

Matter of Urgent

Public Importance

MINUTES OF RULES COMMITTEE

Dr. Sushila Nayar (Jhansi): I beg to lay on the Table a copy of Minutes of the sitting of the Rules Committee held on the 31st August, 1957.

[Placed in Library. See No. S-247/57].

MESSAGE FROM RAJYA SABHA

Secretary: Sir, I have to report the following message received from the Secretary of Rajya Sabha:—

‘In accordance with the provisions of sub-rule (6) of rule 162 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I, am directed to return herewith the Finance (No. 2) Bill, 1957, which was passed by the Lok Sabha at its sitting held on the 28th August, 1957, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill.’

PETITION re. INDIAN POST OFFICE SAVINGS BANK RULES

Shri Rami Reddy (Cuddapah): I beg to present a petition signed by a petitioner relating to amendment of Indian Post Office Savings Bank Rules.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE**AMOUNTS PAYABLE BY INDIA TO PAKISTAN**

Shri Balkrishna Wasnik (Bhandara-Reserved—Sch. Castes): Under Rule 197, I beg to call the attention of the Minister of Finance to the following matter of urgent public importance and I request that he may make a statement thereon:

“The statement made by the Finance Minister of Pakistan regarding amounts payable by India to Pakistan.”

The Minister of Finance (Shri T. T. Krishnamachari): Mr. Speaker, Sir,

with your permission, I propose to make a short statement on the outstanding financial issues between India and Pakistan in regard to which I answered a question on the floor of this House on the 8th of last month. Since then certain statements have been made in the Pakistan National Assembly which may convey a wrong impression.

The House will remember that in August last year, a statement was laid on the Table of the House listing the more important of the outstanding financial issues. These were last discussed in May 1951 between the Finance Ministers of the two countries. They have been the subject matter of a number of subsequent discussions at Secretariat level; but, for a variety of reasons into which I do not think it is now necessary to enter, it has not been possible to arrange a meeting at Ministerial level. In March, 1955 my predecessor invited the then-Pakistan Finance Minister for a discussion, but owing to his other pre-occupations, he was unable to come. About a fortnight back, I received a suggestion from the Pakistan Finance Minister that we should meet and discuss the outstanding issues. I have accepted his suggestion and I hope that the meeting will take place as soon as possible after I return from my impending visit to the United States and Europe.

The outstanding issues between the two countries fall into three broad categories. The first relates to the determination of partition debt. Our estimate of this debt, so far as it concerned the two Central Governments, is that it will be of the order of about Rs. 300 crores. If the debt arising out of the partition of the province is also taken into account, it may be higher. The figure I mentioned gives only the order of the sum involved. The partition debt at the Centre is repayable in 50 equated instalments, the first of which fell due on the 15th August, 1952. Six instalments are today overdue. In the Budget for 1952-53, we took credit for a payment of

Rs. 9 crores on this account. Even on this very rough and clearly low figure, the amount overdue is over Rs. 50 crores.

The second category deals with matters arising out of the separation of the currencies of the two countries. The most important item is the assets remaining to be transferred out of the assets of the Issue Department of the Reserve Bank of India. The value is about Rs. 49 crores. The other items are relatively small and do not involve any substantial amount.

The third category relates to what may be broadly called post-partition transactions. A large volume of payments have been made in each country on behalf of the other which will have to be cleared up. On our side, the sum is of the order of Rs. 23 crores. I do not know what the sum on the Pakistan side is. All this will have to be gone into with the assistance of the Auditors General on both sides. Then we have a sum of Rs. 16.5 crores due to us on account of Defence stores supplied after partition to Pakistan for which, under an agreement entered into in May, 1948, they are due to pay us. There are also some rupee balances held by Pakistan in India about which there has been some argument. The sum thus held amounts to about Rs. 13 crores.

I do not wish to weary the House with a recital of the less important items. It is our intention to discuss all these items, both major and minor, in a frank and friendly way and strive to reach an overall settlement. I do not, therefore, wish to say any thing or take up any position in regard to any individual matter falling to be discussed, whatever the temptation or the provocation for it, which might in any way affect the discussion which we propose to have with the Pakistan Government. I only wish to emphasise that on the major outstanding issues, we should reach an overall settlement fair to both the countries.

This will be our approach at the ensuing meeting.

LEGISLATIVE COUNCILS BILL—
contd.

Mr. Speaker: The House will now resume further discussion on the Legislative Councils Bill, 1957. Out of 8 hours allotted for all stages of the Bill, 1 hour and 41 minutes have already been availed of and 6 hours and 19 minutes now remain. May I know the sense of the House as to how much time should be allotted to each stage of the Bill?

Shri Nagi Reddy (Anantapur): I want to submit that new and major amendments have been proposed by the Minister which have reached us this morning. Therefore, it becomes essential to have a general discussion for a longer time and also to increase the number of hours allotted to the Bill. I think some kind of adjustment should be made to increase the time first and then consider the time for each stage.

Sardar A. S. Saigal (Janjgir): You have allotted 8 hours for this Bill. I would request you to extend it by 2 hours more.

Shri Naushir Bharucha (East Khandesh): May I suggest 5½ hours for the first reading, 3 hours for the second reading, ½ hour for the third reading and the time be extended by one hour?

Mr. Speaker: What is the need for 5½ hours for the general discussion? There is no uniform rule with respect to each stage. I will give an opportunity to two or three Members to discuss the matter and come to a conclusion with respect to the time for each stage and then persuade the House to accept it or not to accept.

Shri Mohamed Imam (Chitaldrug): We oppose the entire Bill.

Mr. Speaker: The hon. Member will throw it out when I put it to the