

[Shri Natesan]

spent in northern India. but I want to ask seriously what is it that the Central Government has done for Madras in this Five Year Plan? Have they taken up any new or original schemes to help the people? They have done nothing like that. The result is that today Madras is in the throes of famine. The other day an hon. Member from the Opposition was complaining, and I certainly agreed with every word of what he said. Our own Tamilnad Congress President and Secretary have travelled all over these places. I must not be taken as indulging in party affairs here. But somebody has got to go and see, and find out a solution for these things. The Central Government must not content themselves by simply thinking that that is not their job. Even if the Madras Government has not made any application for relief, it is the Central Government's duty to go and find out what is happening in the Madras State. As I said, we do not want to hand over the Madras State to anti-social elements who are simply trading on the poverty of the citizen.

So far as labour is concerned, there also we have got to see that all the people who have been thrown out of labour, as a result of this tramways closing down, and the power cuts in the various parts of Madras, are treated generously. We have to find some work for them in order to keep them not very aggressive. I do hope that the Finance Minister at least will tell me why these projects which I referred to earlier, have not been taken in hand. I am very anxious that these projects should find a place in the first Five Year Plan itself. Otherwise, there will be no chance of their getting a place at all. Madras cannot be allowed to go on like this, without electricity, and with the labourers and the people in a starving condition.

Kumari Annie Mascarene (Tiruvandrum): The Finance Bill before us is the implementation of the Budget proposals to relieve, readjust and further taxation, so that the Budget may be balanced. *Prima facie*, it is clear that the reliefs and readjustments are meant for administrative convenience, so that in the long run, the present loss may be made up by future gains. From a national point of view, this counts nothing. But I do not wish to do injustice to the Finance Minister by ignoring the salient features of the Bill. The reduction of import duty on jute sack-

ing, penicillin, antibiotics etc., and the absence of the duty on salt are really salient features, which have benefited the nation. On the other hand, the increase of postal duty, and the present smuggling of the Tea Bill into this, have been doing much more harm than expected. The reliefs given are only nominal when compared to the heavy load of taxation under which the nation is groaning today.

Going through the Bill clause by clause, I was reminded of the story of a spendthrift, who having suddenly come into a fortune, a windfall in life, squandered the resources at his command, in blind and extravagant speculation, and finding himself heavily involved in inextricable expenditures, resorted to his neighbour Shylock to lend him a loan, and further entangling himself in the glittering chain of dollar and sterling, and at last driven to despair, he wrote a letter to his wife, whom he had neglected ever since he came to his fortune.

Mr. Deputy-Speaker: It is now 12-45 P.M. The hon. Member may continue her speech tomorrow.

The House will now take up the half-an-hour discussion.

NATIONAL SMALL SAVINGS SCHEME

Shri V. P. Nayar (Chirayinkil): Sir, it is very apt and in the fitness of things also that you have permitted me to raise this discussion today when we are having the discussion on the Finance Bill itself, because the matter which I intend to raise relates to the Finance Ministry.

The Finance Minister has repeatedly urged, here in this House and elsewhere that for purposes of internal finance he is banking upon the possibilities of what he calls the "national savings scheme". I can quote several of his utterances in this House showing its importance. But for once at least he said that there were some "organisational deficiencies" in the administration of this scheme. Afterwards this has been a subject of several questions here. And what should we naturally expect? Here is a scheme which is thought of by the Finance Minister or worked by him to raise funds for the Five Year Plan and which the hon. Minister himself characterised in this House as having "organisational deficiencies."

What should we expect of such a scheme? We expected that in this scheme at least when the necessity was keenly felt and when the hon. Minister himself knew that it was deficient, everything would be smoothed. But here in this scheme we now find it is not actually a scheme. Considering the paper reports which are here before me, to which I will come later, it is not actually a scheme but a hoax. If I am to believe the paper reports which have so far never been denied by the Government, I am afraid his Ministry, the office of the hon. the Finance Minister, is now stalked by cantankerous cranks. I use this expression because it has found a place in our parliamentary debates.

