

[Shri Raghavachari]

but purely an administrative convenience. Keeping in view the feeling in the country and among the various sections of the House, it would be in the interests of fair administration of law for the Government to agree for such a tribunal.

REHABILITATION FINANCE ADMINISTRATION

Mr. Chairman: Now we take up the half-an-hour discussion.

Shri V. P. Nayar (Chirayinkil): Mr. Chairman, Sir, I am raising this discussion to bring within the focus of attention of this House, certain very despicable affairs which have been happening in what we call the Rehabilitation Finance Administration. The points on which I would like to raise, as enumerated in the notice which I gave, are the following:

- (1) Lack of proper, efficient or adequate control of Government over the Rehabilitation Finance Administration.
- (2) Disregard of governmental rules in the matter of appointments in the Rehabilitation Finance Administration which is spending crores of Rupees.
- (3) The huge drain from funds of the Rehabilitation Finance Administration towards the meeting of establishment charges.
- (4) The favouritism or nepotism prevailing in the administration and
- (5) The extreme necessity of appointing a Parliamentary Commission to investigate into the affairs of the Rehabilitation Finance Administration.

This Government has absolutely no control worth the name, over this Administration which has already spent

Rs. 7 to Rs. 8 crores. They may claim to have some control. I find from the enclosure to a letter which my hon. friend Mr. A. C. Guha was kind enough to send me, that all the appointments to the higher posts are made either by Government direct or with the prior sanction of the Government. For example, the post of the Chief Administrator is an appointment to be made by Government. Then the posts of Deputy Chief Administrator and the Assistant Chief Administrator, Managers, Chief Accountants, Secretary and Internal Auditor are to be made by the Administration, subject to the prior approval of Government. So there are certain rules under which Government could have assumed some control, but what I submit is this; there has been absolutely no control over the affairs of the Rehabilitation Finance Administration, and by the negligence or acquiescence or whatever it is of this Government, the Rehabilitation Finance Administration has actually been reduced to an organisation which affords more protection to those of the retired pets of this Government than to the actual refugee who wants money for starting some business.

In answer to a question, the Government has revealed that all the three Administrators whom we have had were retired officials. We know that this is a work which calls for all the skills and tools of administration, and we know that people with unquestionable honesty and integrity should be appointed, but what we find is that certain persons are picked up from somewhere, why I do not know.

For example, I will relate the case of Mr. S. S. Rachhpal which has been given in answer to a question, that he was formerly in the Imperial Bank of India. Mr. Rachhpal is succeeded by another, Mr. Ram Gopal. Mr. Ram Gopal did not come from the same Imperial Bank of India. He was perhaps from the Finance Ministry. And then when Mr. Ram Gopal retires, when he goes away from the Administration, you find another man from the Audit

Department. I am unable to find out what was the common qualification of all these three retired officials. Except perhaps the fact that they are retired officials, they have nothing in common, no experience of the same kind. You will also realise how Government have chosen to consider the case of Mr. S. S. Rachhpal. He was for a long time—for several decades—in the Imperial Bank of India. The Imperial Bank of India never wanted to continue his services. It is not known what pay he was getting there. In appointing him, the Government have violated the Fundamental Rules also. You will find that the Fundamental Rules provide that in cases of re-employment of officers who have retired, only one interest should prevail and that is public interest. Here I would just like to quote one sentence from a letter written to me by the Home Ministry in reply to a letter which I sent to hon. Dr. Katju. This is what the Home Ministry stated:

“The general policy is that this is only done” (this meaning re-employment of retired officials) “where public interest is to be served. It is not done to the benefit of individual interests.”

