

**THE APPROPRIATION (No. 2) BILL,
1960—continued**

SHRI K. SANTHANAM (Madras): Mr. Chairman, I am grateful to you for having given me this early opportunity to speak. I shall not abuse your kindness by speaking at length on the Budget. I am aware that I have come rather late to this House for that purpose. Today I just want to make two points which may be interesting to Members. By this Appropriation Bill, we are asked to legalise two kinds of expenditure. The first 105 items relate to the recurring expenditure which is a continual burden year after year on the country, and the other items relate to capital expenditure. I have nothing particular to say about the expenditure to be incurred in the current financial year, but we must remember that this is a burden over which the burden of the Third Five Year Plan is to rest. It has been estimated that about a thousand crores of rupees of revenue expenditure will have to be raised during the Third Five Year Plan, that is, the minimum recurring burden will be of the order of Rs. 200 crores above the existing recurring expenditure which we are to legalise by this Appropriation Bill. That means, in my view, that the Finance Minister will have to raise at least a hundred crores of rupees of additional taxation next year if he is to fulfil the target of revenue expenditure for the Third Five Year Plan. I do not know how the Members and the public will view the possibility of undertaking at least a hundred crores of rupees of additional taxation next year. I feel a little oppressed by the thought of that burden and I have been thinking as to how this burden can be lightened. The one thing that can be done is to economise on the existing burden and I would earnestly suggest to the Finance Minister that he should make a cut of at least 5 per cent, in all departments of the Central Government.

SHRI SUDHIR GHOSH (West Bengal): He can collect his income-

tax arrears which, I believe, amount to more than a hundred crores of rupees.

SHRI K. SANTHANAM: He will collect it if he can, but this is something which he definitely can, and my suggestion is confined to what he can do personally without depending upon the evaders. I suggest that there should be a cut of 5 per cent. This will give a saving of Rs. 30 crores in expenditure not only in one year but in every year during the Third Five Year Plan period, and to that extent reduce the burden of taxation which he will have to impose next year. Besides the actual reduction of expenditure, the fact that all the Central departments have cut down 5 per cent, of their expenditure deliberately in order to promote the Third Five Year Plan will give a greater moral foundation for the implementation of that Plan. That is one suggestion which I want to make.

SHRI M. VALIULLA (Mysore): 5 per cent, even for Class IV people.

SHRI K. SANTHANAM: It is 5 per cent, cut in expenditure.- How he does it, I leave it to him; let him reduce 10 per cent, on particular expenditure, 15 per cent, on other expenditure; he may have 20 per cent, reduction on stationery and stamps. Thus it is a matter to be decided by the experts of each department.

The second point I wish to make is regarding capital expenditure. Sir, during the first two Plans in these ten years the total outlay has been of the order of Rs. 6500 crores of which we are told that investments amount to over Rs. 4500 crores— I am confining myself to the public sector. I would like to know what part of these investments is dead, that is, it has to be written off, and what part of the investments are unproductive, that is, they are not able to maintain themselves or yield

interest on the capital invested so that they are becoming a burden on the country. The country has to maintain them and pay the interest on capital by further taxation—I would call these unproductive investments. I would like to know what percentage of the Rs. 4500 crores constitutes unproductive investments, and what part constitutes productive investments, that is, investments which maintain themselves and give at least the normal rate of interest on the capital invested. I do not know if the Finance Minister himself has got a clear picture of the distribution of these investments, and if he has, I hope he will share the information with this House. If he has not got it, I would earnestly urge that he should prepare an analysis for the benefit of this House. I need not expatiate on the importance of this analysis because . . .

SHRI J. S. BISHT (Uttar Pradesh): "Would you put a school or a hospital in the unproductive category?"

SHRI K. SANTHANAM: It is unproductive so far as the burden on the tax-payer is concerned. It is useful no doubt. I do not say that unproductive capital expenditure is not useful or desirable. It may be quite useful and desirable. But somebody has to maintain it and pay the interest on the capital invested and it is the tax-payer who has to do so. What I want to urge is that there should be a proper proportion between the productive investments and the unproductive and the dead investments, because it is the productive investments which, *in the long run*, have to earn and bear the burden of maintaining the other two kinds of investments. So, Sir, before the Third Five Year Plan is inaugurated I would like the Finance Ministry to present to Parliament and to the public a combined total balance-sheet of all the investments in the public sector during the First Five Year Plan and the Second Five Year Plan. It will give us a fair picture, and if,

on the whole, our investments are productive and are self-maintaining, then we can say to Government, wishing them godspeed, "Go further; increase your pace." On the other hand, if it is found that a considerable part of the investments is dead and a further considerable part is unproductive and that only a comparatively small part is productive, then we will have to say, "Now take warning; reduce the dead and the unproductive investments; concentrate on the productive investments." Unless we have got a clear picture, it is no use simply calling them all investments and then speaking in terms of Rs. 7,000 crores and Rs. 10,000 crores—it does not help. Therefore, I think that it is the duty of the Finance Ministry to have a clear picture themselves, take the House into confidence and give us that clear picture. Therefore, Sir, *my concrete suggestions* are first that there should be a 5 per cent, cut in the expenditure of each Central department. Secondly, they should make a careful analysis of all the investments in the public sector. They should ask every State Government also to do likewise. This will provide the proper moral and financial basis for proceeding with the Third Five Year Plan.

Thank you, Sir.

MR. CHAIRMAN: You will have to sit through lunch.

[MR. DEPUTY CHAIRMAN in the Chair]

SHRI M. P. BHARGAVA (Uttar Pradesh): Mr. Deputy Chairman, Sir, first of all I want to welcome the distinguished visitor from China. The very fact that he has taken the trouble of coming to India is a sign that he means business. I hope the House will agree with me when I say that we wish all success to the negotiations in progress at the moment between the Prime Minister of China and the Prime Minister of India. I must pay a tribute to the Prime Minister of India for the firm and patient manner

[Shri M. P. Bhargava.]

in which he has been tackling this problem.

Yesterday my hon. colleague, Mr. Khandubhai Desai, raised a very fundamental point, and that is about the debates which we have on the President's Address, the General Budget and the Appropriation Bill. All these three debates cover a very wide field and all the discussions become rather unreal. The Ministers about whom we speak in these three debates are rarely present here, and I do not know whether the things which are said here are seriously taken note of. What I would suggest is that in future, if possible, we should devise some means by which the debate on a particular Ministry takes place at a fixed time and the Members speak on that particular Ministry so that the various suggestions made here are taken note of.

I want to say a word or two about the Ministry of Transport and Communications. As the House is aware, the Road Transport Reorganisation Committee was appointed by the Ministry and the Committee submitted its report. I am glad to see that most of the recommendations of the Masani Committee have been implemented. I wish particularly to congratulate the Rajasthan Ministry who have accepted the Committee's report in spite of serious differences which they had to the Committee's recommendations.

This morning while looking through the papers, I found that the Finance Minister has been pleased to give some concession to agricultural tractors. I wish to bring to the hon. Minister's notice another point about the engines which are used in the inland water transport. Steamships are plied between Assam and Bengal. They are also doing very useful work, and I would plead with the Finance Minister to see if exemption can be given to these engines also.

Now, I come to the Ministry of Defence. I want to pay my tributes at the outset to the three Defence Services—the Army, the Navy and the Air Force. I have nothing to complain against them, but I have something to say about those who administer the Ministry of Defence or about those who are responsible for purchases in the Defence Ministry. Year after year we find in the various Audit Reports on the Defence Ministry that several things are pointed out such, as over-purchases, wastage in expenditure and similar other things. In the Lok Sabha, as the hon. Members might have seen, a lot has been said about the Audit Report. I would have wished the Defence Minister to have come and told the Lok Sabha and the Rajya Sabha that such and such irregularities have been pointed out and this is the reply. Instead of that, what has been done? Lots of things have been said about the manner in which the Report has been presented and various other technical things. I personally feel that it is rather side-tracking" the main issue, trying to meet the objections raised in the Audit Report and also to shield the whole thing rather than coming¹ out with explanations admitting certain irregularities and promising to¹ rectify them.

THE MINISTER OF REVENUE AND
CIVIL EXPENDITURE (DR. B. GOPALA
REDM): The Defence Minister promised in the other House that he would make a statement with regard to all the audit objections raised in the Audit Report.

MR. DEPUTY CHAIRMAN: I think we are not concerned with it here. We are not concerned either with the Auditor General's objections or with the statement of the Minister.

SHRI M. P. BHARGAVA: The Audit Report has been placed before the House and we are concerned with it.

MR. DEPUTY CHAIRMAN: You may refer to it but not make any reflections on the Auditor General.

SHRI M. P. BHARGAVA: I have not made any reflections on anybody.

MR. DEPUTY CHAIRMAN: The convention is that the Ministry's opinions are sent to the Public Accounts Committee, and after the Public Accounts Committee have seen it, it comes to Parliament. We are not concerned with it just now. I suggest to the hon. Members not to refer to or cast any reflections on the Auditor General or on the statement that is likely to be made. I cannot go to allow any statement at this stage.

SHRI JASWANT SINGH (Rajasthan) : This point was referred to by the hon. Defence Minister himself.

MR. DEPUTY CHAIRMAN: We are not concerned with what happened in the other House. We have our own conventions. The procedure is that first there are explanations by the Public Accounts Committee. Then they come before Parliament.

SHRI JASWANT SINGH: But the question is that the Defence Minister while replying to a question made certain references to the Report.

MR. DEPUTY CHAIRMAN: I do not think he made any statement in this House.

SHRI JASWANT SINGH: He did make.

SHRI M. P. BHARGAVA: Coming to my point, as the House is aware, I have been putting a number of questions with regard to the Defence Ministry and getting answers. I would now refer only to other cases

SHRI JOSEPH MATHEN (Kerala): Sir, if the hon. Member continues -with that subject I am afraid you will have to permit us to speak after he has finished.

SHRI M. P. BHARGAVA: It is up to the hon. Member to reply me.

MR. DEPUTY CHAIRMAN: What I am suggesting is that this controversy need not be raised at this stage here.

SHRI M. P. BHARGAVA: I am not referring to these things. I am referring to two other things. The first is about the purchase of 20 mm. ammunition in 1953 about which I have put about a dozen questions. The position as it emerged is as follows.

That ammunition was purchased in 1953. Two departmental enquiries were held. The result of those enquiries we do not know. Now, a third enquiry is being held by a committee, headed by our Deputy Law Minister, Mr. Hajarnavis. I need not say anything for or against the enquiry but on the manner in which the enquiry is being conducted I have to say something. Sir, who are the members of the enquiry committee, besides Mr. Hajarnavis? They are all those people who are in the Air Force. Some of them were directly or indirectly connected with the purchases and other things. Sir, also through questions we were informed that one of the members of the inspecting team, which went to Zurich and which accepted the ammunition, has been summarily dismissed after the event. So, all these things are happening. We will have to be informed in detail before we say anything about this.

