

Shri S. M. Banerjee: That is true, Sir, but there has been delay.

Mr. Speaker: Well, if there was any trouble, certainly it has been called off. The hon. Member must be glad about the strike having been called off.

Shri T. B. Vittal Rao (Khammam): But it has taken 25 days for making the statement.

Shri S. M. Banerjee: It has become a story!

Shri Abid Ali: This matter is within the State sphere. It is not within the Central sphere. When I asked the State to supply me the information, they said that the matters were under negotiation. As soon as negotiations were completed, the strike was called off.

Mr. Speaker: We are happy in this matter.

12.05 hrs.

STATEMENT RE: FINANCE MINISTER'S REPLY TO GENERAL DISCUSSION ON BUDGET (GENERAL)

Shri V. P. Nayar (Quilon): I make this statement, in order to clear certain misunderstandings created in the minds of Members, by the Finance Minister in his concluding speech on the budget on the 10th March, in reply to certain criticisms made by me, in the general discussion on the budget.

In my speech, I had pointed out certain restrictive conditions imposed in some of the U.S. loans, which affected India's national honour and self-respect. In his reply to my criticism, the Finance Minister deliberately suppressed certain facts and even.....

Mr. Speaker: Why this language—"deliberately suppressed"? I do not want such a language to be used

either by a Member against a Minister or by a Minister against a Member.

Shri V. P. Nayar: I am only using what I wrote to you. The Finance Minister called me 'ungrateful'.

Mr. Speaker: He need not use those words as far as possible.

Shri V. P. Nayar: It is a prepared statement, and I cannot take out the words.....

Mr. Speaker: The hon. Member may omit those words.

Shri V. P. Nayar: The Finance Minister even went to the extent of suggesting things in order to score debating points.

Mr. Speaker: Even that is bad.

Shri Narasimhan (Krishnagiri): In cases like this, when a Member by way of an explanation comes out later with a statement, is it not the practice or is it not desirable that a copy is given to the Speaker before-hand?

Shri V. P. Nayar: I have done it. I do not give explanation. The hon. Member knows how to give!

Mr. Speaker: I do not know how it escaped my notice this time. In such cases, where any hon. Member or a Minister wants to correct a statement, they hand me a copy and I pass it on to the other side so that both of them may know the position. Here, I am sorry; I shall be a little more careful in the future.

Shri V. P. Nayar: May I submit, Sir, that I have not used here even a single word or expression which I have not used in the letter which I sent to you?

Mr. Speaker: Even then, it is bad.

Shri V. P. Nayar: The facts in question are of such vital importance to our country, and especially its future that I feel it my duty to clear the misunderstandings thus created by

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the Finance Minister in his attempt to defend the loans in question which as on 31st November, 1959, had exceeded a sum of Rs. 565 crores.

I had contended that one of the D.L.F. agreements had a provision by which India was forbidden to use the loan funds for purchases on global tenders and I had also quoted the relevant article of the agreement restricting our purchases to areas mentioned in code 99 of the I.C.A. Geographic Code. The Finance Minister answered this point thus:

"The difficulty was that he did not know what the code book was. Therefore, he drew all sorts of inference from it. But the Geographic code book is here and we know what it is. Code 99 says that the area is world-wide; that means there should be global tenders. If only he had known that he would not have made that criticism which was absolutely unjustified".

The copy of the above code book dated 1st July, 1959, which was not in the Library when I made the speech, but which has now been obtained has code 99 detailed thus:

"99. World-wide (free world). Any country in the world except those listed under Codes 156, 180 and 435, and the participating country itself—

that is India—

"when used as a possible source of purchases".

Code 156 is UDDR, code 180 is with regard to all east European countries, and code 435 is China (mainland).

Mr. Speaker: Whenever an hon. Member points out an error in the statement of any other hon. Member, I will give an opportunity to the hon. Member, who is alleged to have made a mistake, to correct it and if he does not do so, I give an opportunity to

the other hon. Member to correct it. This is not an occasion where once again a speech ought to be made justifying what he did. All that he can say is, "This is what the hon. Minister said and this is the correction". More than that, the hon. Member cannot make a speech.

Shri V. P. Nayar: Sentence by sentence I want to contradict what the hon. Minister said.

Mr. Speaker: That is not necessary. He should only say, these are the mistakes and these are the corrections.