I suppose the Home Ministry has the authority to say this. But what we find is that contrary to the rules laid down by Government, the retired officials are not only given fabulous salaries, but are also given the pension which they were drawing. It is really very strange. We have some employees, who have been re-employed after retirement, who are not given the pension, but only the pay. But in the case of Mr. Ram Gopal, Government have chosen to give him in addition to Rs. 3,000 a month—probably the pension has not been given, because the pension amount had not been decided upon. I find in the corresponding column in the statement that the pension matter is pending consideration—a gratuity of Rs. 3,000 also per year. I have never heard of a person who is re-employed after retirement

being allowed to draw his pension, and also given a gratuity. That is certainly a personal benefit, and is against the terms of service laid down by the Home Ministry.

We know that the Rehabilitation Finance Administration has already disbursed thousands of loans. We know also that these loans are not given as doles, but for some industrial or commercial purposes, with the result that when money is difficult to get otherwise, this institution working in the way it does gives some chances to the really crafty persons with bad intentions, and gives to some at least, very great scope for corruption. I would like to point out how the affairs have been mismanaged.

You will be surprised to know that this organisation which has spent crores of rupees has never had an audit, worth its name. You, have created an officer of the highest authority for audit of Government's expenses, under the Constitution, viz. the Auditor-General. Why don't you have faith on him and have the accounts examined by him? It will be said that they are arranging to have the accounts audited by him, but they do not say anything about the audit of accounts in regard to the money which has already been spent. Now they say they have appointed an internal auditor, probably in 1952. This House wants to know how the money has been spent, because we are very suspicious about it. I shall presently give out the names and the relationship of certain officers who are now in this organisation, and that will explain why we have to view the R.F.A.'s administration with suspicion.

In answer to one of my questions, Government gave a list of 24 officers in the Rehabilitation Finance Administration, drawing a pay of over Rs. 500. It is a very interesting list, and it is worth study by every hon. Member. Here is an instance of one Mr. V. P. Gupta. He was an Assistant Manager in the Court of Wards at Bara Banki somewhere in U.P. You know that the Court of Wards has been abolished, consequent on the

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Zamindari Abolition Act, and perhaps if he had continued there, he would have been jobless. There he was getting only Rs. 350, and now he has been rehabilitated, by being given a pay of Rs. 1,000. It was surprising to me to find out that this V. P. Gupta is none other than Mr. Ved Prakash Gupta, who is the direct brother of Mr. Om Prakash Gupta, who was the Deputy Secretary to the Finance Ministry, dealing with the papers of the Rehabilitation Finance Administration. I put it to Mr. Guha to contradict, if he can.

There is another gentleman by name Mr. Roshan Lal. He was an inspector in charge of National Savings Bank Ltd., Bombay. He was drawing a pay of Rs. 550 there. Now he is getting a pay of Rs. 850 in the R.F.A. My information is that this Mr. Roshan Lal is the direct brother of the person who appointed him, viz Mr. S. S. Rachhpal.

I wish very much that Mr. Guha contradicts me here also. Then, Sir, there is a case.....

Shri Tek Chand (Ambala-Simla): On a matter of clarification, Sir. What is a 'direct' brother and what is an 'indirect' brother?

Shri V. P. Nayar: That is for the hon. Member himself to find out if he does not know.

Dr. M. M. Das (Burdwan—Reserved—Sch. Castes): My hon. friend forgets that charity begins at home.

Kumari Annie Mascarene (Trivandrum): That is what is going on.

Shri V. P. Nayar: I am really glad that Dr. Das had put some questions on the R.F.A. and I am sure he is interested in it. There are ever so many people. For example, there is again another S. N. Ahuja. If the Finance Minister wants to have details about Mr. Ahuja and Mr. Rachhpal, I can give them. These are all in the list. Outside the list also there are some people who are very closely related. The Finance Minister will kind-

ly inquire whether there is one Mr. Nangia. He is the brother of the son-in-law of Mr. Rachhpal. There is Bhola Nath another relation of Mr. Rachhpal. I can give you many more instances, but I do not want to tire the House. What is more surprising to me is not the appointment of these gentlemen. There are certain names in the list furnished which strongly suggest—I do not say, positively or conclusively—a close relationship with some of members of the advisory body also. I do not want to discuss this matter because it will be below the dignity of the House to go into this matter. (*Interruptions*).

