

Congress policy is double-faced and shameful because it tries to hoodwink America and Russia. He had taken that portion and used it as the main topic of his speech. I am grateful to him for having done that. He says :

"If this is a shameful policy, I say this country has been carrying on this shameful policy for the last sixteen years. If mighty nations like America and Russia are being hoodwinked by the Congress, then the Congress has been successfully hoodwinking them for the last sixteen years and it requires to be congratulated."

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B. R. BHAGAT): How is it relevant to the Kerala Bill ?

SHRI S. S. MARISWAMY : Madam. I spoke on the Appropriation Bill and he replied to me on the Finance Bill.

SHRI B. R. BHAGAT : That you can do but this is the Kerala Budget.

SHRI S. S. MARISWAMY : In this connection I will narrate an amusing and interesting story. Some years ago a fellow was found having stolen something from some house. He was taken to the Magistrate. The Magistrate asked him "Is it true that you have stolen it ?" He replied "Yes". Then the Magistrate told him that he was going to be convicted. The culprit turned round and said "Sir, you do not know what risk I took. On the night when I went to steal it was pitch dark. I braved the night and the path which I treaded to that house was a dangerous path. I covered that path. When I reached the house, it had a compound wall 25' high. I climbed it and got into the compound. There I found 20 people with deadly weapons in their hands. I managed with them. Eventually I entered the room where the iron box was there. I found to my great shock the iron box was so big and impregnable and foolproof against anything. Yet I opened it. I came back after having done so many things. Instead of congratulating me you are convicting me." So Mr. Vasan also wants the Congress to be congratulated for its successfully hoodwinking both America and Russia. So you have been hoodwinking both America and Russia. But are they so gullible people, are they capable of being hoodwinked

or are they going to hoodwink you eventually ? That is a matter to be decided by history. Thank you.

THE DEPUTY CHAIRMAN : The House stands adjourned till 2-30 P.M.

The House then adjourned for lunch at twenty-nine minutes past one of the clock.

The House reassembled after lunch at half-past two of the clock, the DEPUTY CHAIRMAN in the Chair.

STATEMENT BY THE MINISTER OF PLANNING REGARDING HIS VISIT TO WASHINGTON AND OTTAWA

THE MINISTER OF PLANNING AND SOCIAL WELFARE (SHRI ASOKA MEHTA): Madam, I rise to report to Parliament on my recent visit to the United States of America and Canada for discussions on economic aid. The principal purpose of my visit was to have discussions with Mr. George D. Woods, President of the World Bank, which is the sponsor of the Aid India Consortium, and with the United States Administration. During my stay in Washington, I had the opportunity to meet President Johnson, high officials of the United States Administration and leading members of the United States Congress. In Ottawa, I had very useful discussion with members of the Canadian Government. All these talks were marked by a spirit of warm cordiality and understanding.

As the House is aware, one of the principal problems we face in regard to giving a proper shape to our Fourth Plan is the uncertainty regarding the extent of assistance which we should hope for and which we could legitimately expect from friendly countries in support of the development programme we have in view. We have, in this connection, had discussions with the Soviet Union and other countries who are not members of the Aid India Consortium sponsored by the World Bank. Following the Prime Minister's visit to the United States of America and other countries in March, we found it essential to discuss further with the World Bank and with the United States Government, as one of the principal members of the Consortium, their ideas about aid commitments to fulfil the objectives of rapid economic development of India in the next

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plan period which is crucial to the strengthening of the economic structure in such a way as to ensure early attainment of self-reliant growth.

Within this broad context, the discussions I had with the President of the World Bank centred around the steps we intended to take in the next two plans on such questions as agricultural development, population control, acceleration of the programme for fertilizer production within the country, enlargement of export earnings, facilitating more intensive and more efficient utilization of the productive capacity we had already built up in several sectors such as machine-building, chemicals, industrial raw materials etc; and the importance in all these contexts of providing assistance, in a quantity and in a manner conducive to the best interests of economic development of India.

