

been provided, but electricity is expected to be made available by the Delhi Electricity Supply Undertaking by the end of this month. As the sewers in the colony cannot function without electricity, the quarters cannot be occupied. These have not, therefore, been allotted yet. Sites have been ear-marked for the construction of school buildings.

#### Fertilizer Factory in Madras

716. **Shri Tangamani:** Will the Minister of Commerce and Industry be pleased to refer to the reply given to Unstarred Question No. 1909 on the 8th April, 1960 and state:

(a) the present stage of the construction of fertilizer factory at Ennore near Madras;

(b) the amount of foreign exchange involved; and

(c) the nature of help rendered by the British firm Simon-Carves Ltd.?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):**

(a) According to the information so far available, land has been acquired and levelling of the factory site is in progress.

(b) Rs. 180 lakhs.

(c) Simon Carves Ltd. are helping M/s. East India Distilleries and Sugar Factories Ltd., Madras in designing and fabricating the equipment and will undertake to erect and commission the plant. A loan to meet a part of foreign exchange expenditure has also been promised.

12 hrs.

RE: MOTION FOR ADJOURNMENT

#### PALAI CENTRAL BANK

**Shri Braj Raj Singh (Ferozabad):** Sir, I want to seek your protection in regard to one thing. With respect to my adjournment motion on the closure of the Palai Central Bank you have been pleased to write to

me that a Short Notice Question may be tabled. I have no objection in tabling a Short Notice Question. But, Sir, thousands of depositors are very anxious to know what is the exact position. The statement made here by the Finance Minister has been, to our knowledge, contradicted by a Managing Director of the Bank and it has been published in the papers. That statement says that liquid assets to the extent of Rs. 4.5 crores are available with the bank. The Finance Minister made another statement here. We want to know what is the truth in these two contradictory statements and how the interests of the depositors are being safeguarded because many middle-class and lower-class people have been affected.

**Mr. Speaker:** Order, order. I cannot allow the hon. Member to go on like this. He tabled an adjournment motion. It was only day before yesterday or two days ago that a big statement was made by the hon. Finance Minister. Some Managing Director or some Director of the Bank has chosen to contradict it. I do not know; I have not even got the material here on which I can go. I have suggested to the hon. Member that he may table a Short Notice Question and elicit the answer from the hon. Minister. I will send it on to the hon. Minister. In his statement the hon. Minister categorically stated that the amount available was only a little over Rs. 1 crore whereas the outstandings are about Rs. 8 crores. On the other hand, if the Managing Director says that liquid assets worth Rs. 4 crores are now available, the hon. Member may table a Short Notice Question and elicit the truth. Nobody is going to take away whatever is there, whether liquid or fixed. Therefore, there is no meaning in interrupting the proceedings. I definitely informed the hon. Member in my letter that I will allow him to table a Short Notice Question. I said that it is a serious matter and I will give an opportunity to the House to know

what is happening but that I must give notice to the hon. Minister.

**Shri T. B. Vittal Rao (Khammam):** Sir, my hon. colleagues Sarvashri Punnoose and Vasudevan Nair have given notice of a motion for discussion on this subject. That may be taken up as early as possible so that we can know the correct position. I find that the directors are going about freely without being arrested when such a big crash has occurred. All these things could be discussed if that motion is taken up.

**Mr. Speaker:** I have not seen it.

**Shri D. C. Sharma (Gurdaspur):** Sir, we should have a discussion on this subject. Over five thousand families have been affected.

**Mr. Speaker:** Oral appeals are not granted. If there is a written motion I will look into it.

**Shri Tangamani (Madurai):** There are more than a thousand families who have got their deposits in this bank. They are all now.....

**Mr. Speaker:** I have not yet seen that notice for a discussion. I disposed of all the papers that I received yesterday.

**Shri Punnoose (Ambalapuzha):** Have you not received our notice?

**Mr. Speaker:** No. I disposed of all the papers last night.

**Shri Punnoose:** Shri George Thomas Kottukapally, a Member of this House, Sir, is one of the Directors of the Bank. He has given the information that there are very serious inaccuracies in the statement made by the hon. Finance Minister. May I know whether the hon. Finance Minister is aware of it, and what is the exact position?

**Mr. Speaker:** Order, order. This is not the manner in which these things could be brought up. He says that

there are very serious inaccuracies and so on. The hon. Member may point them out to the hon. Minister and he will come prepared to answer all of them. No useful purpose will be served by asking questions like this.

**Shri A. C. Guha (Barasat):** May I make a small submission? This is a very serious matter and it should be discussed in this House. Immediate action should be taken so that the bank may be restored to its normal work. I think, Sir, there may be some possibility yet to put the bank on some proper footing. There may be some proposal for amalgamation or reconstruction.

**Mr. Speaker:** I am really surprised that even an ex-Minister makes this observation here in this House.

**Shri A. C. Guha:** Yes, I know that I was in charge of banks as Minister of States in the Ministry of Finance.

**Mr. Speaker:** Order, order. Will he resume his seat or not. Hon. Member ought not to have the indulgence of standing while I am on my legs. The hon. Minister has said that an adjudicator has been appointed and the bank is in liquidation. That is the step that has been taken. He categorically referred to the various opportunities that have been given to this bank by the Reserve Bank to set it right and the irregularities were pointed out. But in spite of all this, he said, nothing has been done. He also said that if new money is given it will be like throwing it into the waste-paper basket.

