

**COUNCIL OF STATES***Wednesday, 13th May 1953.*

The Council met at a quarter past eight of the clock in the morning, MR. CHAIRMAN in the Chair.

**ORAL ANSWERS TO QUESTIONS****AMOUNT PAID TOWARDS "SARF-E-KHAS"**

\*600f. SHRI S. MAHANTY: Will the Minister for STATES be pleased to state the total amount of compensation paid to the Nizam of Hyderabad for his 'Sarf-e-Khas'?

THE MINISTER FOR HOME AFFAIRS AND STATES (DR. K. N. KATJU): The Nizam handed over the Sarf-e-Khas completely to the State as part of an overall settlement under which he is paid a sum of Osmania Sicca rupees one crore per annum. Of this fifty lakhs is on account of his privy purse and is paid by the Government of India. The balance of Osmania Sicca rupees fifty lakhs is payable by the Hyderabad State. Considering the nature of the settlement, while a substantial sum represents compensation for Sarf-e-Khas, it would be difficult to fix proportions.

SHRI S. MAHANTY: Is it a fact that unanimity was expressed in the Hyderabad Legislative Assembly in course of the debate on the general budget over the non-payment of this Sarf-e-Khas compensation to the Nizam?

DR. K. N. KATJU: I find that nonpayment is a very attractive proposition. It may have been so.

SHRI S. MAHANTY: With all respect, I should say that the Home Minister has a genius for evading questions. What I want to know is whether unanimity was expressed over this question.

tHeld over from—the 5th May 1953. 45

CSD

DR. K. N. KATJU: The answer to that is: It may have been so. I am not fully aware of the position. I have not seen the whole proceedings.

SHRI S. MAHANTY: Is it a fact that since the Home Minister does not know—at least is not sure—that the Prime Minister-cwm-Congress President issued a directive to the Congress Party in the Hyderabad Legislature to shed their inhibitions in the matter?

DR. K. N. KATJU: I do not know, but what I do know is that the Government of India have entered into this settlement and it must be carried out and should not be set aside as an attractive proposition.

SHRI S. MAHANTY: Is it a fact that the Hindu employees in the Sarf-e-Khas are now being dispensed with on the orders of the Nizam?

MR. CHAIRMAN: It is a different question now about the employees.

DR. K. N. KATJU: I do not know.

SHRI V. K. DHAGE: May I know what was the income of the Sarf-e-Khas before it was taken over?

DR. K. N. KATJU: It exceeded over Rs. 2 crores.

SHRI V. K. DHAGE: Is there any other amount besides this Sarf-e-Khas paid to the Nizam from the exchequer of the Hyderabad Government?

DR. K. N. KATJU: I would require notice, but so far as I can say at present, 'No', but I am not sure.

SHRI B. RATH: May I know how the Government of India can enter into an agreement with the Nizam in regard to the payment of a certain amount from the State exchequer? Why should it be binding on the State Government?

DR. K. N. KATJU: That was the over-all settlement at that time.

SHRI B. GUPTA: May I know on what principles of equity and fair-play this little amount of Rs. 1 crore is being paid to the Nizam?

DR. K. N. KATJU: At the time?

MR. CHAIRMAN: It was so long ago.

SHRI H. C. MATHUR: May I know how this Sarf-e-Khas is distinguished from the privy purse?

DR. K. N. KATJU: The Sarf-e-Khas was property which the Nizam, in the course of 200 years, has set apart as being property belonging to him and the income on which, I suppose, was being appropriated for his own personal expenditure, and on this he was getting about Rs. 2 crores.

SHRI H. C. MATHUR: If the income from this was appropriated for his personal expenditure, then how is this distinguished from the privy purse?

DR. K. N. KATJU: That was the settlement arrived at. I do not know the exact distinction.

SHRI CHANNA REDDY: Is the compensation paid to the Nizam in this connection anyway different from what is allowed to other Jagirdars?

DR. K. N. KATJU: Jagirdars in which part?

SHRI CHANNA REDDY: Is the compensation paid to the Nizam on account of the taking over of the Sarf-e-Khas higher in any way than that allowed to the other Jagirdars there?

DR. K. N. KATJU: I really do not know.

SHRI V. K. DHAGE: Is it a fact that the Chief Minister of Hyderabad advised the Nizam to forego this amount which is being paid to him?

DR. K. N. KATJU: The hon. member had better ask the Chief Minister.

SHRI R. U. AGNIBHOJ: Is it not a fact that the Nizam of Hyderabad spends the least amount on his personal expenditure in India and therefore this is a very big amount for him for his personal expenditure?

(No answer.)

#### POLITICAL PENSIONS

\*605f. SHRI H. C. MATHUR: Will the Minister for STATES be pleased to state:

(a) what are the various categories of political pensions and what is the number of political pensioners under each category in each State and what amount is paid to them annually; and

(b) how many political pensions have been granted since 15th August, 1947 and what is the total amount spent on that account annually?

THE MINISTER FOR HOME AFFAIRS AND STATES (DR. K. N. KATJU). (a) A statement is laid on the Table of the House. [See Appendix IV, Annexure No. 205.]

(b) No new political pension has been granted since 15th August 1947.

SHRI H. C. MATHUR: Is it the policy of the Government to extinguish all these pensions?

DR. K. N. KATJU: It is the policy of the Government for the present to continue these old obligations. As to what should be done in the future, that is a matter for consideration later.

SHRI H. C. MATHUR: Is the Government not considering the extinguishing of these pensions?

DR. K. N. KATJU: Not at the present moment.

SHRI H. C. MATHUR: Are these political pensions protected by any guarantees?

---

†Held over from the 5th May 1953.