Mr. Chairman: May I request the hon. Member not to insinuate in a matter of this importance against the members of the advisory body. There are many Members of this House also in that body and there is insinuation against them also. Either he should be able to give definite facts about them or he should not insinuate.

Shri V. P. Nayar: I never said that and I never wanted to insinuate any Member of this House. I only said that there was a strong smell suggesting close relationship, because the surnames in some cases do suggest like that.

Lala Achint Ram (Hissar): Share that smell with others also.

The Deputy Minister of Finance (Shri A. C. Guha): Sir, so many allegations have been made and I think Government should get at least 15 minutes to reply.

Mr. Chairman: The hon. Minister will get full time to reply in a matter of this nature when such allegations are made.

Babu Ramnarayan Singh (Hazari-bagh West): Why not deny the allegations? It does not even take a minute.

Shri V. P. Nayar: There are also others about whose relationship with the members I do not wish to tire the House. That is why I say that no

other body than a very compact Committee of this Parliament should go into and investigate this matter. Sir, when a body is given crores of rupees and when nepotism of such a character is allowed to have its way, what will be the result? I remember on a former occasion in a confidential letter Mr. Chintaman Deshmukh himself wrote to me that "if it might happen that some relations had been appointed by mistake; what was wrong there?" and that relations could also have a place in service if they were qualified. But here it is not a case like that. Out of 24 names given, so many are known relatives of the first degree. I do not know how many unknown relatives there will be. This is the character of the administration Graft and nothing else.

One minute more, Sir—because Mr. Guha had taken some time—and I will finish.

That is why I wanted that a Committee should inquire into this. You will also find that loans have been disbursed in a very haphazard manner. Some loans from Rs. 5,000 to Rs. 10,000 have been disbursed in thousands. I know specific cases of loans having been disbursed—I do not mean now, not during the regime of the present advisory body, but in olden times when everything was said to be in confusion—to people without the guarantors ever being traceable. There are 65 cases like that as admitted by the hon. Minister. You can imagine the state of affairs when a body spends crores of rupees financing loans to persons on the guarantee of persons who impersonate as genuine guarantors. Either they impersonate or collude with the administration and personify that they are so and so and make it possible for the loanees without bona fides to draw the money. This has happened. In view of all this, I submit that this House be good enough to consider my suggestion that a Parliamentary Commission should be appointed. Thank you, Sir.

1 P.M.

Shri A. M. Thomas (Ernakulam): Sir, I do not want to go into the appointments to this department. Figures given in answers to questions put in this House show that the working capital of this organisation has been about Rs. 6 crores and the establishment charges come to a big amount out of all proportion to the amount advanced. I am aware of the fact that we should not adopt the ordinary standards which we adopt in the working of joint stock companies, but at the same time, I would like to know the nature and the volume of work transacted by this Corporation, the number of applications received and disposed of and so on so as to justify the big amount that has been spent towards the establishment.

Shri V. P. Nayar: I can give you.

Many Hon. Members rose—

Mr. Chairman: I cannot allow every hon. Member to take part in this discussion. Only those who have given their names already will be allowed to speak.

Shrimati Renu Chakravartty (Basirhat): May I ask one question, Sir? Why are all the officers who have been appointed in this Corporation paid a far higher salary than that at which they had previously worked? Specially because, as some speakers have said already, it is not a commercial concern and has something to do with refugees in a situation when the refugees themselves are unable to rehabilitate themselves through loans etc. I want to ask this question. The other question is, whether it is a fact that out of the 6 crores of rupees distributed, one crore of rupees has been spent on administrative charges? If that is so, why?

Shri V. P. Nayar: Rs. 98.8 lakhs!

Shrimati Sucheta Kripalani (New Delhi): Mr. Chairman, I had originally not intended to participate in this debate because I happen to be connected with the Board as are many other Members of the House. But from the very sweeping nature of the charges

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made I felt I was called upon to make a few remarks. I am the last person.....

