which are sold or distributed by weigh'., measure or number, and to provide for mutters connected therewith or incidental thereto.

*The question was put and the motion wan ( ted.*

SHR! A. C. GEORGE : Sir. I imrcduce the bill.

## THE PONDICHERRY APPROPRIATION (NO. 2) BILL, 1975

THE MINISTER OF STATE IN THE ! MINISTRY OF FINANCE (SHRI i'RA-NAB MUKHERJEEj: Sir, the Budget of Pondicherry for 1975-76 was laid before ist on 14th March, 1975. Pending ! ideration of the full year's Budget, Ap-propriation Bill relating to Vote on Account foi the first five months of the year was passed by the Lok Sabha and returned ! by this Mouse on 24th March, 1975. The present Bill seeks to authorise supply to meet the Union Territory's requirements for the rest of the financial year 1975-76 as estimate* in the Budget presented in March 1975 and is inclusive of the amount included in the Vote on Account Act. Froin the Budget documents and the Explanatory Men orandum circulated to the hon. Mem- i bers therewith, the hon. Members would have observed thai the total revenue expenditure of the Union Territory in 1975-76 is estimated at Rs. 15.34 crores of which j Rs. 5 JS crores will be made from grants by (he Centra? Government. On capital account, the total expenditure is estimated at Rs. 2.96 crores for which loan assistance from the Central Government would ] be Rs. 2.55 crores. The further details are given in the Budget documents and 1 do not wish, therefore, to take the time of the House now by repeating them.

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I now beg to move that the Bill to ; authorise payment and appropriation ot cer- I tain sums from the out of the Consolidated Fund of the Union territory of Pondi- j cherry for the services of the financial *i* year 1975-76, as passed by the Lok Sabha, be taken into consideration.

*The question was proposed.*

SHRI BIR CHANDRA DEB BURMAH (Tripura): Mr. Chairman, Sir, on the 27th March. 1974, the Union territory of Pondicherry was brought under the Piesi-dent's rule. The C.P.L and the Anna D.M.;i\.. Government was voted down by the combind votes of the Congress, the Congress (0) and the D.M.K. Now, people want to make a review of that situation in the light of the present situation. The C.P.L and the Anna DMK are supporting the proclamation of emergency an J s" 'hey are not forces which are against the progressive measures of the Government. On the other hand, what do we find is that th.j Congress (01 and the D.M.K. have voted against the emergency power and moreover they have also boycotted the rest of the session. In that light we find that the progressive forces, i.e.. the ruling Congress, has voted out a progressive Government that is backed by the C.P.L and the Anna D.M.K... in collusion wiih the reactionary forces, namely. D.M.R. and Congress (0). This is abundantly clear in the light of the piesent situation. So, I think that our ruling friends may make a fresh evaluation of their decision.

If they had supported the CP1 and ADMK Government at that time, surely the people of Pondicherry would have had a stable Government just like the Government of Kerala and that would undoubted!) have been a progressive Government. But unfortunate!) . our ruling Congress made an under-assessmenl of the situation. 1 must say, *:md* in collusion with the right reactionary forces had voted down the pro-gressive Government that was ruling in Pondicherry. And who is suffering as a result? Tt is the people of Pondicherry who are suffering.

They are under President's rule for out" year and four months now. Till now thcu

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is no election. Now let us make an assessment of the situation also. Tn Gujarat an election was held and now there is an Assembly of 180 or more members. Because there was pressure from Morarjt Desai. the election had to be expedited and the elections took place in June. But because the people of Pondicheny are poor and because they are citizens of a Union territory and as such they are class II citizens—though we say that all citizens of Indian Union are equal in status and rights—they have got no elections during this one year and four months though the Assembly there consists of only 30 members. There is no justification whatsoever for not holding elections there. But such is their fate. When the people of that Union territory voted the progressive forces—they voted for Congress *(R).* CPI and ADMK—there is no reason why they should not have had a stable Government. We find that the ruling Congress, in collusion with reactionary forces, has voted down the progressive Government there and, what is more, even after a lapse of one year and four months there is no election in that Union territory for the Assembly which consists of 30 members whereas in Gujarat election has taken place for the Assembly which consists 180 or more members. So, there is no justification whatsoever for depriving the people of Pondi-cherry of their legitimate right of having a democratic set-up in their own land.

T would say it is nothing but sheer neglect on the part of the Government not to hold elections there and there is no explanation of any sort for not holding the elections. This. I would say, is famishing the good name of the ruling party—by their own deeds.

Now I would tell you what sort of Administration they are having under the President's rule for the last one year and four months. Mr. Cheddi Lai, an ex-officer of the Modern Bakeries has been appointed as the Lieutenant Governor there. Never in the past had the people of Pondi-cherry witnessed such a rule as it is today. It is an unadulterated autocracy of the pattern of the Moghul Rule of the 16th-century. Sir, Lieutenant Governor Cheddi Lai, an ex-officer of the Modern Bakeries is a veritable nabob whose callous mis-management and lack of caution is subjecting the people to untold misery and suffering. The Union territory of Pondicheny was surplus in food production. The production of foodgrains was of the order of 1,20.000 metric tonnes a year before, out of which 1.06,000 metric tonnes was paddy. Now. because of the failure of this Government to procure paady in time and because it has been hoarded by black-marketeers and smuggled out, there is acute shortage of paddy and rice in that Union territory.

