

nared for election to the All India Council for Technical Education, he is declared duly elected to be a member of the said Council.

**ALLOTMENT OF TIME FOR THE
•CONSIDERATION OF THE APPROPRIATION (RAILWAYS) NO. 2
BILL, 1961 AND THE ORISSA
APPROPRIATION BILL, 1961**

MR. CHAIRMAN: I have to inform Members that under rule 162 (2) of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I have allotted for the completion of all stages involved in the consideration and return of—

- (i) the Appropriation (Railways) No. 2 Bill, 1961—34 hours.
- (ii) the Orissa Appropriation Bill, 1961—30 minutes.

**ENQUIRY RE NOTICE OF MOTION
FOR PAPERS**

SHRI BHUPESH GUPTA (West Bengal): Sir, I gave notice of a Motion for papers on the 13th March regarding the joint statement issued by the General Managers of Stanvac and Burmah-Shell in which they publicly criticised the Government for their statement in Lok Sabha and I also talked this morning to the hon. Minister here, Mr. Malaviya, and asked him to make the position clear. I find that Sardar Swaran Singh is here. Will he kindly tell us what exactly is the position? These two gentlemen in their statement publicly criticised the Government on the 11th March and it was published on the 12th March in the papers. It is a serious matter that the General Managers of the companies attack the Government publicly in the Press. Therefore I would like to know the position. I will not be here tomorrow. I gave notice of a short notice question and I do not know what has happened to that.

MR. CHAIRMAN: If you are not here tomorrow what can I do?

SHRI BHUPESH GUPTA: But I gave it on the 13th.

MR. CHAIRMAN: All right. Sardar Swaran Singh is here. He will see what it is.

**RESOLUTION RE. PRESIDENT'S
PROCLAMATION IN RELATION TO
THE STATE OF ORISSA—continued.**

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI LAL BAHADUR): Mr. Chairman, Sir, many speeches have been made for and against the motion I have placed before the House. However, I must admit that we do not feel happy to come forward with this Resolution but it seems that there was no alternative for the President except to adopt this course of action in the situation as it had developed in the State of Orissa.

Sir, Dr. Kunzru has in a way raised political issues; especially he had much to say about the conduct and the way of working of the Congress Party in Orissa. Shri Santhanam raised constitutional issues and, if I may say so, Shri Bhupesh Gupta raised moral issues.

SHRI BHUPESH GUPTA (West Bengal): Moral and political.

SHRI LAL BAHADUR: I will deal with that later. Also, there were certain points raised about the propriety of the Ordinance issued by the Governor, mid-term elections, the setting up of a Committee and a few other minor matters. Dr. Kunzru said that there was a comfortable majority in the Legislature for the coalition party. It is true. But I am sorry he is not fully posted with the facts about what happened during the last two or three months. What has been actually happening since the

[Shri Lal Bahadur.] coalition came into power? I did say in the other House that the coalition Government functioned well and I still stick to it. It is true that in so far as the Ministers were concerned and the running of the Government was concerned, there was, on the whole, a smooth working. But what was happening inside the Legislature parties both of the Congress and the Ganatantra Parishad? The conditions were not the same and Dr. Kunzru did not happen to be aware of them. I shall merely quote what one of our Members, Shri Misra, said. He referred to the statement made by Shri P. K. Deo, President of the Ganatantra Parishad, who said on the very first day when the swearing-in ceremony took place: --

"I came to this Raj Bhavan on the day of the liquidation of the Princely Order. I have come here again today on the day of the liquidation of the Congress Rule in the State."

That merely indicates . . .

SHRI JASWANT SINGH (Rajasthan): "What is wrong in it?"

SHRI BAIRAGI DWIBEDY (Orissa): It may be a personal opinion.

SHRI LAL BAHADUR: It does indicate . . .

SHRI BHUPESH GUPTA: When was it?

SHRI LAL BAHADUR: He was not an ordinary individual. He happened to be the President of the Ganatantra Parishad.