I am giving the details from top to bottom about what I would call the hoax of the national savings scheme. The Delhi provincial administration of this scheme was also the subject matter of questions here, when in reply the hon. the Finance Minister gave us some figures. There was a question from Mr. R. D. Misra. The papers are before me, but for want of time I do not propose to go into them in detail. The hon. the Finance Minister gave us some figures from which it is very clearly seen that from 1950-51 onwards the total amount collected has declined.

One should naturally expect that in this period, when the Finance Minister is frantically running about to collect funds for his planless, lopsided Plan which he has called as 'The Five Year Plan', he would at least set right an organisation which is right under his nose. But what do we find in this? We find that the Delhi branch of the national savings administration is placed under the administrative control of an officer who is not qualified for that job.

The posts of Provincial National Savings Commissioners were advertised in a notification of the Federal Public Service Commission as early as 7-5-1949—No. F1/42/49-R. It prescribed the minimum qualification for the Provincial National Savings Commissioner; that was graduation, with also a desirable qualification of a graduation in law. I understand—it is open to the Finance Minister to contradict—that the Delhi provincial organisation today is under a man who is not qualified to hold this post according to the notification published by the Federal Public Service Commission. But what do we expect? The hon. the Finance Minister, whom we all know is very finical, has allowed his Ministry to recommend this officer

for purposes of taking away the effect of the Public Service Commission's recruitment rules. Here, I have the dates of the letters which the Finance Ministry has repeatedly sent to the Union Public Service Commission recommending that this man should be exempted from the operation of the rules. It is again open to the hon. Finance Minister to contradict me. His Ministry wrote on 15-9-1950 to the U.P.S.C. requesting for the confirmation of that officer. I do not wish to name him. On 11-12-1951 the U.P.S.C. negatived that request. On 23-1-1952 the Finance Ministry again requested for the confirmation of the officer. On 17-2-1952, the Union Public Service Commission rejected this, a second time. On 9-4-1952, possibly after receipt of the question of my hon. friend Mr. R. D. Misra, the Finance Ministry exceeded all limits and wrote a D.O. through its Secretary, Mr. Ambegaokar to the Chairman of the Public Service Commission who was not at that time in India—he was in England. What were the contents of that letter? I have reliable information that in this letter, demi-official letter, written to Mr. Bannerji when he was in England, he was told that pending the decision of the Cabinet this matter may be held in abeyance. So repeatedly, the Public Service Commission has rejected the recommendation of the Finance Ministry to deviate from the rules in respect of an officer whom they found to be unfit. My hon. friend's Ministry chose to take up the infallible weapons, the *Vaishnava Chakra*, the Cabinet decision.

If you go through the paper reports, you will be wonderstruck. Here are some details. Here also I would very much wish the hon. Minister to contradict me. The *Hindustan* dated the 25th June, 1952 gives the caption:

“दिल्ली राज्य में नेशनल सेविंग्स सर्विफिकेटों की बिक्री में कमी ।

In the *Hindustan Times Evening News* dated 5-10-1952, the heading is “Big Fall in the National Savings”. On 24th June, 1952, again the *Times of India* quotes the giant predecessor of the hon. Finance Minister, Dr. John Matthai as saying that the success of the scheme requires greater attention in the organisation of the scheme and increase in small savings. Dr. John Matthai also stated that it is declining.

Again in the *Hindustan Times* dated 24-4-1952 in its *Evening News*, there is a very bad report about this. The

[Shri V. P. Nayar]

Daily Express of the 25th January, 1952, page 5, col. 1, gives the heading "Delhi People Losing interest in the Small Savings Scheme". On 3-8-1950, it quotes from Sir Chintaman Beshmukh and says that he attributes the failure of the scheme to "organisational deficiencies".

Sir, you know that I received notice only today. It has not been possible for me to lay my hands on the particular volume of the Debates. So, I am relying on the Times of India report for the time being.