People are left at the mercy of the hoarders and blackmarketeers. People have to make a long queue before the ration shops to set ration but a chunk of them have to go away without getting rice because there is not enough provision in the ration shop. Milk was available in plenty in Pondicherry. Earlier the production was 17.000 litres a day, whereas it has now come down to 7,000 litres a day. Milk is very scarce now in Pondicherry and people are suffering. It is due to the bungling of the system of collection and distribution of milk for which the Rt. Governor and the Chief Secretary are mainly responsible. This Union Territory had good possibility for maritime fishing and inland water fishing, but nothing has been done in that direction. So in this Union Territory, which had abundant rice, milk and fishes, people are starving because of want of rice, because of want of milk and because of want of fishes. It is due to the carelessness on the part of the administrator there, who is entirely responsible for these things. We are giving everything in the hands of the bureaucrats. These bureaucrats have got nothing to do with the common people. They have no sympathy for the common people. They are ruling in the Union Territory and they are tarnishing the good name of the ruling party here. I remind you again not to give every thing in the hands of the bureaucrats. Let syrffpathetic and disciplined officers be sent there. In this House, so many times voices have been raised

against ihis Lt. Governor, but in his grand Moghul style rule, he is still there in that Territory. All the stocks of sugar, cement and other things that were scheduled for lhe Territory did not reach there. They were disposed of outside of Pondicherry. Maintenance of roads is very poor. Supply *oi* drinking water there is inadequate. The Government had promised to locate a university in Pondicherry, but nothing has been done in that direction. The Government had given assurance that in Pondicherry they will set up a middle-sized steel rolling mill with a thermal power plant, hut nothing has still come up. Harijan communities, specially those living jn the villages, suffer great difficulties and no attention was paid for giving relief to them for their housing problem in the rural and semi-urban areas.

The main thing is that there is simply bureaucratic, autocratic, callous administration there. The officer who is posted there has all the proudness of the former TCS officers except their efficiency. So from the hands of this officer, from the hands of this callous administrator, what can the people expect? So I want to repeat further that the ruling Congress should try their best to restore popular government there so that people themselves can come forward to redress their grievances, and in the name of the President's Rule, this autocratic, bureaucratic, this callous administration of IAS officer should be done away with. We should give proper attention specially at this time when we are going to implement the 21-point economic programme.

If we want to have it translated into action by these IAS officers and these bureaucrats, il is simply living in a fool's paradise. Nothiag will come out of it. On the other hand, all the mischief will accrue from there. So it is high time that our ruling party should assess their problems in the light of the present situation and strive hard to give best services to the people, by giving to the people of Pondicherry a popular government of their own and giving them a chance to manage their own home. In the name of President's rule, such sort of bureaucratic, callous and unsynv I pathetic administration should be done away with as soon as possible.

SHRI PRANAB MUKHERJEE : Sir, I ′ am grateful to the hon. speaker who has I made some observations on the budget of ! Pondicherry. But, Sir. at the same time it is true that almost the same points are repeated on the floor of the House whenever a State comes under the administration of the Government of India and the President's rule is being imposed, lt is eq-. ually a fact that imposition of President's ' rule is not the will or the pleasure of he Government of India. Certain compelling factors and situations prevail there as B result of which, when normal constitutional machinery cannot function in a State or in a Union Territory, President's rule is to be imposed. And exactly that was the situation which prevailed in Pondicherry when the President's rule was imposed there and was explained in detail when the Proclamation was passed by this House and when I presented the budget and discussed the facts in last March.

But 1 would like to do away with some of the misunderstanding which the hon. | Member has mentioned while making his observations about the administration of Pondicherry. We do never claim that administration in Pondicherry is an ideal administration nor could any administration be termed as an ideal administration in any part of the world. To compare it with the 15th century Moghul autocracy is, perhaps, too much. The hon. Member has highlight-
I ed some of the economic problems of the Union Territory. We are fully alive to it but at the same time it has to be kept in mind that the resource position-is so constrained and so difficult that in spite of our best will and of the local administration, it may not be possible for us to do whatever we want to do. But, Sir, if we look at the performance of Pondicherry administration in certain respects, perhaps, we would come to the conclusion that the administration in Pondicherry is not as bad as depicted by the hon. Member. If wc

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look at the performance of the plan fur the year 1974-75. the Union Territory of Pondieherry is one of the few where the plan performance is quite satisfactory and percentagewise it is nearly 99 per cent. It has been "suggested by the hon. Member that there has been scarcity of food. There is no denial of the fact. At the same time, it has to be kept in mind that there has been an unprecedented drought which prevailed in Pondieherry in the year concerned, as a result of which the total production of foodgrains came down to 85.000 tonnes whereas the average normal production is in the order of 1,20,000 tonnes per year. But in spite of that. Sir, it has been possible for the local administration to open a large number of fair-price shops in different areas, it has been possible to provide, if not adequate but quite a substantial amount of foodgrains to the Union Territory' of Pondieherry and what ever has been the target of opening fair-price shops, particularly in mere vulnerable areas, that target has been almost fulfilled arid more and more attention is being paid to "it.