Shri V. P. Nayar: I have examined the rules and your directions also. It refers only to making a statement which is distinguished from placing a statement on the Table of the House, as we find every day the hon. Ministers do. I have made it as brief as I can. It is a very important subject and it covers a sum of Rs. 565 crores. I am only correcting the statement.

Mr. Speaker: He must only say, these are the mistakes and these are the corrections.

Shri V. P. Nayar: If with the knowledge of Code 99, the Finance Minister made the statement referred to, I submit that the only possible inference would be that he wanted to keep certain facts away from the House.

Mr. Speaker: All that is irrelevant. What is the correction?

Shri V. P. Nayar: The correction is, Code 99 does define the area.

Shri Narasimhan: On a point of order.

Mr. Speaker: No. I shall manage it myself. Let him say, this is the statement he has made and this is the correction. That is all which need be done now. Further, saying that this is honest, that is dishonest, etc.—those things do not arise. An expression of opinion is not called for. Otherwise, I would not allow it. Under the rules, he has got a right to correct the

statement, but beyond that, he is not entitled to make any other observations regarding what has been said.

Shri Narasimhan: Why not give a copy to you, Sir, beforehand and then proceed?

Shri V. P. Nayar: I have sent a letter to you, Sir, and I have sent a copy of that letter to the Finance Minister also.

Mr. Speaker: I have got his letter.

Shri Shree Narayan Das (Darbhanga): May I know whether the hon. Member is entitled to make a statement which has not been received by the Speaker beforehand? (*Interruption*).

Shri Narasimhan: He can do it tomorrow.

Shrimati Renu Chakravartty (Basirhat): Why should he do it tomorrow? Uncomfortable truths have come out.

Shri V. P. Nayar: I contend, therefore, that the provisions of the geographic code had restricted the areas of purchase.....

Mr. Speaker: Has the hon. Member sent me a copy of the statement?

Shri V. P. Nayar: I have sent you a long letter. I am not raising any point which is not contained in that letter.

Mr. Speaker: I am not going to allow.

Shri V. P. Nayar: Where is it stated, Sir, that you want the statement?

The Minister of Finance (Shri Morarji Desai): I have got a copy of that letter. It was not this.

Mr. Speaker: Let him send me a copy of the statement and let me look into it. I am entitled to say about the language also and what are the points which have to be corrected and what

is the correction. This is all that ought to be done. I never wanted a statement of this kind to be made. I was under the impression that the statement has been sent to me. But inadvertently it has escaped my notice. Now it is clear that the statement has not been sent to me. The only point is, if he has written a letter and I have asked him to send the statement, he must have sent the statement. He has said enough about this matter. Let us proceed.

Shri V. P. Nayar: I have sent you a letter in which I have placed three or four points. I do not want to raise a single point outside that.

Mr. Speaker: Let him send the correction to me; I will look into it.

Shri V. P. Nayar: I had also represented to you that there will be no more occasion to raise this point and seek a clarification. I am relying only on certain documents; I do not say anything offhand.

Mr. Speaker: Let him send to me the points which he wants to be corrected and also the corrections. I shall go through them. They have not been sent to me.

Shri V. P. Nayar: They have been sent. Kindly check it up, Sir. I have sent a letter running to three typed pages. I have not sought to raise a single point outside that.

Mr. Speaker: I shall look into it and call him again.

Shri Morarji Desai: He has already made the allegations, and it is better that I explain what it is. I don't mind; I am ready with it.

Shri Nagi Reddy (Anantapur): He has not yet finished his statement. The hon. Minister cannot speak now.

Shri H. N. Mukerjee (Calcutta—Central): Sir, I only came lately and I discovered in the Order Paper that under your direction, a certain hon.

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Member, Shri V. P. Nayar, was to make a statement. Normally, I should take it, that before you give the direction for inclusion of this item, you would have had this statement sent to you and taken whatever steps were necessary before the matter was placed on the Order Paper. We have come to Parliament and we are prepared to listen to a statement which under your authorisation is going to be made. But we are having all kinds of interruptions from all sides of the House. If you desire that the statement should again be scrutinised by you and that the statement should go to the Finance Minister and he should also have his say in regard to that matter, you can tell us, so that we can be spared all this trouble of having to listen to an interrupted proceeding. What I do not understand is, on the Order Paper there is an item that a certain hon. Member is to make a statement and when he gets up to make that statement, all kinds of extraneous matters come up. I am very sorry to have to say it here.