Now, I have to say something about another deal which is a very recent one. In July, 1959, tenders were invited from all over the world for the purchase of horses and mules. The final date for the submission of tenders was 31st July, 1959. Several tenderers submitted their tenders. I do not know under what conditions the tender date was extended, only in London, twice—once up to the 10th August and another time up to the end of September.

[Shri M. P. Bhargava.]

Now, the tenders were opened. One of them, an Indian contractor, gave his quotations for these things as Rs. 37 lakhs. There were other tenderers from foreign countries but their quotations were high. In the normal course the tender should have gone to the Indian firm but it did not happen. One of the Italian firms, whose tender was higher than the tender of the Indian firm, was contacted. Negotiations were carried on with that firm. This was the case with mules.

Now, what happened about horses? The lowest tenderer, which was an Indian firm, was not given the tender. Instead, a firm of Australia, which does not deal in horses at all, was given the tender. I would like the Defence Minister to enlighten us on this point. It is a serious thing because if the Indian tender had been accepted, it would have cost the Indian exchequer only Rs. 37 lakhs. Now, we are paying Rs. 52 lakhs.

Now, another difficulty has arisen. The firm which agreed to supply the horses from Australia is finding it difficult because there is a sort of monopoly in Australia about the horses. There is one firm which was supplying horses to India from 1917. That firm is non-co-operating with the body which has been given the contract and the tenderer is finding it difficult to supply the horses. An inspection team has gone from here and they are probably finding that even the horses which have been supplied are not up to the standard. About the mules, I said, the order was given to a firm in Italy. Thereafter this Italian gentleman comes to India and is purchasing mules from Kalim-pong. I do not know why efforts were not made to procure the supplies first from India and then place the contract for the rest with the other firm.

These are some of the things which should be looked into by the Defence Minister. I do not blame him. He has so many things to attend to but

these things must have his attention. So far about the Ministry of Defence.

A word about the Ministry of Education before I sit down. Lots of things have been happening in the country. There is so much of indiscipline among students and people are naturally worried about these things. [fail to understand how appointments in some of the Universities for Vice-Chancellorships are made. Take the case of the Lucknow University. The very person against whom there was all the agitation by the students—I do not say that the students were right and I do not say that all that happened was wrong—has been appointed as the Vice-Chancellor. Yesterday a lot was said in relation to a question about the Aligarh University and the way things are happening there. I need not touch on them but there is something wrong about these Universities and I will request the Education Minister to look into these things as early as possible. Thank you.

PROF. M. B. LAL (Uttar Pradesh): Sir, India is regarded as the fortress of democracy for Asia. While it is crumbling and yielding place to dictatorship in many countries of South-East Asia, we are upholding it and we mean to stand by it. We have reason to be proud of it but we will be mistaken if we tend to be complacent. Indian democracy is being assailed by casteism and communalism on the one side and is corroded by ideologies of dictatorship on the other. Unfortunately, to counteract constructively the anti-democratic elements in us, no attempts are being made to cultivate the democratic spirit and people's faith in democratic ideals and values and develop democratic traditions necessary for a healthy democracy. Sir, our Government has failed? to infuse in the administration the spirit of public service and regard for democratic principles. Almost all departments are suffering from corruption, inefficiency, nepotism and indifference to public good. For that, the Ministers are in no way less responsible than the others.

For more than a hundred years we stood for separation of the executive and judicial functions. I remember the memorandum submitted by Raja Ram Mohan Roy to the Joint Parliamentary Committee in the thirties of the 19th century demanding the separation of the executive and judicial functions. The demand was repeated in the memorandum submitted by the British Indian Association in the fifties to the Joint Parliamentary Committee; and since 1875 the Indian nationalists almost every year repeated this demand for the separation of the executive and judicial functions. The Constituent Assembly directed the State to separate the two Services and yet, regardless of the directives under the Indian Constitution, in most of the States, including the Union Territories, the executive functions and judicial functions are not separated. Criminal justice is administered either by the magistrates who are also executive officers or by judicial magistrates under the control of the executive officers of the district. No wonder people fail to have full faith in their judgments especially in cases in which the police is expected to be specially interested. If we study the judgements of our High Courts, we will find that in many cases that they have pointed out that the magistrates failed to exercise due judicial mind in particular cases for particular reasons. I do not know of other States but at least in U.P., fortnightly or monthly meetings are held between the executive officers and judicial magistrates and these meetings give a peculiar colour to the functions and the attitude of the judicial magistrates.

MR. DEPUTY CHAIRMAN: It will be more relevant in the U.P. Assembly. The U.P. Government is not here to reply.

PROF. M. B. LAL: Sir, there is a directive in the Constitution that the two functions are to be separated. That is why I am inviting your attention to this fact.

MR. DEPUTY CHAIRMAN: But let there be no allegation against the U.P. Government.

DR. B. GOPALA REDDI: Because they are not here to reply.

PROF. M. B. LAL: Under the Constitution the executive is entrusted with Ordinance-making power to be exercised in urgency when the Legislature is not meeting and when the vital interests of the nation or of the people require to be protected. But this Ordinance-making power ' of the executive is converted into an alternative process of legislation and even when no particular unforeseen vital interest of the nation is to be safeguarded' Ordinances are passed by the executive. Our susceptibility to democracy is so low that certain statesmen in this country tend to feel that a modicum of autocracy is a wet-nurse of democracy. Sir, without any statutory authority from Parliament, the members of the Antarim Zilla Pari-shad, including official members of the Parishad, are enrolled and allowed to vote in local body constituencies for the Legislative Council of Uttar Pradesh. All this, Sir, must serve as a warning to us. Can we really uphold democracy in the midst of dictatorship in this way? If we really wish to uphold democracy, we will have to take measures to strengthen democracy. Let us be conscious of our historic mission and let us lay sound foundations of democracy in India. Let us cultivate democratic ideals in the people and also cultivate the people's enduring faith in democratic values and ideals so as to translate our democracy into a welfare democracy. For that, Sir, it is necessary that the judiciary and the executive functions should be separated. I wish to say, Sir, that if this directive of the Indian Constitution is not followed, let this directive be converted into a positive provision in the Constitution. Ordinance-making power should be so redefined in the Indian"

[Prof. M. B. Lai.] Constitution that it may not be possible for the executive to convert it into an alternative process of legislation even when no unforeseen vital interest of the nation is concerned.

I think, Sir, that the functions of the Standing Committees associated with the various Ministries should be enlarged. These Standing Committees should be entrusted with the work of enquiring into the affairs that are within their competence and these Committees should be taken into confidence by the Ministries concerned when an Ordinance is to be issued or, when a new policy is to be determined.

Above all, Sir, what is needed is to enlarge the scope of local self-government in this country and to provide proper education for democracy to the people in general and the youths of the country in particular. Undoubtedly, we have made considerable progress in the sphere of education since the attainment of independence. But our educational system still continues to be subject-concentrated, examination-ridden and lifeless in character. No doubt, provisions are made for social studies in primary and secondary schools; but the education is so imparted that it can at best be called only instruction in certain items. It does not cultivate in the pupils concerned a spirit of fellowship, a spirit of community life and faith in democratic values and ideals. Sir, this education that we do impart today cannot be called education for democracy and so proper attention should be paid to this aspect of the matter.

I feel that education for democracy must be community-centred and it must be broad-based on democratic ideals which are determined in our Constitution as dignity of human personality, economic equality and social justice along with national unity and civil liberties. To imbue children with these ideals, attempts should be made to cultivate in youths initiative, civic consciousness, social

awareness, habit of co-operation, respect for democratic ideals and traditions and feelings of sanctity for public property and social responsibility. For that not only theoretical education should be imparted to them, but practical training should be also given through healthy extra-mural activities on democratic lines. These should be promoted under the guidance of teachers imbued with the aforesaid moral ideals.

Attempts should also be made to provide social education to adults. Sir, when in 1949 devaluation caused financial difficulties to the Government, there was the curtailment of certain expenditure on certain items, including social education. While expenditure on other items has been restored, social education continues to suffer as a casualty. I feel if we wish democracy to exist in the country, it is our duty to provide proper social education to adults also on democratic lines.

Sir, to promote people's enduring faith in democracy, it will also be necessary to translate our democracy into a welfare democracy. Freedom and happiness must go together. If there can be no real happiness without freedom, there can be no real freedom unless the primary needs of the people are adequately provided for. Sir, in the modern world, an economic plan worth its name must not only provide for an increase in national income but also enable the working people to share and enjoy the prosperity and help the community in the attainment of social objectives. Without increase in production there can be no increase in happiness but production must result also in the happiness of the people. Sir, full employment and constant increase in the standard of living are the basic norms both of socialism and welfare economy. Our Plan, therefore, must provide for the development of productive activity and expansion of production, liquidation of unemployment and provision of full employment to all adults, equitable distribution of prosperity and a constant increase in

the standard of living of the producing masses—that is the working people—social advancement towards an egalitarian order free from exploitation as well as from the inordinate inequality in wealth and economic power. All these objectives are constituents of an integral whole and it is our duty to strive for proportionate advancement of all these objectives. Sir, it is to be regretted that though a socialist pattern of society is accepted as the objective of our economy, our planned economy is not tuned to its attainment. Monopolists are becoming super-monopolists in the private sector in large-scale industries. Inequalities in income are increasing; unemployment is also increasing while agriculture is the **mainstay** of our national economy, it **is not regarded** even as one of the **main objectives** of our planned economy. The food policy of the Government is a dismal failure. It has not only added to the misery of the people but has also deepened the economic crisis. The food and agricultural price policies of the Government are vacillating and often industry-orientated. They have miserably failed to stabilise prices and reduce the gap between the prices at harvest times and those during the off-season.

Sir, in the end, I wish to say this that to ensure balanced development of our economy, it is necessary to regard the development of agriculture and the attainment of food self-sufficiency as the principal objectives of our planned economy. To provide adequate employment to the people, it is also necessary to promote in the country labour-intensive small and medium industries. Our great friend and an experienced statesman, Mr. Santhanam, has just invited our attention to the need for economy. To promote economy it is necessary that restrictions should be placed on luxury goods as well as on ostentatious living and prestige buildings. If I mistake not, it was reported in the Press that our Commerce Minister, Shri Lai Bahadur Shastri, in one of his speeches had said that if restrictions

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were imposed on the construction of prestige buildings, there could be an economy of 12 to 15 per cent, in our Plan. If that is so, we must go ahead with that restriction so that it might be possible for us to promote our economic development without overburdening ourselves with the consequences of inflation and foreign debts.