SHRI BHUPESH GUPTA: Why did not the Congress walk out then?

MR. CHAIRMAN: Order, order. That is for you, not for the Congress.

SHRI LAL BAHADUR: I shall come to that. I am referring to this because it indicates that from the very beginning there has not been that

happy feeling between the members of the Ganatantra Parishad and the Congress.

DR. H. N. KUNZRU (Uttar Pradesh): The coalition worked well according to the admission of the Home Minister.

SHRI LAL BAHADUR: If hon. Members will give me a few minutes, I shall try to develop my point. This kind of criticism continued both in the Congress and in the Ganatantra Parishad, inside the Legislature as well as outside the Legislature. Meetings were held and criticisms were made against the coalition. This continued for some time and it took a serious turn ultimately. I shall not go into the details. I merely want to say that it is not quite fair to suggest as Dr. Kunzru did, that it was only the intransigence on the part of the Congress that led to this situation. Both the Congress and the Ganatantra Parishad felt unhappy over this coalition. A certain wing of the Congress and a certain wing of the Ganatantra Parishad . . .

SHRI HARIHAR PATEL (Orissa): That is not a fact.

SHRI LAL BAHADUR: If the hon. Member says that it is not correct, may I tell him—I will not mention the names of the districts—that in two meetings of the Ganatantra Parishad it was decided that this coalition should go? No less a person than Shri Mahanty, who is a prominent member of the Ganatantra Parishad, said that it was at the last annual general conference of the Ganatantra Parishad that a resolution was passed advising the termination of coalition between the two parties.

SHRI BAIRAGI DWIBEDY: It is not correct. I have submitted the resolution to the House.

SHRI LAL BAHADUR: I am not prepared to give way.

MR. CHAIRMAN: You reserve your questions till the end. Give him full time.

SHRI LAL BAHADUR: I am not prepared to give way. I was quoting what a prominent member of the Ganatantra Parishad had said. Anyhow, I am also a political worker and I read the newspapers. I know what has been the trend in Orissa since the coalition came into being. I am not opposing the coalition as such. I merely want to tell the House that differences did exist for a long time and it is wrong to suggest that it was only the Congress which was responsible for breaking it.

Dr. Kunzru said that Dr. Mahtab himself did not feel happy over the ending of the coalition. It is true that it came about rather quickly. But it has to be remembered that Dr. Mahtab himself had agreed that the coalition should come to an end by the end of April or some time in April and that was an agreed decision between the Congress and the Ganatantra Parishad. The Ministers of both the groups had agreed that the coalition should come to an end and that they should resign some time in April. So far as the principle of the matter is concerned, both Dr. Mahtab as well as the other wing of the party, which was more extremist, also the Ganatantra Parishad, had all agreed that the coalition should be terminated some time in April.

SHRI HARIHAR PATEL: That is not a fact.

(Interruptions.)

MR. CHAIRMAN: He says that they agreed to terminate, but they did not fix a date. Order, order.

SHRI LAL BAHADUR: I have not mentioned the date. I said that it was to be terminated after the Budget was passed. So, all the members of both the political parties were agreed on this, in so far as the ending of the coalition was concerned.

Now, Dr. Kunzru said that they should have continued till the Budget was approved by the Legislature. Well, I personally, and the Government of India would have liked that that they should have waited and presented the Budget to the Legislature. But there again, it was the Finance Minister, who belonged to the Ganatantra Parishad, said that he would not take the responsibility of getting the Budget through the Legislature, as he or his party was not to continue in Government after some time.

SHRI HARIHAR PATEL: What were the reasons given by him.

MR. CHAIRMAN: Please do not interrupt him. You reserve your question till the end.