Mr. Speaker: Is he reading only the letter that he wrote to me?

Shri V. P. Nayar: I shall not raise any point outside that. I shall not use the expressions which I have used in that letter. I know I have used the expression in that letter that the Finance Minister has been guilty of....

Mr. Speaker: He need not repeat all that. Is he reading only that letter?

Shri V. P. Nayar: Reading that letter is no good. That was intended to be a letter, but this is intended to be a statement to convey information to the House.

Mr. Speaker: Let him give me a copy of the statement and I will call him tomorrow.

Shri V. P. Nayar: Yes, Sir.

Mr. Speaker: It is true; Shri Mukerjee says I have included it in the Order Paper. I am not going to deny him the privilege of making a statement here to correct what according to him is wrong. I have merely received a copy of the letter and not the statement. Usually the statement is sent to me, so that I might find it out and instead of being taken by surprise here, I can allow such portions as can be given out on the floor of the House. Therefore, nothing is lost. I would like to have a copy of the statement. I will call him again tomorrow. This is only adjourned till tomorrow.

Shri H. N. Mukerjee: I think it is only fair that the Finance Minister also had a copy of the statement; so that he can give his answer, if he has got any.

Mr. Speaker: Let him give me a copy of the statement.

Shri V. P. Nayar: If I have not submitted a copy of the statement to you earlier, it is only because although I contacted several officials and although I made some personal request to you, I was not required to give the statement.

Mr. Speaker: I am sorry.

Shri V. P. Nayar: I had taken particular care that a copy of the letter I wrote to you was sent on the same day to the Finance Minister. I shall give a copy to you and you may do whatever corrections you think are necessary, but I want it to be read.

Shri Morarji Desai: He had already sent a letter to you a copy of which was sent to me. I had also heard from you about this matter and I had replied to it too. This is the letter that he has sent and the points are there. But what he has included today is the criticism of this. That is the only part of it.

Shri Nagi Reddy: It is not the criticism; it is an explanation of the points.

Shri Morarji Desai: Call it explanation or by whatever name you like. But the damage is already done. What he has said today will already go to the Press. It is, therefore, necessary that I shall be enabled to speak about it today. Let it not be adjourned; let him say whatever he wants and let him finish it today.

Ch. Ranbir Singh (Rohtak): The Finance Bill had already been adopted by the House and he is making a fresh speech now.

Mr. Speaker: The hon. Member does not follow.

Some Hon. Members: On a point of order.

Mr. Speaker: Can this go on like this? I am not going to hear any more points of order. The question is, when an hon. Minister or an hon. Member makes a statement and another hon. Member challenges that statement, it is open to that hon. Member to say that "My statement is correct and his is incorrect". To that extent I allow. Then he must indicate to me the points which according to him are correct and the incorrect statements made by the other side. He should send me a copy of the statement he wants to make. In all these things, he should confine himself only to pointing out the mistakes and how those are mistakes. Beyond that, no criticism is to be made. It is not another speech. I agree; we are not having a fresh speech now regarding the Finance Bill. Only the corrections have to be pointed out.

I wanted to be on the safer side and I wanted Shri Nayar to give me a copy of the statement. But inasmuch as the hon. Finance Minister feels that this may go on now, he may go on, omit such observations and conclude.

Dr. Ram Subhag Singh (Sasaram): It will be a wrong precedent.

Shri P. R. Patel (Mehsana): On a point of order. The hon. Member reads a statement, a copy of which has not been given to the Chair and to the hon. Minister, and the hon. Minister says "whatever the statement may be, he may be allowed to read; I will give my explanation". So, my point of order is this, that whatever be the statement, whatever be the reply by the hon. Minister, whatever be the sense of the House, whether under the rules such a statement can be allowed to be read. If it cannot be allowed, then the only course left for the Chair is not to allow the hon. Member to read the statement.

Mr. Speaker: The hon. Member has not been following the discussion closely. The hon. Shri V. P. Nayar has sent me a letter wherein he has pointed out these mistakes and corrections. Now, on that letter, he has made some observations. I had merely passed it on to the hon. Minister. So, the substance of the points that have been raised are within our knowledge. But in addition, he has included certain observations which, according to me, need not be allowed, as this is not a second speech. Information about the points to be raised by him has been given to the Finance Minister. I have also got that information. I wanted his statement to be strictly confined to the points that are raised, the correction and the other statement. But, in addition to that, he is making a statement. He has already done so. Thus, it is nothing new. He is elaborating his statement by way of observations. Let him conclude now.