Sir, we must go ahead with the scheme of building up an egalitarian society. It is not possible for us to establish an egalitarian social order in a day but to promote it, let us at least abolish the managing agency system. There is hardly any country in Europe which has it. Even in the First Five Year Plan much was written against the managing agency system. It was pointed out that it leads not only to the exploitation of the workers but also to the exploitation of the middle class people who are in a position to invest only small sums in shares. It is also necessary for us to ensure a minimum wage in all occupations including agriculture.

With these words, Sir, I wish to take my seat.

श्रीमती सावित्री निगम (उत्तर प्रदेश) :
 उपसभापति महोदय, सब से पहले तो मैं वित्त मंत्री महोदय को बधाई देना चाहती हूँ कि उन्होंने सचमुच यह बहुत ही उदारता का कार्य किया कि उन्होंने ट्रेक्टर और साइकिल के स्पेक्स पर से टैक्स का बोझ हलका कर दिया। मेरा उनसे यह और अनुरोध है कि वे इन साइकिल पर और भी लगे हुए टैक्स के साथ ही साथ लोहे का जो सामान किसानों के उपयोग में आता है उस पर लगे हुए टैक्स को भी अधिक हलका करने पर पुनर्विचार करें और जो भी राहत हो सकती हो उसे देने की कृपा करें। यह तो सभी जानते हैं कि साइकिल का उद्योग अभी पिछले ही कुछ वर्षों में हमारे देश में बढ़ा है। इसलिए मेरा यह भी उन से अनुरोध है कि वे इस उद्योग को प्रोत्साहित करें ताकि यह और विकसित हो सके।

[श्रीमती साहिनी निगम]

भारतीय उद्योग और विकास के इतिहास में जो सन् १९६० का बजट वर्ष है वह एक अत्यन्त महत्वपूर्ण वर्ष माना जायगा क्योंकि हमारी तृतीय पंचवर्षीय योजना समाप्त होने जा रही है, उसके अनुभव और उसमें जो कुछ गलतियाँ करके हम लोगों ने सीखा या जो काम करके सीखा, उसका हम लोगों के पास एक लेखा-जोखा है, और तृतीय पंचवर्षीय योजना के प्रांगण में हम लोग उतरने जा रहे हैं। हमारे बड़े बड़े लक्ष्य भी हमारे सामने हैं और इस बजट वर्ष को हम समन्वय का वर्ष कह सकते हैं। यदि इस में हम ने ठीक ठीक समन्वय किया और पिछले अनुभवों के आधार पर पिछली भूलों को सुधारा तो मेरा विश्वास है कि हमारी तृतीय पंचवर्षीय योजना की सफलता अवश्यभावी बन जायगी।

श्रीमन्, योजना कोई वर्षों या दिनों के लिए नहीं बल्कि आगे आने वाली पीढ़ियों के लिए होती है और योजनाओं में आगे आने वाली पीढ़ियों का सदियों तक का कल्याण निहित रहता है। इसलिए इस वर्ष हमें हर एक विषय पर दुबुनी सतर्कता बरतनी है।

बजट के अनुदानों का जो खाका प्रति वर्ष बनाया जाता है, इसकी वास्तविकता यह है कि इसकी असली रूप-रेखा योजना-निर्माण के समय ही बना ली जाती है। इसलिए मैं इस समय इस वर्ष की स्थिति का विवेचन करते समय माननीय वित्त मंत्री महोदय का ध्यान योजना के उन अंगों पर ले जाना चाहती हूँ जिनके कि कारण आज देश में रीजनल डिसपैरिटी—जिसकी कि इस सदन में कई बार चर्चा हो चुकी है—बराबर बढ़ती जा रही है। नेशनल डेवलपमेंट काउंसिल ने बार बार अपने प्रस्तावों में इसके बारे में कहा है। उसके एक प्रस्ताव की कापी भी मेरे पास है, उसमें उन्होंने कहा है :

"The National Development Council recommended that there should be continuous study of the problem

of diminishing of regional disparities and suitable study indicators of regional development be evolved."

श्रीमन्, इसी तरह जो सन् १९४८ का और सन् १९५८ का इंडस्ट्रियल पालिसी रेजोल्यूशन है उस पर यदि हम गौर करें तो देखेंगे कि उसमें भी बराबर यह कहा गया है कि जो पिछड़े हुए इलाके हैं, पिछड़े हुए क्षेत्र हैं उनमें डवलपमेंट का पेस—रफ्तार—बहुत तेज किया जायगा और उनको पूरी सुविधायें दी जायेंगी, किन्तु खेद के साथ कहना पड़ता है कि एक निर्धारित नीति के बावजूद भी जिस प्रकार से इस नीति का इम्प्लीमेंटेशन हुआ है उसने यह प्रमाणित कर दिया है कि नीति के इम्प्लीमेंटेशन में कोई कमी होने के कारण से ही रीजनल डिसपैरिटीज़ बराबर बढ़ती जा रही है।

इस विषय में एक बात मैं यह भी कहना चाहती हूँ कि बार बार प्लानिंग कमिशन ने यह कहा है कि हमें स्टडी इंडिकेटर्स इस बात का पता लगाने के लिये मुकर्रर करना चाहिए कि कौन से एरियाज़ कितने बैकवर्ड हैं लेकिन मुझे खेद के साथ कहना पड़ता है कि प्लानिंग कमिशन के पास आज भी प्रदेशों तक के परकैपिटा इंकम के अपटूडेट आंकड़े नहीं हैं, उसको मालूम नहीं है कि हर एक प्रदेश की परकैपिटा इंकम क्या है। तो जब प्लानिंग कमिशन को पता नहीं है कि मर्ज क्या है तब उस मर्ज की दवा वह क्या कर सकता है? उन्हें यह ही पता नहीं है कि प्रदेशों की परकैपिटा इंकम कितनी कितनी है, हालांकि होना यह चाहिए था कि उन्हें यह पता हो कि हर एक जिले की परकैपिटा इंकम क्या है और कौन कौन से डिस्ट्रिक्ट्स ऐसे हैं जिनमें कि परकैपिटा इंकम ७४ रु० से भी कम है और उसी तरह से यह भी कि कौन से क्षेत्र ऐसे हैं, कौन से प्रान्त ऐसे हैं जिनकी कि परकैपिटा इंकम ४५० और ५०० रु० से ऊपर है। इसलिए मैं मंत्री महोदय का ध्यान इस ओर दिलाना चाहती हूँ कि नेशनल डेवलपमेंट काउंसिल ने स्टडी इंडिकेटर्स की

जो सिफारिश की थी वे प्लानिंग कमिशन द्वारा तुरन्त मुकर्रर किये जाने चाहिये और एक सर्वेक्षण के लिए पूरी व्यवस्था होनी चाहिए ताकि अपटूडेड इन्फार्मेशन प्लानिंग कमिशन के पास रहे और हर मंत्रालय के पास रहे कि किस पिछड़े हुए एरिया में कितनी परकेपिटा इन्कम है ।

श्रीमन्, जो पिछड़े हुए क्षेत्र हैं उनकी समस्त बातें उलझी हुई हैं । पिछड़े हुए क्षेत्रों की कठिनाइयां इसलिये भी बराबर बढ़ती जा रही हैं कि पिछड़े हुए क्षेत्रों का आर्थिक स्तर भी नीचा होता है और इसके अतिरिक्त वहां पर सरकार कोई कर नहीं लगा पाती है क्योंकि उनमें कर देने की क्षमता नहीं है और इसीलिये शिक्षा के मामले में भी ये क्षेत्र पिछड़ जाते हैं । यहां तक कि प्रकृति भी पिछड़े हुए क्षेत्रों के ऊपर बड़ा विचित्र प्रहार करती है । मैं नमूने के तौर पर यह बताना चाहती हूं कि मध्य प्रदेश का जो प्रान्त है इसको आप देखें । सारे देश में जबकि बर्थ रेट २७ और मृत्यु रेट १३ प्रति हजार है तब मध्य प्रदेश में—चूंकि यह बहुत बैकवर्ड एरिया है, हर एक मामले में, रोड्स के मामले में, इंडस्ट्रीज के मामले में बैकवर्ड है—बर्थ रेट भी ४४ प्रति हजार और मृत्यु रेट भी ३४ प्रति हजार है । तो जो पिछड़े हुए होते हैं उनको तरह तरह की ठोकें बार-बार लगती चली जाती हैं । इसलिये आवश्यकता इस बात की है कि पिछड़े हुए क्षेत्रों के आर्थिक, औद्योगिक, शैक्षणिक तथा सामाजिक विकास के ऊपर पूरे तौर से विचार किया जाय और तृतीय पंचवर्षीय योजना के निर्माण के पहले ही यह पूरी तरह से तय कर लिया जाय कि क्या कारण है कि नेशनल डेवलपमेंट कौंसिल और प्लानिंग कमिशन के बार बार दुहराने पर भी रीजनल डिसपैरिटीज बढ़ती चली गई हैं और पिछले १२ वर्षों में कहीं भी लेशमात्र भी ऐसा संकेत नहीं मिलता है, कोई ऐसा इंडिकेशन नहीं मिलता है कि रीजनल डिसपैरिटीज ५ प्रतिशत भी कम की गई है ।

श्रीमन्, रीजनल डिसपैरिटीज की वजह से जहां एक ओर पिछड़े हुए क्षेत्र हर एक मामले में, इंडस्ट्रीज के मामले में, शिक्षा के मामले में, और पिछड़ते जाते हैं वहां दूसरी ओर अर्बन एरियाज की समस्या भी बढ़ती जा रही है क्योंकि सारे गांवों की आवादी सिमित सिमित कर शहरों में आती जाती है, जैसे कि दिल्ली शहर में बराबर यह बढ़ती जाती है, और इस वजह से स्लम्स आदि की समस्या बढ़ती जाती है । पहले भारत सेवक समाज ने यहां एक सर्वेक्षण किया था उसमें स्लम्स की जो आवादी निकली थी उससे अब इन चार वर्षों में स्लम्स की आवादी लगभग दुगुनी हो गई है । अभी थोड़े दिन पहले के एक सर्वेक्षण से यह मालूम हुआ है । तो इसका नतीजा यह होता है कि एक तो हमारे गांवों की सम्यता, भारतीय सम्यता, टूटती है; गांवों के घर-बार बर्बाद होते हैं और दूसरे शहरों में स्लम्स क्रिएट होते हैं जहां कि एक ओर अट्रालिकार्ये हैं तो दूसरी ओर शोपड्रियों के झुंड हैं और उसी के साथ साथ तरह तरह के अर्बन प्रॉब्लम्स उठते हैं । बेचारे गांव के लोग यहां आ कर शहर की सम्यता के शिकार होते हैं, जुए आदि व्यसनो के शिकार होते हैं, चूंकि किराये बढ़े हुए हैं इसलिये बड़े-हाई रेंट्स पर मकान मिलते हैं जो कि वे ले नहीं सकते हैं और मजबूरन गंदी जगह में रहते हैं जिससे कि उनका स्वास्थ्य गिर जाता है और इस वजह से टी० बी० के पेशेंट्स बढ़ते जाते हैं । स्लम एरियाज में १० परसेंट टी० बी० का इंडेक्स पाया जाता है । तो इस तरह से आज रीजनल डिसपैरिटीज के कारण जहां रूरल पापुलेशन के ऊपर एक विपत्ति आई है, एक कहर ढाया हुआ है, वहां उसके साथ-साथ अर्बन पापुलेशन में भी दूसरी तरह के प्रॉब्लम्स क्रिएट हुए हैं । इसलिए मेरा अनुरोध यह है कि यह वक्त है जब कि इस पर पूरा ध्यान दिया जाय । इस विषय को यह कह कर टाल दिया जाता है कि देश में बैकवर्ड एरिया कौन नहीं है, सारा भारत ही बैकवर्ड है । इस तरह की जो चर्चा है वह तथ्य को भुलाने जैसी है । मैं उन लोगों से