SHRI LAL BAHADUR: It will not be possible to carry on if there are such interruptions. I did not interrupt the hon. Member when he was speaking. Please hold your soul in patience for some time at least. It was said that they would have liked the Government to continue for some time more and get the approval of the Legislature to the Budget. But it was not possible. In fact, the shift was so quick during the last month or a month and half that the Legislature Party of the Congress unanimously decided, without any member dissenting, that the Chief Minister should resign. I do not know how the Chief Minister could continue in the face of that kind of decision. To suggest that this was done with a view to putting the Congress organisation in an advantageous position in the hope that the Congress would win the elections, I would like to submit, is not fair, although it is not considered against democratic principles, so far as I know, for the party in power, if it considered it in the interests of the party, to ask for a dissolution of the Legislature and to hold elections. Generally the democratic practice does not speak against that. I am not suggesting that we did it for this purpose. But I would like to quote what Sir Ivor

[Shri Lal Bahadur.]
Jennings has said in his book on
"Cabinet Government":

"It is true also that a Government desires a dissolution at a moment most favourable to itself. The elections of 1900 and 1918 are notorious. The Government in 1935 used a temporary agreement on an international problem to overcome its growing unpopularity. In 1945 the Conservatives decided to have another election, on a stale register, in order to in' on Mr. Winston Churchill's personal popularity and the nation's gratitude to him: they had, however, misjudged the mood of the electorate. In 1955, there was no need for a general election, but Sir Anthony Eden thought he was more likely to get a majority in 1955 than in 1956; and no doubt he was correct."

SHRI BHUPESH GUPTA: We get the words "notorious" and "cash in".

DR. H. N. KUNZRU: The hon. Minister has missed one point, and that is, there was no President or King to take charge of the Government. The dissolution had to be followed by an election. That has not taken place in this case.

SHRI LAL BAHADUR: I shall refer to that point, as it has been mentioned by Shri Santhanam. I shall come to that also. Anyhow, when the Congress Party in the Orissa State took this action, it was not with a view to getting a favourable . . .

PROF. M. B. LAL (UttarPradesh): Is he speaking as leader of the Congress Party or as Home Minister?

SHRI LAL BAHADUR: It seems that they are finding their position almost untenable, and therefore they are trying to interrupt. Anyhow, as I said, our purpose was entirely different. Because it was found that it was not possible to carry on the Government in Orissa, this particular action was

taken. Of course we always expect that we will win, but I must admit that there is going to be a very keei* contest between these two Parties. So without being categorical about the result of the elections, I at least cannot say that We will have a very thumping majority, but we will try for that. (*Interruptions*).

SHRI D. A. MIRZA (Madras): Sir, we want to hear what the hon. Minister has to say. It is unbecoming of the opposition to interrupt like this.

MR. CHAIRMAN: Why are you shouting like this, Mr. Mirza? You go on, Mr. Lal Bahadur.

SHRI LAL BAHADUR: As the practice prevails in the country today, if I have to function as Home Minister, I shall go out for an election campaign in this position as Home Minister.

SHRI BHUPESH GUPTA: Yes, yes. But the campaign will not be launched from the Treasury Benches hei*?.

DR. SHRIMATI SEETA PARMANAND (Madhya Pradesh): What is wrong in a Party in hoping that it will come back?

MR. CHAIRMAN: You have a say for your friends as well as your foes.

SHRI BHUPESH GUPTA: We are also his friends!

SHRI LAL BAHADUR: If they will keep patience, I shall carry on. It is said that somehow this coalition should, have been maintained. Shri Santhanam also said that we should have seen to it that the coalition had continued. Again, I will quote Sir Jennings, and it is apt for the moment. With your permission, I will read it:

"If the electorate persists in returning a nicely balanced House, it will impel a coalition or compel one party to support another without coalition. But political forces alone can produce such a result.

The Queen can suggest it, but not i compel it. If the major parties I break up, the whole balance of the 'Constitution alters; and then, possibly, the Queen's prerogative becomes important."

SHRI BHUPESH GUPTA: Who is tha "Queen" here?

THE MINISTER OF STEEL, MINES AND FUEL (SARDAR SWARAN SINGH) : Not Shri Bhupesh Gupta.