Both in the World Bank and in the United States Administration, I found an appreciation of what we had achieved in the last fifteen years of planned effort, as also a desire to assist us in what we were seeking to achieve in the next two plan periods. I made it clear to them that we considered the next five to ten years as crucial for India's economic development; that, conscious of this climacteric in our economic history, we were determined to put the utmost effort we were capable of into the task of assuring a structural revolution; and that there was a dynamism in Indian society today which we were resolved to harness in such a manner as to satisfy the requirements of economic development, social justice and political democracy. In this great task there is much that could be made easier, not only easier but more fruitful, if our own efforts could be supplemented by the knowledge and resources which developed countries were in a position to provide us. I am happy to say that the response I found in the World Bank, the United States and Canada has been such as to enable us to move forward with greater confidence and greater speed towards the realization of our objective of structural transformation conducive to self-reliance and self-generating growth.

Against this general background, I discussed with the World Bank the question of support, in terms of external assistance, both for the Fourth Plan period as well as

for the current year. The House will appreciate that in view of the fact that the Fourth Plan formulation has not yet reached a stage at which its outlines are definite, the discussions I could have with the World Bank could only be in qualitative terms. While the precise quantitative discussions on the measure of aid from Consortium countries had to await the decisions on plan magnitudes and plan allocations on our part, there was a clear appreciation of the fact that, over the next five years, substantially greater assistance than in the past would have to be provided both for more efficient utilization of the productive capacity already built-up and for addition to such capacity.

In my discussions with the World Bank and the United States, I emphasized the need for larger financing of maintenance imports, which would be needed by us in the next few years to make full use of the potential that already existed. In this context, I emphasized that one of the serious impediments to effective utilization of existing capacity and to the pursuit of a policy of freer and optimal allocation of available resources—internal and external—was the constraint imposed by the foreign exchange shortage. If sufficient non-project aid was available to us in a form which permitted greater flexibility in the allocation of foreign exchange—whose scarcity necessitates the elaborate use of administrative controls today—it would be to our advantage to secure the proper direction of resources through the more generalized instruments of tariffs fiscal and credit policies than those of detailed administrative allocations. Such a policy would, while providing adequate protection to domestic industry, also generate forces conducive to modernization of the economy and reduction in costs of production. It is this theme that I emphasized in my discussions with a view to securing greater support from Consortium countries for adequate provision of non-project assistance.

While stressing the need for larger non project assistance for purposes of a quick and efficient utilization of the capacity already in existence, I have informed the World Bank that for achieving our developmental objectives we shall have to secure planned additions to productive capacity from year to year. In other words, I have made it very clear that the larger assistance

we require by way of non-project aid in this year—as well as in the Fourth Plan period—would have to be in addition to the project assistance we shall need for enlarging and diversifying the production structure over the next few years. Here again, the response I found was not only sympathetic but reassuring. Admittedly, any quantitative formulation of what assistance we need or we should expect, from the aid-giving countries will have to depend on our formulation of the Fourth Plan. As soon as we do so—and we hope to be able to submit the Draft Outline of the Fourth Plan to the National Development Council and Parliament in the next few months—we propose to invite the World Bank, as leader of the Consortium, to arrange for its appraisal and consideration by the Consortium well before the end of this year.

Against this background, we had detailed discussions with the World Bank on our aid requirements for the current year and we reached a meeting of minds on the quantum of aid that would be required if India is to move ahead rapidly and decisively in her own chosen directions. The President of the World Bank has agreed to take up our substantial requirements for non-project assistance in the current year with the member countries of the Indian Consortium and to intimate to us their response in the near future. His efforts in this direction will have to be strengthened and supplemented by our own approaches to aid-giving countries on a bilateral basis. In addition, the President of the World Bank will also urge the Consortium countries to give assistance to our projects over and above the substantial and higher level of non-project aid that would be necessary. He has also assured us that the World Bank and its affiliate, the International Development Association, will participate in a substantial manner in the provision for our non-project aid requirements besides continuing to entertain requests for project assistance.

The United States Administration have indicated that subject to the action of the Congress they will meet their appropriate share of our non-project aid requirements for the current year as assessed by the World Bank. In addition, they would be willing to finance projects, including the projects which we had posed to them prior to the

suspension of new US economic aid commitments to India in September last.

In my discussions the possibility of co-operation between India and Pakistan on economic projects which would be beneficial to both the countries came up. I pointed out that India for her part had always been willing to explore the feasibility of such projects on their merits. We did not, however, discuss details of any specific projects.

