

(c) No.

(d) No.

**CREDIT FACILITIES FOR PAYMENT OF
RAILWAY FREIGHT BY COAL
PROCURING AGENCIES AT DELHI**

*389. MIRZA AHMED ALI: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that from February 1961 onwards the Northern Railway gave credit facilities to the coal procuring agencies for payment of railway 'freight at mineral siding, New Delhi;

(b) if so, what was the duration of the period for which such facilities were granted;

(c) how much amount was involved in such credits before the Railway Board (Audit Department) took up the issue;

(d) the circumstances in which such credit facilities were considered essential;" and

(e) what securities were demanded from the procuring agencies?

THE DEPUTY MINISTER OF RAILWAYS (SHRI S. V. RAMASWAMY) : (a) and (b) No, Sir. However for several years, a practice had developed of not enforcing the rule requiring payment of freight before effecting delivery and removing coal consignments from the mineral siding. The practice has been stopped since end of June, 1961.

(c) The outstanding amount varied from day to day, the total outstanding on 30th June 1961 being Rs. 2,23,276. This issue was never raised by the Audit Department.

(d) Does not arise, in view of answer given against item (a).

(e) Traders were advised that in case they desired deliveries of coal consignments to be made without payment o'f freight they should either provide a Banker's guarantee or open a Credit note account with the railway. The traders did not agree to this offer.

**Loss SUFFERED IN LOAN GIVEN TO
THE CHANDBALI STEAM NAVIGATION Co.
LTD., CALCUTTA**

*370. DR. Z. A. AHMAD: Will the Minister of TRANSPORT AND COMMUNICATIONS be pleased to state:

(a) whether it is a fact that a loan was given by' Government to the Chandbali Steam Navigation Company Ltd., Calcutta;

(b) if so, the amount given as loan;

(c) whether it is a fact that Government suffered a loss in this transaction owing to non-registration of the charge;

(d) if so, what was the amount so lost by Government; and

(e) the action taken or proposed to be taken against the officers responsible for this negligence?

THE MINISTER OF TRANSPORT AND COMMUNICATIONS (DR. P. SUBBARAYAN): (a) Yes, Sir.

(b) Rs. 5.51 lakhs.

(c) to (e) The borrower Company has gone into liquidation. Legal proceedings have been instituted in respect of all issues pertaining to the transaction and the suits are still pending in the Calcutta High Court.

**EXPENDITURE ON CONVERSION OF INTER
CLASS ACCOMMODATION**

282. SHRI NAWAB SINGH CHAU-HAN: Will the Minister of RAILWAYS be pleased to state the amount of ex-

tTransferred from the 13th December, 1961.