

Sabha, I am directed to enclose herewith a copy of the Bombay Reorganisation Bill, 1960, as passed by Lok Sabha at its sitting held on the 19th April, 1960." Sir, I lay the Bill on the Table.

#### RESULTS OF ELECTIONS TO STATUTORY AND OTHER BODIES

MR. CHAIRMAN: "The following Members being the only candidates nominated for election to the bodies respectively shown against each, I hereby declare them duly elected to be members of the said bodies: —

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|------------------------------------|--|
| (1) Shrimati Jahanara Jaipal Singh | Indian Nursing Council.  |
| (2) Shri K. Madhava Menon.         | Council of the Indian Institute of Science, Bangalore.               |
| (3) Shri M. P. Bhargava            | Board of Governors of the Indian Institute of Technology, Kharagpur. |

#### ALLOTMENT OF TIME FOR CONSIDERATION OF THE APPROPRIATION (No. 2) BILL, 1960

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 seven hours for the completion of all stages involved in the consideration and return of the Appropriation (No. 2) Bill, 1960, by the Rajya Sabha, including the consideration and passing of amendments, if any, to the Bill.

#### REFERENCE TO NOTICE OF MOTION FOR PAPERS

SHRI BHUPESH GUPTA (West Bengal): I understand, Sir, that the Law Minister will make a statement today.

MR. CHAIRMAN: Yes, yes, I know He said that he has got an adjournment motion to dispose of in the other House. He will come here in due course and explain the position.

#### THE APPROPRIATION (No. 2) BILL, 1960

THE MINISTER OF REVENUE AND CIVIL EXPENDITURE (DR. B. GOPALA REDDI) : Sir, I beg to move:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year, 1960-61, as passed by the Lok Sabha, be taken into consideration."

This Bill provides for the drawal out of the Consolidated Fund of India moneys required to meet the expenditure charged on that Fund and the grants voted by the Lok Sabha. The figures in the Bill follow the provisions shown in the Budget documents and are inclusive of the sums voted on Account and provided for in the Appropriation (Vote on Account) Act of 1960 for one month's supply.

The Demands for Grants on which this Bill is based are for gross amounts, that is, total amount of expenditure exclusive of receipts and recoveries. Accordingly, withdrawals from the Consolidated Fund of India for which authority is sought through this Bill amount in all to Rs. 7,758 crores, of which Rs. 1,282 crores relate to expenditure on Revenue account, Rs. 617 crores to Capital Expenditure, Rs. 531 crores for disbursement of Loans and Advances and Rs. 5,328 crores for the repayment of debt. Of the amount included for the repayment of debt, Rs. 5,187 crores are for the discharge of Treasury Bills. As the hon. Members are aware, Treasury Bills have a currency of 91 days and provision has to be made for their discharge four times a year, but this would be covered by corresponding receipts under the receipt head as a result of their simultaneous renewals.

Full supporting details have, as usual, been given in the Budget documents circulated to the Members, and the House has also had an opportunity of a general discussion on the Budget. I do not, therefore, propose to

[Dr. B. Gopala Reddy.] take the time of the House further at this stage, but I shall try to meet the points that may arise during the debate.

*The question was proposed.*

SHRI SUDHIR GHOSE (West Bengal): Mr. Chairman, a new Member of Parliament rising for the first time to address this gathering of elders naturally speaks with some hesitation and also with a sense of humility. I am sure the House will extend its traditional generosity to a new member of the family.

The Finance Minister will forgive me if I plunge straightway into making some comments and observations on the appropriations he is asking for on behalf of the various Ministries of the Government under this Bill, comments which may not entirely meet with his approval. As one surveys the economic activities pursued by our Government and the economic policies pursued by it, one cannot escape the conclusion that the real crisis which this country is faced with is not the shortage of financial resources, not the difficulty about gathering together the resources that we need to finance our plans and programmes but the central problem that our country is faced with, as I see it, is the problem of organisation, organisation of the capacity to use resources, organisation of the capacity to extract good value out of limited resources. If we examine the activities of a number of these Ministries for which appropriation is asked for, this conclusion becomes very clear. We in this country have been called upon to produce food, clothing, houses, health, education and communication services, in short a better life for a vast population of four hundred million people, and that too within a time limit. The population of the country is increasing at a frightening rate, seven to eight million new births every year. Perhaps during the Third, Fourth and the Fifth Plan periods we shall have

added another hundred million to our present population of four hundred million people.