The highlight of my discussions with the United States Government was, naturally, my meetings with President Johnson. The United States President expressed his deep personal admiration for the Prime Minister and his sympathy and understanding for the many difficult tasks that lay ahead for the people of India. He understood well what we were trying to do in India and he was most appreciative of the manner in which we were approaching our problems. He said that, subject to the overriding authority of Congress, the United States would play its part in supporting the programme of Indian economic development. He did not wish to make any demands on India; all he desired was that the resources India raised herself and the resources made available to her were spent for her economic benefit and for the well-being of her people. He hoped it would be possible for India to enjoy peace and so to lessen the burden of defence which she was now compelled to carry.

During my visit to Canada, I had the opportunity to meet with Mr. Paul Martin the Foreign Minister and Mr. Mitchell Sharp, the Minister for Finance. I could not, unfortunately, meet Prime Minister Lester Pearson as he was indisposed. My visit to Canada was primarily a goodwill visit. Canadian aid to India, over the years, has been not only most generous in quantum but also most understanding in its terms. I was therefore anxious to convey to the Canadian Government our deep appreciation of the understanding which we have always had from them. Honourable Members will recall that recently the Canadian Government announced the cancellation of the repayment of 10 million Canadian dollars due to them in the current year. The Government of Canada have also substantially increased their shipments of wheat aid to India. I was assured by them of their continued interest in supporting our develop-

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mental efforts during the Fourth Plan period and I expressed our appreciation of the spirit and the quantum of Canadian assistance to India.

SHRI G. MURAHARI (Uttar Pradesh): Madam, the Minister has made a very long statement but at the end of the statement there is nothing concrete in what he has said. He has gone to America and discussed our economic policy. They have given him sound advice—it looks like it—and he has listened to all the advice and come back. The only result has been that we have lost our self-respect. We have been told what we should do and how we should behave. There is a sentence in the statement, Madam, wherein it is mentioned that they have said that we should utilise our resources for our own economic planning and all that. After all the Government has been utilising its resources for the betterment of our own economic condition but there have been certain specific discussions on this. Then they have also said that we are overburdened with defence expenditure. So, they must have indicated to the Minister how much we should cut on defence expenditure and with whom we should make peace. After doing all these things, from the statement of the Minister, it looks as though the Minister feels that just because he enjoys the confidence of the Prime Minister, which he has been repeatedly reminding us both in the other House and outside, just because he thinks that the Prime Minister has got so much confidence in his policies, he could get away with anything.

SHRI C. D. PANDE (Uttar Pradesh): Of the party also.

SHRI G. MURAHARI: Probably; I do not know how many of his party are with him on this question. In any case he has said that whatever economic policy is to be formulated in future is going to be in consultation with the United States Government; otherwise there is no aid forthcoming. That is the net result of the entire statement. So, I would like to know whether there is any likelihood. . .

SHRI RAJENDRA PRATAP SINHA (Bihar): That is a wrong interpretation.

SHRI G. MURAHARI: Well, the interpretation will be out in a few days when things start moving. Things have already

started moving. There have been certain modifications in your policies which are self-evident and which do not require clarification and in course of time probably other things also will come out, but the fact remain that in spite of all that has been done and all the talking that has gone on between the World Bank and the Minister the net result has been nothing concrete. So I would like to know from the Minister whether in the future India is to be guided by what the United States wants us to do on the economic plane as well as on the plane of defence.

SHRI ASOKA MEHTA: Madam Deputy Chairman, I am surprised at the statement that has been made from the other side of the House. At no time was the question of what our foreign policy was, or what our defence policy was or with whom we should make peace or with whom we should make war was ever brought up, nor were they advising us as to what we should do and if anybody had tried to tell me as to what I should do I would never have stayed there for a minute more. I hope Members of this House would realise that self-respect and patriotism is not the monopoly of any single section of the community.

SHRI G. MURAHARI: We know your love for the United States.

SHRI ASOKA MEHTA: When I am asked to represent my country I believe that this House has this much confidence in me as it would have in any other Member of this House that I would represent my country with the necessary patriotism and necessary self-respect. Therefore, Madam, what we discussed was to explain to them what our policies are and what kind of policies we would like to follow if we had adequate external assistance because many of our policies today get hamstrung.