Shri P. R. Patel: I suggest that his observations may not go to the press.

Shrimati Renu Chakravartty: Why not?

Shri V. P. Nayar: The second point on which the Finance Minister contradicted me is in respect of the loans from the U.S. Export-Import Bank. I had pointed out that these credits were also restrictive, from the point

of view of the area of purchases, preventing us from resorting to the cheapest sources for such purchases. In his reply the Finance Minister observed:

"As regards the credits that are given by the Eximbank, they have been available so far for being utilised through global tenders for making the most economical purchases."

Article I of the credit agreement between the Eximbank and India reads thus:

"Amount and purpose of Credit
Eximbank hereby establishes in favour of India a line of credit of not exceeding One Hundred Fifty Million Dollars (\$150,000,000) against which the Eximbank, acting independently or through one or more United States commercial banks, will make advances from time to time, subject to the terms and conditions hereinafter set forth to assist in financing the acquisition in the United States and exportation to India of capital equipment required in connection with the programme of economic development in India."

The Finance Ministry's own publication "External Assistance" at page 13 of the 1959 edition says:

Ch. Ranbir Singh: Is he correcting a statement?

Dr. Ram Subhag Singh: What precedents are we going to have in this House? Now he is making a statement....

Shri Tyagi (Dehra Dun): On a point of order.

Shri V. P. Nayar: I know this is quite unpalatable to you all.

Shri Tyagi: Sir, I want you to hear my point of order.

Mr. Speaker: Let us hear the point of order.

Shri Tyagi: A correction to a statement should be worded like this:

"in the place of these words the following words shall be substituted."

A correction cannot be a full-fledged statement. If you are pleased to permit him this time to make a statement, I would submit that it would form part of a convention in the House for the future and if these conventions are later on followed, the work in the House will become impossible.

Mr. Speaker: That is all right. The hon. Member must only say "this is the statement, this is the correction *vide* so and so".

Shri V. P. Nayar: I am only following your direction. The Finance Minister....

Ch. Ranbir Singh: Can he make a statement?

Shri V. P. Nayar: I am only giving facts.

Shri Tyagi: Sir, if you permit statements to be made like this, if you permit some hon. Members to make statements like this then political parties will come with full-fledged thesis and will put them before the House. (*Interruptions*). They should not be allowed to make speeches here. (*Interruptions*).

Mr. Speaker: Order, order. Let him continue.

Shri V. P. Nayar: The Finance Ministry's publication "External Assistance" 1959 edition, at page 13, says:.....

Mr. Speaker: What is the point? What is the correction? I have not been able to follow.

Shri V. P. Nayar: I have already stated the points. If my speech is broken like this, I am not at fault.

Mr. Speaker: Let him say "This is what I said. The hon. Minister corrected it. This is the truth. Look into this".

Shri V. P. Nayar: I have already stated that the Finance Minister had informed the House that the Exim-bank credits have no fetters in regard to their areas of purchase.

Shri Morarji Desai: How could I ever say that?

Shri V. P. Nayar: I am quoting certain authority from Government's publication, and I have extracted only that much portion of the sentence which is absolutely necessary to prove my case.

Shri Tyagi: This is not a subject before the House.

Shri V. P. Nayar: The publication says that the credit....

Shri Kamalnayan Bajaj (Wardha): By a second speech he is wasting the time of the House. It should not be allowed.

Shrimati Renu Chakravartty: Where is the wasting of the time of the House? Some wrong statements were made here and he is now attempting to correct them.

Shri V. P. Nayar: Those who do not want to hear can go to the Central Hall. The publication says:

"The credit is available for procurement in the United States, of capital equipment, machinery and related services...."

I am not reading it. Then the annual report of the Eximbank also clearly indicates—I do not want to quote because of your ruling—that the Export Import Bank credit can be utilized only for purchases within the United States (page 28).

Shri Morarji Desai: That is so.

Shri V. P. Nayar: While this is the fact, the Finance Minister chose to contradict me by placing certain other matters before the House which are not relevant and which are not based on facts.

The third important point on which the Finance Minister categorically contradicted me by making certain points was this.

