

DEMONETIZATION OF HYDERABAD CURRENCY

*599. SHRI B. RATH: Will the Minister for FINANCE be pleased to state:

(a) whether as a result of the introduction of the Indian Government coins in Hyderabad State the lower category of wage-earners are being hit economically; and

(b) what action Government propose to take in the matter?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): (a) and (b). There have been some complaints about increase in prices etc. and with a view to mitigating any dislocation that may be caused particularly to the lower income groups by the withdrawal of the Hali Sicca Currency, the Government have agreed to issue reasonable and adequate quantities of small coins of the denomination of annas eight and below in the local currency for a period of one year from 1st April 1953 and Hali Sicca one rupee notes for a temporary period. The legal tender character of the State currency has also been extended for two years.

SHRI B. RATH: Is it a fact, Sir, that in spite of the steps taken by the Government, the people still find it difficult to get this currency during market days?

SHRI M. C. SHAH: All possible facilities are being given and even Fair Price Shops are proposed to be opened, if necessary.

SHRI B. RATH: I do not understand how the Fair Price Shops come in here. My specific question is: Is the Government aware that in spite of the steps taken, there is still inadequacy and people suffer thereby?

SHRI M. C. SHAH: Our information is not that way. The position has improved. We have already

written to the Government for a research and we are awaiting their reply. But from the reports that we have received we find that the position has very much improved and always when there is a withdrawal, there is some inconvenience caused here and there.

SHRI B. RATH: So what steps have been taken by the Government to obviate the inconvenience of the people whenever it arises?

SHRI M. C. SHAH: As I have already stated, Sir, the Government of India have agreed about small coins—eight annas and other denominations—to be had in adequate supplies. Even at present there are small coins to the extent of Rs. 65 lakhs and we have instructed the Mint and the Reserve Bank to issue more—also one rupee currency notes. Sir, they have made so many arrangements.

SHRI KISHEN CHAND: What steps have been taken by the Government of Hyderabad to relieve the distress of the working classes and the wage-earners in industries?

SHRI M. C. SHAH: As I said, Sir, there will be more of these small coins and one-rupee coins.

KHWAJA INAIT ULLAH: Has the Government made any arrangement to distribute these small coins to the public or are these small coins kept in the Treasuries and Banks?

SHRI M. C. SHAH: They are not to be kept in the Treasuries and Banks. They are to be circulated among the population. We do not want to have a store of them.

KHWAJA INAIT ULLAH: Has any arrangement been made to circulate them?

SHRI M. C. SHAH: As I have already stated, so many wide-spread exchange facilities are being provided—treasuries, sub-treasuries, offices of the Hyderabad State Bank, etc.

MR. CHAIRMAN: Yes, yes.

SHRI K. C. GEORGE: Is the Government aware of the fact that blackmarketing in coins is still going on?

(No reply.)

MR. CHAIRMAN: Dr. Seeta Parmanand.

*600. [Postponed to 13th May 1953.]

RESIGNATION OF THE FARIDABAD PROJECT ADMINISTRATOR

*601. DR. SHRIMATI SEETA PARMANAND: Will the Minister for REHABILITATION be pleased to state whether Faridabad Project Administrator resigned his post in 1952; if so, why?

THE MINISTER FOR DEFENCE ORGANISATION (SHRI MAHAVIR TYAGI): It is presumed that the question relates to Shri Sudhir Ghosh. If so, the reply is in the affirmative.

Shri Sudhir Ghosh requested for leave to proceed to U.S.A. in order to undertake certain activities which are normally outside the scope of a Government servant. As the request for leave was not granted, he tendered his resignation.

DR. SHRIMATI SEETA PARMANAND: Is it not a fact, Sir, that there was a difference of opinion about the management of Faridabad works between the Government and Mr. Sudhir Ghosh?

SHRI MAHAVIR TYAGI: That is a separate issue. In fact, his resignation was not caused on account of any difference of opinion with the Government. But it was basically tendered on account of the restrictions imposed by Government on his going to the U.S.A. as an official to give evidence before the Senate Committee there.

DR. SHRIMATI SEETA PARMANAND: Sir, my question has been put under "Faridabad Electric Scheme". May I ask some questions with regard to that?

MR. CHAIRMAN: Maybe; the top heading may be "Planning Commission".

DR. SHRIMATI SEETA PARMANAND: Did Mr. Sudhir Ghosh get machinery for electric supply from Germany and is it a fact that he had a full scheme ready to instal this plant for 70 per cent. less than the proposals submitted by Government?

SHRI MAHAVIR TYAGI: I am afraid, I did not come prepared with this information. I was never ready for it because I never knew that electricity will have to do anything with this question.

SHRI H. N. KUNZRU: May I say that as a matter of fact the cost of installation has not been less?

DR. SHRIMATI SEETA PARMANAND: Was the Central Co-operative Board under the chairmanship of.....

MR. CHAIRMAN: Look here Dr. Seeta Parmanand, you asked the question as to why he resigned. The answer has been given that he wanted to undertake certain activities which are forbidden to Government servants. Therefore he was not granted leave and he resigned. That is the specific answer to your specific question. Now you are going to electricity and other things.....

SHRI C. G. K. REDDY: She is trying to show that that was not the reason but there were other reasons.

DR. SHRIMATI SEETA PARMANAND: Sir, I was asking whether the Central Co-operative Board under the chairmanship of Shrimati Kamaladevi Chattopadhyaya was invited to work at Faridabad and whether that Board also withdrew from the Faridabad work and if so,