Then the Navabharat Times says:

“नेशनल सेविंग कमिश्नर से शिष्टमंडल की शिकायत

नेशनल सेविंग कमिश्नर श्री-एस० एस० रथपाल से एक शिष्टमंडल दिल्ली के कुछ नागरिक प्रतिनिधियों का २४ अक्तूबर को श्री राजवन्स सिंह के नेतृत्व में मिला और शिष्टमंडल ने मोहनो तेजवानी के सम्बन्ध में ख्या ले कर भी सर्वोत्कृष्ट न देने की शिकायत की।”

So, these are the types of reports which went round in the Press about the National Savings Scheme, not one of which, has so far been contradicted by the Ministry.

Then, a very moderate gentleman who still belongs to the Congress Party and who still sits in this House—I do not wish to name him also—has complained about several irregularities in this scheme to the Finance Minister in a personal letter. Here also, I would like the Finance Minister to contradict me. At the instance of the Finance Ministry, the Home Ministry took the matter up and enquired through its "Scotland Yard" viz., the Special Police Establishment. Even this S.P.E. had to hold that with this officer in service it was impossible to have the enquiry made. We have very often heard in this House Dr. Katju saying that some of us over here are clever in going underground, but even the report of Dr. Katju's "Scotland Yard" has gone underground in the Finance Ministry. This is what happens when Government and the Ministries want to shield officers. I understand that this same officer has now been confirmed.

I will give some other instances. There is a clique working in this

Ministry to have its own people in very responsible places, including the national savings scheme.

It is certainly beyond any one of us to read them, because the reports are so revolting. In spite of all this, the Finance Minister, in his wonderfully got-up administration report says about the national saving organisation that it has "continued to function satisfactorily". I do not know what the meaning of the word "satisfactorily" is as used by the Finance Minister, but from paper reports, it has not functioned in a satisfactory manner; on the other hand, it has functioned in the most undesirable manner, in a manner unworthy of a body which calls itself a Government.

I am not able to meet the Finance Minister with quotations, because he has a very great stock of them, but I would like to remind him of Goldsmith's character, the immortal Vicar of Wakefield, whose duty it was to exhort the bachelor to matrimony and the married man to temperance. The Finance Minister may have succeeded in the former, but it is for him to succeed in the latter also. If matters are allowed to continue like this, I feel that the national savings scheme is certain ultimately to end as a national "shaming" scheme.

Shri Punnoose (Alleppey): I only want to ask two questions:

(1) May I know the amount discharged or refunded by the national savings certificates for a period of five or six years?

(2) Is it not a fact that complaints have been received by the Finance Minister to the effect that organisers under scheme secretly collect the serial number of the savings certificates issued by post offices and show the amounts so covered as a result of their work?

The Deputy Minister of Finance (Shri A. C. Guha): In a way I welcome this discussion, because it is known to the House that we expect much from this national savings scheme and the implementation of a good number of the Five Year Plan schemes would depend upon the collections under this scheme. An hon. Member pointed out that the Finance Minister himself at some time in Parliament stated that he was not quite satisfied with the state of affairs in this national savings scheme. That was, I think, in August 1950. That only shows the Finance Minister's anxiety to put things right.

*Expunged as ordered by the Chair.

I should like to go to the past history of this scheme. It was first organised to find extra money for their war efforts, but when the war was won there was naturally some want of urge and enthusiasm in keeping this organisation in its full order; rather, it was allowed to deteriorate. When the attention of our Government was drawn to the state of affairs, immediately this Government took steps to put things in proper order and to remedy the wrong that was found there. And that is why the hon. the Finance Minister took this House into confidence when he stated that he was not quite satisfied about the state of affairs of this organisation.

In the notice which the hon. Members have given to Parliament Secretariat about this discussion, they have raised several points. They have also mentioned the name of Dr. John Matthai. But I would like to ask the hon. Member—if he had cared to read the words of Dr. John Matthai as quoted in the *Hindustan Times*—these are the exact words which were quoted in that paper, I think, on the 24th April 1952:

“The success of the scheme lies in inculcating the habit of thrift and saving in as large a number of people as possible. Greater attention should, therefore, be paid by the organizers of the scheme to increasing the number of small savers than to increasing the amount of investments.”

Shri V. P. Nayar: The answer given by the hon. Mr. Deshmukh was that the total savings also—on ten rupees and five rupees as also on 5,000 rupees—have declined.