Shri Tyagi: It is an answer, not a correction.

Shri V. P. Nayar: This is a contradiction of his correction. About the submission of certain returns the Finance Minister stated that the submission of reports are normal conditions in agreements between a lender and a borrower.

Shri Subbiah Ambalam (Ramanathapuram): Should there not be a time-limit for the speech?

Shri V. P. Nayar: He then stated,—this is very important....

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): This is a long speech. (*Interruptions*).

Shri V. P. Nayar: Sir, you had given me an opportunity to speak. Let me finish, I appeal to you.

Shri Morarji Desai: There is no third point.

Shri V. P. Nayar: I may be allowed to go on without being interrupted when I am speaking something very important. I am very much agitated over it.

Dr. Ram Subhag Singh: Sir, on that day you allowed the Defence Minister to make a statement which was not correct. Today also you are allowing something which is against the rules and regulations of this House. Kindly pardon me for saying so.

Shri V. P. Nayar: I know there is a procedure and there is a direction from the Speaker.

Mr. Speaker: I think there is no third point in his letter.

Shri V. P. Nayar: There is.

Shri Morarji Desai: There are only two points.

Shri V. P. Nayar: I have not merely stated three points but several other points.

Mr. Speaker: Let the hon. Member stop here.

Shri V. P. Nayar: On this point the hon. Finance Minister stated that India was called upon to submit only reports which India considered reasonable.

Shri Tyagi: Sir, again I have to raise a point of order. He can correct his own statement, but not the statement of the Finance Minister.

Shrimati Renu Chakravartty: Why not?

Shri Tyagi: The hon. Member can give an answer or correct his own statement. He cannot correct another hon. Member's or Minister's statement. He can correct only his own personal statement.

Mr. Speaker: I agree. Let us understand this very clearly. (*Interruptions*). Order, order. I am really sorry that hon. Members are standing on their seats like this and speaking simultaneously. The position is this. If an hon. Member makes a statement, if it is pointed out to him that his statement is wrong, he corrects it. Or, if he thinks his statement is right and it has been contradicted by another hon. Member, by himself he makes a statement. That may be right or wrong and no hon. Member takes exception to it. Or, in connection with the statement made by the other hon. Member, this hon. Member makes a statement and another hon.

Member contradicts it. The hon. Member who thinks that his statement is right is entitled to submit "my statement is right". But, if those points that were raised by Shri Nayar had not been contradicted by the hon. Minister, I would not have allowed him an opportunity to get up. Each hon. Member can make a right or wrong statement, and it is on record. But when it is contradicted by another hon. Member, it is open to this hon. Member to state "this is what I said. These are the points which have to be taken into account". No further speech is necessary. This is what he is doing now. Hon. Members need not interrupt him. He is coming to the end of the statement.

Shri Tyagi: I bow to your ruling. Of course, you are the best judge of the procedure of the House. But, in that case, if it becomes a precedent, we can drag back old discussions and again start controversies which are otherwise closed.

Shrimati Renu Chakravartty: The hon. Member says that it will become a precedent. There are precedents already. When discussion on the Chinakuri mine disaster took place, the Government objected to several points I had made in the speech and you asked me to produce documents and I had to prove my points were correct. If I could not do so, you would have permitted the correction.

Shri V. P. Nayar: I may also state that not merely did I send a letter to the hon. Finance Minister but I had a talk with him on the telephone when he said that all my points were wrong. That is why....

Mr. Speaker: That is all right.

Shri V. P. Nayar: As I submitted, it is not India which has to decide the reasonableness or otherwise of the agreement. The third point....

Shri Morarji Desai: The third point cannot come in now, because it is not mentioned in the letter.

Shri V. P. Nayar: You please read the letter.

Shri Morarji Desai: I have read the letter. It is here before me. Anybody can read it. I am prepared to read it.

Shri V. P. Nayar: Coming to the point.

Shri Morarji Desai: There is no third point at all.

Shri V. P. Nayar: It is there. It is an important point. Besides, there are many other points.

Mr. Speaker: He must now resume his seat.

Shri V. P. Nayar: Let me finish at least this point.

Mr. Speaker: I am not going to allow.

Shri V. P. Nayar: I am entitled to have my say in this.

Mr. Speaker: No, no. (*Interruptions*).

Shri V. P. Nayar: What is this? Am I offending you?