SHRI LAL BAHADUR: The position is exactly the same as it happened in Orissa. So it was not possible for us in the circumstances as they developed to continue the *status quo*. We did try that it should continue, but the situation almost went out of our hands because the members of the Parties felt very strongly on this matter.

Shri Santhanam, as I said, raised constitutional issues. I might only mention what Dr. Kunzru said about the caretaker Government. The caretaker Government could be there for a short period, but it could not be there for a long period. Of course a caretaker Government, if it is allowed to function for months, will be in a way an irresponsible Government because there will be no Legislature. Therefore; for a short period we can certainly understand a caretaker Government functioning, and there was a caretaker Government in fact for a few days before the President took over.

As regards the constitutional issue, without advancing any argument myself, I would like to say that this matter was very carefully considered in the Constituent Assembly, and no less a person than Sir Alladi Krishnaswami Iyer then observed;

"The salient features of the provision are that immediately the proclamation is made, the executive functions are assumed by the President. What exactly does this mean? As the Members need not be repeatedly reminded on this

point, the President means the Central Cabinet responsible to the whole Parliament in which are represented representatives from the units which form the component parts of the Federal Government. So far as the executive government is concerned, it will be responsible to the Union Parliament for the proper working of the Government in the province. This will be the effect of the first part of the article."

The House will perhaps be more interested to know what Shri Santhanam himself has had to say on this matter. This is what Shri Santhanam said:

"Neither in article 278 (which corresponds to article 356 of the Constitution) nor in article 278A (which corresponds to article 357) is there supersession of democracy as such."

Although he was laying great stress on this point, he himself positively says that there is no supersession of democracy as such:

"Whether the power is exercised by a local Legislature or Parliament is a matter of convenience and the actual essence or principles of democracy are not involved. In this case, while ordinarily certain powers and functions are exercised by the provincial Legislature, when the State constitution breaks down these powers and functions come back to the Central executive and Central Legislature which are as popular as the State Legislature."

SHRI K. SANTHANAM: I am glad that he has quoted me. The emphasis must be on the words "breaks down", and so I commented on what the meaning of the expression "breaks down" was.

SHRI LAL BAHADUR: If he just waits for a moment, I shall answer that also. I was merely quoting what Shri Santhanam said.

MR. CHAIRMAN: About breaking down.

SHRI LAL BAHADUR: He states: —

"It must also not be forgotten that in the Central Parliament, the representatives of the State whose government is to be superseded will be there. Therefore, the Government of the State is not takefi away even from the representatives of the State concerned. Only the representatives of the State concerned have to govern the State in co-operation with the representatives of other parts of India." ...

Now, Sir, the breaking point . . .

SHRI BHUPESH GUPTA: Was he in the Government also at that time?

MR. CHAIRMAN: No government.

SHRI BHUPESH GUPTA: There was a government.

MR. CHAIRMAN: Please sit down, do not interrupt.

SHRI LAL BAHADUR: Explaining the circumstances in which these articles could come into operation, Shri Santhanam observed: —

"There may be political breakdown ..."

Mark the words. He is not just now referring only to constitutional or physical breakdown.

"A political breakdown can happen when no Ministry can be formed or Ministries that can be formed are so unstable that the government actually breaks down."

It is obvious what he clearly visualizes. He is undoubtedly a far-sighted gentleman.

SHRI K. SANTHANAM: I wish you continued further. I suggested that when there is a political breakdown, dissolution must be the first step.

MR. CHAIRMAN: Please sit down, MR. SANTHANAM.

SHRI K. SANTHANAM: That is what I want to say.

PROF. M. B. LAL: But, Sir, . . .

MR. CHAIRMAN: We have no time to read speeches here. He merely gave you a relevant extract and I have no doubt that Shri Lal Bahadur will not be guilty of misquoting or misrepresenting what you said in the Constituent Assembly.

AN. HON. MEMBER: It was his quotation.