Shri A. C. Guha: The report that he has mentioned of the *Hindustan Times* is mainly based on this passage, and I can say that is more or less an elaboration of the idea put here in. Nothing was said in the paper about any gross irregularity in the organisation. It was something like a friendly criticism, and the Government would welcome such criticism.

The two other papers mentioned there, that is the *Hindustan*, Hindi edition of that paper, and the *Evening News of Hindustan Times*—those two papers also contained similar comments. Nothing was said about any gross irregularities either of the Delhi organisation or of the All-India organisation of the national savings scheme.

The hon. Member has mentioned some other papers. We would like the hon. Member to give us the exact passages because we have not been able to find out anything about National Savings Schemes from those papers on those dates. I would like to have this.

Shri V. P. Nayar: I can give it even now.

Shri A. C. Guha: Then, much has been said about the present head officer of the Delhi National Savings Scheme. All these complaints started from a particular date, that is, after July 1951. Some officers of this Delhi organisation and some other officers of the Central Secretariat were accused of gross misbehaviour on a certain occasion. Even now that charge is being investigated into and that officer of the National Savings Scheme and one officer of the Secretariat are now under suspension. Since then, this campaign of calumny and vilification against the Delhi Organisation has started.

An Hon. Member: The names of those officers?

Shri A. C. Guha: When the case has gone to the court, I think it is more or less a *sub judice* thing. I do not know whether it would be proper for me to mention the names.

Shri V. P. Nayar: That is exactly why I did not refer to them. Is my hon. friend ready to institute a public enquiry into this matter?

Shri A. C. Guha: This is a departmental thing. For every small matter there cannot be a public enquiry. Because one small officer of a particular department has been accused of some behaviour and misdeemeanour we cannot have a public enquiry for everything.

Shri V. P. Nayar: Not for that but for this.

Shri Velayudhan (Quilon *cum* Mavelikkara—Reserved—Sch. Castes): He has given certain names. They should give the names of these two officers at least.

Shri A. C. Guha: About the officer of the Delhi National Savings Scheme, it has been stated that he was not approved by the Public Service Commission or that he was not sufficiently qualified for the post. When the post was advertised it was specifically stated that age limit and academic qualifications would be relaxed in case of those who had been already in service and so in the case of the present incumbent, restrictions of

[Shri A. C. Guha]
academic qualifications and age limit were relaxed.

Shri V. P. Nayar: Here, the hon. Minister is not quite correct.

Mr. Deputy-Speaker: I allowed him full 15 minutes. Let the hon. Minister go on in his own way. There may be some differences regarding facts but it cannot be helped.

Shri V. P. Nayar: Unfortunately, they are before me.

Mr. Deputy-Speaker: I cannot allow the hon. Member to go on interrupting. There must be a sense of decorum.

Shri A. C. Guha: It is true that at first the Public Service Commission did not approve his appointment. That was due to the fact that the National Savings Scheme organiser who was the chief man for the whole of India and was subsequently removed from that post made an adverse report against this officer and the Public Service Commission without interviewing this officer simply on that adverse report rejected his claim. When that was pointed out to the Public Service Commission and they were asked that this officer might be allowed an interview, he was allowed to be interviewed and was properly selected by the Public Service Commission. When the Public Service Commission has selected him, whatever might have been the previous objection on whatever grounds, I do not think it is proper to say that his appointment was irregular or that he was not qualified to hold that post.

As far as the fall in the collection of National Savings at Delhi, the hon. Member has cited some paper reports. I think he should also have cited some other paper reports praising year after year the Delhi Scheme for collections. I may give some of the figures of the Delhi collections:

1946-47	Rs. 50,94,000
1947-48	Rs. 69,34,000
1948-49	Rs. 1,13,47,000
1949-50	Rs. 1,56,34,000
1951-52	Rs. 1,57,73,000

These are figures which were published in some local Delhi newspapers and the hon. Member might easily have got these figures if he had cared to find what the correct position was. We quite appreciate the anxiety of

the Members or the House in general to put this organisation in a proper form. But, when we feel that certain Members are prone to take their cue from disgruntled officers and would not hesitate to use any stick to beat this Government, then, the question arises, what is the purpose of such a motion?