Mr. Speaker: Order, order. He is not offending me.

Shri V. P. Nayar: Then what is this?

Mr. Speaker: With respect to one matter, of course, he has drawn pointed attention. Several other hon. Members may feel that several other matters are bad. But nobody can answer several other matters and nobody can spring a surprise upon the other saying "I included several other matters in it and this is also one of those several other matters". Whatever points he specifically raised, about them I have allowed him to make a statement. I will now hear

the hon. Minister. With respect to the several other matters, they will be as vague as he has written in his letter and they do not call for an answer..... (*Interruption*).

Shri V. P. Nayar: You cannot say that my letter was vague. It was definite..... (*Interruption*).

Mr. Speaker: No..... (*Interruption*). I am not allowing the several other matters.... (*Interruption*).

Shri V. P. Nayar: No. As you know in an appeal memorandum.....

Mr. Speaker: Will he resume his seat?..... (*Interruption*). The hon. Member has gone on.....

Shri V. P. Nayar: I am reading this point.

Mr. Speaker: I am not going to allow several other matters.

Shri V. P. Nayar: You may kindly refresh your memory. It is there. I have said that.

Shri Morarji Desai: It is not there. I will read out what the hon. Member has said there.

"If necessary, I shall give you more proof to show that in making that statement, the Finance Minister's object was to score only a debating point."

It was only a question of more proof. There are only two points.... (*Interruption*). There is no third point.

Shri H. N. Mukerjee: My feeling is that what the House is interested in is to find the truth of the matter. The hon. Member here seems to allege that the hon. Finance Minister has misled the House by placing before the House certain statements which are not quite correct. He is quite entitled in that case to give you an opportunity first of all to find out whether he has a plausible case to show that the hon. Finance Minister made an inaccurate statement and

then to get from the hon. Finance Minister some kind of a response to that allegation. I am interested in finding out the truth and I do not like the idea of having to listen to a serious matter in the midst perhaps of unavoidable interruptions. I therefore submit to you that perhaps it is better that a full-fledged statement giving the particulars regarding the alleged inaccuracies is allowed to be made, the hon. Finance Minister is given a copy of the allegational statement and he is also permitted to make a statement in reply so that the House can make up its mind in regard to the matter. If that is not done, we are left in a very vague state of mind and it should not be allowed to continue.

Shri Tyagi rose.—

Mr. Speaker: Order, order. Shri Tyagi is irrepressible. I am sorry to say that. He has stated his point. Now let me proceed. What I say is this. I have allowed sufficient time to Shri Nayar regarding the specific points that have been raised by him in his letter. So far as the other points are concerned—he may have many other points also—they do not fall under the subject matter of this correction. Therefore that is enough.

So far as the general observation made by Shri H. N. Mukerjee, namely, that this has to be debated upon is concerned, vaguely how can we do that? I have allowed everything that has to be said. Instead of putting it off till tomorrow. The hon. Member has now to conclude. The hon. Minister.

Shri V. P. Nayar: May I read the article of the agreement?

Mr. Speaker: Not necessary..... (Interruption).

Shri V. P. Nayar: I want to read only the article of the agreement, nothing else.... (Interruption).

Mr. Speaker: That is not necessary.... (Interruption).

Shri V. P. Nayar: It is absolutely necessary.... (Interruption). I have made an allegation. It is for me to prove, otherwise I will go challenged. The article of the agreement reads thus:

Mr. Speaker: He refers to the article of the agreement. Is it not?

Shri V. P. Nayar: Article 8 of the agreement which the House must know because it is a very serious matter.... (Interruption). There are not enough copies in the House.

Mr. Speaker: I will ask him to read article 8 of the agreement.

Shri V. P. Nayar: Let him read article 7 of the agreement.....

Shri Tyagi: Under what rule is this procedure allowed? I want to know that. What is the rule under which this procedure is being permitted?

Shri Morarji Desai: Now, this is the reply to that..... (Interruption).

Shri V. P. Nayar: I shall give the rule. You will kindly refer to page 59 of the *Directions by the Speaker*. With the reading of the agreement I want to close. I hope you will permit me to read it.

Mr. Speaker: No, no. He will refer to clause 7 of the agreement.

Shri V. P. Nayar: Which agreement? There are many agreements.

Mr. Speaker: That is all right.

