

**ALLOTMENT OF TIME FOR CON-
SIDERATION OF MOTION RE
STATEMENT ON MANUFACTURE OF A
SMALL CAR**

MR. CHAIRMAN: I have to inform Members that under Rule 153 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I have allotted two hours for the consideration of the motion regarding the manufacture of a small car.

**MESSAGE FROM THE LOK
SABHA**

AMENDMENT IN THE CONDUCT OF ELECTIONS
(SECOND AMENDMENT) RULES, 1962

SECRETARY: Sir, I have to report "to the House the following message i received from the Lok Sabha, signed ! by the Secretary of the Lok Sabha:—

"In accordance with the provisions of Rule 236 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to inform Rajya Sabha that the annexed motion for modification of the Conduct of Elections (Second Amendment) Rules, 1962, which were laid on the Table of Lok Sabha under the provisions of sub-section (3) of section 169 of the Re- | presentation of the People Act, 1951, at its sitting held on Friday, the 24th August, 1962, and to request that the concurrence of Rajya Sabha in the said motion be communicated to this House."

MOTION

"This House resolves that in pursuance of sub-section (3) of section 169 of the Representation of the People Act, 1951, the following amendment be made in the Conduct "f Elections (Second Amendment) Rules. 1962, laid on the Table on the 19th April, 1962, namely:—

Add the following as sub-rule '2) to rule 3,—

(2) To sub-rule (1) of rule 93, the following proviso shall be added, namely;—

"Provided that—

(a) where any such order is made by the Election Commission, the Commission shall, before making the same, record in writing the reasons therefor; and

(b) no such packets shall be opened nor shall their contents be inspected by, or produced before, any person or authority under any such order of the Election Commission unless that person or authority has given reasonable opportunity to the candidates or their duly authorised agents to be present at such opening, inspection or production.'

This House recommends to Rajya Sabha that Rajya Sabha do concur in the said resolution."

**THE APPROPRIATION (NO. 4) BILL,
1962**

THE DEPUTY MINISTER IN THE
MINISTRY OF FINANCE (SHRI B. R-
BHAGAT): Sir, I beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1962-63, as passed by the Lok Sabha, be taken into consideration."

[THE DEPUTY CHAIRMAN in the Chair]

The Bill arises out of the Supplementary Demands of Rs. 8-40 crores voted by the Lok Sabha on the 21st August, 1962, and expenditure of Rs. 2.11 lakhs charged on the Consolidated Fund of India as detailed in the Supplementary Demands presented to the House on the 13th August, 1962. Detailed explanations in support of the demands have, as usual, been given in the foot-notes below the

[Shri B. R. Bhagat.] Supplementary Demand statements. I would, therefore, confine myself to a few introductory remarks on some of the major items for which additional provision is required.

A sum of Rs. 8 crores is required for the payment of subsidy to the Indian Sugar Industry for meeting the losses incurred on increased export of sugar to Canada, Malaya and other non-preferential foreign markets. As hon. Members are aware, in view of the increased production of sugar and the need for earning more foreign exchange, sugar is being exported since September, 1960. During the calendar year 1961, the quantity of sugar exported amounted to 2.68 lakh metric tons and since January, 1962 to the beginning of August, 1962 the export of another 2.57 lakh metric tons had been contracted. The exports up to the end of November, 1962 are expected to toe of the order of 3.5 lakh metric tons as against 2.5 lakh metric tons assumed earlier for which a provision of Rs. 5.5 crores for payment as subsidy was "made in the Budget. Owing to the reduction in the quota allowed to India for export to U.S.A. at preferential rates, it has also become necessary to step up the exports to other preferential and non-preferential markets with the corresponding increase in the provision for subsidising the loss involved. The exports up to the end of November, 1962 are expected to earn a foreign exchange of Rs. 12-75 crores. No indication is yet available of the exports to be made in the period beyond November, 1962.

A sum of Rs. 25 lakhs is required for the purchase of shares of Manganese Ores (India) Ltd., which has been formed for mining manganese deposits in the States of Maharashtra and Madhya Pradesh. The Central Government and the Maharashtra and Madhya Pradesh State Governments will together hold 51 Per cent, of the shares of the company and the remaining 49 per cent, will be had by ' "

the Central Provinces Ore Co. Ltd., a Sterling company which formerly mined these deposits. This company is being associated with the mining operations in view of its intimate knowledge of the mines and its well-established sales connections abroad.

A sum of Rs. 11.37 lakhs is required for meeting the capital expenditure on the Under-graduate Wing at the Armed Forces Medical College, Poona. In addition, revenue expenditure of Rs. 3 lakhs will also be incurred on this account, but it will be met from savings within the respective Defence Grants. The decision to set up the Under-graduate Wing leading up to the Degree course is aimed at overcoming the shortage of Medical Officers in the Armed Forces and also to utilise to the full facilities already available in the Medical College.

The new Department of Special Economic Coordination in the Cabinet Secretariat, which has been set up to deal with specific matters of economic co-ordination, accounts for a provision of Rs. 3.87 lakhs included in the current batch of Supplementary Demands. The other items are mostly in connection with obligatory expenditure arising out of the court decrees and arbitral awards which could not be anticipated and for which no provision had been made in the original Budget. With these words I move.

The question was proposed.

THE DEPUTY CHAIRMAN: The time allotted for this Bill is one hour and there are four Members to speak.

SHRI BHUPESH GUPTA (West Bengal): Madam Deputy Chairman, we are asked to provide some funds for the new Ministry which has been created, called the Ministry of Coordination. Well, Madam, some officials told me, when the Ministry was formed—I did not agree with that view—that it was a Ministry of interference. And I immediately told the

Ministers concerned that that is how they talk about this new Ministry. Now, Madam, we have embarked upon a system of Ministry without Portfolio to be formed. It seems that Mr. Krishnamachari had to be brought into the Cabinet

THE DEPUTY CHAIRMAN: Are you speaking on the Appropriation Bill?

