

Talks

Shri Surendranath Dwivedy (Kendrapara): What you have said is that because there was not enough time to get information, you put down the Call Attention Motion for answer. But the Prime Minister says that all the information at his disposal has been given.

Shri Jawaharlal Nehru: All information at our disposal after enquiry has been placed before the House except the details of flights. (*Interruptions*).

Mr. Speaker: Order, order. Shri Morarji Desai.

completed and a report made by them to the two Governments and the latter have had an opportunity of considering it. Meanwhile, I would suggest that no credence be given to the rather fanciful accounts of what is alleged to have been discussed at the meetings which have been appearing in the Press.

Shri Panigrahi (Puri) rose—

Mr. Speaker: Hon. Members may put it in writing if they want any clarification.

STATEMENT RE: INDO-PAKISTAN
FINANCIAL TALKS

The Minister of Finance (Shri Morarji Desai): With your permission, Sir, I propose to make a short statement on the talks held here last week between the officials of the two Governments on the Financial Issues outstanding between India and Pakistan. Hon. Members will recall the statement I made in the House on the 19th of November regarding the first round of these discussions held in Karachi last October. In the meeting last week these discussions were continued and the bulk of the remaining ground in regard to the outstanding matters was covered. Some items, relating mainly to the balance-sheet of the Central Government, still remain to be cleared and it has been tentatively agreed that a further meeting should be held towards the end of this month to clear these up. As I mentioned in my last statement, the official discussions are largely of the nature of fact-finding with reference to the arrangements for evaluation of assets and liabilities and their allocation as settled at the time of partition. I am sure the House will not expect me to mention details of the various points on which the officials have been able to agree or disagree. The proper occasion for this will be when the discussion have been

12.23 hrs.

BUSINESS OF THE HOUSE

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): With your permission, Sir, I rise to announce that Government Business in this House for Monday, the 21st and Tuesday, the 22nd December, 1959, will consist of—

- (1) Further discussion of the motion moved by the Minister for Food and Agriculture regarding food situation;
- (2) Consideration of any item of Legislative Business carried over from today's Order Paper;
- (3) Consideration and passing of the Motor Vehicles (Amendment) Bill, 1959;
- (4) Consideration of motions for modification of the Coal Mines Rescue Rules, 1959;
- (5) Consideration of motion for modification of the Petroleum and Natural Gas Rules, 1959; and
- (6) Discussion on the First and Second Annual Report of the Orissa Mining Corporation on

a motion to be moved by Shri Chintamani Panigrahi on the 22nd December, at 4 P.M.

12.24 hrs.

MINERAL OILS (ADDITIONAL DUTIES OF EXCISE AND CUSTOMS) AMENDMENT BILL

The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi): Sir, on behalf of the Finance Minister I beg to move:

"That the Bill to amend the Mineral Oils (Additional Duties of Excise and Customs) Act, 1958 be taken into consideration."

The Bill seeks to amend the Mineral Oils (Additional Duties of Excise and Customs) Act, 1958, so as to enable the Government to mop up for the public exchequer, with retrospective effect for the period 1st April, 1959 to 31st October, 1959, part of the price reductions agreed to by the principal companies distributing mineral oil products in India, in respect of certain categories of mineral oils, which has not been so mopped up already.

It may be recalled that the oil companies agreed to an *ad hoc* reduction of prices, amounting to about Rs. 10 crores a year, in respect of the same categories of mineral oils with effect from 20th May, 1958, pending evolution of a new price formula after due examination by a Cost Accounts Officer appointed by Government. As a result of further discussions between the companies and the Government, after receipt of the report of the Cost Accounts Officer, another *ad hoc* agreement has since been reached in October 1959, by which the companies agreed to reduce their prices by a further sum of about 3 crores for the first seven months of the current financial year and, with effect from 1st November, 1959, at the rate of about another Rs. 9 crores a year.

Having regard to the necessity of mobilising all available resources for successful attainment of Plan targets, and the price reductions being not of such magnitude which could give any appreciable benefit to the consumers, and as there could be no guarantee that the proposed reductions may not be absorbed by middlemen, it was decided in May 1958, that the benefit of the *ad hoc* price reductions made then should accrue to Government. With this object in view, the President was pleased to promulgate an Ordinance known as the Mineral Oils (Additional Duties of Excise and Customs) Ordinance, 1958 on 30th June, 1958 under which additional central excise, and counter-vailing customs duties, became leviable with effect from 20th May, 1958, within certain ceiling rates of duty, the effective rates being left to be fixed by notification. This Ordinance was subsequently replaced by an Act passed by Parliament in August, 1958. These increased duties were borne by the companies themselves and the consumer prices were not correspondingly raised. That position would still continue.

The price reductions as per the agreement last year and the agreement reached recently this year, taken together, cover three periods:—

- (i) from 20th May, 1958 to 31st March, 1959;
- (ii) from 1st April, 1959 to 31st October, 1959; and
- (iii) from 1st November, 1959 onwards.

In so far as the period from 20th May, 1958 to 31st March, 1959 and from 1st November, 1959 onwards are concerned, notifications have already been issued under the Mineral Oils (Additional Duties of Excise and Customs) Act, 1958, specifying the effective rates of the additional duties, and thus the price reductions during those two periods, have already been mopped up.