Shri Morarji Desai: I know. Whatever he says I am going to read out here.

Shri V. P. Nayar: Why do you not permit me?

Mr. Speaker: I am really surprised at this. An hon. Member is not entitled to quote whole books.

Shri V. P. Nayar: No.

Mr. Speaker: What is this kind of procedure about? He can make a reference and say that such and such a thing is there. If there is any challenge about it, it will be done. He will refer to it. I have allowed the hon. Member so much of indulgence. He goes on reading books after books. I cannot allow this. Now, the hon. Minister.

Shri Morarji Desai: Shri V. P. Nayar has made two allegations:

(i) I have indicated that Code 99 of the ICA, Geographic Code defines the area as "worldwide", whereas the Communist countries like the USSR the whole of Eastern European countries, the people's Republic of China and India as a participating country are also excluded.

That is the first allegation. The second allegation is:

According to the reported version of my speech the Exim Bank credit appears to have been described also as available for global tenders though the agreement signed between the President of India and the Export-Import Bank on the 12th June, 1958 specifically indicates that the loan was for acquisition of capital equipment in the United States.

These are the two allegations which Shri V. P. Nayar has made.

Shri V. P. Nayar: I have made many more later on.

Shri Morarji Desai: He can make a thousand if he likes. That does not matter to me.

As regards the first allegation, I should like to reiterate that Code 99 of the Geographic Code Book of US Government does describe the area as "worldwide". Shri Nayar accepts it but also refers to the explanation printed under the description in the Code Book. In actual practice, how-

ever, Government of India do not usually receive bids against any global tenders from Communist countries where competitive bidding is not possible. Moreover, these foreign loans are meant for meeting foreign exchange component of foreign purchases and there is no question of Government of India making these purchases in India. Therefore, in so far as the utilisation of these loans was concerned, from the point of view of Government of India's operation, the theoretical limitation imposed in the explanation to which Shri Nayar has now referred was not material. It should be remembered that I was replying to the general discussion on the budget and was trying to cover as far as possible the different points raised by different hon. Members here. I was hard pressed for time. I was, therefore, necessarily referring to only the most material points raised by the different hon. Members.

As regards the second allegation, it is regretted that my reply as reported in the uncorrected version of the debates contains a verbal mistake which should have been corrected earlier. The correct version should be:

"As regards American loans and credit except that given by Exim Bank they have been available so far for being utilised through global tenders for making the most economical purchases."

Shri V. P. Nayar: The printed debate also does not have that correction. . . . (Interruption).

Mr. Speaker: Very well; he corrects that now. . . . (Interruption).

Shri Morarji Desai: There can be no question of my ever saying that Exim Bank is available for anything outside USA. . . . (Interruption).

Shri Nagi Reddy: You said that. Please read it. . . . (Interruption).

Shri Morarji Desai: If it appears there, I have said that it is a mistake.

Shri V. P. Nayar: It was about two weeks ago. Why did he not correct it? *(Interruption)*.

Mr. Speaker: I am really surprised at this. Hon. Members are abusing this privilege of bringing to the notice of the House some mistakes. The hon. Member has pointed out those mistakes. I have given an opportunity to the hon. Minister. He says that he made a mistake. What more does he want? *(Interruption)*.

Shri Morarji Desai: I did not make a mistake *(Interruption)*.

Mr. Speaker: That is very wrong. Hon. Members must keep quiet.... *(Interruption)*.

Shri Nagi Reddy: He only said that there was a small, slight change. It is the biggest that he has made..... *(Interruption)*.

Mr. Speaker: Hon. Members may have their own notions about what is big and what is small. So far as the mistake is concerned, the hon. Minister says that it is a mistake.... *(Interruption)*.

Shri V. P. Nayar: In answering a debate..... *(Interruption)*.

Mr. Speaker: I am not going to allow any interruption.

Shri V. P. Nayar: In answering a debate, is it not the context that is material? If he had said yes or no, it makes no difference.... *(Interruption)*.

Shri Morarji Desai: I have already stated that it is regretted that the reply was not corrected earlier. Really speaking, there was no mistake made by me in the House because I could never in my dream say at any time that Exim Bank is allowed outside. That has a specific purpose. I have even said in this House that

Exim Bank has been created in order to increase the exports from America. That also is a statement that I have made in the House. How could I have otherwise said then? But it appeared in the report like that and it is regretted, as I said, that I did not correct it earlier. That is all that I am saying.... *(Interruption)*.