SHRI BHUPESH GUPTA: Yes, We can understand the Ministry of Co-ordination. Mr. Krishnamachari was to be brought into the Cabinet. Naturally they have brought him in. I am not going into that question. No job could be found for him. Then suddenly we saw that the Minister without Portfolio had come. Then we came to know through the newspapers, not through Parliament, that a new Ministry had been created, called the Ministry of Economic Co-ordination and the necessary arrangements were being made to set up a secretariat of this Ministry for which we have been called upon to sanction money. We do not still know what is its function, the Parliament is called upon to sanction money for a newly created Ministry without being told exactly what would be its functions under the Constitution in the Cabinet in relation to the various Ministries whose activities it is supposed to co-ordinate. This is not fair. There may or may not be justification but certainly the Government should tell us exactly how and where it stands. We are getting all kinds of reports through the newspapers and the Ministers have to make statements to assuage public feelings about it and to contradict reports by saying that there is no conflict between this Ministry on the one hand and certain other Ministries on the other. Yet, we do not know exactly what are its powers. In what lines it is going to co-ordinate and where does it stand vis-a-vis the Planning Commission? Where does it stand vis-a-vis the Ministry of Finance? Under our Constitution •

and under the conventions, the Ministry of Finance has very wide powers to go into the question of the activities of the various other Ministries in so far as they involve financial expenditure. Nothing can get out of the public funds without the sanction of the Ministry of Finance. Now I would like to know what happens if the Co-ordination Ministry comes into the picture and makes a recommendation that certain things should be done in this manner and money should be spent with a view to enforcing co-ordination and the Finance Ministry does not approve of it? What happens then?

SHRI K. SANTHANAM (Madras): It goes to the Cabinet.

SHRI BHUPESH GUPTA: Again, there is the Planning Commission which is supposed to co-ordinate the nation-building activities including the economic activities of the country and which is supposed to advise the Government in such matters. What is the function of this new Ministry which is being created vis-a-vis the Planning Commission? Do I understand that this Ministry will arrogate to itself some of the functions of the Planning Commission, divesting the Planning Commission of such functions? Do I understand that this Ministry will have concurrent jurisdiction in such matters where the Planning Commission has authority and sphere of activity? All these things I would like to know and the Prime Minister of the country does not tell this House or the other House as the Head of the Government as to what actually are the functions and why all of a sudden, after 10 years, he came to the conclusion that there should be such a Ministry after two Plans. I cannot explain it. I am not a member of the Congress Party. Therefore, I am not expected to explain the position taken by the Congress Party, but certainly as Members of Parliament, we are asked as to what is this Ministry, what is its function and where Mr. Krish-

[Shri Bhupesh Gupta.]

namachari would stand. These things are left absolutely in the shade and things are not clarified as yet. Yet, we find that no co-ordination actually is taking place. We know that all the paraphernalia of Secretary, Private Secretary, Under Secretary, Assistant Secretaries and all the rest of it, are in full motion but we would like to know whether the process of co-ordination has started and, if so, where. By all accounts we find no special co-ordination between the Ministries. There is no material change in the situation as compared to what existed before the Ministry was created. Is it for the pleasure of somebody or is it for the good of the country? Mind you, I have an open mind in the matter because I am not one of those who would be opposed to such a Ministry as such but certainly I would like to know what are its functions and we have not been able to get satisfaction in regard to that matter at all. Mr. Krishnamachari does not make it clear either. It seems he does not know what to say. Questions are there in the House. We do not address any big question to this Ministry. Yet, there may be questions with regard to matters relating to co-ordination. To whom would we address this question—to the Minister for Co-ordination or the other Ministers concerned? It should be explained to us by the Prime Minister. What is the Minister for *vis-a-vis* the Parliament I would like to know? Is he a Departmental boss who does not need to answer any question or even make a speech? Bills would not come in his name and questions will not be answered by him, policy statements will not be made by him as the different branches of our economy and other things are covered by the other Ministries. Then what will he bring to Parliament? This is not clear to me. It seems to me that there is high-power politics going on and the country cannot tolerate such things. It seems that the Prime Minister wanted Mr. Krishnamachari to be in the Cabinet and assume high

responsibility, perhaps next to him, and then it seems he did not find it easy going and he did not find any acceptable place for him either to the satisfaction of Mr. Krishnamachari or to his own satisfaction. Therefore, the new contrivance was made that there should be a Minister without Portfolio going round the Parliament House. Well, later on it was found that this must be a little too crude a method. Therefore, came the Ministry for Coordination. But yet we are not told anything. Therefore, this is a matter to be explained. I do not speak because, as I said, as such I have no quarrel with such Ministries but then the manner in which we are being treated is wrong. Is Parliament an extended body of the Congress Working Committee that whatever the Leader does goes without being questioned? Are we obedient Members of the Congress Parliamentary Group that we have to swallow whatever comes from the Supreme Leader?

SHRI LOKANATH MISRA (Orissa): Even they do not like it.

SHRI BHUPESH GUPTA: I know many Congressmen do not like it also but I have no quarrel with Mr. Krishnamachari. Please do not understand me that I have anything against him as an individual. This is not at all the proposition here. This is a Constitutional position that I wish to have thrashed out in the course of this debate. This is a Parliamentary convention that I want to set straight. It is the right and privilege of Members of this and the other House which I want to invoke in order to call upon the Government to explain. Nothing has been done. This does not seem good for our Parliamentary institutions. If the Leader is not in a position to make the necessary adjustments for the reshuffling of the Ministry—sent out some people he does not like and bring in some people he likes—then something is

bad. Certainly the approach should not be to keep them who are not wanted and also put in those who cannot be in the normal way accommodated. Now if this practice starts, then what will happen? In the States the same thing will be followed, that in order to patch up factional troubles and so on, there will be Ministers without Portfolio. I know, that, if this goes on, then in every State there will be a couple of Ministers without Portfolio who will become later on Ministers for Co-ordination without co-ordinating anything on earth. This is what I fear. Therefore, I would like to have a clear and categorical answer. I know the statement cannot be made by any hon. Minister present here. Therefore, I want that the Members of the Government here should convey this thing to the Prime Minister that at least the Opposition, some Members of the Opposition, in the Rajya Sabha want to know exactly what are the functions, what the province of the Minister of Co-ordination and what he is going to co-ordinate. This is a very important point that I have made. In the U.K. we have Ministers without Portfolio sometimes but then they are given assignments either in international politics or certain other things. In our country also we had at one time a Minister without Portfolio or something like that. Therefore, the principle as such is not objected to, but the whole approach in this matter and what came later on is wrong. The Minister without Portfolio became the Minister with Portfolio but that portfolio became a Ministry of Co-ordination and one does not know what exactly that Ministry is. This is what I am opposed to. Therefore, I think others will speak on this subject. I hope this matter will receive the attention of this House. Monies are being sought. Well, you can have that money if you like but we do not like to sanction money without being taken into confidence. All this goes against the spirit of parliamentary democracy. This encourages authoritarian trends in the Treasury

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Benches. This shows disrespect to Members of Parliament and this shows that when Ministers are responsible to the Lok Sabha and also to some extent—not Constitutionally but otherwise—to this House, the House is not taken into confidence. How do we review its work? We are sanctioning this money. But how do we review the work of this Ministry in this House here or in the other House? We have to review the working of the various Ministries, make our suggestions and make assessments of their activities. How do we do such things unless we are told what the duties and functions of this Ministry are? But we are absolutely left in the lurch. This is the position and it is most unfortunate and unacceptable. Clearly, it is not a good parliamentary convention.