[श्रीमती सावित्री निगम]

जो कि इस तरह की चर्चा करते हैं पूछना चाहती हूँ कि वह अपने हृदय पर हाथ रख कर बतायें कि क्या बम्बई और दिल्ली शहर में रहने वालों और बुन्देलखंड, मध्य भारत, रायलसीमा, मराठवाड़ा आदि के क्षेत्रों में रहने वालों का—जहां कि लोग आम की गूठली खाते हैं और जंगली घास की रोटियां बना कर खाते हैं—स्तर एक सा है और क्या उन दोनों को बराबर का पिछड़ा हुआ कहा जा सकता है ? तो मेरा यह अनुरोध है इस पूरे सदन से और आप से, श्रीमन्, कि पिछड़े हुए क्षेत्रों का जो सवाल है उसको इस तरह की बातों से टाला न जाय बल्कि इस पर बड़ी गम्भीरतापूर्वक विचार किया जाय और साथ ही साथ उन पिछड़े हुए क्षेत्रों को हर मामले में प्राथमिकता दी जाय ।

एक सैम्पल सर्वे के आधार पर परकैपिटा इन्कम के सम्बन्ध में जो मुझे पता चला है उस पर जरा आप गौर करें । एक ही प्रान्त में, मेरे ही प्रान्त में, लखनऊ शहर की परकैपिटा इन्कम ४४० रु० पर ईयर है और उसी प्रान्त में कर्वी एक स्थान है, एक छोटा सा स्थान है, वहां की परकैपिटा इन्कम १६० रु० है और उसके इंदौरियर का जो एक हिस्सा है जिसके २५ मील के आस पास तक कोई रेल या कोई पक्की सड़क नहीं है वहां की परकैपिटा इन्कम केवल ८० रु० है । ऐसे क्षेत्रों में जहां कि आवागमन के साधन नहीं हैं, जहां कि शिक्षा की कोई व्यवस्था नहीं है, वहां यदि उत्पादन भी बढ़ता है तो भी स्थिति यह होती है कि उससे केवल मिडिलमैन फायदा उठाते हैं । मध्य प्रदेश में आजकल ८ और १० रु० मन गेहूँ और चावल कुछ ऐसे क्षेत्रों में बिक रहा है, उसका कारण यही है कि वहां आवागमन के साधन नहीं हैं और वहां इसलिए सड़कें नहीं बना सकते हैं क्योंकि उस क्षेत्र के लोग उसके लिए अपनी तरफ से आधा रुपया नहीं दे सकते हैं या सेंट्रल गवर्नमेंट से ग्रांट मिलने के लिए जो शर्तें होती हैं उनको पूरा नहीं कर

सकते हैं । तो नतीजा यह होता है

SHRI M. P. BHARGAVA: Sir, may I suggest that we now adjourn for lunch for one hour and she can continue after lunch?

MR. DEPUTY CHAIRMAN: The Chairman announced that we should sit through lunch hour. But is it the sense of the House that we should adjourn now?

HON. MEMBERS: Yes.

DR. B. GOPALA REDDI: At least for half an hour.

SHRIMATI SAVITRY DEVI NIGAM: Either one hour or we sit through.

SHRI M. P. BHARGAVA: Let us adjourn for one hour and reassemble at 2.30.

MR. DEPUTY CHAIRMAN: All right. The House stands adjourned till 2.30.

The House then adjourned for lunch at thirty minutes past one of the clock.

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

श्रीमती सावित्री निगम : उपसभापति महोदय, मैं निवेदन कर रही थी कि बावजूद एक निर्धारित नीति के कि रीजनल डिस-पैरिटीज समाप्त की जायें, रीजनल डिस-पैरिटीज बराबर और निरन्तर बढ़ रही हैं और उसका एक कारण मैं यह मानती हूँ कि जो एक लैंक आफ कोऑर्डिनेशन की नयी बीमारी माडर्न युग की चली है वही शायद इसमें भी बहुत कुछ हो । श्रीमन्, अभी जो थोड़ी सी इंडस्ट्रियल एस्टेट्स बनीं पिछले तीन, चार वर्षों में उन्हीं का मसला ले लीजिये।

इंडस्ट्रियल एस्टेट का जो लाइसेंस दिया गया है वह किन-किन जगहों में दिया गया है, इस पर भी गौर फरमाया जाय। एक इंडस्ट्रियल एस्टेट दिल्ली को दी गई है, दूसरी कानपुर को दी गई है, तीसरी बटाला को दी गई है, चौथी लुधियाना को दी गई है। तो उन शहरों को ये इंडस्ट्रियल एस्टेट्स दी गई हैं जो कि पहले से ही बढ़ती हुई आबादी के, चढ़ती हुई आबादी के, बोझ से दबे पड़े थे।

श्रीमन्, मैंने अभी परकैपिटल इन्कम के बारे में एक प्रान्त का जिक्र किया था। अब आप जरा तमाम दूसरे प्रान्तों की तरफ गौर करें तो आपको मालूम होगा कि उनके बारे में अप्टूडेट फिगर्स न प्लानिंग कमीशन के पास हैं न कि किसी अन्य संस्था के पास। लेकिन पिछले तीन वर्षों के जो फिगर्स मेरे पास हैं उनके हिसाब से जहां आन्ध्र प्रदेश की परकैपिटल इन्कम २६० रुपये है वहां उत्तर प्रदेश की २३० रु०, आसाम की २६७, केरल की २१८ और वेस्ट बंगाल की ३०४ है और जहां तक दिल्ली की परकैपिटल इन्कम का सवाल है वह ६७६ रु० है। इस प्रकार हम किसी भी दृष्टि से देखें तो इन पिछले बारह, तेरह वर्षों में रीजनल डिसपैरिटीज बढ़ी ही हैं।

इसी तरह से सड़कों को भी ले लीजिये। हम सभी यह जानते हैं कि किसी भी क्षेत्र की प्रगति का सबसे पहला इंडीकेशन या सबूत वहां के यातायात के साधन, सड़कें या रेल मार्ग होता है। हम लोग सड़कों की लम्बाई पर यदि दृष्टि फेंकें तो हमें यह जानने में देर न लगेगी कि जो रेलवे लाइन्स बनी हैं या रिपेयर हुई हैं या डबल हुई हैं या जो रोड्स बनी हैं और नयी सड़कों का निर्माण हुआ है उनके अनुपात में एक और पांच का अन्तर है। बम्बई स्टेट में जिसका क्षेत्रफल १*६ लाख वर्ग मील है वहां पर निर्मित सड़कों का माइलेज बहुत अधिक है और मध्य प्रदेश

जिसका क्षेत्रफल १७१,००० वर्गमील है वहां इसके मुकाबले में सड़कें बहुत कम हैं। श्रीमन्, इसी तरह रेलवे लाइनों को देख लीजिये। पैसेन्जर्स एमनिटीज बढ़ती जा रही हैं, प्लेटफार्म खुदवा खुदवा कर दोबारा बनाये जा रहे हैं। (Time bell rings) में दो मिनट में समाप्त करती हूं। लेकिन जो डबल हुई हैं ...

श्री उपसभापति : यह रेलवे बजट नहीं है, यह एप्रोप्रियेशन बिल है।

श्रीमती सावित्री निगम : श्रीमन्, मैं इसको यह प्रमाणित करने के लिये बता रही हूं कि रीजनल डिसपैरिटीज कैसे बढ़ती जा रही है। प्रथम पंचवर्षीय योजना में ८२० करोड़ रु० उद्योग षंघों में लगा, द्वितीय पंचवर्षीय योजना में २,७५५ करोड़ रुपया लगा, तृतीय पंचवर्षीय योजना में ४,४०० करोड़ रु० लगने वाला है लेकिन श्रीमन् यही रुपया पहली योजना में कुल ८४ करोड़ रु० देहाती क्षेत्र पर खर्च हुआ—देहाती क्षेत्र जिसकी आबादी लगभग ३१ करोड़ है और बाकी अर्बन एरिया जिसकी आबादी केवल छः करोड़ है उस पर खर्च हुआ।

श्री शीलभद्र याजी (बिहार) : तीन करोड़ कहां चले गए ?

श्रीमती सावित्री निगम : श्रीमन्, मेरे पास अभी जो तीन वर्ष के आंकड़े हैं उनमें ३७ करोड़ की आबादी दिखायी गई है। इन आंकड़ों से यह साफ पता लग सकता है कि किस प्रकार केवल तीन प्रतिशत रुपया पहली पंचवर्षीय योजना में पिछड़े हुए इलाकों पर खर्च हुआ और दूसरी पंचवर्षीय योजना में भी २,७५५ करोड़ रुपये में से केवल २५० करोड़ रुपये उन पर खर्च हुए यानी पांच प्रतिशत दूसरी योजना में खर्च हुआ। इस प्रकार जो ३१ करोड़ की आबादी वाली जनता है उस पर जो कुल जमा पांच प्रतिशत खर्च हुआ और शेष छः करोड़ की जनता पर हुआ

[श्रीमती सावित्री निगम]

यानी १५ प्रतिशत । तो ये आंकड़े इस बात को प्रमाणित करते हैं कि रीजनल डिसपैरिटीज बावजूद पूरी कोशिशों के भी बराबर बढ़ती जा रही है । इसलिये मेरा यह विश्वास है कि अगर मेरी ये सिफारिशें मान ली गईं तो रीजनल डिसपैरिटीज जो हैं वे जरूर घटेंगी ।

