

RAJYA SABHA

Wednesday, the 2nd August, 1967/the
11th Sravana, 1889 (Saka)

The House met at eleven of the
clock, MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

WEST BENGAL GOVERNMENT'S REQUEST FOR A MORATORIUM ON CENTRAL LOANS

*210. SHRI A. D. MANI: Will the
Minister of FINANCE be pleased to
state:

(a) whether the Government of
West Bengal has requested the Gov-
ernment of India for a moratorium on
loans given to it by the Union Gov-
ernment and interest due on them;
and

(b) what are the details thereof?

THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE (SHRI
K. C. PANT): (a) and (b) The Gov-
ernment of West Bengal had asked
for the postponement of the payment
of at least 50 per cent. of the princi-
pal and interest aggregating Rs. 33.50
crores due to the Centre during the
current year. This was said to be
necessary in order to balance their
budget.

The Government of India have re-
gretted they cannot agree to this post-
ponement.

SHRI A. D. MANI: May I ask the
Minister what is the total of the loan
taken so far by the West Bengal Gov-
ernment from the Union Government?

SHRI K. C. PANT: Well I can tell
him that the payment liability for the
year . . .

SHRI A. D. MANI: On a point of
order, Sir. When a question is tabled,
the Minister must be ready with all
the facts. He has not got the facts at
his disposal.

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SHRI K. C. PANT: May I say to
the hon. Member that the loans have
been given at different periods. There
are different loans on different terms
and we calculate the repayment due
during a particular year. But if I
go into all the loans that have been
given to the West Bengal Government,
it will be a very wrong way. The
particular point here is, what is the
repayment amount due? The repay-
ment due is, principal Rs. 22 crores
and interest Rs. 11.50 crores.

SHRI A. D. MANI: May I ask the
Minister whether any attempt has
been made by the Union Government
to find out whether the financial re-
sources at the disposal of the West
Bengal Government permit it to repay
the loan at some stage or other in-
cluding interest and whether it is
solvent. That is the question I want
to put.

SHRI MORARJI R. DESAI: In the
matter of these loans and interests, if
my hon. friend thinks that these loans
and interests ought to be written off
everywhere, then he must provide
certain resources at the disposal of the
Central Government to write them off.
The Central Government has borrow-
ed and has given the loans to the
State Government and they have
taken them. If they are not to be
returned by the State Government,
then how can the Central Government
give them loans in future? And now
also how are the Central Government
to return them? They have got to
give them back. Interests have been
taken into account by every Finance
Commission when it takes into ac-
count all the conditions, and they pro-
vide for this purpose. Therefore, it
is not a correct thing to say that it
is not possible for them to pay back.
Moreover, those Governments also re-
ceive interest from other people.

SHRI CHITTA BASU: Will the
hon. Minister be pleased to state
whether the West Bengal Government
has written to the Government of
India with regard to the consolidation

and rationalisation of the debts and also for the refixing of the rate of interest? That is my first question. Secondly, Sir, you know that out of the total amount of the Central aid to the States, 70 per cent is allocated on the basis of population and 30 per cent on the basis of special relief. May I know whether the West Bengal Government has written in this context to the Government of India for allocation of a greater amount under the head of special needs for this 30 per cent is in consideration of the special problems in West Bengal, namely, the influx of the refugees thereafter partition. And there are also problems arising due to its being a border State. Finally, there is the consideration of the special needs of Calcutta. It is not only a city of West Bengal, it is an all-India city, rather it is an international city today. May I know whether the Government of West Bengal has written about all these things to the Government of India and, if so, what is the reaction of the Government of India thereto?

SHRI K. C. PANT: So far as the question of consolidation of the loans and the rationalisation of the terms is concerned, that matter is under examination. So far as the criterion of allocation of Central assistance is concerned, the considerations which weighed with the Finance Commission are different from those of the Planning Commission and the Centre in determining the assistance for the Plans. So, the two cannot be equated. So far as the particular needs of West Bengal are concerned, many of the particular needs have been taken into account, for instance, the extra assistance required for relief measures, etc.

SHRI CHITTA BASU: Sir, . . .

MR. CHAIRMAN: Mr. Kulkarni.

SHRI CHITTA BASU: So many questions have been allowed. This is an important question.

MR. CHAIRMAN: I will give you an occasion later.