[Time bell rings]

My last point relates to this sugar subsidy. Money is given to the sugar kings again. I do not know why this is being done. When they were selling sugar at higher prices in our country, they were selling sugar to the United States of America at half the price that they were charging the Indian consumer. You know the sugar industry has been given considerable assistance out of government funds, with the help of which they made, over the last few years, extra profits to the tune of nearly Rs. 50 crores and so on. This is a pampered industry in India. Now again money is being found for them. Why? To promote export, we are told. Why can't the Government undertake the export of this sugar? Government certainly can buy sugar in our own country and itself become the exporter in the State sector. And the Government can get money out of the export earnings. Why should the public exchequer give money in order to push exports? And then you don't get any profit. It seems to be a case of "Heads I win, tails you lose". We are losing on all accounts. We never gain in the entire deal. That is the approach of the Government. As I said, this is a pampered industry,

[Shri Bhupesh Gupta.] this sugar industry. It follows from the fact that the sugar magnates in this country have established somehow or other, considerable influence on the Government and they have sugar-coaxed so many things in the Government so that the Government does not somehow or other, know how to get out of their clutches and set matters straight and to see that the monopoly of these sugar industrialists is broken and the export is made in the interest of the nation as a whole.

The hon. Minister will no doubt give his usual reply. I know they can reply to our debates even without listening to the speeches, because their minds are made up, the points are made and the brief is ready. Still, I would like to know why this is being done now. Was it not possible for the Government to undertake export on its own, instead of allowing these pampered multimillionaires and the sugar industry bosses to make profits at the cost of the public exchequer? Is it not a fact that they were paid so much money, although they have not brought down the price of sugar at least to help us in this matter? Chit of the funds given to them from the exchequer of the country they have made unheard of the enormous profits in the preceding several years.

I do not want to say anything more just now. These are the two points that I wanted to make. First, there is the Constitutional point that I have made with regard to the Ministry of Co-ordination. It seems to be the pimpernel of the Constitution, the elusive pimpernel of the Indian Constitution—here, there and nowhere. We would like to know something, a little more, about this elusive pimpernel of the Indian constitutional set up and the Cabinet, so that before we sanction money, we are sure that we are doing something which is just and which is in the interest of the country, and that it is not something to accommodate the fads and certain indecisions of certain

people high up in authority. Thank you.

SHRI M. R. SHERVANI (Uttar Pradesh); Madam Deputy Chairman, I have just heard the hon. Member, Shri Bhupesh Gupta, and I am really wondering whether he wants to criticise only for the sake of criticising or whether he has really any facts to back his statements. The Ministry of Economic Co-ordination is an extremely useful creation in my humble opinion, for it is vitally necessary that there should be proper co-ordination between various Departments of Government and to avoid. . . .

SHRI BHUPESH GUPTA: Madam, I have never said that I am opposed to it as such.

SHRI M. R. SHERVANI: I did not interrupt you. Please let me go on.

SHRI BHUPESH GUPTA: How can you interrupt? I was only asking for information.

SHRI M. R. SHERVANI: It is vitally necessary to avoid wastage in the Departments and to avoid delay, by means of proper co-ordination. The Union Government, or any government for the matter of that, is like an orchestra where even if one member is out of tune, the whole orchestra goes bad.

I think that the Prime Minister has made an excellent choice in Mr. T. T. Krishnamaehari who is one of our outstandingly capable persons, well known for his ability and tact, and I am sure that his being there for looking after this work of economic coordination will save crores and crores whereas the expenditure to be incurred on the department is only Rs. 3,87,000.

As regards the subsidy for the sugar export I may be permitted to say, Madam, that I have been connected with this industry for the last 25 years and I state it with some knowledge that the total profits of this industry

during the year for which this sum of Rs. 8 crores subsidy is given, comes to about Rs. 2 crores to Rs. 3 crores. It is obvious, therefore, that this amount of Rs. 8 crores could not possibly have come out of the profits of this industry. In fact, it is coming out of the excise duty which the industry earns for the Government. The internal price of sugar today in the country which comes to the industry is only Rs. 25 per maund, because Rs. 13/- is excise duty, cane cess and various taxes. Out of this sum of Rs. 25/-, Rs. 18 per maund is paid to the grower, leaving Rs. 7 to the so-called multimillionaires of the industry. This is what is left from every maund of sugar and out of this they have to pay for labour, depreciation, chemicals, gunny bags and meet all the other expenses. All these expenses have to be met out of this sum of Rs. 7 per maund. It is obvious, therefore, that the industry has no means of subsidising the export. The necessity for export cannot be overemphasised. We want foreign exchange and sugar is becoming increasingly a greater foreign exchange earner, and I have no doubt that with the linking up of the cane price with the recoveries and the various other improvements that are suggested by the Government and the Food Minister, it will be possible to export more sugar and without loss in the course of four or five years. Today it is inevitable that sugar should be exported, because there is surplus of sugar. It has also to be exported because we need foreign exchange. And this money which is given out of the funds of the Government of India, it should not be forgotten, is money that has been received by the Government of India out of the various duties levied and the taxes imposed on sugar. If I am not mistaken, about Rs. 55 or Rs. 60 crores are received from these levies by the Government of India, and if they now give Rs. 8 crores for export purposes, I do not think they are doing any favour to the sugar industry. I support the Bill whole-heartedly. Thank you.