Mr. Chairman: May I just remind the hon. Lady Member that only questions can be put.

Shrimati Sucheta Kripalani: I see. What is to be done? I thought it was a discussion.

Mr. Chairman: No discussion. Only questions are allowed.

Shrimati Sucheta Kripalani: Then I would like the hon. Minister to enlighten us in view of the fact that Mr. Nayar made a remark that loans were disbursed to "guilty" persons deliberately with a "guilty purpose" or something to that effect.

Shri A. C. Guha: Guilty persons?

Shrimati Sucheta Kripalani: Yes, what he meant to say was that these parties were dishonest, that the guarantors were dishonest and deliberately worked in collusion with the administration. I would like the hon. Minister to enlighten the House as to the method that is followed by the Administration in disbursing loans, the details of the procedure and the different hands through which the loan papers have to pass before they are finalised.

Mr. Chairman: There is no other member who has given his name.

Shri Gidwani (Thana): I had sent in my name.

Mr. Chairman: No.

Shri K. K. Basu (Diamond Harbour): I sent in my name this morning.

Mr. Chairman: No other name has been sent to me.

Shri K. K. Basu: When we get the notice, we send our names in the morning. That has been done.

Shri Gidwani: I gave my name early morning. It is there.

Shri K. K. Basu: In that case, we should have a peon book.

Mr. Chairman: All right. Mr. Basu.

Shri K. K. Basu: I would like to know from the Minister as to the exact scope of the functioning of the Advisory body, and to what extent it has a voice in the appointment of different administrators or persons connected with the administration. Secondly, when the loans are granted, has this administration or this advisory body anything to do with the manner in which the loans are utilised, whether the persons who take the loans are actually using them and so on?

Shri Gidwani: I want to know whether it is a fact that the Administrator who retired after three years was given Rs. 10,000 as gratuity and whether it is a fact that there are officers who have received 400 per cent. promotions—those who were drawing Rs. 350 are today drawing Rs. 1,200.—one officer who was drawing Rs. 200, is today drawing Rs. 800. You can enquire and let me know whether it is a fact, and if so, why it has been done. Have not many officers in the Administration been superseded and certain persons who have a pull in the higher departments or in the Ministry, or for various reasons which I cannot go into at this moment, have been given these promotions, and this has created a lot of discontent?

Shri B. K. Das (Contai): I want to have one clarification about the output of work done by the Administration. Sometime back in 1950, I think—there was a committee appointed by the Advisory Board with Dr. Gidwani and some others as members. They observed that the amount spent on establishment was rather high in comparison with the output of work. They also observed that the establishment charges were undoubtedly very high in relation to output; but perhaps, the nature of the work justified it to some extent. Since 1951, when new applications were called for, many thousand applications were submitted, and I

want to have an idea of what has been the output since then, in relation to expenditure, monthly or yearly.

Mr. Chairman: I would like to adjourn the House now, unless hon. Members think that the hon. Minister can finish his reply. If we can do that, so much the better.

Shri A. C. Guha: I may take fifteen to 20' minutes—not more than that.

Mr. Chairman: I think we might continue till the Minister's reply is over, say, for 15 minutes or so.

Shri V. P. Nayar: The Member gets 15 minutes, the Minister also gets 15 minutes.

Mr. Chairman: I am afraid I cannot entertain any complaint of this nature. And we cannot compress time in this way. If 15 minutes are taken by the mover of the debate and 15 by the hon. Minister, how time is to be found for the members who put questions in half an hour discussion? The hon. Minister.