श्रीमन्, सबसे पहली बात यह है कि एक वकिंग ग्रुप बना दिया जाना चाहिये जो बराबर नियमित रूप से इस बात का अध्ययन करता है कि परकैपिटल इन्कम कहां का बढ़ा है, कहां का घटा है । दूसरी बात यह है कि आम तौर से प्लानिंग कमीशन और हमारे मन्त्री महोदय यह कहते हैं कि भाई, हम तो स्टेट गवर्नमेंट से बराबर सिफारिश करते हैं कि तुम लोग बैकवर्ड एरिया में जरूर धन लगाओ लेकिन वे मानते नहीं । मैं उनसे अनुरोध करूंगी कि वे चीफ मिनिस्टर्स की एक कान्फरेंस केवल इस बात को तय करने के लिये बुलायें कि रीजनल डिसपैरिटीज को किस तरह से दूर किया जाय और जो पिछड़े हुए इलाके हैं उनके लिये खास सहूलियतें दी जायें । जब तक कि उनके लिये खास सहूलियतें प्लानिंग कमीशन और स्टेट सरकारें तथा केन्द्रीय सरकार न देगी तब तक उनकी तरक्की नहीं होगी । इसलिये वहां पर जो उद्योगपति नयी नयी इंडस्ट्रीज लगायें उनको वे विशेष सहूलियतें दें और साथ ही साथ सबकों के यातायात के साधनों की सबसे अधिक सुविधायें उन्हीं क्षेत्रों में दी जानी चाहिये जो कि पिछड़े हुए हैं । जब कभी सेंट्रल गवर्नमेंट से ग्राण्ट दी जायें तो दोनों में यह अन्तर जरूर देखा जाय कि यह बैकवर्ड एरियाज के लिये दी जा रही है और ये उनके लिये दी जा रही हैं जो पहले से ही उन्नतिशील क्षेत्र हैं । यदि उन्नतिशील क्षेत्रों के लिये ग्रांट दी जाय तो उसके लिये शर्तें कड़ी होनी चाहियें जैसा कि अभी है, लेकिन अगर यह बैकवर्ड एरियाज को दी जायें तो उनकी शर्तों में

थोड़ी बहुत नरमी बरती जाय । तभी हम रीजनल डिसपैरिटीज के मामले को साल्व कर सकेंगे और देश में जो विषमतापूर्ण विकास की स्थिति है उसको दूर कर सकेंगे ।
धन्यवाद ।

SHRI BHUPESH GUPTA (West Bengal): Mr. Deputy Chairman, I would like only to make some observations on different topics in connection with the Appropriation Bill. At the very outset, I would like to refer to the struggle that is going on in Manipur today for the establishment of a legislative assembly and a popular, responsible Government, responsible to the legislature. It is very important that we take a timely and sympathetic view of this matter, because we find that the system of Territorial Council is only a camouflage for unbridled bureaucratic and thoughtless, oppressive administration, which has been foisted upon the people in those territories. At the time of the reorganisation of States, suggestions and memoranda were placed before the Commission and the Government that these places like Tri-pura, Manipur, Himachal Pradesh, etc., especially Manipur and Tripura, should be given their own legislative assembly and responsible Government. That was not accepted. What has happened since only shows that the present system, which has been set up there, has failed to fulfil not only the expectations of the people, but also, if I may say so, the expectations on the part of those who thought that this might be a workable arrangement. The other day representatives from Manipur came here. They met me and they met others also in the Government, including, I believe, the Home Minister and they submitted a memorandum stating their case. I do not wish to go into this memorandum. It is a long memorandum and I have got a copy of it. They met the President also. All that I wish to say in this connection is that this memorandum contains all kinds of charges against the Manipur Adminis-

tration. There, the Chief Commissioner's rule has been established, where corruption, nepotism and complete unconcern for the people run riot. Particularly, the Public Works Department, the Health Department and—believe it or not—the Education Department are guilty of all kinds of malpractices in administration. Now, I would ask the Government to circulate this memorandum, since they are in possession of it, to Members of Parliament, so that we know exactly what is happening in this territory. I do not wish to say very much on the subject, but I do maintain that it is of great importance today that we take note of the developments and we concede the very legitimate and just demand of the people of Manipur for a legislative assembly elected by them and a responsible Government, a popular Ministry responsible to the legislature. It would be most unfortunate if the Central Government took the view that it was an unjust struggle and that it had got to be suppressed with a heavy hand. I think it would complicate the situation and would not offer any solution. Sir, monies are being spent here but the results are not commensurate. Here I find that the Assistant Engineer of the P.W.D. has been guilty of so many commissions and omissions, malpractices, and so on, and it is most regrettable that the Chief Commissioner is shielding him all the time. I can recount very many such instances from this memorandum and otherwise, and I would ask the Government to go into it, but the point today is this that the arrangement has failed to work. The people of Manipur with their culture, their tradition and their distinctiveness have their undoubted right to govern themselves, and if we do not extend our democracy in this manner to these regions giving them autonomy, self-rule and dignity, I think we will ruin the cause of democracy.

Sir, let me come to another point. In this connection I would like to mention here that sometimes I too

bring these things to the notice of the House but the Ministers do not take proper note of them, although Members show some interest. Some years back, about four or five years back, the Government of India very rightly decided that this country should not export anything to South Africa, a decision which was welcomed, which was an example and which today is being emulated by others. But what happened? The firms of Matheson and Jardine Henderson and Company utilised the intermediate ports and put up dummy firms with a view to exporting goods to South Africa. One such port was Lorenzo in Portuguese East Africa, and things were being exported. The Special Police Establishment got this matter referred to them. They searched these places of the firms and wanted to start a case also for this kind of violation of the Government order. In fact, Sir, I am now in possession of a photostat copy of a letter which the company wrote to their London Office on August 23, 1954. There they mentioned:

"On Thursday last we had a visit from the Special Branch Police armed with a search warrant, giving them authority to search files and so on. What will transpire it is not possible to say, but a prosecution may result which would not only be extremely damaging to the reputation of both Jardine Henderson and Matheson as shippers but which, if successful, would probably result in a penalty being imposed."

That letter was sent from the firm of Mathesons here to their London associates, Matheson and Company Limited. They expected prosecution. After that I think the Customs officials imposed a penalty of Rs. 90,000 on that firm, but no prosecution was started. My information is this. They came to Delhi and met people here* and got the prosecution withdrawn. The contemplation or the plan of prosecution was given up. This is a serious thing. Government should tell us about that. They searched their place, it is here in the photostat copy.

[Shri Bhupesh Gupta] They should tell us what happened later and why the prosecution was not started when it should have been started, when the Company itself was apprehending a prosecution. What was the deal, we would like to know. Was it a silver deal, a gold deal, a black deal, a Mundhra deal or other such deal? We would like to know **what** kind of deal that was for giving up the prosecution. Similarly, the Indo-China Steamship Company of Jardine Henderson started smuggling gold and other things, and there again the Government passed orders confiscating the ship. Nothing happened afterwards. We do not know. This is how things go on. Hojh. Members will give me at least the credit of bringing these things before them with documentary proof. Otherwise they might think that, since I happen to belong to the Communist Party, it is all propaganda. This is important specially because when every country is imposing an embargo on exports to South Africa, on trade with this country, this British firm carries on this thing by using dummy firms and intermediary ports like Lourenço Marques in Portuguese East Africa.

Then, Sir, I would refer to two other topical things. Mr. S. K. Patil the other day made a very heroic statement. He is a heroic man by all accounts. He is the *prima donna* of the Congress Party in many matters. He throws his weight about and thinks that he has only to lay down the rule. He said that State trading was no good and that it should be given the go-by. It seems he said that. Well, we know that sabotage has been going on, and that has been finalised perhaps. But was the Congress Party consulted? Is it the view of the Congress Party that State trading should be abandoned? It was the Congress Party which adopted the resolution at the Nagpur Session of the Congress. It was the decision of the Development Council. Then how is it that unilaterally Mr. S. K. Patil, before he goes to the United States of America to get the food bags, abandons this

thing? I think the Congress Party Members should take note of that. If they do not look after their Minister, the country will starve and we cannot help it. We cannot help them, they must help themselves, and I think that they owe an explanation to the country as to why their policies declared from the forum of their party, from the high pedestal of their organisation, are sabotaged in this cold-blooded and deliberate manner by the recalcitrant Minister by the public statement made by him to that effect. Now, Sir, it does not require a Food Minister to get a buffer stock. A13 that you need is a master broker. You can send a master broker to **the** United States and he can get **food**-grains, provided you give him a commission. We need a Food Minister for improving the food situation in the country, for attaining self-sufficiency in the matter of food, **for** unearthing the foodgrains that lie with the hoarders and profiteers, **for** ensuring that every grain that the peasant produces goes to the consumer straight. Instead of doing that, he makes a statement of this kind and goes to the United States to return with some bags of foodgrains. Why should there be a Minister for this? A fine broker, not from Birlas but from some other company, would be much more useful for this kind of brokerage business / rather than one who is supposed to look after the agrarian economy of the country and make it turn the corner as far as the food situation is concerned. H£ is a complete failure. Nobody wept when Shri Jain went. Well, Sir, Shri Patil has inherited that position and he is going down the precipice at a much faster pace. Maybe, he is landing at Washington and is being honoured, and he might feel very happy, but the country will continue to suffer as long as he sticks to this disastrous policy.

Then, Sir, I would refer to the **jeep** scandal again. Today there is a **report** in the newspapers that in the Queens Bench Division an out-of-court settlement of the matter is reached. "**Well**, the matter is settled. **We paid**

£3,00,000 to the Company and we got nothing but a few junks, and then we claim damages to the extent of £2,50,000 from the Company and file a suit. They, I think, claim £12,000 and with all the legal talent mobilised from Lok Sabha to Geneva and from Geneva to London we have come to the conclusion that we should compromise, "hand_s down". We have surrendered to that particular Company. We would like to be enlightened about it. That out-of-court settlement is something we should like to be told about. Well, we have lost on all accounts. Mind you, we paid to the Company, Marshal Cornwall and its associate, £3,00,000 in advance. The Company went into liquidation after pocketing the money. We went to the Queens Bench Division to fight out a legal case. And such good fighters are we that we are unnerved. This benign Government puts its hands down. We capitulate to them and say 'salam', namste". We think the matter is settled and we say, "You take the money from us." But it does not require such high-powered lawyers. Well, all these things happen. It is happening. Sir, the Government should take us with a little more seriousness than they have been doing in this matter.

Then, I do not like the statement Mr. Chagla made in the United States of America when he was speaking there the other day. Mr. Chagla is a great man and as you know, Sir, we have great respect for him. And I am one of the persons who have always held him in high regard. He said in the United States:

"The area of the free world will be considerably reduced and the ranks of freedom will be considerably thinned if India were to be compelled to adopt the totalitarian philosophy."

He said this in his address at the Nebraska University.' Well, Sir, he may go to Washington.

AN HON. MEMBER: What is wrong about it?