And in order to keep our head above water, and to do a little more than that for a people who live on subsistence level, obviously the investment that is necessary is massive. Any competent economist can calculate the rate of investment that is necessary in order to achieve our economic objectives. An economist can also calculate the rate of savings that can possibly take place in an economy such as ours. The gap that exists between the rate of investment that is necessary and the rate of savings that can take place is a problem. It is the problem of the Finance Minister to find ways and means of filling in that gap however large it may be. Fortunately for us the goodwill of the whole world is towards India, thanks to the life and work of the Prime Minister. Communists as well as the non-Communists of the world equally desire India to succeed. In these circumstances therefore, as one sees it, it should be possible for us by transfer of capital from those areas of the world where surplus capital exists to fill in this gap between what we have got to invest and what we can raise in our own society. The home of surplus capital today North America. The British and the West Germans have some new prosperity and the Australians and the New Zealanders can perhaps spare some surplus capital and judging by the friendliness shown to this country by all these Western democracies it should be possible for us to work out ways of securing from them the transfer of capital that is necessary, on terms which do not in any way infringe our freedom of action in international politics; and if that is so, I do not see any reason, in spite of difficulties, why the Finance Minister should not be able to fill in that gap.

Even if the Finance Minister gets all the finances that he may wish to have we are still not out of danger.

It is one thing to secure finances; it is another thing to build up organisational capacity to make good use of the limited resources. That, as I said, is the central problem of India today. If we look at the activities of a number of these Ministries for instance, rehabilitation, community development and some of the basic industries like iron and steel, what I am driving at becomes very clear.

Coming as I do, Mr. Chairman, from West Bengal I am deeply concerned about the problem of resettling displaced persons. Unfortunately, the Rehabilitation Minister is not here. I wish he were here. He is an old colleague of mine. When he was Rehabilitation Adviser to the Government, I used to be Deputy Rehabilitation Adviser and I know something about the activities of refugee rehabilitation.

What do we find in Bengal today? An extra population of over 3 million human beings is there. About 22 lakhs of them live in Calcutta and the surrounding industrial district. About 8 lakhs of them live in Nadia district next to Calcutta and another 4 lakhs are distributed in Burdwan, Murshida-bad and other districts of Bengal. We find from the Appropriation Bill that the Rehabilitation Minister who has already spent Rs. 130 crores on East Pakistan refugees has asked for Rs. 22 crores more. In 1956 the former Finance Minister, Mr. T. T. Krishnama-chari, made a statement on the floor of Parliament and said that we had spent Rs. 46 crores on East Pakistan refugees but rehabilitated none. Now, Sir, the expenditure has gone up from Rs. 46 crores to Rs. 130 crores but by and large it is true to say that we have spent these crores but rehabilitated none. We have very little to show for the money that we have spent. Rehabilitation of refugees does not merely mean drawing money from the treasury and distributing charity like sweets amongst people which disappear into thin air in no time. Of course we keep some people alive.

But rehabilitation means the investment of resources to create a new economy or the extension of an existing economy in order that out of that economy men and women can make a living and rebuild their own lives. It is a much harder job than distributing money. Anybody can take money from the treasury and distribute it as doles.

Now, the accumulated resentment, the sense of disappointment, the sense of frustration of 3 million men and women is a very powerful disruptive force and let us be aware of the consequences of what we are doing. Either we find a solution by finding a new life for these 3 million people or there will be serious consequences. There are people who make political capital out of this situation; There are people who are interested in fishing in troubled waters. For them this is a fertile ground for their activities. We had great hopes in the Dandakaranya Development project and the people were dreaming of building up a new Bengal in an area much larger than the whole area of West Bengal itself, with enormous mineral resources, with enormous forest wealth and with vast areas of virgin soil which could be ploughed up but obviously we have fallen down on this job.

[MR. DEPUTY CHAIRMAN in the Chair]

Not because the Finance Minister cannot find the money for such a job but because the Government does not possess the organisational capacity to make use of the money as an investment to build a new economy and to resettle these 3 million displaced persons.

If we go on to the Ministry of Community Development, we talked rather pompously about letting loose a revolutionary social force in the country-side of India. We talked so much about it that it attracted world attention and many experts came I from different parts of the world to

[Shri Sudhir Ghosh.] see what we were talking about. We said that we were spreading over the whole of our rural area, over half a million villages in India, a new economic force to build up a new life for our people.