Shri A. C. Guha: Sir, the allegations made in this discussion are of a varied nature, and I should say the allegations cover practically every aspect of the working of the Rehabilitation Finance Administration. In the beginning, I should like to say to the Members of the House that the R.F.A. is not a banking organization; nor is it a charitable organization. There have been several times criticisms against the R.F.A. in this House, but those criticisms have been mostly, or I can say solely, just from the opposite point of view. There have been allegations that there are too many restrictions, too many formalities and that things are not done expeditiously. I think several Members connected with the R.F.A. came to me ever since I took over charge of this institution, and told me that the R.F.A. requires more accommodation, that it requires more staff. It is under-staffed. So, allegations have always been from the other point of view, not from the point of view that it is being over-staffed. I think there is some confusion about

the figure for Establishment Charges. The figure which was quoted here was Rs. 98,00,000. This includes provision for bad and doubtful debts i.e. Rs. 21,00,000. I do not think it will come under the "Establishment Charges" of the R.F.A.

There are several other items amounting to Rs. 28,00,000 which should not be included in the Establishment Charges of the R.F.A. So the total Establishment Charges of the R.F.A. would come to only Rs. 70,00,000. The R.F.A. has disbursed only Rs. 7,00,000 which would mean 10 per cent.

Then the R.F.A.'s function is not only to disburse the money; it has to investigate into a large number of applications. So far it has received 65,000 applications out of which it has sanctioned a loan only for 15,000. The following is a brief statement:

Applications received	... 65,000
Sanctioned	15,000
Rejected	... 35,000
Under consideration	... 15,000

The sanctioning of applications, I think, involves less labour than the rejection of an application. 35,000 rejected applications must have involved at least four times the labour for 15,000 sanctioned applications. When they consider the work of R.F.A. the Members simply keep their attention on the money disbursed but they do not consider what number of applications the R.F.A. has to consider. Even an application, which may be absolutely frivolous from the point of view of R.F.A. has to be investigated into and the investigation covers the entire area of the country except perhaps Travancore, Madras and Mysore. Sir, if the hon. Member does not mind, I should state here that but for the fact that he comes from the farthest corner of India where there is hardly any refugee question he would not have tabled a motion like this. Had he been conversant with the refugee problem as the Members from the other parts of India are, I think, his criticism would not have been from this point of view.

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Then I would submit that the R.F.A. is not a bank nor is it a charitable institution. It is a mixture of the two. There is a certain amount of risk and I think the Government of India was wise enough and bold enough to take that risk. The rehabilitation problem and the refugee problem are to be tackled as something on a war footing and the Government decided to take that risk. If human suffering is to be alleviated, I think anybody would rightly concede that certain amount of risk is necessary.

Shri K. K. Basu: What about officers' pay?

Shri A. C. Guha: The hon. Member need not be impatient.

The first charge made by the hon. Member in his speech is that the Government has got practically no control over this organisation. The R.F.A. is an autonomous body. A special Act has been passed by this House for the control and administration of this organisation. The House knows certain responsibilities vest with this House or with the Government in regulating and supervising the activities of this organisation. I think the House would realise that the Government cannot have more than an overall supervisory control over an autonomous body. We cannot go on interfering with the day to day activities of an autonomous body. Then the autonomous character of the organisation would have been practically neutralised. Government could have run this organisation, departmentally, as rehabilitation work is being done departmentally. But Government decided that this work should not be done departmentally, but should be carried on through an autonomous body. Naturally, Government control is limited by the provisions of the Act which set up this autonomous body.

Even then Government has taken precautions to see that this House has some control and some knowledge about the activities of this organisa-

tion. In this connection I may give the House the composition of the Administration. The Chief Administrator is the chairman; there are four officials, one from the Finance Ministry, one from the Rehabilitation Ministry, one nominee of the Punjab Government and one nominee of the West Bengal Government. Then there are four non-officials, Mrs. Sucheta Kripalani, Mr. Chandulal Parekh, Mr. Lakshmi Kanta Maitra, and another member Mr. Santokh Singh, who is not a member of the Parliament. This House, therefore, cannot have any complaint that the working of the Rehabilitation Finance Administration is not being supervised by Government.