SHRI M. RUTHNASWAMY (Madras) : Madam Deputy Chairman, it is a rather rare and refreshing experience for me to find myself in agreement with the leader of the Communist Group here. I agree with him that Parliament has not been treated fairly when the question of the appointment of the Minister for Co-ordination was thought of. Immediately after that appointment, soon after Parliament assembled, the Prime Minister should have taken Parliament into his confidence and showed how a case could be made out and had been made out at the time the appointment was made, for the creation of a Ministry for Co-ordination. It is specially regrettable that the experience of the United Kingdom, when ministries of this kind were attempted in the United Kingdom, was not borne in mind. In Sir Winston Churchill's post-war ministry, he tried this experiment of having Ministers for coordination and supervision. But the whole thing was talked out of court, all those Ministers for Co-ordination being called "overlords" both by the press and by the public. In Parliament, these Ministers for Co-ordination were also ridiculed out of existence by being called "overlords". Very soon it was found that there was friction between these Ministers for Co-ordination and the departmental Ministers. A very able and experienced Minister like Lord Morrison, although he was not in the House of Commons at that time, wrote and argued that there was no case at all for the post of Minister of Co-ordination. In fact, trouble arose very soon, within the Cabinet and controversies between the departmental Ministers and the Minister of Coordination marked the history of these ministries which did not last more than eighteen months. It could very well be seen from the circumstances in which this Ministry of Coordination was created, that it was a case of jobation—the job was created just to suit the convenience of Mr. T. T. Krishnamachari who could not be accommodated elsewhere in any other department or ministry. I

[Shri M. Ruthnaswamy.] hope the experience of the Ministry of Co-ordination in England will be taken into consideration by the Prime Minister. Probably he will not have time, for I am sure that in the next vacancy in the Cabinet to be caused by a senior member going away, Mr. Krishnamachari will be accommodated there.

I now come to certain other aspects of this Demand for Grants. I hope the small sums asked for under the heads—Army, Navy and Air Force, are token demands. I should like to know the particular items of expenditure. What for are these extra sums required? In this connection, I should like to refer to the hush-hush policy in regard to financial matters connected with Defence. Very little is told the country or Parliament about the particular items on which major expenditure is made. For instance, we saw in the Defence Budget reference to expenditure on major sea-going craft. The only particulars to be found in the Budget are those relating to small craft in the revenue side of the Defence Budget. All the major items of expenditure like the one on the purchase of major craft, etc., are all put on the capital side of the Budget. I do not know why this special treatment is accorded to the Defence Budget that items of major expenditure are put on the capital side. In particular, I should like to say that we are told very little about these things and when I tried to elicit information regarding the price of an aircraft carrier, I was told in a communication from the Defence Ministry that it would not be in the public interest to reveal the cost of the aircraft carrier. Is it not in the public interest for us to know the cost of the aircraft carrier when everyone in the world knows what the cost of an aircraft carrier is? Why should that information be kept away from Members of Parliament? This hush-hush policy in regard to Defence matters must tie put a stop to. We do not want information about the expenditure on secret weapons but the expenditure on

things we see any day in our lives, aircraft carrier and other items, should be revealed to Parliament. Madam Deputy Chairman, I do not want to take more time of the House but when we are asked to vote expenditure we should be told exactly the particular items on which these sums would be spent. It is fair to the House, it is fair to the public and, I think, in the long run it would also be useful to Government because then they would be taking the country into their confidence, people will have confidence in the Defence Budget, confidence in the measures taken by the Defence Department to defend our country and to secure the frontiers of our country. We are all now in the dark with regard to the major items of expenditure in the Defence Budget. I think a dent should be made from now on in regard to the information given by the Defence Ministry to Parliament and to the public in regard to major items of Defence expenditure.

SHRI R. S. KHANDEKAR (Madhya Pradesh): I have gone through the Demands for Grants very carefully and I would like to make a few observations with regard to these Demands in brief because the time at my disposal is very short. A few hon. Members have spoken in regard to the Ministry of Economic Coordination. My submission is that although it is necessary for planning that there should be co-ordination; real co-ordination, however, is essential in the Cabinet itself because of its oversize. We talk of, austerity, we talk of economy but we have expanded Cabinets both in the Centre and in the States. We had expected the Centre to set an example but on the other hand we find it expanding and now here is a demand for another Minister, for his Ministry, for his staff and other paraphernalia. Instead of having a new Ministry, my submission is that the Cabinet should be reduced to half its size because it so happens that whenever there are a large number of Minis-

ters, various Ministers speak with varying voices and there is little of co-ordination. If the Cabinet is small and compact, then it will be easy for the Ministers and the head of the Government to co-ordinate their activities and to speak with one voice.

Now, Madam, I will not go into further details of this and take the time of the House but will (come to some other item which relates to court decrees. I am really surprised to find that most of the Demands relate to court decrees. Government entered this field as a private party and when decrees were passed against the Government, it had to deposit the money forthwith in the courts. Now, it so happens that as a practising lawyer I know that Government always takes an extreme view. It does not try to compromise but takes everything as personal, something affecting its prestige. In such a situation, the employees and the other parties are compelled to go to the court and get decrees against Government. My submission is that if at the initial stage some remedy is found out and cases are compromised, then it would save this huge expenditure which Parliament is now being asked to approve. I will not narrate in detail the seven or eight cases that are there. There are cases in which Government, on losing the case, in the lower court, went to the High Court and the High Court had also to dismiss the case. Government at least should set an example; it should not go from stage to stage in appeal and waste public money because this is the money realised from the public. The public has given it from its sweat and it is hard-earned money and this money should not be wasted in this way.

Now, Madam, something has been said about sugar also. The statement says that the estimated loss is of the order of Rs. 13.5 crores and the gain in foreign exchange is of the order of Rs. 12.75 crores. Even in this they have to suffer a net loss of

about a few lakhs of rupees. I do not understand how Government, when they have said that they are not prepared to raise the price of sugarcane—they have said that it is not economical—can subsidise the big industrialists. We should promote exports of sugar and earn foreign exchange, there is no quarrel on that score but while earning foreign exchange, we lose, that is, we pay Rs. 13 odd crores and get only Rs. 12 odd crores of foreign exchange. I don't understand this logic.

Now, Madam, with regard to the purchase of shares, it is really a good thing that these shares should be purchased and money should be invested.

Lastly, one thing I would say and that is the Government should take care while spending each pie and they should be more careful with regard to their expenditure.

Thank you.