If we take a community of, say, 100 villages where they may have say, a 100,000 acres of land, if we introduce into that community a certain volume of capital and a certain amount of leadership from outside and if we can prove that if these resources are invested on wealth-producing activities like, say, water for the land which the villager obviously wants, fertiliser, better seeds, better cattle, capital investments in different shapes and forms, that community can produce an appreciably larger volume of wealth out of which new wealth we can secure for those people a reasonable standard of social services like health, education, communication etc., and also that the capital that was invested on the economic activities of that community could be recovered over a long period of years on reasonable terms perhaps with no interest or little interest and we can put it back into a Central fund from where it came so that it can be used all over again for the benefit of other rural communities; if we can demonstrate that, then obviously we have found an answer to a question; we have found an answer to a problem. On the other hand if you have money to draw from the treasury and if you distribute it too thinly over too large an area and you watch it disappear into thin air without producing any enduring impact at all on the life of our rural people, obviously you have not found an answer to your question and the villager naturally is not impressed with it and the foreigners who come here to examine what we are doing and write reports about them—whether they are from the United Nations or from any other agencies—have begun to smile at it and laugh at the pompous talks that we had indulged in about this great social revolution that we said we would let

loose in the countryside. What is the cause of it all? Is it shortage of financial resources? Obviously we have got more money than we can utilise. So we come back again to the problem of organisation, organisation of the capacity to use the resources. If we look at a basic industry like steel; you start building three steel plants, which should have cost perhaps Rs. 150 multiplied by 3, or Rs. 450 crores, provide an additional Rs. 50 crores, because in one of those three steel projects more expensive equipment was to be installed. Your Rs. 500 crores because Rs. 560, your Rs. 560 crores becomes Rs. 620 crores, then, Rs. 620 crores becomes Rs. 650 and by the time you finish, you will find that you have reached the Rs. 700 crore mark. If a bania had used money in that way, and if he had revised his estimates from Rs. 500 crores to Rs. 700 crores, his punishment is automatic. Well, in the case of the Government official, what has he to do? All that he has to do is to write a note in very good English, explaining the circumstances in which it was inevitable to use an extra Rs. 200 crores worth of resources, and whether the Prime Minister loses his temper or shouts at anybody, he has no other alternative except to be satisfied. A bania tries to extract out of every rupee sixteen annas' worth of work. In the case of a Government official, if he gets nine or ten annas' worth of work, he is very lucky.

These are some of the instances which I wanted briefly to place before the House to show that the problem that we are faced with is not the problem of shortage of resources. The problem is the problem of building up organisational capacity, to make use of the resources in such a manner that we can extract the best value out of them. And I would like to drive it home if I can and I would like to have it registered in the minds of the Finance Minister and others that it is the problem of organisation that is our central problem today.

In October, 1958 I had occasion to visit the U.S.S.R. Hospitable people as they are, they showed me round their steel plants in the Ukraine and elsewhere. The day before I left, they entertained me, the whole lot of them together, the ablest of their men in the steel field, led by one of the topmost Russians, a very big man high up in the political hierarchy. And at the end of this lunch, this distinguished Russian asked me a question. He said: "Mr. Ghosh, we would like to ask you a question about your very fascinating and very puzzling country. If you feel embarrassed, you don't need to answer the question. If you do, we shall be grateful. We, Russians, have been working both with the Indians and the Chinese. In Bhilai our Russians are doing the job of building up a steel plant with your technicians and your officials. Exactly a similar job we are doing in China with Chinese technicians and Chinese officials. Our people send us reports from both these places and we find that there is a certain basic difference between the atmosphere of the two countries and we find it difficult to explain it to ourselves. They say from Bhilai that India is a country full of intelligent men and women. The country is not even short of technically qualified men, because you have had difficulty in giving suitable employment even to your engineers and technicians. Obviously, you are not suffering from want of technicians. In spite of all the advantages, our men find that it is the Russians who have to hustle the Indians all along the line in getting a job done, which you obviously need, and they feel embarrassed about it. In China the position is the other way round. It is the Chinese who hustle the Russians all along the line to extract out of them the maximum possible advantage. What is it that, though you have got all these advantages, makes you fumble? And please Mr. Ghose"—he added significantly—"do not tell us that it is because the Chinese are Communist and you are a democracy. It has nothing to do with communism or democracy."