SHRI LAL BAHADUR: I need not add anything more. Mr. Santhanam has himself explained both the points raised by him. There can be a political breakdown and article 356 is intended to meet that situation.

SHRI KHANDUBHAI K. DESAI (Gujarat): It is the far-sightedness of the . . .

MR. CHAIRMAN: Did I not tell you that he is disturbed by both sides?

SHRI BHUPESH GUPTA: And by the former Minister.

SHRI LAL BAHADUR: As regards dissolution, of course, it has to be realised that dissolution in this case would not have served the purpose and it would not have been in the interest of the State because the Governor had not the power then in those circumstances to draw on the Consolidated Fund and as it was not possible for the Governor to do so, there was no alternative but to take over the administration and introduce President's Rule. He could not have incurred an expenditure of even a single pie. The supplementary demands or other demands would have remained pending for nothing and the State would have had to undergo much difficulty. So, in these circumstances, the hon. Shri Santhanam has to realise that dissolution was not the solution of the problem. And then, what does dissolution

mean? If we dissolve the assembly, the next thing that the Government of India will have to do is to hold elections—and I shall say a few words at the end or I might say them here and now. We do not want to delay the elections. The general opinion in this House seems to be . . .

SHRI K. SANTHANAM: He does not want what?

MR. CHAIRMAN: He does not want to delay the elections.

SHRI LAL BAHADUR: Except for i Mr. Bhupesh Gupta, almost every Member who has spoken in this House has said that elections should be held as early as possible and it is not only the Congress Party which has said that elections should be held early. The Ganatantra Parishad has also passed a resolution that elections should be held as quickly as possible. Wherever President's rule has been introduced, our general policy has been to hold elections as quickly as it could be. And there has been some criticism that I have not stated definitely as to when the election will take place. We could have said so but the real problem before us is the question of the bifurcation of constituencies. We have recently decided that multimember constituencies should be converted into single-member constituencies and it is therefore that I say that the Election Commission will have to think over this matter and let us know as to when the election should be held. If they can say that it is possible for them to hold the election before the rains set in, we will welcome it, we are not opposed to it. So the object with which Shri Santhanam laid greater emphasis on dissolution is being fulfilled. Government does not want to withhold elections, it does not want to carry on in this manner for a long time. In fact, the Governor spoke to me and he said that he would feel greatly relieved if elections were held within two or three months and he was divested of his powers.

SHRI BHUPESH GUPTA: What; about the other all-India parties?

MR. CHAIRMAN: Order, order.

SHRI LAL BAHADUR: Of course,, we talk of democratic parties and all that. You can see what amount of freedom we give to members of our party. Shri Santhanam spoke the other day and he was more vehement than the members of the Opposition. He was lustily cheered by members of the Opposition, not from our side.

I am sorry, Sir. I shall try to finish very soon. I have almost finished. As regards Mr. Bhupesh Gupta's moral: issues . . .

SHRI BHUPESH GUPTA; Political issues.

SHRI M. GOVINDA REDDY (Mysore): It is not a political issue.

SHRI LAL BAHADUR: If he does not want the word moral to be used . . .

SHRI BHUPESH GUPTA: You ask . . .

SHRI LAL BAHADUR: Well, I do not want to say anything against his party but I thought that they believed in all kinds of alliances. I mean, in order to strengthen their party they go into alliances with any group or with any political party.

SHRI BHUPESH GUPTA: That is your privilege.

SHRI LAL BAHADUR: Anyhow, all these . . .

SHRI ARJUN ARORA (Uttar Pradesh) : When Stalin entered into a pact with Hitler, it was the privilege of Mr. Bhupesh Gupta.

MR. CHAIRMAN: All right, all right.