SHRI ROHIT M. DAVE (Gujarat): Madam Deputy Chairman, I had no desire to participate in this debate but when I heard Mr. Shervani making an argument that because the sugar industry is paying large sums of money by way of excise duties, therefore, they are entitled to certain subsidies from the Government on account of the export of sugar to certain countries outside India, I thought that I must go on record to say that this principle is not acceptable at least to this side of the House. The exporters in this country, because of the requirements of foreign exchange, are pampered people and all sorts of concessions are continuously being given to the exporters in the name of export promotion. Now, Madam, while I am all for export promotion, I wish that export promotion takes place as a result of the effort and the enterprising spirit of our industrialists and businessmen and not at the expense of the Government. It is quite true that the sugar industry is paying large

[Shri Rohit M. Dave.]

sums of money to way of excise duty, but it is also true that there are many other industries that are also paying excise duty. And ultimately the excise duties are being paid by the consumers and not by the industry. The industrialists are charging all the excise duties to the consumers and at the same time they want certain subsidies from the Government in order to compensate for the losses that they are incurring in exporting sugar. I would expect the Government of India to impress upon the sugar industrialists that just as in other industries there is compulsory export and whatever loss is incurred by exports is borne by the industry by creating a special fund for promotion of exports of the products of the industry concerned, in the same way with regard to the sugar industry also it should be incumbent on the industrialists to collect their own funds and out of that fund to bear the losses which are inherent in the export of sugar to foreign countries. They should not expect the public exchequer to make good any loss that they might incur from out of the excise duties that they are paying to the Government, because excise duties have nothing to do with export promotion as such. I would, therefore, like to go on record in protesting against this type of subsidy and special treatment being given to the sugar industry in the country.

SHRI A. D. MANI (Madhya Pradesh): Madam Deputy Chairman, I should like to support the point made by the Leader of the Opposition, Mr. Bhupesh Gupta, and to support him in particular in his observations on the newly created Ministry of Economic Co-ordination. Madam, there can be no two opinions on the qualifications and competence of Mr. T. T. Krishnamachari. His entry into the Cabinet will help the Cabinet system and his remarkable and fertile mind will be able to discover solutions for many of our economic ills. But, Madam, it has always been recognised that the foundation stone of par-

liamentary government is the Prime Minister who is the co-ordinating authority in the Cabinet. This was written about 150 years ago by Walter Bagehot in his book on British Constitution. He said that the Prime Minister is the person who co-ordinates the activities of his colleagues. The creation of a separate Ministry of Economic Co-ordination thus introduces an innovation into our parliamentary institutions. For example, what questions can be addressed to him by Members of Parliament? If, for example, there is shortage of coal in Gujarat and the Railway are not *moving* coal from Bengal to Gujarat, to whom shall we put the question? Is it to the Minister of Railways or to the Minister for Economic Co-ordination?

SHRI BHUPESH GUPTA: That is right.

SHRI A. D. MANI: Further the Planning Commission itself is some sort of supervisory and co-ordinating authority and we are now creating a new authority in the form of the Minister for Economic Co-ordination. Only the other day the hon. Mr. T. T. Krishnamachari made a statement in Bombay that the scooter prices should be brought down. Now, who is responsible for the Ministry of Commerce? Is the "Minister of Ccm-merce or the Minister for Economic Co-ordination responsible?

SHRI BHUPESH GUPTA: What happens if Mr. Morarji Desai says that they should not be brought down?

SHRI A. D. MANI: Mr. Krishnamachari also made a statement last month in Bombay that foreign exchange has been granted liberally. Are we to make our statement's on the basis of what he says and address questions to the Finance Minister as to why he has been issuing foreign exchange liberally?

SHRI AKBAR ALI KHAN (Andhra Pradesh): If I remember

aright, Mr. Mam, it is only for administrative co-ordination.

SHRI A. D. MANI: He is not only a working Minister but a talking Minister. He makes statements wherever he goes, and liberally. The other day Mr. Bhupesh Gupta referred to an ex-Finance Minister telling him something about the financial procedure in the present Government. Who is the ex-Finance Minister? Not Mr. C. D. Deshmukh. Who is the person who gives information on all these matters to others?

There is one other matter to which I should like to refer in this connection. We have very many checks already in our parliamentary system. There is the Estimates Committee; there is the Public Accounts Committee and there is going to be a Committee on Public Undertakings. Then there is the Auditor-General. Now, why should we have an Inspector-General in the form of the Minister for Economic Co-ordination? We hope that as "time goes on Mr. Krishnamachari's energies will be utilised by. . . .

SHRI BHUPESH GUPTA: It may be that the Prime Minister wants to delegate some of his powers to Mr. Krishnamachari but does not like to do it so openly. I would like him to do it openly if he wants that.

SHRI A. D. MANI: If that is the objective in view in regard to the creation of the Ministry of Economic Co-ordination, the best thing for the Prime Minister to do would be to create the post of Deputy Prime Minister who would co-ordinate the activities of all other Ministries. I think the innovation that has been made is a bad precedent as far as our Parliamentary institutions are concerned.

My hon. friend, Mr. Ruthnaswamy, referred to the failure of the Ministry for Economic Co-ordination at the time of Mr. Churchill. If one goes through Mr. Churchill's memo-

ries, one will find that Mr. Churchill himself was the co-ordinating agency. Madam, I, therefore, feel that this Ministry is not only uncalled for but it will also cause a lot of irritation and it will create precedents and we do not want them to bind future Governments.

I should like to make one observation regarding the Cabinet. I read in the papers the other day that a new procedure is for an inner Cabinet to be created.

SHRI BHUPESH GUPTA: I would like such a Minister provided he can control the Finance Minister.

SHRI A. D. MANI: I am now referring to some other matter. I am told that the Prime Minister consults what are called the senior Ministers. That is the phrase which is used. We should like to have some more information on these consultations with his senior Ministers, so that we may know who is junior and who is senior, so that when we want really something to be done we could address the senior Ministers. I feel that this Ministry is uncalled for. It will create serious trouble and dislocation in the Ministries which are now engaged in the prosecution of the Third Plan.

1 P.M.

THE DEPUTY CHAIRMAN: Mr. Thomas, you want to speak?

THE DEPUTY MINISTER IN THE MINISTRY OF FOOD (SHRI A. M. THOMAS): Yes, Madam.

SHRI BHUPESH GUPTA: Is it sugar speaking?

SHRI AKBAR ALI KHAN: Sugar-coated.

SHRI A. M. THOMAS: My friend, Mr. Bhupesh Gupta, has devoted some part of his speech to the question of advisability of sugar exports and also to the question whether the Government themselves could not have taken

[Shri A. M. Thomas.J

up the responsibility of exporting rather than entrusting it to the industry. Now, the sugar exports are done under the Sugar Export Promotion Act, 1958. Under that Act we have constituted the Indian Sugar Mills Association as the exporting agency.

THE DEPUTY CHAIRMAN: How much time wil you take?

SHRI A. M. THOMAS: I would like to have ten minutes.

THE DEPUTY CHAIRMAN: You can continue at 2.30 P.M. The House stands adjourned till 2.30 P.M.

The House then adjourned for Lunch at one of the clock.