I would like to highlight only two points in this connection. Under the plan scheme there was a provision of giving *pattas* to the households and the total, *no* to now. of 2400 *pailas* have been given covering an area of 45 hectares and these are all to the Harijans.

The problem of Harijans has been specifically mentioned by the hon. Member and more and more attention is being paid to that. Certain Central projects are under the consideration of the Government of India. As you know, so far as the financial position of the Union territories is concerned, most of them are depending on Central as sistance. In the main Budget documents whatever is the quantum of Central assistance, either in the form of loan or in the form of grant-in-aid, has been indicated. If these Central projects come to exist, definitely they will be financed by the Government of India and we Would like to see thai Pondieherry gets its due share in the process of national development. ! am grateful to the House tha; almost without any discussion they are going to authorise payment for the people of Pondieherry. I hope it will be possible for us to create a situation in which normalcy will come back soon and it will be possible for the people's representatives of Pondieherry to discuss their economic programmes on the floor of their own House instead of this House. Thank you.

MR. CHAIRMAN ; The question is :

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated In id of the Union Territory of Pondieherry for the services of the financial year 1975-76, as passed by the Lok Sabha, be taken into consideration."

*The rnnliun was adopted.*

MR. CHAIRMAN : We shall up the clause by clause consideration of the Bill. There are no amendments.

*Clauses 2 and* 3 *and 'lie Schedule were added to the Bill.*

*Clause* 1. *the Enacting Fotmtda and the Title were added to the Hill.*

SHRI PRANAB MUKHERJEE : Sir, I move :

"That the Bill be relumed.".

*The question was put and the motion was adopted.*

MR. CHAIRMAN : Now. Statutory Resolution seeking disapproval of the conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance. 1975. Shri Prakash Veer Shastri, Dr. Ramkripal Sinha and Shri Subramanian Swamy not here.

**THE CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OI SMUGGLING ACTIVITIES (AMENDMEN T) BILL, 1975.**

THE MINISTER OF STATE IN THF MINISTRY OF FINANCE (SHRI PRANAB MUKHERJEE) : Mr. Chairman. Sir, I beg to move:

"That the Bill to amend the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, as passed by the Lok Sabha, be taken into consideration."

As i.uii. Members arc aware, prevention of smuggling an! the conservation of foreign exchange are of vital importance to a country like ours. In December, 1974 the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 was enacted by Parliament to immobilise, by detention, the persons connected with smuggling, foreign exchange racketeering and related activities ana to disrupt the machinery established for furthering these activities. Hundreds of persons ha-, e been detained under the provisions of this Act. both by the Central and State Governments. Detention of some of these persons was challenged in writs of habeas corpus in the various High Courts of the country. In view of the clandestine manner in which such persons carry on their activities and the consequent difficulty in securing the type of evidence needed to comply with the rigid standards insisted upon by the Courts, some persons against whom orders of detention were made under the Act have succeeded in getting such orders set aside. These orders were set aside in a number of cases by following the case law that has developed in regard to detentions under the Maintenance of Internal Security Act, 1971, principally relating to persons detained for acting prejudicially to public order: the orders were set aside by reason of the finding that some of ths many grounds of detention urged by the Government in support of an order of detention were vague, irrelevant or otherwise invalid.

Considering the special category of persons being dealt with under the Act, the clandestine methods adopted, and the organised nature of their activities, it is found necessary to clarify thai the grounds are separable so that the non-acceptability ot one or more grounds does not result in automatic release, and thus defeat the aim of Government to disrupt the operations of these anti-social elements.

Some persons hud obtained release on bail or otherwise from Courts contrary to the intentions of the Government regarding temporary release as contained in Section 12 of the Act.

The President issued a Proclamation of Emergency on 3rd December, 1971. Another Proclamation of Emergency (due to internal disturbances) was issued on 25-6-1975. Some of the persons engaged in smuggling and foreign exchange racketeering have been posing a serious threat to the economy and to the security of the nation owing to their large resources and influence. In the present Emergency, the disclosure of grounds of detention to such person, and compliance with the usual procedures of reference to the Advisory Boards would not be in the larger interests of the nation.

In order to deal with the above and in view of the urgency of the matter, the President promulgated on 1-7-1975 the Conservation of Foreign Exchange and prevention of Smuggling Activities (Amendment) Ordinance, 1975. The Bill seeks to replace the provisions of the Ordinance.

I move that the Bill be taken up for consideration by the House.

*The question was proposed.*