Besides this administration there is also an Advisory Board. The members of the Advisory Board are:

Shri Rohini Kumar Chaudhuri,
Shri Basanta Kumar Das.
Pandit Thakur Das Bhargava.
Shri Avadesh Prasad Sinha,
Shri Amolakh Chand Jain,
Shri Achint Ram, and
Dr. Choithram Gidwani.

All members are either of this House or of the other House. This Advisory Board has got control over the affairs of this body. There has never been any complaint from any members of the Board that the Board has not got any work to do or has not got any responsibility to discharge. If Dr. Gidwani had any complaint to make he would have come long ago before this House, because he has been associated with this organisation for a pretty long time. As Mr. B. K. Das referred he was one of the members of the sub-committee which went into the working expenses of this organisation. The sub-committee came to the conclusion that under the special circumstances the ratio of expenditure has to be somewhat higher than an ordinary bank or a similar institution.

Shri Gidwani: On a matter of personal explanation, I would like to point out that the records of the Rehabilitation Finance Administration would show that at every meeting I have moved a number of resolutions. This time I have sent two resolutions.

Shri A. C. Guha: As regards the pay and emoluments of the officers, I should at the very beginning say they are not Government officers.

Shri V. P. Nayar: In what sense?

Shri A. C. Guha: They are officers of that Administration: they are not Government officers. As for their pay and emoluments the first Administrator, Mr. Rachhpal, before joining the Administration was not a Government servant. He was getting his pension from the Imperial Bank which again is not a Government office. So, from the point of view of his pension, or from the point of view of his appointment in this Administration, he cannot come under the rules and regulations of Government servants or retired Government servants.

The second man was of course a retired government servant, but he was not getting his pension while he was here in the Administration.

Shri V. P. Nayar: That is not correct. In the statement it is said that his pension has not been decided. It is only after deciding the amount that the pension will be dispersed. Before that he was drawing Rs. 3,000 and when pension is settled he can have it too.

Shri A. C. Guha: The information I have in my possession is that he was not getting his pension. I shall again check it up.

Shri Gidwani: What about Rs. 10,000 gratuity.

Shri A. C. Guha: For the present incumbent we wrote to the Comptroller and Auditor-General to suggest names and he suggested two names. His was the first name. So we selected him. So it was at the suggestion of

the Comptroller and Auditor-General that he was selected. As for Mr. Rachhpal he was selected from the Imperial Bank or the Reserve Bank—may be the Reserve Bank. And before joining the Administration he was, I think, in some *ad hoc* appointment under the Bihar Government, reorganising the entire co-operative organisation of the Bihar Government.

Shri V. P. Nayar: On what pay?

Shri A. C. Guha: I think he was getting the same pay or nearabout the same pay.

Shri V. P. Nayar: In the Imperial Bank what was he getting?

Shri A. C. Guha: In the Imperial Bank, I do not know. But I think in Bihar he was getting the same pay or nearabout the same pay.

I should also add that the R.F.A. employees are not entitled to any pension. There is provident fund, but there is only the employee's contribution; there is no contribution from the Administration. So they do not get that kind of provident fund benefit also. Then there are no medical facilities also provided for them except for the Chief Administrator. Till very recently they were not getting any accommodation facilities also. They are all temporary employees—with security of their service. They were working under some difficulties. As for the pay I think I should take out one or two cases.

Shri Gidwani: As regards Mr. Ram Gopal he will get pension quite all right. Yet he got Rs. 10,000.

Shri V. P. Nayar: I submit Mr. Guha is wrong. In the statement in the case of Mr. Rachhpal it is said: "Entitled to pension and medical concessions as per Government servants or corresponding status under the Central Services (Medical Attendance) Rules". It is a statement furnished by the hon. Minister himself.

Shri A. C. Guha: But he was an employee of the Imperial Bank. And if he gets pension, it is from the Imperial Bank, not from Government.

Shri V. P. Nayar: I do not understand how an officer who is not put under Government service gets pension and medical facilities according to the terms applicable to Government servants.