SHRI LAL BAHADUR: Maybe, Sir, it was our mistake. Anyhow, many members of all the parties, have gone

[Shri Lal Bahadur.] out from the Congress. They are there because of the Congress. Why did they go out? Well, it is possible jihat some of them might have gone -out on account of ideological issues. But there were personal things involved and ell that and if sometimes changes take place, if some people , come in and go out, it should not, I think, disturb Shri Bhupesh Gupta , very much. But, of course, for the Communist Party, it is the end that .matters, not the means. This was an open alliance with the Ganatantra Parishad and we did it, Sir, with a view to maintaining the democratic process in that State. In fact, we . did not feel very happy over it. There was a good deal of difference of opinion amongst Congressmen and strong views were expressed on this particular matter. Even in this House, Sir, on the Congress Benches, two Members from Orissa have expressed themselves differently on this matter. Yet, we felt that Orissa was a State which should be developed. There were potentialities and in the context of the Second Five Year Plan, if it were possible to carry on a democratic government with the help of another party, we should not miss the opportunity and we did join hands with the coalition. So it was with a different objective, with a different purpose altogether, and the Members of the Opposition—I am sorry—have tried to misrepresent the situation. Shri Mukut Behari Lalji, of course he is a professor . . .

AN HON. MEMBER: He was.

SHRI LAL BAHADUR: He said that the P.S.P. was against the ending of this Coalition Ministry. I shall merely point out to him what Shri Misra, a Member on the Congress Benches, said the other day. He said that the P.S.P. in Orissa, only recently, perhaps in this month, or perhaps in the last month—I recollect now that it was in the last month—decided . . .

PROF. M. B. LAL: I did not say whether the Praja Socialist Party

was in favour of the dissolution, or not. I only said I did not have their Resolution in my pocket and I could not say what they said.

SHRI LAL BAHADUR: True. And he did not say that yesterday. I wanted him to say that. Then I would not have mentioned it. *interruption.*)

No, he did not. He did not utter a single word and just kept mum. Anyhow, Sir, it is obvious that the P.S.P. is working in two minds. The P.S.P. of the Orissa State, which is directly concerned, holds a different view and one of the leaders of the P.S.P. sitting here in Parliament expresses a different view. It is very easy, Sir, to speak in exaggerated terms in this House. But there they have to face the actual situation; they have to face the people. Therefore their opinion is entirely different, with which the other parties, both Congress and Ganatantra, agreed.

Then, Sir, I would like to clear up one point. Shri Bhupesh Gupta said that the funds for the Second Five Year Plan lapsed to the tune of Rs. 21 lakhs. I merely wanted to inform him . . .

SHRI BHUPESH GUPTA: Rs. 12 crores.

SHRI LAL BAHADUR: It is estimated that the expenditure would be of the order of Rs. 88 crores representing 95 per cent, of the Plan outlay. The total outlay contemplated was Rs. 91-8 crores, and Rs. 21*55 crores are going to be spent in 1960-61. So the total amount spent represents about 95 per cent, of the capital outlay.

As regards the appointment of a Parliamentary committee, we will come up before the House in regard to this matter. I am sorry I do not agree with Mr. Mani where he says that some outsiders should also be represented On that committee. Sir, this Parliament is represented both in this and in the other House by Members

coming from Orissa, and I have read out to you the views of Shri Krishna-swami Iyer and Shri Santhanam. They said that they represented the State and that they will have every opportunity to function on that committee. I do not think we can consider a Parliamentary committee of which outsiders could also become members.

Sir, without taking more time of the House I would merely inform Dr. Kunzru in regard to the Ordinance— which of course was passed by the Governor, and about which I said in the other House also—that as soon as we came to know that the Ordinance was not valid, we informed the Governor, and since then no expenditure has been incurred, and no action was taken under the provisions of that Ordinance.

DR. H. N. KUNZRU: When did the Government of India come to know of the Ordinance and when did they inform the Governor that he should take no action under it? During this interval was any money spent in consequence of this Ordinance?