SHRI BHUPESH GUPTA: But he should not develop the accent of Washington. This is how Mr. Dulles used to speak; this is how the gentlemen of the Wall Street speak; this is how the *New York Times* speaks— cold war, free world and so on. Am I to understand that Mr. Chagla thinks that Pakistan is a great partner in this free world and that we have to emulate it? And we know what the Americans mean by 'free world'. This kind of speech should not have been made, unless the policy of the Government changes. The policy of the Government has not changed. I do not think that Mrs. Menon believes in these fatuous definition of free world in order to stomach what Mr. Chagla has said in the United States.

I
Sir, then let me come to the other point. I regret the Governor of Kerala in his Address had some flings at the Communist Government—his own Government. In the opening paragraph of his Address opening the Budget session, he said something which should not have been said. I very much regret it. Governors are laudable people; they are supposed to be so. Sir, here I would only read this:

"I have great pleasure in welcoming you to this, the first session of the Assembly after the mid-term elections. The events leading to those elections and connected matters are still fresh in our memory . . ."

SHRI P. N. SAPRU (Uttar Pradesh): On a point of order, Sir. Is it open to the hon. Member to comment upon the Governor's Address to a State Assembly?

SHRI BHUPESH GUPTA: I do not comment upon him as a person. In his Address . . .

MR. DEPUTY CHAIRMAN: He is only reading from a speech.

SHRI P. N. SAPRU: The nomment has yet to come?

MR. DEPUTY CHAIRMAN: No comments.

SHRI BHUPESH GUPTA: You are quite right, Sir. No comments.

Let me read this speech—

"But the significance of all that happened in Kerala in the recent past needs to be re-stated, because the turn of events contains a lesson to all of us in this great Republic. Under our Constitution the will of the people is supreme; in the ultimate analysis Governments have to bow to the wishes of the people; they have to take into account the wishes of the people ..."

Now, Sir, I have read out the speech. Let me come to the constitutional law. I do not forget the Kerala Government. This is the proposition that I place before you: Are Governors, under a parliamentary system, permitted to make a statement of the kind that I have read?

AN HON. MEMBER: Of course.

SHRI BHUPESH GUPTA: No, they are not. It is a constitutional proposition, I say. Every government that is there is his; a Governor, in a similar situation, does not criticise in this manner. And you forget that having ...

MR. DEPUTY CHAIRMAN: It is a constitutional statement that he has made.

SHRI BHUPESH GUPTA: Yes, I am also making it. You are quite right.

MR. DEPUTY CHAIRMAN: You cannot take any exception to it.

SHRI BHUPESH GUPTA: No, Sir. Remember, there is not a word against the direct action, the violation of law and order and other things. I would advise the Home Minister ...

MR. DEPUTY CHAIRMAN: Do not import anything that it does not contain.

SHRI BHUPESH GUPTA: Sir, you are an intelligent person. If you do not understand, how can I understand?

MR. DEPUTY CHAIRMAN: You are very intelligent.

SHRI BHUPESH GUPTA: Sir, intelligence is infectious and I do get it from you, and therefore I am telling you this knowing full well that you will understand the matter. Leave it at that.

He should not have made such regrettable statements. Governorship should be created either through direct election or it should be allowed to go, making an amendment to the Constitution.

Let me come to the other point, about the South Calcutta Parliamentary constituency. That business was referred to. But all I can say in this connection is this. I gave notice of motion for papers. The other House has admitted a motion; it will be debated today at six o'clock. I wish our House also takes up this specific subject separately. It is of vital importance. Then I was told that since this was being discussed here, that opportunity be availed of and I agreed to it, although the Parliamentary Minister was half willing and half unwilling. Sir, the position is this. Here, you have seen the statement made yesterday.

"In that constituency, 1,26,933 people have not been photographed."

AN HON. MEMBER: They are not there.

SHRI BHUPESH GUPTA: They are on the electoral rolls. Normally, they would have a right to vote. Today they have lost it because the final date for photographs, etc., is over. It was 17th April. It is gone.

MR. DEPUTY CHAIRMAN: Nothing prevents them from getting themselves photographed.

SHRI BHUPESH GUPTA: It is only ...

MR. DEPUTY CHAIRMAN: If they were really there, they would have come.

SHRI BHUPESH GUPTA: Do you mean to say that they are all dead?

MR. DEPUTY CHAIRMAN: I do not know.

SHRI BHUPESH GUPTA: You do not know, Sir. I know that they are there. Yesterday, Shri Biren Roy spoke about this. He is there. He is a Member of your House.

MR. DEPUTY CHAIRMAN: Those who are alive will certainly come.

SHRI BHUPESH GUPTA: I do not know how you consider them dead. The position is this. First of all, let me say that they are not dead people. Secondly, they do exist. One of them is here in this House. Now, even those who have been photographed, 35,000 out of them, have not received their photographs. The photographs are being sent to the wrong persons. How would Shrimati Yashoda Reddy feel if Mrs. Menon's photograph is sent to her? Tell me as a voter, can she come and vote? That is what is happening. People do ask about it. What will happen if Mr. X's wife gets the photograph of the wife of Mr. W? Probably, such things are happening. Three categories have come to notice. The first is of those who have been photographed and have got their identity cards and photographs; the **other** is, those who have been photographed but have not been supplied with photographs and the third is, those who have also been photographed, but who are being told that their photographs have been misdelivered. And in some cases wrong photographs have gone to the wrong persons. Wonderful. Now, this is called democracy with a vengeance. What happened? Come to the legal points. Let the court decide them. I think you will agree that we do not criticise the Election Commission. But is not **the** function of the Election Commission as defined under the Constitution to see that adult franchise is not made a travesty or mockery? It is the func-

tion of the Election Commission and of the Government to see that the supreme sacred right of vote given under the Constitution to the citizens of India does become operative and that every procedure, every rule, must conform to the fundamental needs. That is the position.

MR. DEPUTY CHAIRMAN; **But** there is a law that was passed by Parliament.

SHRI BHUPESH GUPTA: Sir, the law was passed; I have got all the laws here. This system of photographing has been introduced under a rule— rule 27 of the law—which does not necessarily provide for photographs being taken. It is at the discretion of the Election Commissioner whether at a particular place, he should introduce the system of identification through photographs or not. It is rule 27 of the Electoral Rules under the People's Representation Act. I ask the Election Commissioner: Is it not your discretion? Perhaps, now he is considering this matter. The point here is this. It is not mandatory on the Election Commission. If it were so, I could have understood it. It is not mandatory on the Election Commissioner that he must necessarily use this thing in order to get the election . . .

SHRI N. M. LINGAM (Madras): **The** draft rules were placed before both the Houses.

SHRI BHUPESH GUPTA: I know, but even under the draft rules, he has still the power to waive it. He need not necessarily exercise it. It depends upon the situation. For the first time, this is going to be introduced in Calcutta and it is the unkindest cut of **all**. It is a denial of franchise to so many people and especially in the case of the working class areas, whether it is Matiaburz or Kidderpore or Garden Reach, where the working class population lives and 50 per cent, of them have not been photographed. 3 P.M. Even in the middle-class areas large sections of people **have** not been photographed. You can **well** see from the figures given by the **Gov-**

[Shri Bhupesh Gupta.] ernment. I have a submission to make. Shri Gopalan wrote a letter to the Prime Minister. Calcutta he went to and wrote a letter to the Prime Minister and I understand that the Prime Minister had been good enough to forward that letter to the Chief Election Commissioner as the Chief Commissioner has himself told me. I make a submission even at this late hour—election is fixed for the first of May. Do not proceed with this new system. Do not please go with this kind of adventurism which will bring our elections into disrepute. Else, the Election Commission which everybody has respected will be liable to serious accusation and even to a charge of partisanship in such a matter, I can tell you, if they proceed in such a manner. The suggestion is that we have this Calcutta by-election held on the basis of the electoral rolls, in the usual normal way, leaving this question of identity card-cwm-photo-graph to be decided later on through mutual consultation and in the light of what we have seen in Calcutta. This is a serious matter, Sir. I appeal to the Congress Party. Do not think it is a partisan matter. So many voters are affected and we do not know whose supporters they are. Therefore, please stop this new thing because the whole thing militates against the provision in the Constitution. It frustrates the purposes, the principles and the provisions in the Constitution—I do not say that technically it violates the Constitution. It is for the court to say, but at least it leads to complete frustration of the Constitution and in a place like Calcutta I think this should not be done, because it will be highlighted all over the world and the Election Commission will be answerable to serious accusation, and even motives will be imputed to it. I beg of the Election Commission, the Chief Election Commissioner here—I have been telephoning him—and I repeat it here again: Let him refrain from the course he has taken, which has been condemned by facts of life and by experience. Let

him revert to the ordinary course of voting so that the election can take

place without any room for complaint. Otherwise, Sir, a very serious situation will arise.

Thank you very much.

SHRI JOSEPH MATHEN: Mr. Deputy Chairman, Sir, I support this Bill and while doing so I wish to bring to the notice of the Government certain facts which I believe will help the successful execution of the schemes.

The main problem before our country is the unemployment problem. Unemployment in the educated sector and the uneducated sector is growing day by day, and especially in a State like Kerala we cannot solve the problem without introducing major schemes in the industrial sector. To absorb the unemployed in the agricultural sector will be rather impossible because in Kerala the land is limited and extensive cultivation will be impossible, and if intensive cultivation is aimed at, naturally we will have to send out more agricultural labourers and thereby the unemployment will be increased only. So while we think of solving that problem, we will have to consider the Kerala unemployment problem in a nationalistic way. We should not leave the problem to be solved by Kerala alone since the State with such a heavy density of population may not be able to solve that problem by its own resources. In such cases the Centre should be very liberal, and whenever some industrialists approach the Government for starting new industries, Government should encourage those industrialists to start industries in such States and should encourage them by grants, loans and such other resources so that centralisation of industries in certain cities and towns, which is the present-day trend, might be discouraged, and development in the industrial field should be made even and equitable throughout India.