Democracy, Mr. Deputy Chairman, often becomes an excuse for incompetence and inefficiency. One does not have to be a communist in order to be an effective man.

What I am driving at is to have it registered in the minds of our leaders that what is expected of political leadership today is not what you wanted in the old days, of being able to gather together half a million people and making a political speech, or the usual political speeches of any political party in their annual gatherings. What the leadership of this country needs today is this capacity to get together all the different ingredients, whether it be financial resources or human talent; the leadership that can cause a fusion of all these elements and can get our job done.

Now that I have made some criticism of some parts of the Government machine, may I, before I sit down, offer a little bouquet to another part of the Government machinery, officials who, I think, have done a very efficient job and who deserve to be congratulated? I mean the officials of the External Affairs Ministry. I have in different parts of the world seen our Foreign Service men at work and it is my impression that our Foreign Service is just as good as any Foreign Service of any other country. They have done a very difficult job in the midst of difficult circumstances and I think we can legitimately offer them a word of congratulation on their achievements. The Foreign Minister himself is too big a man to require any appreciation from anybody. Our foreign policy today is on trial. Perhaps it is true to say that the Foreign Minister himself is on trial, as he is engaged today in negotiations

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Let no words fall from the lips of anyone today which might create difficulties for the Prime Minister. He is perhaps facing the worst trial of his life today. If he were not today . . . \*\*Expunged as ordered by the Chair.

SHRI BHUPESH GUPTA (West Bengal): May I just mention one thing? Whatever be the hon. Member's point of view, just when the two Prime Ministers are engaged in discussion, it is not good for anyone to get up in this House and say

I think, Sir, that you have yourself to look to it that such statements are not made. I know the hon. Member's feelings about it, but he can avoid this kind of expressions about it.

MR. DEPUTY CHAIRMAN: I think you better avoid such expressions.

SHRI BHUPESH GUPTA: It is an insult to our genius and culture . . .

(*Interruptions*).

MR. DEPUTY CHAIRMAN: Order, order.

SHRI H. P. SAKSENA (Uttar Pradesh): The hon. Member is not yielding.

SHRI SUDHIR GHOSH: We are accustomed to hearing the hon. Member a lot. As I said, and I say it in the right spirit, let no man say any word today which creates any difficulties for the Prime Minister of India, who is faced perhaps with the worst trial of his life. Perhaps on an occasion like this, we could share with him a few words that Gandhiji was very fond of, on occasions such as this, words said by a member of the religious society or Friends, the Quakers:—

"There is a spirit which I feel that delights to do no evil, nor to revenge any wrong; but delights to endure all things in the hope to enjoy its own in the end. Its hope is to outlive all wrath and contention and to weary out all exaltation and cruelty or whatever is of a nature contrary to itself. As it bears no evil in itself, so it conceives none in thoughts to any other. It is conceived in sorrow, and brought forth without any to pity it; I found it alone, being forsaken."

\*\*\*Expunged as ordered by the Chair.

Perhaps the Prime Minister of India will find some comfort in those words today.

#### STATEMENT RE ALLEGED DIS- ENFRANCHISEMENT OF VOTERS IN THE CALCUTTA SOUTH-WEST PARLIAMENTARY CONSTITUENCY

THE DEPUTY MINISTER OF LAW (SHRI R. M. HAJARNAVIS) : Sir, the statement is fairly long. I lay it on the Table of the House, but such portion of it as I think is factual, I will read in the House.

The first portion deals with the provision of law which permits identity card being prepared and which has to be affixed with a photograph of the elector. Now, the statement begins by recalling:—

"The problem of identifying electors in heavily congested urban and industrial areas was receiving active consideration of the Election Commission for a long time as it was found from experience that the illegal practice of impersonation was gaining prevalence in such areas. It was felt that the issue of identity cards with photographs attached to all electors would greatly facilitate identification at the time of poll and prevent impersonation."

Certain provisions under the Representation of the People Act provide for it. The Election Commission was satisfied that, because of the existence of a large number of congested and industrial areas within the Calcutta South-West Parliamentary constituency, it was necessary and desirable to introduce the system of issue of identity cards with photographs attached to all the electors comprised in that constituency.

The total number of voters on the revised electoral rolls of the Calcutta South-West Parliamentary constituency is 3,41,983. The work of photographing the voters commenced on the 21st June, 1959, in Chowringhee and Kalighat. It was later on extended to Fort, Alipore and Ekbalpore