Reference has been made to a letter written to the Finance Minister by a Member of this House. In fact, on receipt of that letter, immediately, the Finance Minister instituted an enquiry. It has been mentioned by the hon. Member a few minutes ago that several irregularities were alleged in that letter. There were four charges mentioned there. Two are of a very minor order. Of the remaining two, one was referred to a properly constituted court. That court or tribunal has exonerated that officer fully and he was not found in any way guilty of that charge. Another charge remains. That has been sent to the Special Police Establishment and that Establishment has not yet made any final report. The whole matter is under enquiry by the Special Police Establishment. It is no use trying to make much of that letter. I do not think that the gentleman himself who wrote the letter to the Finance Minister would support the contention and interpretation that has been attempted to be put upon this letter.

Then, certain officers' names have been mentioned here: relatives of somebody holding some post in some other organisation. It is very difficult to say whose relative is who, and how he got that appointment. It is not possible for any Government to ban the relatives of certain officers from all Government posts. Persons for all the gazetted posts in this National Savings Scheme are recruited by the Public Service Commission. For the non-gazetted posts also. (An Hon. Member: All favouritism) the services of the Employment Exchange are utilised. Every precaution is taken to see that the proper men are selected for these posts.

The hon. Finance Minister stated in this House once that everything was not quite all right with this organisation. We do not claim perfection. But, we claim that as soon as this has been brought to the notice of the Government, every attempt is being made to trim up this organisation. We can say that there has been much improvement effected and the collection on an all-India basis would give an indication of that. I think that

the figures are available to every Member of the House. From Rs. 26 crores in 1949-50, the figures went up to Rs. 33 crores in 1950-51, and Rs. 38.5 crores in 1951-52. For 1952-53, the complete figures are not yet available. But, we expect that it will be not less than Rs. 40 crores, or maybe even higher than that.

So, we have been making every year some progress over the previous year as regards collection. It cannot be said that this organization is deteriorating or that the Government has not given proper attention to the improvement of this organization. I repeat that I do not claim perfection on behalf of the Government. Any constructive suggestion or any definite case where improvement is expected, will be welcomed by this Government, and we will welcome also the co-operation of the Members as regards putting this organization in perfect order.

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Shri S. V. Ramaswamy (Salem): I wish to know whether the half hour discussion is meant for vituperative attacks to be made against a particular Minister. I have not interrupted in the course of the speech of Mr. Nayar because you might stop me, but I would like to know whether the whole trend of the speech is in keeping with the dignity of this House. I would request you to go through the speech and delete such of those portions which are offensive to the dignity and honour of this House.

Mr. Deputy-Speaker: I have been noticing that unfortunately this particular hon. Member who raised the discussion chose a particular kind of language which I would like every hon. Member in this House to avoid. I am not able to say that any parti-

cular word used is unparliamentary, but all the same, the dignity of this House requires that an amount of decorum must be observed. The hon. Member can be as effective with moderate language as otherwise. If specially coined words or expressions are utilized for this particular purpose it gets on our nerves. I do not think it is desirable or consistent with the dignity of the House to use them.

Shri V. P. Nayar: On a point of personal explanation, Sir. You may please go through the entire speech.....

Mr. Deputy-Speaker: I have gone through and I have heard through the entire speech, but still I find it very difficult...

Shri V. P. Nayar: I submit that the only possible exception which anybody could take to the words used by me will be to the words 'cantankerous cranks'. As for these words, I find that the hon. Speaker has allowed these, in spite of a point of order raised by Kumari Annie Mascarene, and those words were also used against one of the most eminent people of India, Prof. K. T. Shah.

Shri S. V. Ramaswamy: That makes it all the more studied.

Mr. Deputy-Speaker: Words like this 'unworthy of this Government', this and that, make the whole speech jarring upon our ears. Much better effect may be produced by using moderate language.

This matter may stop with this.

The House then adjourned till a Quarter Past Eight of the Clock on Thursday, the 16th April, 1953.