You know, Madam Deputy Chairman, how today because of lack of foreign-exchange all kinds of projects have to be abandoned; all kinds of industries that have been built up are not able to produce to their capacity. There are various things that we said we could do if we were surer of larger assistance. There are other things which we are doing in a particular way because that is our policy. We explained all that and when it is said that nothing concrete has emerged, I would very respectfully differ because I have indicated in my statement that in the Fourth

Plan as a whole larger assistance would be available than what was there in the past. The precise figure cannot be decided just now because we ourselves are not in a position to say what the precise figure will be till the Plan has been finalised.

Secondly, a greater part of it will be in terms of non-project assistance. Indian economy has reached a stage where it is no longer undeveloped but it is not also fully developed. At the mid-point of development what we need is a lot more non-project assistance. Madam, there has been reluctance to give non-project assistance. Other countries are willing to give project assistance. Even when I was in the Soviet Union last year that was the main difficulty, how to persuade them to give more of non-project assistance as against project assistance. I am happy to say that the Soviet Union has also realised that an economy which is partially developed requires a different kind of aid programme. The World Bank all these years have only believed in giving project assistance. It is only now that they have agreed that non-project assistance has to be a substantial part of their aid.

So it is not a question of their influencing us; I can say this with a certain amount of assurance that I have also tried to influence their policies. When discussion take place, when dialogues are held people do not meet with closed minds. At least, Madam, most of us do not meet with closed minds. We meet in order to find a solution to certain problems. Therefore, as far as assistance is concerned, not only the quantum will be greater but the terms will be more favourable to us and the nature of the aid will be as would suit us.

As far as the current year's requirements are concerned, I have made it clear that there has been a meeting of minds on the quantum that is needed but it is not for me to give out the quantum here. This assistance will be given by ten countries. They have their Parliaments and they have got to see them clearance from their Parliaments and the privilege of declaring what assistance they will give is the exclusive privilege of the Governments responsible to those Parliaments. If we were giving some aid, if I were to announce what aid India would give, or if somebody

else were to announce what aid India would give, how would this Parliament react? I would be with Parliament in reacting sharply. We have to realise that we are dealing with ten countries that are as democratic as we are and we must respect their democratic institutions as we expect them to respect our democratic institutions. It is not that I am trying to get anything out of it. It is their privilege to decide what they will give. Certain indications have been given to me but after they have consulted their Parliaments, after they have got the clearance from their own Parliaments, they will declare what it is and I think it is in the fitness of things that the final figure, when it comes, will come from other countries and not from my mouth.

SHRI M. N. GOVINDAN NAIR (Kerala): Madam, I am not very much bothered whether the Minister enjoys the confidence of the Prime Minister or not.

SHRI RAJENDRA PRATAP SINHA: He does.

SHRI M. N. GOVINDAN NAIR: I am concerned about certain other matters. Certain recent developments after his visit have sown apprehension in our mind about the type of aid that we are going to get from America. For example, as far as these fertilizer projects are concerned, it seems that we have agreed to majority participation by Americans. In certain other cases also you have conceded majority participation. This is the type of help you are getting for your Fourth Plan and you are giving the go-by to the Industrial Policy Resolution which you were following till now.

SHRI ASOKA MEHTA: I would first of all like to make it clear that whatever decisions about the fertiliser policies have been taken, have been taken by the Government of India long before I went to the United States of America. Secondly, I do not know if the hon. Member has gone through the Industrial Policy Resolution carefully—he will find that in the mixed economy that we are having, there are areas, there are industries, where we allow the private sector to set up industries. Our broad policy is that here foreign private collaboration is permitted, but generally they will have to have minority participation. In special cases we permit majority participation. This is the policy which we have been following all these years.

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I would like to make it clear that we are asking for Rs. 4,800 crores of external assistance during the Fourth Plan period, of which Rs. 4,000 crores we are seeking from the consortium countries, which will come on a Government to Government basis or from the World Bank. Rs. 500 crores is what we are hoping to get from our communist friends. Rs. 300 crores is all that we are hoping to get in terms of foreign private investment in India. In an economy where the total investment will be nearly Rs. 20,000 crores, the quantum of external foreign private capital anticipated is Rs. 300 crores. Madam, I would again like to point out that our industrial programme will be of the order of Rs. 7,400 crores, excluding small-scale industries. If we include them, it is likely to be of the order of Rs. 8,000 crores or Rs. 8,200 crores. About Rs. 3,200 crores will be in the private sector. In the Rs. 3,200 crores of investment in the private sector, the requirement of foreign exchange will be of the order of anything between Rs. 900 crores and Rs. 1,000 crores. When it is of the order of Rs. 900 or Rs. 1,000 crores, we say that something like Rs. 300 crores can come through collaboration and other means. Therefore, I think the whole thing has to be viewed in the proper perspective.