SHRI LAL BAHADUR: The Resolution of the Congress Legislature Party was passed on the 20th February. The Chief Minister made a statement in the Assembly on the 21st February and submitted his resignation the same day. The Governor requested the Ministry to carry on until other arrangements could be made. The Assembly was prorogued on the 22nd February. On the 23rd February, when the Ordinance was passed, the Legislature was not in session. The Ministry, however, was still in position, and the Governor was carrying on the Government with the aid and advice of the Ministry as laid down in the Constitution. The Ministry ceased to be in office only on the 25th February when the President's Proclamation was issued. All action taken by the Governor up to the evening of the 25th February was, therefore, on the advice of the Minis-

try. And as soon as the Central Government were advised, as I said, that the Ordinance was of doubtful validity, they took action to withdraw it, and to bring up the Supplementary Demands before Parliament. I think, Sir, the Governor should not be criticised for promulgating the Ordinance, because he did so in consultation with his officers, the Chief Secretary, the Law Officer and also the caretaker Government which was functioning at that time. In the circumstances, Sir, I feel that what we have done is correct. I do not want to defend each, and every action of ours. We may have made mistakes, or the Congress Party may have made mistakes. But we have tried to adopt the middle course. As I said in the beginning, we tried to allow the democratic setup to function in the State. We went to the farthest length possible, and yet we did not succeed and ultimately, when the Chief Minister resigned, and the leader of the Ganatantra Parishad and the Finance Minister there also refused to pilot the Budget, there was no alternative for the Governor but to recommend to the President to take over the administration of the State. In these circumstances, hope, Sir, the House will accord its unanimous approval.

SHRI BHUPESH GUPTA : I have a question to ask. Firstly I would like to know from him as to how is it that the Government came to that conclusion without consulting any of the other all-India Parties, the P.S.P., the Jana Sangh and the Communist Party? It is no use quoting speeches here. There are four recognised all-India Parties and none of them, to our knowledge, has been consulted except the Congress Party. How is that they have come to the conclusion that there should be mid-term elections? In a matter of months the General Elections will be there. Have they considered the opinions of the other parties and the views expressed publicly by the other recognised all-India parties? Or has the decision to have mid-term elections been taken in the interests of the Congress Party?

MR. CHAIRMAN : Mr. Gupta, you are repeating yourself. You put a • question. One sentence is enough.

SHRI BHUPESH GUPTA: I put it to the Government, Sir. The Congress High Command or Low Command, whatever it is, finds it in their interests and therefore they have taken that decision.

SHRI HARIHAR PATEL : Shri Lal Bahadurji said that both the Congress and the Ganatantra Parishad knew that the Coalition Government was coming to an end in the month of April. But then it was only yesterday that the hon. Mr. Datar said that the Coalition Government had decided to resign only a few weeks or so, at best two months, before the next General Elections. It was only yesterday he said so, and to my knowledge that was the correct position. The Coalition Government never decided to resign in the month of April.

Then Shri Lal Bahadurji simply informed the House that the Finance Minister refused to place the Budget before the House. A fair man like him should have also disclosed the reasons given by the Finance Minister, as to why he was unwilling to present the Budget. We would like to know about the reasons given by him.

DR. H. N KUNZRU: I too have a question or two to put to him. I asked the Home Minister why it was that the Governor could not inform the President earlier than the 24th of the breakdown of the Government in Orissa and the assumption of power by him? That question has not been answered.

My second question is this. Had the legal experts of the Government come to the conclusion that the Governor might take over all power to himself on the ground that the administration had broken down and that it could not be carried on in accordance with the Constitution and yet that the

Ministry might remain in office to aid and advise the Governor?

SHRI LAL BAHADUR : Sir, in so far as the first part of the question is concerned, as I said, Dr. Mahatab resigned on the 21st and the Governor spent the 22nd and the 23rd in making enquiries as to whether any alternative Government was possible. In fact he wrote his report on the 23rd. So, I do not think much delay took place. He took two days, 22nd and 23rd, in discussing with members of the parties.