Sir, I wish to bring to the notice of the Government certain facts with regard to the Food and Agriculture Ministry. Some amount is allotted for

the Food and Agriculture Ministry and in it we find that fisheries also is included. Sir, in this country, which is having hundreds of miles of sea coast and lakhs and lakhs of people engaged in fishing and the scope of developing these fisheries is enormous, we will have to consider the development of this particular industry in the light of the lot of the persons engaged in it. Sir, the fishermen in our country are the poorest of the lot and they are residing in small huts in the coastal strips. In the monsoon season they cannot find any alternative employment and when such is the case the State Government as well as the Central Government should chalk out schemes to find alternative employment for them and will have to find the means of livelihood for such persons as are willing to work. Also, Sir, the fishermen are now harassed because of the destruction of their cottages due to sea erosion and such other things, and in most of the coastal areas of Kerala you will find destruction of the coast by sea erosion. Even though the State Government with the little aid that it is getting from the Centre is trying to construct bunds to prevent this sea erosion, I do not think that they are able to do much in the matter. Every year properties worth lakhs and lakhs of rupees are destroyed. Sir, in the coastal strip a coconut tree will cost Rs. 150 at least, and during the monsoon season we can find that lacs of trees are destroyed. So, you can imagine what is the national loss that we are incurring because of this sea erosion. Sir, the Central Government have allotted large sums for the conservation of soil and such other things and it is my request that the Central Government will have to undertake the responsibility of protecting this area in Kerala, and should allot enough funds to assist the State Governments so that groins may be constructed in every place including Kerala where sea erosion causes damage and destroys the huts of the people in the coastal areas. Because of this sea erosion we can find, in certain places, that the width of the land is only 150 yards between the

back-waters and the sea, and the people who are residing there for a long time are unable to get good water to drink. The difficulty faced by these poor people is that they have to go to places three or four miles away, every day, to get fresh water, and in certain places they are getting water for two annas a pot, and that is not for one day or for one season; it is all through the year that they are doing so and this is still continuing. It should be the responsibility of the Central Government to see that such land is protected and every possible assistance is given to them.

Sir, these fishermen are not given any assistance by the Centre. Although we understand there are a number of schemes chalked out by the Central and the State Govern. ments, nothing is being implemented except for the Norwegian project or something of that sort which is experimenting on certain schemes. We have not improved the lot of the people there. Sir, it is my request that a board or some commission or something of that nature should be constituted to study the problem of fisheries and to study the questions of storage facilities, canning facilities and marketing facilities, improvised methods of fishing and such other things should be introduced so that the lot of the people is improved. Sir, by introducing improvised methods, I think the unemployment problem can be solved and the people may be attracted to this particular industry since that will yield good profit.

Sir, our friend, Mr. Bhargava was saying something about the Defence Ministry, its expenditure and such other things. Sir, defence is a matter into which we should not put our head so much. We are really spending a big amount which can be treated as a waste, but it is a national necessity. As far as the expenditure is concerned, we will have to allow a certain margin of discretion to those officers who are responsible for defence expenditure. We should not say that the money

[Shri Joseph Mathen.] should be spent in a planned manner. In emergencies and on particular occasions we will have to allow complete discretion to the officers to whom we have entrusted our lives and the problem of protection of our nation.

SHRI TIKARAM PALIWAL (Rajasthan) : Mr. Deputy Chairman. I suppose: Mr. Deputy Chairman, I support I feel obliged to make certain observations.

Sir, during the last thirteen years of our independent national existence, we have spent huge sums of money on our various development projects and nation-building activities. To meet these requirements, we have tapped our internal resources to our utmost capacity and money has also flown from foreign lands in the form of loans and assistance in various forms from friendly countries. Our debt commitments—public debts and foreign debts—are increasing tremendously, and though we have been able to make some progress in our economic, social and educational fields, one cannot help having a feeling that our achievements have not been commensurate with the vast sums that we have been spending. This feeling, in turn, Sir, is giving rise to a feeling of discontentment, mounting resentment and frustration. Such a situation, if not remedied in time, may lead to, if I may say so, catastrophic consequences both for the cause of democracy and also for the future well-being of the people.

Sir, when we talk of our development plans, we often complain about lack of public co-operation and voluntary effort. Is it not a confession of our failure to enthuse the masses about the schemes and the projects intended to advance their own material well-being? There ought to be some reason for the apathetic attitude of the masses. The plain thing, to my mind, is that an efficient, clean and impartial administration is the first condition precedent to gaining the confidence of the people so as to enthuse

them about anything that we say or propose to do.

A very large portion of our developmental expenditure is advanced to the States as loans and grants, and it is the State Governments who spend that money in their own way through their own agencies. We know, Sir, and there can be no denying the fact, that there have been very serious complaints of maladministration, favouritism, nepotism and corruption in some of the States at least. Things are pretty bad, very bad indeed in some States, and the public at large forms its own opinions and impressions about every Government endeavour and Government machinery from their own contacts mostly with the State administration. We have, therefore, to think out some method of ensuring that the State administrations come up to a certain standard of efficiency, a certain standard of impartiality that would impress on the people the *bona fides* of the Government. To my mind, Sir, the Central Government, particularly during the period when we are engaged in these developmental activities, must exercise greater control and supervision over the State administration. This suggestion, I am afraid, may sound somewhat out of tune in the face of the chorus of decentralisation. I do not object to decentralisation, but the overall supervision and control in matters which affect the welfare of the whole nation, which affect the life and property of the people, must always rest with the Central Government.

I think the Constitution gives sufficient powers to the Central Government to exercise that control, though unfortunately there have been very rare occasions when these powers have been used. My one suggestion is that the institution of the Governor with this end in view should be strengthened, activated and made more useful. If my information is correct, a convention seems to be developing of consulting the Chief Ministers before the appointment of a Governor. I do not think there is any justification for such a convention under the

Constitution. If such a convention is fully developed, as it seems to be developing, this will entirely undermine the position and dignity of the Governor. The Governor under the Constitution, has certain powers, certain obligations to the President and also to the people of the State. Unless his position, his dignity, is maintained and respected, he will not be able to discharge those functions and those obligations. We know that in spite of serious complaints of maladministration in the case of some of the States—and I am inclined to believe not without justification—we have seen that for very long periods the administrations have been going on and the Governors have been watching helplessly, not because they do not have the powers under the Constitution but because of these conventions that are cropping up. Sir, the Governor, when he takes up his office takes the oath:

"I.....do swear in the name of God that I will faithfully execute the office of Governor of . . . and will to the best of my ability preserve, protect and defend the Constitution and the law and that I will devote myself to the service and well-being of the people of..."

I fail to understand, if a Governor is unable to prevent glaring acts of maladministration of his own Government, how else he can serve the people to the best of his ability. What other service can he render? This oath implies that the Governor has certain powers. He is expected to act and see that the interests of the people are safe in the hands of the Government and that every citizen gets a fair deal. Sir, all these days, the Governors are not known to have taken any active interest or have taken any concrete steps to check the rot that has set in some of the administrations. Though the Constitution requires that he shall be informed by the Chief Minister of all important administrative matters. . .

MR. DEPUTY CHAIRMAN: We are now concerned with the Appropriation Bill, not with the powers of the Governors. We are not sitting in judgment over the Governors.

SHRI TIKARAM PALIWAL: I want to make a point that the Governors should have acted and should act more actively and more vigilantly to see that the funds advanced to the States are properly used and properly expended.

MR. DEPUTY CHAIRMAN: That is for the Ministries and the Legislatures concerned.

SHRI TIKARAM PALIWAL: This Constitution imposes certain responsibilities and duties on the Governor. Gov

MR. DEPUTY CHAIRMAN: If you are not satisfied with the Ministries, you can throw them out. There is a constitutional provision laid down for that.

SHRI TIKARAM PALIWAL: I do not see the objection here.

MR. DEPUTY CHAIRMAN: Almost every State is governed by a constitutional Government responsible to the Legislature. So I do not know how these remarks will be relevant whilst discussing the Appropriation Bill.

SHRI TIKARAM PALIWAL: I made my point in the very beginning that we have been spending huge sums on developmental activities and we have not been able to enthuse the masses and I am giving the reasons why we have failed.

MR. DEPUTY CHAIRMAN: The Governors have nothing to do with that. It is for the State Legislatures and the State Ministries and you know the Constitution.

SHRI TIKARAM PALIWAL: I will explain my point with an example. Only a few months back we had before us the question of Kerala. In Kerala a situation had been developing for some time. It did not crop up all of

[Shri Tikaram Paliwal.]

a sudden. The Ministry at that time had been working for 28 months and when the President took over the administration of that State, certain facts were brought before the Parliament and many of the instances that came to light in those days through newspapers and statements, etc. did not relate to one or two months previous, ly. They went far back and my point is, had the Governor been vigilant and active, that situation could have been avoided. The Constitution gives those powers to the Governor and the Governor should have asked for information. Yet that situation was allowed to develop and it developed to a pitch when there could be no alternative but to take over the administration. Such situations in varying degrees may be obtaining in some other States also, I do not say exactly, but more or less.

SHRI BHUPESH GUPTA: There the Ministries take over the Congress.

SHRI TIKARAM PALIWAL: My suggestion is that in order that our developmental activities may receive an impetus and rouse the enthusiasm of the people, the Central Government should see to it that the administration in the States is carried on in a way that will inspire confidence and the enthusiasm of the people. For that purpose . . .

MR. DEPUTY CHAIRMAN: It is time.

SHRI-TIKARAM PALIWAL: All right, Sir. I will stop here.

SHRI N. SRI RAMA REDDY (Mysore): Mr. Deputy Chairman, Sir, this Appropriation Bill as passed by the Lok Sabha has been placed before this House. At the outset, I should like to congratulate the Finance Minister for his talent in apportioning the funds of the Central exchequer among the various Ministries very appropriately indeed.

Sir, I am a man of the farm and the village and therefore I would like

to confine my remarks to the policies and programmes of the Departments of Agriculture, Animal Husbandry and Community Development.

MR. DEPUTY CHAIRMAN: Before the hon. Member proceeds further, I have to inform the House that we will have to sit till 6 o'clock and complete our work on this Bill. Yes, you may proceed, Mr. Reddy.

SHRI N. SRI RAMA REDDY: Sir, the premier national industry of India is agriculture. A little over 70 per cent, of our population is dependent on agriculture. About 340 million acres of land are said to be under cultivation in our country. But we have never been self-sufficient in food. Himalayan efforts are made year after year to maximise production, at any rate ever since independence. Huge irrigation projects costing billions of rupees and hydro-electric power stations unheard of in the history of India before have been constructed. Any number of agricultural colleges have also been opened to train the youth of the country in scientific agriculture. The Departments themselves have been expanded both at the Central and at the State levels. But the mighty paradox is that the phenomenon of food shortage is repeating itself year after year. On an average the produce of our soil is the lowest. Our soil produces the lowest quantity of food or any other agricultural product. Our cows yield the lowest quantity of milk. And yet ours is the most ancient agricultural civilisation. What is happening? What are the causes? These have got to be gone into more deeply than before.