The House re: assembled after lunch at half past two of the clock. THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) in the Chair.

SHRI A. M. THOMAS: Sir, I, was saying that under the Sugar Export Promotion Act, 1958, the Indian Sugar Mills Association has been appointed as the export agency. Even when we appointed the Indian Sugar Mills Association as the export agency, we bestowed considerable thought on the question, viz., what should be the agency that should be entrusted with the work of export of sugar, whether the Government itself should undertake it directly or through some corporation or through some other agency. We ultimately decided that the Indian Sugar Mills Association, which is the accredited organisation of the industry, should itself be entrusted with the responsibility of exporting sugar. We even consulted the State Trading Corporation which at that time was not in a position to undertake export of sugar. Because we have entrusted this responsibility to the Indian Sugar Mills Association, it does not mean that they are free to purchase sugar

at any price or they are free to sell also at any price, and that the Government will subsidise whatever the difference may be. We have put so many checks on their dealings, to which I shall now presently come to. Till the year 1961 the question of giving any direct subsidy for export of sugar did not arise at all. In some of the previous years also we exported some sugar, but then the loss was made up either by the industry sharing the loss or by an appropriate increase in the consumer price within the country. But when we reached 1961, it was not possible for the industry alone to bear the loss or to have the loss met by an appropriate increase in the internal price of sugar. Even then in 1961 for the export of one lakh tons of sugar—a part of this one lakh tons was exported in 1960—we told the sugar industry that they would have to bear the entire loss on this one lakh tons of sugar, because we thought that in the ex-factory controlled price that was fixed by the Tariff Commission, there was some margin left, from which the industry could bear the loss. And the industry bore the loss. After that one lakh tons export, we found that there was no further margin left with the industry and also there was no possibility of increase in the internal price. That was why in the year 1961 itself we had to come forward for the first time with a supplementary demand for Rs. 5.5 crores for the loss that was incurred in the year 1961. Before that there was no occasion for bringing forward any such measure. Here, in the present year also Rs. 5.5 crores were provided for. At that time we thought that the export would be about Rs. 2.5 lakh and that mostly to the U.S.A which was certainly a preferential market, and the loss would amount to only round about the amount that was provided for in the Budget. But we found that we have to export

larger quantities and to other non-preferential markets also. So, the demand for an additional allocation of Rs. 8 crores has been made and

the Appropriation Bill is mainly for that purpose.

I might say with regard to the checks that have been imposed on the export agency in the matter of exports during 1962, an agreement was made with the Indian Sugar Mills Association, according to which the industry is to make available sugar for exports to all destinations at a fixed price of Rs. 27'38 per maund f.o.b. stowed Indian port exclusive of excise duty and cane purchase tax. So, the price at which the industry will have to part with sugar for export is fixed at Rs. 27.38 per maund f.o.b. stowed Indian port, after remission of excise duty and cane purchase tax. The Government's subsidy is relatable to f.o.b. realisations in various markets. In order to reduce losses, floor prices have been fixed below which the Indian Sugar Mills Association cannot export Sugar. These are at present £26 per ton, f.o.b. stowed for export to preferential markets, e.g., Malaya, Singapore, Canada and the U.K., and £22 per metric ton f.o.b. stowed for exports to other markets excluding the U.S.A. These are the prices. They cannot sell at throw away prices. We know the international price, what exactly is the price quoted at the London market and the New York market. We all know it very well. So, there is no possibility of any manipulation with regard to prices. Due to slump in world markets, these prices I am, however, lower than the prices realised in the previous years. If the sale price is higher, the difference is to be shared between the Government and the industry in the ratio of 3:1. I may also say that with regard to exports in 1962, my hon. colleague has stated that till November it may be of the order of 3.5 lakh tons. The major portion is sold by barter arrangements and these have been come to by the State Trading Corporation. The price at which we get the articles for which sugar has been bartered for is fixed, so that the Indian Sugar Mills Association does not come into the picture at all at that

stage. The Indian Sugar Mills Association comes in only after the deal has been arranged. They will be asked to export particular quantities to the various destinations, so that in the matter of barter arrangements, there is absolutely no possibility of sharing of any loss by the industry and by the Government as sales take place.

With regard to exports to the U.S.A. also, the Government has to meet the loss corresponding to the basic sale price of 6.25 cents per lb., c.i.f. duty paid. If the sale price is higher or lower, the difference between the two prices will be shared between the Government and the industry in the ratio of 3 : 1, as in the case of exports to other markets. I mention these facts just to dispel the impression of hon. Members, who may entertain the idea that when the Indian Sugar Mills Association has been entrusted with this task, the Government has abdicated its responsibility of finding at which price it is sold or of reducing the loss to the extent possible. I may also say that this is a highly regulated industry. The cost structure has been gone into more than once by the Tariff Commission, so that we know what is a reasonable price that has to be paid for the Indian sugar industry. If the internal prices prevail more or less at the level of the cost of production of sugar plus a reasonable margin to the industry, the hon. Member can infer from that that there is no further scope for taxing the industry in the matter of the loss that is incurred on exports.

When my hon. friend on this side referred to the matter that the industry itself is finding about Rs. 54 crores, Shri Dave—I am glad that the hon. Member is coming to the House—in answer said that it was not a question of whether there was excise duty realised on sugar to the extent of Rs. 54 crores or Rs. 56 crores, but what exactly was the cost that we had to incur from the General Revenues for the export of sugar.

[Shri A. M. Thomas.]

With regard to this matter what I have to submit is that the excise duty comes to about Rs. 55 crores. Assuming that our consumption within the country would be more or less 24.5 lakh tons—it is estimated that it would be round about that figure this year—in that case we would be realising a revenue to the extent of about Rs. 54 crores to Rs. 55 crores; so that if the loss is to come from that amount, then the commodity itself is charged for its export. The excise duty was increased in the year 1957 by the then Finance Minister, Shri T. T. Krishnamachari, and the basic excise duty now existing on sugar is Rs. 8.25 nP. The additional excise duty, that is the one in lieu of sales tax, is not to be taken into account for the income accruing to the Central exchequer. As far as the Central exchequer is concerned, the basic excise duty is Rs. 8.25 nP; that will be Rs. 225 per ton. The basic excise duty was only Rs. 4.12 nP per maund. When this was increased in 1957, the justification for the increase was made out in the Budget speech of the then Finance Minister thus: this is not primarily meant as a revenue measure; this increase to double the amount of the basic excise duty is intended to inhibit internal consumption and to promote exports. We did not want to see that sugar consumption goes up unduly. Sugar consumption is to be inhibited within the country in order that exports should be promoted. So, this increase that has been made in the year 1957, has been made with the purpose of promotion of exports. If you take into consideration that amount, you would find that it comes to Rs. 27 crores, so that even that amount is not being exhausted by the exports that we make. In that way, Sir, I might say that the commodity itself pays for the export, and although in the first instance it may appear that for earning a foreign exchange to the extent of Rs. 12.75 crores you spend Rs. 13.5 crores.