SHRI A. G. KULKARNI: May I know whether the Government is aware that the move to request the Centre for moratorium on different loans by State Governments has got something to do with social measures and schemes announced by State Governments and measures enunciated to carry the popular vote in the name of a request for moratorium on loans.

SHRI K. C. PANT: This is a question that should be directed to the States.

SHRI A. P. CHATTERJEE: Will the hon. Minister say when this loan, in respect of which the repayment is due, was taken, whether during the period of this Government or during the period of the Congress Government and whether the Congress Government also asked for any temporary moratorium on these repayments due to the Central Government?

SHRI K. C. PANT: Sir, the Government of West Bengal have been in existence since independence and it is that Government which took the loans.

SHRI ARJUN ARORA: May I know if the policy being followed in respect of the return of loan by the West Bengal Government is the same as is being followed by the Union Government in respect of other Governments?

SHRI MORARJI R. DESAI: Absolutely the same.

SHRI D. THENGARI: Has the Government adopted any criteria for granting or not granting moratorium on loans given to State Governments?

SHRI MORARJI R. DESAI: The criterion is that it is not possible to give it.

SHRI RAM NIWAS MIRDHA: May I know whether the so-called loans that are given to the State Governments are realised? The whole problem of loans to the States is really

in a very fantastic position because vast sums have been advanced to the States. They have almost always been defaulted upon. And the whole pattern of assistance by way of loans and grants to the States has to be rationalised in a way that loans become repayable or are repaid regularly in a realistic manner. Will the Finance Minister please say if they have any idea under consideration by which these loans could be turned into grants and that the future loans should be such as would be repaid in time?

SHRI MORARJI R. DESAI: These loans are not going to be turned into grants. That must be understood by all the States. Otherwise, it will not be possible to give any loan in future. Moreover, no loans have been forced on any State Governments. When they want loans, they persist in asking for loans and after they are given, now they say that it is a fantastic position. My hon. friend has just come from that State. Therefore, he thinks like that. But he does not think of the Centre. There is no quarrel, there cannot be any quarrel, between the Centre and the State. The interests of both are the same. If the Centre becomes bankrupt, the States will become bankrupt before that, and if the States become bankrupt, the Centre will also go bankrupt. Therefore, both have got to work in co-operation and co-ordination. And if that is not considered, it will not be possible to go on.

REMOVAL OF STATUES OF BRITISHERS

*211. **SHRI M. P. BHARGAVA:** Will the Minister of WORKS, HOUSING AND SUPPLY be pleased to state:

(a) whether any sites have finally been selected in Delhi for putting up the statues of Mahatma Gandhi, Pandit Jawaharlal Nehru, Shri Lal Bahadur Shastri, Lala Lajpat Rai, Shri Subhas Chandra Bose and other national leaders;

(b) by when the statues of Britishers are likely to be removed from their present sites in Delhi; and

(c) whether there have been any cases of misuse of the present statue pedestals?

THE DEPUTY MINISTER IN THE MINISTRY OF WORKS, HOUSING AND SUPPLY (SARDAR IQBAL SINGH): (a) No, Sir.

(b) In pursuance of the policy of gradual removal of statues of Britishers in Delhi, 10 out of 12 statues have already been removed and only two statues, viz., of King George V at India Gate and King Edward VII in Edward Park, still remain to be removed. Their shifting is likely to take some time.

(c) No such case has come to notice.

SHRI M. P. BHARGAVA: May I know, Sir, from the hon. Minister what are the difficulties in fixing the sites for the statues; of our national leaders like Mahatma Gandhi, Jawaharlal Nehru and Lal Bahadur Shastri?

SARDAR IQBAL SINGH: Regarding sites we have constituted a committee. That Committee has recommended some sites. Those sites have not been examined. But before finalising any sites we must be sure that the statue is going to be set up there in a very short time; otherwise the sites remain vacant. No statue is coming up and that would not create a good impression.

SHRI M. P. BHARGAVA: May I know, Sir, from the hon. Minister whether it is a fact that certain societies are prepared to give statues of the national leaders and yet sites are not being allotted to them?

SARDAR IQBAL SINGH: Sir, regarding Mahatma Gandhi, the Chairman of the National Gandhi Memorial Trust has offered to the Government that they bear all the expenses. Now the site is being proposed. That will