Then, the Government of United States of America established the Exim Bank about 25 years ago to finance the export of material and equipment produced or manufactured in the United States. This fact has been clarified to Parliament more than once already.

Shri Nagi Reddy: By whom?

Shri Morarji Desai: By me and by others too.

Shri Nagi Reddy: *(Interruption)*.

Shri Morarji Desai: I am saying here..... *(Interruption)*.

Mr. Speaker: Order, order. He has pointed out some mistake.

Shri Morarji Desai: The agreement signed with the Exim Bank on the 12th June, 1958, was placed in Parliament. The reply to supplementaries to Starred Question No. 256 answered on the 10th August, 1959 may also be referred to. It was clarified by the hon. Deputy Minister of Finance that the Exim Bank credit "is only for utilisation in the USA. This differs from other credits like DLF and others which can be used anywhere in the world". It has also been clarified in the Explanatory Memorandum on the budget for 1960-61 which I laid before Parliament on the 29th February, 1960 at page 158, item V, that the Exim Bank credit is available for procurement in the United States of capital equipment. There can, therefore, be no question of suppressing facts as alleged by Shri V. P. Nayar.

Shri H. N. Mukerjee: Sir, may I ask one little thing? It appears that

[Shri H. N. Mukerjee]

the hon. Minister made a mistake which somehow, by some kind of omission, was not even corrected when the uncorrected reports were printed. We are all happy that the proceedings are printed pretty promptly. If speeches of the Ministers which are rather important documents which can be referred to later only with reference to a particular volume in question, contain errors, it is rather a bad thing. Sir, I would like you to direct that at least the Ministers, however busy they might be, should correct their speeches, or get them corrected by their Secretaries.

Shri Morarji Desai: The Ministers do correct them and they must correct them. But if the Ministers sometimes make a lapse, then my hon. friends get a chance to go at them. They should be happy. (*Interruptions*).

Mr. Speaker: To err is human. All hon. Members also can do so. What I would like to urge upon all hon. Members in this case is, wherever there are mistakes made it is good to point them out if they are serious mistakes. When once those mistakes are pointed out and the hon. Member responsible for those mistakes says, "I have committed a mistake", then that is the end of it. There is no meaning in going on pursuing this matter as if this is a kind of inquisition. It is unnecessary. I am allowing a fair chance of mistakes to be corrected. If the hon. Minister had already corrected it, there would have been no chance for Shri Nayar to raise this here.

12.42 hrs.

DEMANDS FOR EXCESS GRANTS (RAILWAYS), 1957-58—contd.

Mr. Speaker: The House will now take up further discussion and voting on the Demands for Excess Grants in respect of the Budget (Railways) for 1957-58.

Out of one hour, 45 minutes have already been taken. Only 15 minutes are left. Shri Ram Krishan Gupta may continue his speech. He is not present here. Shri C. K. Bhattacharya. After him I will call Shri Warior.

Shri C. K. Bhattacharya (West Dinajpur): Mr. Speaker, Sir, I am glad that you have kindly given me an opportunity to speak on Demands for Excess Grants (Railways) for 1957-58. While speaking on the Railway Budget for 1957-58 I had occasion to draw the attention of the House as well as of the hon. Minister to a long-standing grievance of my constituency, that is, West Dinajpur. I am sorry to say uptillnow nothing has been done to remove that grievance though in the meantime I have repeatedly requested the hon. Minister to be kind to my constituency and get that grievance removed. Even now there is a way open to the hon. Minister to get that grievance removed and I request him to take steps in the matter as soon as possible. The district West Dinajpur, as the name indicates, suffers from the result of the partition of Bengal. Along with the partition of the State, the district itself was partitioned. The railway line through this district went to the share of Pakistan. So, this district has been left without any railway communication and without any easy conveyance to Calcutta or to other parts of the State uptill now. The people have been agitating for long to have some railway communication for giving them to an easy access to the city of Calcutta as well as to other parts of the State. But uptillnow that has not been done.

Sir, in order to prove the difficulties experienced by the people of this district, I may cite my own example. Parliament gives me a Railway pass but for the purpose of going to my own constituency that Railway pass is absolutely useless. It is easier for me to come to Delhi from Calcutta than to go to the headquarters of my own constituency. It takes 26 hours