I might make a correction. Shri Datar said that the report was received here on the 24th* February. In fact, it was received on the 25th morning, and I understand—I am not quite sure—that the report was sent through a messenger. The Governor sent it through a messenger. Therefore, he took the necessary care to send this report as quickly as possible.

Sir, as regards the Caretaker Government, till the President's Proclamation was issued, the Governor could, I think, have legitimately asked the Ministry to carry on. It was, as I said, for a few days only. So, I do not think there can be any Constitutional objection to that.

MR. CHAIRMAN: What Dr. Kunzru wanted to ask was whether the legal experts had decided or given the opinion that in the interim the Governor could carry on with the assistance of the Ministry which had resigned.

SHRI LAL BAHADUR: We have not taken legal opinion. But, as I said, a Caretaker Government should not be allowed to carry on for a long time.

SHRI BHUPESH GUPTA: What about our question?

MR. CHAIRMAN : What is your question ? Have all parties been consulted with regard to the election ? That is your question.

SHRI BHUPESH GUPTA: The hon. Minister has today made a statement that they have, decided for mid-term elections. We are opposed to it. Have they consulted any other party?

SHRI LAL BAHADUR: In order to pacify Shri Bhupesh Gupta I might say that I did not say that we would hold mid-term elections. I said that in principle we agreed with the view that elections in these circumstances should be held as quickly as possible. We are still in consultation with the Election Commission. Therefore, I did not say that we had taken any decision. We will wait.

SHRI JASWANT SINGH: I also had . . .

MR. CHAIRMAN: No more. The question is:

"That this House approves the Proclamation issued by the President on the 25th February, 1961, under article 356 of the Constitution, in relation to the State of Orissa."

The motion was adopted.

THE BANKING COMPANIES (AMENDMENT) BILL, 1961—continued.

IMR. DEPUTY CHAIRMAN in the Chair]

SHRI JOSEPH MATHEN (Kerala): Mr. Deputy Chairman, Sir, the other day I was speaking about the responsibility of the Government and the Reserve Bank of India to take the initiative in the case of the Palai Central Bank either for its reconstruction or for some other action that might enable the Bank to enjoy the privileges that were extended to the banks that are now sanctioned moratorium. Sir, in the other House, the hon. Finance Minister stated that before they reopened any matter with regard to the Palai Central Bank two conditions were to be fulfilled: (i) that the honourable High Court of Kerala should agree to the reopening of the question, and (ii) that some

other bank should come forward to take up the responsibility of reconstructing the bank.

Now, Sir, as far as I understand, there is no reason why the honourable High Court of Kerala should object to the reconstruction of the bank, provided the Government of India or the Reserve Bank take the initiative to chalk out a scheme for its reconstruction. And, if at all the honourable High Court of Kerala refuses to give sanction for the reconstruction of the bank, at least the people of Kerala, who have been long suffering because of the liquidation of this bank and who have been complaining against the hasty action of the Reserve Bank and the Government of India with regard to the actions taken against this bank, will be satisfied that it is because of the judicial decision that nothing can be done with regard to the Palai Central Bank.

Sir, as far as I understand, some of the banks have now come forward to take up the responsibility of doing something with regard to the Palai Central Bank. The Canara Bank and the Central Bank of India have offered certain terms to do something to satisfy the demand of the people and the State of Kerala and the people of India in general, to save them from the difficulty that had arisen because of the crash of the Palai Central Bank. Sir, according to them, I understand that they have put up a suggestion that they will do anything to save the bank as the Government has suggested under section 45 of the Banking Companies Act in the case of the Indo-Commercial Bank and the New Citizen Bank of India. Since the Palai Central Bank has been ordered to be liquidated, or rather is under liquidation, now a decision or an agreement of the High Court of Kerala is necessary before we proceed any further in the case of the Palai Central Bank. So they have suggested an interim scheme before we get the sanction of the High Court to do something with regard to the Palai Central Bank. Sir, this scheme also can be submitted before the Ministry