If you will permit me, I would like to take this opportunity to say something about fertilisers. Why are the Americans so interested in fertilisers? Is it that their only interest is to make money? May be they are interested in money, but there is a whole spectrum of other industries. Why do they not talk about other industries? Why do they keep on, as it were, plugging on these fertilisers? Let us try and understand the problem. We have been depending upon the United States supplying us with foodgrains for a number of years and our demands for foodgrains have, unfortunately, grown from year to year. The United States Government says that that country is no longer in a position to do that. Madam, you have been there. I was happy to find so many friends enquiring after you. You seem to have a large number of friends in the United States. Now, these friends, legislators and administrators have told me that the United States is not in a position to supply these foodgrains for a long period. We should not depend upon them. They

say: "You have said that you hope to increase your food production mainly by using fertilisers, etc. As far as fertilisers are concerned, your requirements of fertilisers, even after the factories that you are building up, will need external assistance of the order of Rs. 350 crores to Rs. 400 crores during the Fourth Plan period. If these requirements are prolonged for a long period, we are not in a position to give you either food or give you money indefinitely to buy fertilisers. Therefore, we feel that you should build up as many fertiliser factories as you can. If we envisage doing our bit towards building up these factories, at least do not close your door against us." Whether we like it or not, it is for us to decide. Let us understand that behind it there is no perfidious intention. Here is a logical analysis, which is being offered. We have, therefore, to decide that the public sector programme will go ahead. Every year we are hoping to set up two new fertiliser plants in the public sector. The public sector will go ahead, but in the private sector also, we want to allow them to come in. In the Fourth Plan, of the factories that have already been planned, 70 per cent. of the fertiliser production will be in the public sector. Of the 30 per cent. in the private sector, there is only one factory in which the foreigners will have a 51 per cent. share and that is the Kanpur factory. It should be realised that they had earlier in that company 70 per cent. share, which is now being reduced to 51 per cent. Therefore, so far, I think, what the Government of India has done is something that can challenge admiration.

SHRI R. S. KHANDEKAR (Madhya Pradesh): The statement of the hon. Minister is vague and in general terms, although it is in good words. We were told that our Fourth Plan was not ready because they were not sure about the foreign aid. The hon. Minister said that it is Rs. 4,800 crores or something like that. Now, the statement says that unless we formulate our Plan, they are not prepared to tell us how much aid specifically they will give us. So, are we in a circle? They should first declare the quantum of aid and then we should formulate our Plan or we should first formulate our Plan and then they will declare what aid they will give. I do not understand it. Secondly, I want an assurance. The statement says that they will see how that aid is used.

Supposing there is a conflict between India and Pakistan, which is a very likely event, may I know whether that aid will be forthcoming or not or whether it will be stopped on the ground that it is not being used properly?

SHRI ASOKA MEHTA: I am grateful to the hon. Member for the first part of the question that he has put to me. In the Third Plan external assistance was of the order of Rs. 2,650 crores. Now, it was not possible for me to assume, or for my colleagues to assume, that we could finalise a Plan, where our foreign exchange requirements would be of the order of Rs. 4,000 crores or Rs. 4,500 crores or Rs. 4,800 crores. I do not know what precise figure will ultimately emerge, but the increase is very substantial. It was necessary to find out whether the aid-giving countries were willing to live with the kind of large figures we have in mind before we could finalise our figure. So, we drew up the first sketch of the Plan. We indicated to them as to what our requirements would be. When we find that they are willing to live with our larger figures, nobody is in a position to say: "Yes, 'X' amount will be available." But we could now draw up our Plan with much greater confidence. After we have drawn it up, again, we have to discuss with them and then the precise figures will emerge.

As regards the second part of the question they have not told us what we should do. One can only talk of economic co-operation or assistance between two countries so long as the relations are normal. If with any particular country our relations become abnormal, well, the economic co-operation also becomes abnormal. I can only, as one responsible for development, tell you what we hope to do and we can achieve if normal conditions can be projected.