Nobody denies it is a serious matter. As a matter of fact, the hon. Finance Minister was prepared to answer questions there and then, he was not prepared to put it off to the next day. Therefore, nobody wants to shirk the issue or avoid a discussion. But this is not the way; every hon. Member getting up and asking for a discussion. If hon. Members

[Mr. Speaker]

want to have a discussion, let them give notice of a proper motion and I will consider it. -

**Shri T. B. Vittal Rao:** It has been given.

**Mr. Speaker:** It has not yet come to my notice. I will look into it today.

**Shri Narayanankutty Menon (Mukandapuram):** A liquidator has not yet been appointed; there is only an interim liquidator.

**Mr. Speaker:** He is a liquidator all the same.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** Sir, the Finance Minister has made a statement, and I think he mentioned that day that he would if necessary make another statement. The Governor of the Reserve Bank is coming here today, I believe. This is a matter of importance, importance in the human sense apart from the financial sense, because large numbers of people are involved. Therefore, we beg hon. Members, everybody present here, not to say anything which will make matters more difficult from that human point of view. It is all very well for us to express our sympathy, but those who express their sympathy one way or the other may actually injure the cause they may have at heart, because these are delicate things when banks are concerned. But all the facts are here. There is no question of our having to go a long distance to have them. The Finance Minister, no doubt, will take you, Sir, and the House into confidence as to what the position is and then, later, certainly, it may be discussed in this House fully.

**Shri T. B. Vittal Rao:** What about the directors? (*Interruption*).

**Shri Jawaharlal Nehru:** I do submit, Sir that even these questions are barred questions, leading questions

which affect the situation, and it is difficult to answer them because if one answers them it may be bad for the bank, it may be bad for the directors. How can one deal with them in this casual way?

**Shri Tyagi (Dehra Dun):** There is a lot of anxiety and alarm in the mind of the people and those who have been affected by this incident. May I expect a statement from the Government to the effect that they are doing their very best to safeguard the interests of those who have deposited money and some action is going to be taken soon so that those people may be satisfied?

**Mr. Speaker:** Order, order. I am not going to allow this to go on in this day. I am really surprised at the manner in which this discussion is going on a very serious subject. An adjournment motion was tabled. The hon. Minister did not want to put it off. To give him some time I wanted to treat it as a Calling Attention Notice. But the hon. Minister was ready with his information to give it then and there. If other facts have come to the notice of any hon. Member or hon. Members have some more questions to put, they can table a Short Notice Question, table a Calling Attention Notice or give notice of a motion for a discussion. These are all the various ways in which the matter can be brought up, not immediately after the Question Hour every hon. Member getting up and making a submission which it is impossible for any hon. Minister to reply to.

**The Minister of Finance (Shri Morarji Desai):** May I say, Sir, that it is a matter of very grave importance, certainly when a bank has been taken into liquidation and many people are affected. Many poor people have been affected and are in difficulties. All that Government realises and understands. It is therefore that I am making enquiries into the matter and trying to see what best can be

done under the circumstances for the depositors. And, may I say, everything possible will be done to safeguard as much for the depositors as it is humanly possible to do. That is being done.

As regards the telegram which was received by some hon. Members, a copy of which was sent to me, where it is said that the figures given by me are contradictory to, the figures given by him it is not possible for me to give a reply straight off saying that these figures are right or the other figures are right. The figures that I have given were given from the Reserve Bank's report and they related to a time before 29th July. They are not upto-date figures. It is possible some figures that are now received may have some other relevance. But I am trying to tally all those figures. But all those figures do not make any difference to the fact that there is a large amount of loans and advances which is irrecoverable, that which is sticky also comes to a large amount. That is the main thing. Therefore, it becomes a difficult problem, and that is why the bank had to go into liquidation. Otherwise the bank would not have gone into liquidation. But all this is being enquired into and I am trying to see what can be done.

About the directors or other people, whoever is responsible for mismanagement or for doing wrong things, we will certainly try to bring them to book according to law. I hope nobody is interested in seeing that somebody's head should be cut off immediately today because somebody is angry about it. That is not possible to do. We have got to take the process according to law and we will certainly try to put the law into motion completely.

**Shri T. B. Vittal Rao:** The only thing is, delay should be avoided.

12-12 hrs.

#### RE: MOTION OF PRIVILEGE

**Shri Vajpayee (Balrampur):** Sir, may I know what has been the fate of my privilege motion? I gave notice of that motion on the 8th August. Five days nearly have passed and I fail to understand why the Defence Minister should be..... (Interruption).

**Mr. Speaker:** Order, order. The hon. Member is impetuous. I disposed of that privilege motion. I refused to grant permission. There is no question of privilege there. I ascertained from the hon. Minister. What was given was a very small statement without being verified and with this material some privilege motion is brought and immediately the demand is made that the hon. Minister must answer it. It is rather curious. How can we get along with the work in this House? I passed orders yesterday refusing to grant permission, and I asked my office to show the papers to him.

**Shri Vajpayee:** I was not shown the papers.

**Mr. Speaker:** The Question Hour is not the time for such things! He can see all the papers at 1 O'clock. If he had come at 10 O'clock this morning he could have made enquiries and got the information.

**Shri Vajpayee:** I was here.

**Mr. Speaker:** Then he might have asked the Secretary instead of asking me now here. Once again, I repeat for the information of hon. Members that there is a Notice Office and there is an Enquiry Office. There is a separate Superintendent in charge of it. Any hon. Member who wants any information regarding the Secretariat's work here may please go there and get the information. It is in the threshold there. They can make enquiries. If any hon. Member is not satisfied with the information, I am