Shri A. C. Guha: I shall explain. The R.F.A. has its rules and regulations for recruitment and also for the regulation of their service conditions. Under these regulations the Chief Administrator, the first and second Administrator—I am not sure about the third man—only the Chief Administrator might have been getting some medical facilities. And the rules and regulations may provide that certain of the government service facilities may be provided for them. But they are not Government servants and they are not governed by the Government Servants Conduct Rules. There are separate rules and regulations for them. And I think in my reply I have stated that under section 10 of the R.F.A. Act certain rules and regulations for recruitment and for regulating their service conditions have been framed. It is there.

Shri V. P. Nayar: On the 10th August you stated that they are getting medical facilities.

Shri A. C. Guha: I have said that except for the Chief Administrator there is no medical facility for other employees.

Prof. D. C. Sharma (Hoshiarpur): So it means they have the best of both the worlds!

Shri A. C. Guha: As regards audit it is not true that we have got only an internal audit. There is also external audit and the auditor is appointed with the sanction of the Government of India. I think the hon. Member has already mentioned it that in the Bill pending before the House it has been provided that the Comptroller and Auditor-General should in

future audit the accounts of this Administration. It has not been possible for the Comptroller and Auditor-General to audit all the accounts of these autonomous bodies. The Government is now having so many Corporations and industrial concerns. I do not think it will be possible for the Comptroller and Auditor-General to audit all the accounts. But it is not true that there has been no external audit for the R.F.A. and that there has been only internal audit. Internal audit is there. It is done by an employee of the Administration. Besides the internal audit, there has been an external audit through an established firm. With the approval of the Central Government, that Chartered Accountants firm was selected to audit the accounts. Besides that, the Administration has been frequently consulting the Comptroller and Auditor-General about any matter of audit which may come before them. Very recently, a representative of the Comptroller and Auditor General has audited the accounts of the Administration and if there is any improvement to be done, he must have made a report, or he is going to make a report. I am not sure whether any report has been submitted or not. He has inspected the accounts very recently. Besides this, there are also Regional Advisory committees at Calcutta and Bombay. Government has taken every precaution to see that the working of this Administration may have a proper check and supervision.

Then, the last request of the hon. Member was that there should be a Parliamentary Commission to enquire into the working of this Administration.

Shri V. P. Nayar: What about nepotism and favouritism?

Shri Sinhasan Singh (Gorakhpur Distt.—South): The hon. Minister has not replied to the point about the appointment of relatives.

Shrimati Sucheta Kripalani: My question has not been answered.

Shri V. P. Nayar: You do not want to discuss the obvious or what is it?

Mr. Chairman: The hon. Member has already mentioned his points to the House.

Shri A. C. Guha: The hon. Member has mentioned some names. I think in a previous discussion of a similar nature, he also referred to some names. I have not got the history roll and family history of the employees of this Corporation or of all the Government officers. There may have been some officers connected with or related to some officers of the Government departments. It is not my business to enquire into the family roll of all these officials. I can say only this much. We cannot put a ban on any candidate simply because he is connected with or related to some officials somewhere.

Shri K. K. Basu: Do not put a ban; put a premium.

Shri Gidwani: You put a 400 per cent. premium.

Shri A. C. Guha: We are not going to put any premium. If there has been any lapse we are ready to look into and remedy that. I think it is the function of the Administration to recruit these officers and responsible Members of this House are functioning in the Administration. I can safely say that the Members of this House who are functioning in the Administration must have seen to it that the proper person is recruited and in a proper manner.

As regards pay.....

Shri Namdhari (Fazilka-Sirsa): If a man who is an Indian national and has got all the qualifications that are required, happens to have the bad luck of having a relative as an officer, should he be barred? What is this justice?

Mr. Chairman: Order, order; I think the Member is arrogating to himself the function of the hon. Minister. The hon. Minister may continue.