SHRI ARJUN ARORA (Uttar Pradesh): This statement is important not for what it says, but for what it leaves unsaid. The impression that the Planning Minister's visit has created and which impression the statement confirms is that we have lost our capacity to assert our economic independence. The statement makes it obvious that the Fourth Plan will be finalised not by us, not by the Planning Commission and not by our Cabinet, but by the World Bank and

only after the approval of the aid-giving powers. May I know . . .

SHRI C. D. PANDE: It is making Budget on the basis of it.

SHRI ARJUN ARORA: You are not the Planning Minister and I think you will never will be made one.

SHRI C. D. PANDE: I am supporting him and, therefore, I can say it.

SHRI ARJUN ARORA: I understand that, but you have no right to reply on his behalf and I am sure he will not yield his place to you. May I know, why is it that the Planning Commission has not formulated the Plan, presented it to Parliament and then sought whatever foreign aid was available? The procedure, which was vehemently defended by the Planning Minister, means that we have surrendered our economic independence to the World Bank and given the World Bank, the consortium of aid-giving powers, which ultimately means the Government of the United States, the power to okay or not to okay our Plans.

SHRI ASOKA MEHTA: I am thankful to the hon. Member for bringing out into the open, what has been said in a subterranean way.

SHRI ARJUN ARORA: I always believe in open ways. You can depend on me for that.

SHRI ASOKA MEHTA: That is why I said I am thankful to you. Madam, he says it is obvious that our economic independence has been surrendered. I would like to know from him wherein my statement that thing becomes obvious. If he had said that one could read between the lines, I could have understood it. But when he says that it is obvious, I shall beg of him to make it clear. I have already sent him a letter about certain statements he made in a speech here and I hope he will be good enough to reply to that letter.

3 P.M

SHRI ARJUN ARORA: I will certainly send you a reply.

SHRI ASOKA MEHTA: I am again requesting him to state what is so obvious, he will kindly bring that out, so that I may be able to answer it.

But let me answer the other part of the statement. The answer to the other part of the statement is there is no question of surrendering anything. As I explained, Madam, when we draw up a Plan, we are trying to do two things. I have been repeatedly pointing out that we have reached the midpoint of our development. The Fourth Plan is the period where we are as it were crossing the hump, the most difficult, the most critical, the most crucial part of the development cycle that began in 1951, and that we hope to complete by 1976. During that period we have dual requirements. We require external resources to make the fullest use of the capacities that we have built up so that our ability to produce more machines, more engineering goods, more chemical goods, more key materials is fully developed whereby the whole structure of the economy is accelerated. On the other hand, there are still many areas where new industries have to be set up. For instance, Madam, in transport we shall be self-reliant in the Fourth Plan period; in the power sector we shall be self-reliant, we do not depend upon anyone; in agriculture it is our endeavour to be completely self-reliant in the next five years. But in industries, because so many industries have to be set up, we cannot be self-reliant in the next five years or within a ten-year period. In the next five years there are large gaps in our industrial structure that have to be filled up. So, we need the maximum amount of assistance during the Fourth Plan period. So it was necessary to find out whether that maximum amount of aid would be available to us. Otherwise what do we do? Shall we leave some of our capacities unused and build up more essential industries so that our dependence on the outside world is reduced, even if it means that a lot of our resources remain idle. Or, should we decide to utilise our own resources and be somewhat slow in building up new capacities? This vital decision has to be made in determining the shape and character of the Plan. That is why it was felt that a preliminary discussion with them would enable us to know what is likely, what is the order, broadly speaking, of the assistance that would be available. Now, that we know that we can adequately utilise, perhaps fully utilise, the capacities that we have built up and we can count upon further expansion of new capacities

also to a considerable extent, we are in a position to draw up the Plan in a much more effective manner.

Supposing the Plan document had been drawn up which envisaged an external assistance of Rs. 4,000 crores or Rs. 4,800 crores and I had put that document here, I am sure that very hon. Member, with his great intelligence, would have said: "What is the basis for your assumption of having such a large assistance?" And if I had gone to those countries afterwards, they would have said: "You have drawn up the Plan, we are not prepared to go from Rs. 2,650 crores to Rs. 4,800 crores."