SHRI ROHIT M. DAVE: I seek a little clarification. Will he apply the same argument to the export of cloth? When the excise duty on cloth was increased in 1957, the same argument was used: it is meant for export promotion. Is the hon. Minister prepared to extend the same argument to cloth?

SHRI A. M. THOMAS: What we have to see is whether there is any scope for increase in the internal price. The proposition cannot be disputed that sugar can be exported only at a loss. All over the world it is so. Every country which exports sugar exports it at a loss. The quantum of loss may vary. Perhaps our country may be bearing the largest loss, but apart from that fact every country bears a loss on export because the international price is so low. Several countries directly subsidise it, and several other countries raise the internal price and then meet the export.

SHRI BHUPESH GUPTA: You are making a statement and you should justify. Do I understand that Cuba was exporting sugar at a loss?

SHRI A. M. THOMAS: Yes, even Cuba. My friend's newly acquired friendly country had to do that.

SHRI BHUPESH GUPTA: Please do not try to be smart in that way. Answer my point.

SHRI A. M. THOMAS: I speak with some experience, and I understand that every country has to incur loss except in the case of the Dominican Republic who claim that they are not subsidising. Even that country also in some form or other would have to incur loss on exports, because the export price is so low. It may vary from country to country, but as far as every country is concerned exports of sugar would have to be subsidised either by raising the internal price of sugar or by direct subsidy to the industry or the Government itself would have to incur a loss on the ex-

port of sugar. That is what Australia is doing. It is a big exporter of sugar. Here there is no scope for increase in the internal price of sugar, in the price fixed for the industry for any margin to be utilised for the export of sugar. The only way in which exports could be facilitated was only by Government stepping in and then also sharing in the loss. My hon. colleague has mentioned before this hon. House the twin objectives with which this Supplementary Demand has been made: one is, we have to liquidate the surplus sugar, and the other is, we have at the same time to get the much needed foreign exchange. Although the loss is substantial, under the present circumstances which our country is facing, it is quite a desirable proposition. "We have also to see that the industry itself is stabilised, and we will necessarily have to plan for some quantity to be exported. The major portion of the production should be utilised for internal consumption, but some portion at least would have to be exported.

Sir, I hope that all the reasons given for this Demand will be acceptable to the House.

SHRI B. R. BHAGAT: Mr. Vice-Chairman, the Appropriation Bill has raised some points, one of which has been very ably answered by my colleague and that is about sugar. The other point was raised about the Defence grants by the hon. Member opposite. He made two points about it. Firstly, he said that the fact that on all the three revenue items only a token demand has been budgeted for does not give a clear picture. Why is it so? Sir, it is quite obvious that if the hon. Member goes through all the three demands, he will see that they all relate to the same things, that is about the Undergraduate Medical Wing at Poona. One is about the Army, another is about the Navy, and the third is about the Air Force, all three Defence Services. The token Demand is asked for because the expenditure is expected to be met out of the savings realised. Therefore, only a token

amount is asked for. That is the usual budgetary practice. It does not mean that we do not know how much the expenditure is going to be or that we do not know it very precisely, so as to be able to put it here or how much the saving is going to be. But we know that it is going to be met out of the savings in the Demand. Therefore, a token is asked for, and there is nothing unusual about it. There is no hush-hush policy about it.

Then again he said something about the capital expenditure. If he goes carefully into that item also, that is item No. 114 on pages 16 and 17, he will be clear. Again I must say here for the benefit of the hon. Member that all this classification, about where an item should be, whether on the capital side or on the revenue side, is very carefully gone into under certain principles, and all those items which create abiding assets—not very temporary assets or very small assets but assets of a long-term nature—are put on the capital side. It is not as if Government alone has some say on it, but the Comptroller and Auditor-General goes into this question and his view is also taken into account. So, what item should form part of the Capital Budget and what item should form part of the Revenue Budget, is on very well-defined financial principles. He has mentioned some of the items. Take the aircraft carrier, involving an enormous cost. The life-span of that carrier will entitle it to be classified as capital expenditure, a capital item. Similarly, take Demand No. 114:—hospital accommodation for 600 students at a cost of Rs. 18 lakhs. Hospital buildings are permanent assets and that item has to be a Capital Budget item. So, I think the House will grant that defence expenditure has certain distinctive features which distinguish it from the civil expenditure, and there is some amount of secrecy about it, and there are questions of public interest involved in disclosing secrets. That also the House will appreciate. More than that, there is no hush-hush policy about the defence expenditure, about its classifica-

[Shri B. R. Bhagat.] tion whether it is revenue account or capital account.

SHRI M. RUTHNASWAMY: Is it in public interest not to mention the cost of the aircraft carrier?

SHRI B. R. BHAGAT: Well, it may be. But, as it is, you know that it is carefully gone into. It depends on the Defence Minister's judgment. Sometimes the cost of an aircraft or of an aircraft carrier or of a weapon may disclose the strength of the weapon. So, sometimes it can be in public interest not to disclose such items.

Then, Sir, I come to the point raised by a number of hon. Members. Very rightly, it is a new item and a new expenditure and, therefore, some of the points raised about the new department of Special Economic Co-ordination may be quite valid. But still I fail to appreciate the difficulties of the hon. Members about the constitutional aspect of it or the functioning of it. There is nothing . . .

SHRI BHUPESH GUPTA: The position is this. The Finance Ministry has certain powers. We are all for good co-ordination. But the question is whether the Ministry or the department concerned will have such powers of co-ordination which may not be vetoed by the Ministry of Finance or the other agencies of the Government. It is very important.

SHRI B. R. BHAGAT: It may be illusory or imaginary . . .

(Interruption.)

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : He is in possession of the House.

SHRI B. R. BHAGAT: I think that even the hon. Member has said just now and has also said before while speaking that he appreciates the necessity for co-ordination.