Shri A. C. Guha: I should mention one thing here. The list that was submitted showed only the present pay. The second man in this establishment is the Deputy Chief Administrator. He is getting I think Rs. 1,750. He was appointed in this establishment only on Rs. 1,100 or 1,150. During the course of 5 or 6 years, he should have got his increments. He was appointed manager of a local branch. Then, when there was a vacancy of the Deputy Chief Administrator, this man was found quite suitable and he was brought here on a salary of Rs. 1,500 or something like that. The previous incumbent was getting Rs. 2,250. The Administration took the step to economise and the pay was reduced from 2,250 to 1,500. I think during the last two or three years, he should have got his usual promotions.

Prof. D. C. Sharma: On a point of order may I know by what law of gravitation the relations of these officers have gravitated towards this department? (*laughter*).

Mr. Chairman: Order, order. It is not a matter for laughter. After all, this is Parliament, and I would request the hon. Member not to put his point of order in such a sarcastic and ridiculing manner. The very question was put in different words by one of the Members, and it is being replied to. This is not a place for ridiculing any person. After all, he must be very serious.

Prof. D. C. Sharma: I think the law of gravitation.....

Mr. Chairman: There is no question of law of gravitation at all. The hon. Member should resume his seat.

Shri A. C. Guha: I should like to draw your attention to this point, that it is not possible for any Minister or anybody to go into the family history of the several lakhs of officers of the Government of India; and if somebody is related to somebody, we are not supposed to know, we cannot know, it is impossible for us to know. And if allegations are made that X is related

[Shri A. C. Guha]

to Y, or Y is related to Z, we have nothing to verify, and it is not the function of the Government to verify it.

Shri S. S. More (Sholapur): May I ask for some information?

Mr. Chairman: The hon. Minister is not giving way. After he has finished, he can seek information.

Shri A. C. Guha: I would humbly submit to the House that such allegations that somebody is related to somebody else should not be taken seriously because, that by itself is not an offence.

Several Hon. Members: Why?

Shri A. C. Guha: Why should it be? Because it is not possible for this House or for any Minister to verify if X is related to Y or that he is not related to Y.

Several Hon. Members: Why?

Mr. Chairman: I think the hon. Minister should be allowed to continue. After all, he has to make a reply. If hon. Members make such interruptions, how can he go on?

Shri V. P. Nayar rose—

Mr. Chairman: The hon. Member must be prepared to listen to the reply. If the reply is not satisfactory, he can have his own view. At the same time, the hon. Minister should be allowed to have his say.

Shri S. S. More: May I make a submission?

Mr. Chairman: There is no question of making a submission. The hon. Minister Shri Guha is yet in possession of the House.

Shri S. S. More: He is making certain statements which are contrary to the declarations of Government.

Mr. Chairman: I would just ask the hon. Member to resume his seat. This is not the time to make a speech again when the hon. Minister is continuing.

Shrimati Sucheta Kripalani: May I ask for a little more clarification? May I know what is the total number of staff appointed by the Rehabilitation Finance Administration, and how many cases have been mentioned of persons who are supposed to be relatives of other Government servants?

Shri A. C. Guha: The total staff, I think, is about 650, and he has mentioned about five or six cases. If it is the function of anybody to go into the history of the candidates, that is the function of the Selection Board and of the Administration in which several responsible Members of this House are represented. That Board is composed of several responsible Members of this House, and I can say.....

Shri V. P. Nayar: You have stated in your letter to me that the Chief Administrator can, with the prior approval of Government, appoint Inspectors, Superintendents, Accountants and Assistant Superintendents. It is such officers I refer to. The Advisory Board does not come in at all.

Shri A. C. Guha: If any power is delegated to the Administrator or any other officer, that is done by the Administration, and I shall again repeat that in that Administration and in its Advisory Board there are responsible Members of this House, and I can say they are competent enough to take care of all these things.

The House then adjourned till a Quarter Past Eight of the Clock on Thursday, the 3rd September, 1953.