minister's statement. He has made a very important statement. I want to know whether the Minister means that there is any commission payment made for any deal between India and Iran

MR SPEAKER: That question does not arise hereafter. It was on a payment made earlier and he is merely explaining it

SHRI SAUGATA ROY: He said no part payment will be allowed I want to know whether it will be prohibited

MR SPEAKER: In that manner no payment was made He said that.

12.52 hrs.

STATEMENT RE PRICE AND PROCUREMENT POLICY FOR WHEAT FOR 1978-79 MARKETING SEASON

THE MINISTER OF AGRICULTURE AND IRRIGATION (SHRI SURJIT SINGH BARNALA): Government have considered carefully the recommendations of the Agricultural Prices Commission on the price and procurement policy for wheat for the 1978-79 rabi marketing season and have also discussed the recommendations made therein with the Chief Ministers/Food Ministers/Agriculture Ministers of the wheat producing States.

In the light of these discussions, Government have taken the following decisions:

(i) Keeping in view the need to maintain the incentive for securing increased production of wheat, it has been decided to fix the procurement price for wheat of fair average quality at Rs. 112.50 per quintal for all varieties as against the level of Rs. 110 per quintal fixed last year.

(ii) The issue price of wheat for stocks released from the Central Pool for public distribution system will be maintained at Rs. 125 per quintal.

(iii) The increase in the procurement price, with the issue price being kept unchanged, would normally result in additional subsidy to be borne by the Government of India. However, discussions will be held with the wheat surplus States to persuade them to effect reductions in the procurement charges like mandi charges, sales tax etc., so that the increase in the procurement price is absorbed to the extent possible.

(iv) The procurement of wheat by the State Public agencies will be mainly by way of support operations and, as such, no Statewise targets have been fixed for procurement of wheat. The State Governments will be advised not to enforce any levy on producers/traders. Extensive arrangements will be made for price support to ensure that all stocks of wheat conforming to the specifications laid down by the Government and offered by the producers are purchased at the procurement price.

(v) In order to ensure easy open market availability for consumers as well as to enable the farmer to get a price higher than the procurement price, if possible, the policy of free movement of wheat throughout the country, introduced last year will be continued.