SHRI BHUPESH GUPTA: No, I had, said that I had an open mind if it is a real, substantial thing. That' is,

if it actually helps co-ordination, with the necessary powers being given and the powers defined, I may be supporting him. But if it is fictitious and made into a fiction or an appendage of something, then probably I would not view it in the same light. I said that I had an open mind. I never said that. I was opposed to co-ordination or any arrangement for that.

SHRI B. R. BHAGAT: I did not say that. I said that he supported it, I did not say that he opposed it. I am glad that he has an open mind. It is a good augury that he has an open mind on this. What I said was that from his speech I formed the impression which was confirmed just now, that he was not opposed to co-ordination. Of course, what he has described is real co-ordination; of course, he is not opposed to co-ordination. My point is this that the necessity for co-ordination has arisen because of the dynamic economic growth in this country. The functions of the Government, particularly in the economic field, have diversified_____ (interruptions.)

SHRI BHUPESH GUPTA: I again raise the question: What are the powers of the Minister for Co-ordination?

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Let him speak. Mr. Bhagat, you please go on.

SHRI B. R. BHAGAT: I think the hon. Member wants me _____*(Interruption.)*

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): YOU be patient.

SHRI BHUPESH GUPTA: I will listen.

SHRI B. R. BHAGAT: For the benefit of other Members also, I say that the necessity for such co-ordination has arisen because of the economic development in this country, and the functions of the Government, particularly in the economic field, have not only become complex but very far-reaching. The industrial growth and

the various problems that it has thrown up have necessitated the need for co-ordination.

SHRI M. RUTHNASWAMY: Why particularly now?

SHRI B. R. BHAGAT: It is particularly in a country like ours when we are trying to do so many things within a very short span of period. Because o

f the fast economic development resulting in the enormous growth of economic power in the Government, it is necessary, for efficient functioning, that there should be at every stage a very critical analysis of how the Government should function. The growth of the powers, functional as well as structural, is on the lines of efficient and economic functioning. The departments are saddled with heavy responsibilities. Even the hon. Member is correct that in olden times the Finance Ministry, particularly the Department of Economic Affairs, used to do a certain amount of economic coordination. And then there used to be an Economic Committee of the Cabinet which co-ordinated some of the economic functions. But the problems are rather not what they were before the Government ten years ago; the problems are enormous, particularly in view of the imbalances that are coming up so fast in the Very nature of things. So, it becomes imperative for a special agency to be created which can look after it. *(Interruption.)* I want some time to make my idea clear.

SHRI A. D. MANI: On a point of information . . .

SHRI B. R. BHAGAT: It is not as if the other departments cannot look after their own affairs, they can do it, and they are doing it very efficiently. But the point is that each department is saddled with its own responsibilities. They have certain views. The departments want to see things for themselves and, therefore, they are not in a position to look to this aspect of coordination. Therefore, the Prime Minister has considered it very necessary and essential that a Department of Special Economic Co-ordination

should be created, and that is the need for it. It is not to provide a job for a particular Minister.

SHRI BHUPESH GUPTA: No, no. What are Mr. T. T. Krishnamachari's powers?

SHRI B. R. BHAGAT: I am coming to the question of powers. *(Interruption.)* It is not as if a berth is to be provided for Mr. Krishnamachari.

SHRI BHUPESH GUPTA: Why berth?

SHRI B. R. BHAGAT: The need is to have such a department. And about its functions, to begin with, the Prime Minister directed him to look into the various specific functions, to look into the aspects of transport, coal and power. Although the functions are only three, well I have . . .

(Interruption.)

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): I will call you after Mr. Bhagat has finished his speech.

SHRI BHUPESH GUPTA: He should know what the functions are. Does he know them?

SHRI B. R. BHAGAT: I think the hon. Member should have some patience.

So, the functions are very well defined and the Department can look into them. In regard to the structural aspect, structural frictions come up. And it is necessary that some special department should be there to settle them. And as the House is aware, it is not in any particular Ministry itself. It is in the Cabinet Secretariat itself. There is the Central Statistical Organisation. And another wing is created called the Department of Special Economic Co-ordination. And it is true that there may be a certain way of doing a thing. The hon. Member speaks of powers. All powers come from the Prime Minister;

[Shri B. R. Bhagat.] he can either co-ordinate himself, but as the whole House is aware, in a modern Government the Prime Minister ..

SHRI BHUPESH GUPTA: On a point of order, Sir, the discussion has to end now. *(Interruptions.)* No, no, he cannot proceed.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Yes, I am looking at the clock.

SHRI BHUPESH GUPTA: No more today; tomorrow.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Bhagat, will you take more time?

SHRI BHUPESH GUPTA: He cannot get more time now.

SHRI B. R. BHAGAT: Five minutes more, Sir.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Let me exercise by discretion. I think we will continue this discussion tomorrow. Now 3 o'clock has been fixed for another motion. I now call upon Mr. Dahyabhai Patel to move his motion.

SHRI BHUPESH GUPTA: Before you take up the Motion, on a point of submission; now we are debating a statement given by the hon. Minister on the so-called people's car, but then we have not been given material information. For example, there is reference in the statement to an expert committee. . .

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Today's debate is for that information, the motion is to discuss that matter.

SHRI BHUPESH GUPTA: But the material information which is contained in a Report should have been made available to us already since, for example, in the statement there is reference to an Expert Committee. The Expert Committee submitted a Report and we

would like to have a copy of that report, or at least an idea as to what that Report contains. It is the Pande Committee Report. Why is that Report not being given? The Minister should have summarised the findings of the Pande Committee Report and placed it along with this statement before this House. That is a very material thing for discussion and consideration of the entire subject-matter.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Bhupesh Gupta, unless I put the motion before the House, you have nothing to consider. After the motion is moved and I place it before the House I will consider your point, and if I feel it necessary, I will call upon the Minister to answer you.

SHRI BHUPESH GUPTA: I am sure you will.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Now Mr. Dahyabhai Patel will move his motion.

MOTION *RE* STATEMENT ON MANUFACTURE OF A SMALL CAR

SHRI DAHYABHAI V. PATEL (Gujarat): Mr. Vice-Chairman, Sir, I beg to move:

"That the Statement regarding the manufacture of a small car, laid on the Table of the Rajya Sabha on the 10th August, 1962, be taken into consideration."

SHRI BHUPESH GUPTA (West Bengal): Now that has been disposed of. Now, Sir, I would like to know why that material, the Pande Committee Report is not before the House.

(Interruptions.)

SHRI DAHYABHAI V. PATEL: Sir, I am grateful to Government for agreeing to a discussion on this. I think Government have gone about the business in a very unbusinesslike manner. Five long years have been