When I went to Moscow last year to make this very enquiry—I shall be going to Moscow next month to pursue these enquiries—nobody thinks that I am handing over our right to draw up the Plan to the Planning Commission of Moscow. But when I carry on similar consultations with other countries, subterranean forces seem to think that our independence is being eroded and undermined.

SHRI K. SUNDARAM (Madras): The hon. Minister has said that he has invited the World Bank a second time. The World Bank had been here before. They have made a survey and I believe they have submitted their report with a copy to the Government of India. On that report there were rumours or statements in the papers that some of the projects were considered to be political and therefore non-economic. May I know from the hon. Minister whether non-project help that the Consortium is not prepared to consider is because of the report of the World Bank? Another question is this. He has invited the World Bank a second time to make a resurvey of the projects now so that the report can be revised in favour of our plan projects. It is only just now the Minister has said that he is going to Moscow next month. What is the purpose? He has not mentioned it before leaving for the United States but the day that he has landed in India he has announced that he is going to Moscow also. Is there any political significance there?

SHRI ASOKA MEHTA: As far as the last part of the question is concerned there is no political significance. Last year I was in

Moscow and a number of projects were agreed to. Now these projects have been technically examined by their people; they have been technically examined by our people; and we have got to meet together in order to finalise our discussions and our negotiations. Secondly, I do not know where the hon. Member found that anybody has said that there will be no assistance for projects. I have made it very clear that they have said that there will be non-project assistance as well as project assistance.

SHRI S. S. MARISWAMY (Madras): They are reluctant.

SHRI ASOKA MEHTA: Will you please show me from the statement where I have said that they are reluctant?

SHRI K. SUNDARAM: There were reports in the papers.

SHRI ASOKA MEHTA: I am not responsible for what appears in the papers. I am before you. I believe in this House the Members would like to cross-examine the Ministers directly and not depend upon what correspondents write from their imagination. I am before you. When I am before you, when you can cross-examine to your heart's content. . .

SHRI S. S. MARISWAMY: If you are so sensitive, you should have made the statement on the day you arrived here.

(Interruption)

SHRI ASOKA MEHTA: I am unable to understand, Madam. I am here. It will be a part of the record for which I shall be answerable.

SHRI G. MURAHARI: You need not be so angry.

SHRI CHANDRA SHEKHAR (Uttar Pradesh): When the Minister is answering, they should not interrupt like this.

SHRI ASOKA MEHTA: Madam, getting angry is not the prerogative of any one section of the House. I would like to make it clear that there is no question of project assistance not being available if the projects are worthwhile projects. The question was raised about the World Bank team. The World Bank team made certain reports to the

World Bank President. They have made certain recommendations. After having received those reports he has had discussions with me and my colleagues, and after that he has agreed that for the Fourth Plan the assistance would be larger and more or less in terms of the requirements that we have in mind. That obviously shows, that patently proves that as far as the World Bank is concerned the Bank is satisfied with what we have done so far, and what we are planning to do is something worth supporting. Then the other question is: "Why are we asking another team to come?" We are asking another team to come to study the Fourth Plan document, because unless they study it, they will not be able to reach the precise figures about the assistance that we need. Various elements in the Plan have to be discussed and there should be an agreement about foreign exchange requirements. When I am saying that they will come to sit with us and consider the Fourth Plan document, I do not know where the question arises about some project which had been decided in the past being given up or being altered.

THE KERALA BUDGET, 1966-67—*contd.*

THE DEPUTY CHAIRMAN: We now go back to the Kerala Budget. Mr. G. Murahari.

श्री गोडे मुराहरी (उत्तर प्रदेश): उप सभापति महोदया, केरल के ऊपर इस सदन में काफी बहस हो चुकी है।

SHRI M. N. GOVINDAN NAIR (Kerala): Why don't you speak in Malayalam?

श्री गोडे मुराहरी: वैसे मैं मलयालम में भी बोल सकता हूँ लेकिन उसके लिये कुछ कायदा कानून बनाया हुआ है इसलिये मैं नहीं बोलता हूँ।

. . . तो केरल के ऊपर कई बार बहस हो चुकी है और यहां पर बार-बार इस चीज के बारे में सरकार का ध्यान खींचा गया है कि वहां पर जो जनतांत्रिक ढंग से चुनाव हुआ और चुनाव होने के बाद वहां पर जो एम० एल० एज० इलेक्ट हुए उनको न बुला कर के,