

SHRI K. D. MALAVIYA: Everything has been ascertained from our side so far as we are concerned but we must receive some offer from that side.

SHRI JASWANT SINGH: I would like to know whether the Pakistan Government offered to sell this gas to us or we took the initiative to request them to supply us the gas.

SHRI K. D. MALAVIYA: I do not exactly remember at what point who took the initiative but some time back the Pakistan Government did show some interest and from our side the Prime Minister when he visited Pakistan last time showed willingness to purchase the gas, if proper negotiations could be carried out.

DEFALCATION IN THE OFFICE OF THE INDIAN BUREAU OF MINES AT NAGPUR

*589. **SHRI A. D. MANI:** Will the Minister of STEEL, MINES AND FUEL be pleased to state:

(a) whether it is a fact that there was defalcation of a substantial character in the Office of the Indian Bureau of Mines at Nagpur;

(b) whether the Cashier who was sentenced to six months' imprisonment was 18 years old; and

(c) what steps Government are going to take regarding the strictures passed against the Indian Bureau of Mines in the judgment of the judicial magistrate who tried the case?

THE MINISTER OF MINES AND OIL (SHRI K. D. MALAVIYA): (a) Yes, Sir.

(b) At the time of his appointment as Cashier, in August, 1960, he was over 19 years of age.

(c) This is under active examination.

SHRI A. D. MANI: May I know the sum involved under (a)?

SHRI K. D. MALAVIYA: Sir, a sum of Rs 47 000 was detected as having been taken away by that young officer. Later on when he was arrested in Allahabad, a sum of Rs. 40,380 was recovered from him. The balance could not be recovered and he was prosecuted and convicted.

SHRI A. D. MANI: What is the general criteria which Government applies to the appointment of cashiers in these institutions?

SHRI K. D. MALAVIYA: The usual method of selecting candidates through Committees of this Department and they are guided by the recommendation from the Employment Exchange and also by the minimum qualifications that are set out for selection to such appointments.

SHRI A. D. MANI: Have Government instituted any departmental enquiry against the officers whom the judicial Magistrate found really responsible for the defalcation?

MR. DEPUTY CHAIRMAN: He has been convicted.

SHRI A. D. MANI: But the judicial Magistrate says that the superior officers were responsible. The attention of the hon. Minister would have been drawn to that. Has any departmental enquiry been instituted against those superior officers?

SHRI K. D. MALAVIYA: This matter is under examination and I assure the House that we shall go into it much more seriously how to check such incidents.

PANDIT S. S. N. TANKHA: Was the cashier required to furnish any security deposit and, if so, was the amount so short that the defalcated amount could not be recovered from his security deposit?

SHRI K. D. MALAVIYA: I do not know whether any security deposit was taken from him, but the cash safe

was kept under him. Incidentally, perhaps due to an oversight he was not asked to make any security deposit.

SHRIMATI SAVITRY DEVI NIGAM: May I know, Sir, whether any minimum age is prescribed for such appointments?

SHRI K. D. MALAVIYA: The minimum age is, as elsewhere, 18.

PRIVILEGE ENJOYED BY EX-RULERS IN REGARD TO FOREIGN EXCHANGE

*590. **SHRI R. P. N. SINHA:** Will the Minister of Finance be pleased to state:

(a) what is the privilege enjoyed by ex-rulers in regard to foreign exchange; and

(b) whether it is a fact that many of the ex-rulers have been making frequent visits overseas and that they have been getting foreign exchange as per their desire?

THE DEPUTY MINISTER OF FINANCE (SHRIMATI TARKESHWARI SINHA): (a) and (b) Rulers are subject to the same foreign exchange regulations as are applicable to other citizens of India. They have to furnish justification when they apply for release of foreign exchange. However, in making release, due note is taken of the fact that some of them have holdings of foreign currency.

SHRI R. P. N. SINHA: Are the Government aware that many of these ex-Rulers have been spending much more foreign exchange than they are allowed in foreign countries? May I know whether stories of their extravagant living have reached the ears of the hon. Finance Minister and whether any enquiry has been made to find out where the exchange comes from?

SHRIMATI TARKESHWARI SINHA: When the foreign exchange is allowed from here, it is done considering all the valid reasons, and the same rules

and regulations are applicable to them. But some of the Rulers are having their pre-zero balances, that means, balances prior to July 1947, on which the Government of India does not have any control, and they are free like any others to spend it as they like.

SHRI BHUPESH GUPTA: May I know, Sir, if it is not a fact that under the Foreign Exchange Regulation Act, 1947, even the foreign exchange in foreign banks and so on is supposed to be declared to the Government and may I know whether the Government had asked all the former Rulers or Princes to furnish full accounts of their holdings in foreign banks?

SHRIMATI TARKESHWARI SINHA: Government cannot compel foreign banks to disclose the accounts of their clients. The Rulers have themselves given their reports about their balances there, but I will not be able to disclose them.

SHRI R. P. N. SINHA: Sir, I put a question which has not been answered. I wanted to know whether the stories about their extravagant living in foreign countries...

MR. DEPUTY CHAIRMAN: The reply is contained in the answer itself. They have some holdings in foreign banks and they are spending them there.

SHRI BHUPESH GUPTA: That is not the answer. The point is whether they have got full accounts of their foreign holdings abroad, whether it is pre-independence or after independence. May I know, Sir, whether in this connection the Government have any regulatory power to control their expenditure there and whether the former Princes have to take permission for the expenses out of those funds abroad with the banks?

SHRI MORARJI R. DESAI: There are two cases. One is, all Rulers and other people, who have their accounts in foreign banks, what are called pre-zero accounts, that is, before 1947, are