Sir, agriculture involves soil, water, implements, manures and so on. These are not uncommon things. It is within everybody's knowledge that the best management of the soil produces the best results. It is also within everybody's knowledge that the use of the best implements and scientific methods and technology in agriculture produces far better results. After all, the food

shortage in India is only 10 per cent, and even when there was peak production of food, namely, 73.5 million tons, we were said to be short of food. Allowing for seeds, wastage and so on. to the extent of 12 million tons, we must have today sufficient food, at the rate of a pound of food per head in the entire country. If we analyse the figures from every State, we find that barring probably Bihar in the north and Madras, Kerala and Mysore in the south, every other State seems to have produced enough of food. Still there is the cry that there is shortage of food. What could have been the cause for this state of affairs? Of course, plans are made. Costly plans are made. But, Sir, may I say that soil is the basis for the entire life on this earth? It is the top six inches of soil that matters for all life, whether it be herbivorous or carnivorous. Yet that top six inches of soil is utterly neglected everywhere. We have huge agricultural personnel, huge community development personnel, spread over the length and breadth of India. Still the soil is ill-managed, if I may be permitted to say so. I have had the privilege of going round a little in the country and of seeing what has been happening to the farmer and the field. There is this soil erosion and this erosion is eating into the very vitals of our agriculture. Why have we not been able to do anything to stop this erosion? Crores are being spent here and there in little corners. But are these methods for stopping erosion being practised on the farms by individual farmers? No, criminal ignorance prevails at the lowest level and the man who matters most in agriculture has not been taught how to practise these things. They have not been asked to do it, they have not been shown how *to* do it by precept and by example. In these circumstances if I bring to the notice of the House that this is how colossal losses are being suffered year after year through erosion, the House will be able to know what is happening to our soil, our mother earth. Land is being bled white due to our criminal ignorance and the bad

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management of the soil. Somebody has called it—I do not know if it will be a parliamentary word to be used here—rape of the soil is taking place. That was the word used, Sir. Now, could we not tell every farmer to bund up his fields along the contour lines? After all, in our country more than 250 million acres out of the 340 million acres under the plough are said to be dependent on rain for agriculture, and we depend on fair monsoons for the successful production of food crops and other crops. So the first essential prerequisite for successful dry farming would be the storing up of the water that drops from the heavens. Bunding is most important not only for saving the soil from erosion but it is also very necessary for storing the water in the soil and for the production of food and for making the crop last longer than it would under drought conditions. This is an elementary principle. Yet we see that 70 to 80 per cent, of our land is left open without bunds. There the land is just scraped, if I may say so, with old wooden ploughs, with out-moded ploughs. We have not been able to give the farmers improved ploughs as yet. There are improved ploughs which turn the soil better, make the bacteria grow better, which fix the nitrogen better etc., etc. All this is within the knowledge of everybody. But have we given these men such improved ploughs? Have we any plans for giving each man an improved plough? Is it very difficult to make a plough? No, yet I do not see any plans for giving them such ploughs. There are no plans for giving them this plough which is an absolute necessity, no plan to give an iron plough to each man. If an iron plough is given, I can assure the House that that factor alone will bring about an increase of about 10 per cent, in the yield. Why do not we do anything about it? We have not done anything so far and nobody talks of it and that is the greatest sorrowful thing about it. Waste of the soil through erosion must be stopped. I want plans to be prepared immediately, here and now, to save the soil, save mother earth.

[Shri N. Sri Rama Reddy.] Otherwise, take care, the history of man has shown how many ancient civilisations were ruined and the places where such civilisation flourished have all become deserts on account of the negligence of human beings to protect mother earth. I do not think I have much time to indulge in all these details and so I will come to the manurial problem.

Sir, it has been estimated on a national scale that the depletion of nitrogen from the soil through our present method of cropping is said to be of the order of 3.8 million tons—I am talking about nitrogen alone which goes into the plants, I am not talking of the ammonium sulphate and things like that, nitrogen which builds up {lie plants. A quantity of 3.8 million tons of nitrogen is said to be taken out year after year but in place of that, what is the nitrogen that we are putting back into the earth in all forms, in the form of green manure, in the form of artificial manure, in the form of cakes? It is said to be hardly a million tons. What will happen to the soil except utter ruination, but fortunately, there are what are called natural recuperative processes that are taking place in the soil and it has been estimated that roughly they have been putting in another million tons of nitrogen per year and so this comes to about two million tons as against 3.8 million tons, or for our purpose we can take it as 4 million tons. See the rate at which impoverishment is taking place year after year. This is the woeful, sorrowful state of affairs with regard to the manurial problem of the country. Yesterday somebody was referring to it, I do not know the name, but is it not possible to do something about it? Even the Father of the Nation, Mahatma Gandhi, referred to this problem in an issue of the "Harijan" in 1935. He said that if proper care was taken, every animal could yield farm-yard manure of the order of fifteen to twenty cart loads as against the

present three or four cart loads. Dr. Fowler estimated the population of Delhi at 280,000 in 1930 and he said that if every householder became a scavenger of his own house, the manure collected from Delhi through human waste would be enough to fertilise an area of about 95,000 acres of land. This could be practised in the entire country with 400 million people. Is there no system today of collecting human waste? This is the most important source. Next to cattle manure, this is the most important source of nitrogen and nothing is being done about it. I have proposed elsewhere in some other circumstances that if every house is provided with a latrine, our manurial problem will be solved and the deficit in production could be wiped out only on account of this single factor. There are several such factors and I could go on dealing with them but I have no time but I will only say this that we have not done anything about this.

Well, I do not see any practical application of science and technology in the actual farming methods in the country. In Mysore, there is a form of cultivation called "geni nati". Ragi is the most important crop in Mysore, and as you also know, there is a system called "geni nati" which can be compared to the Japanese method of cultivation. That factor alone produces fifty per cent, higher yield. I have done it and I have done it successfully. Even when the soil is too wet, transplantation has to be done. For that we must have some machine. At that time, the entire village will be engaged on that job and the people cannot do more. Is it not possible for the scientists or the engineers or the technologists to invent some small machine which will transplant the plants? No agricultural expert could tell me about this; they said that it was not possible to manufacture such a machine but China had exhibited a small instrument called the paddy transplanter in the World Agriculture Fair which was capable of transplanting five acres a

a day. Could not something like that be developed in our country?

SHRI BAIRAGI DWIBEDY (Orissa): I am grateful to you for giving me time to speak on the Appropriation Bill. We find from the Bill that we are going to sanction a sum of Rs. 7,758,57,56,000 to be spent in the year 1960-61 under 138 demands. I would not say very much about the break-up of the figures, voted and charged. This Bill covers very many subjects and it is not possible in the limited time to deal with all the matters. Yet, Sir, what appears to be most important even with the Five Year Plans going on is the fact that there is still a class of people in the country to whom we have not paid any attention. There is, in other words, a class of people who could be brought within the ambit of the economy through cooperative societies. Sir, the finances available are not adequate in view of the rapid progress made in the organisation of societies in pursuance of Government policy. Before entering into the details, I would like to cite an example from my own practical experience so that I may be able to draw the sympathy of the House as well as of the hon. Minister. Sir, I shall tell you of the experience which made me take up the co-operative economy. In 1957-58, when I was Chairman of the Deograh Municipality in Orissa I enhanced the octroi duty leviable on goods brought within the limits of the municipality for use, sale and consumption in order to give the municipal authority a helping hand in implementing the Second Five Year Plan. After this a combined attack was launched against me by the business community and they threatened us with a seven-day strike. Then I took the Council into confidence and got their approval for an expenditure of Rs. 6,000 to enable me to purchase daily necessities and to provide them to the people in the town. Sir, the municipal authorities sold these goods at prices which were 20 per cent. lower than the prices prevalent at the time. Then the people

took out a procession and shouted slogans saying 'let the shops be closed for ever'. Taking this opportunity I started one multi-purpose co-operative society with an initial capital of Rs 12,000 which is inclusive of Rs 3,000 from Government as loan, Rs, 5,000 as deposits from private persons and the rest as shares. Sir, to my utter surprise even in spite of lack of business experience and tactics the society after meeting heavy establishment charges, transport charges, sales tax and other local taxes, made profits and the capital could be increased to Rs. 16,000 within a year. However, to carry out such a programme of work it requires co-ordination and integration of the highest order of the Government services concerned, which is often very difficult to achieve. Sir, this example is only to show that if such societies are encouraged and the necessary co-operation is extended by the Government, it will be very hopeful on the part of the country to get financial assistance for our Plans.

Now, in the Co-operative Societies Act there must be a provision for exemption from sales tax. But there may be the argument that if they are exempted from the payment of sales tax the Government may stand to lose some revenue. From my experience I can say, Sir, that the evasion of sales tax is more rampant and even if these societies are exempted from payment of sales tax there will not be much loss to the exchequer. Evasion of sales tax places the business community in such a position that they can well compete with such co-operative institutions and I can say that these co-operative institutions because of such competition and because of troubles in maintenance of registers and other things may not be able to thrive.* If you examine the position carefully it will be seen that the business community is evading sales tax to a very large extent while the societies are paying it to the last pie. So I would request that the cooperative societies should be exempted from payment of sales tax. That is very necessary.

[Shri Bairagi Dwibedy.]

Now, if I say that industries in this co-operative sector have got no support from the Government I think I am not wrong. In Orissa, for instance, two co-operative societies were started for the manufacture of sugar, one at Asika and another at Bargarh. **But** these societies could not function since the Government failed to supply the necessary equipment for the production of sugar. In fact the shares of the society set up at Bargarh were returned to the shareholders. I would therefore suggest that the Government should take proper and timely action in supplying such apparatus as is required for helping these cooperative institutions to run the industries.

Then there are co-operative unions in the States as well as at the Centre but as far as I can see the suggestions made by the unions are not fully implemented by the Governments concerned. The National Development Council recommended various factors in this co-operative sector but I know that they have also not been materialised *to* such an extent as to bring the co-operative institutions to the standard recommended.

As regards co-operative farming, I would like to say that the Government set up one working group in June 1956 headed by Shri Nijalingappa but I do not know whether the findings of the working group have been accepted and carried out. The present coalition Government in Orissa stands committed to co-operative farming. Owing to the expansion of the activities of the co-operative sector, the accounts of the co-operative institutions have become voluminous and complicated and difficulties are being experienced in the auditing of the accounts of the societies effectively. Even though the co-operative movement in India has been in existence for nearly 55 years now, I would say that these co-operative institutions have not yet been given a chance to carry on their activities without

official control. In this respect I would suggest that the Government should gradually follow a policy of freeing selected societies from official control. One more thing I should add in this connection and that is that the functions of the Department as well as of the non-officials should be clearly defined. And I would suggest here that the Government may be entrusted with the work of inspection while the non-officials may be entrusted with the supervision of the affairs of the institutions. It is necessary 4 P.M. to make members of the cooperatives conscious of their rights and responsibilities, as merely an increase in the number does not build up the movement. Co-operation should also be taught in schools, particularly in the secondary schools and in colleges and in training schools for teachers. The procedure of giving loans to societies should also be simplified. Another thing is simplification of the Act and rules, as recommended by the unions, which has not been given effect to.

THE MINISTER OF DEFENCE (SHRI V. K. KRISHNA MENON): Mr. Deputy Chairman, the observations in the debate on the Appropriation Bill in regard to Defence matters, if I may say so with respect, are welcomed by the Government as an indication of the increasing interest in the defences of our country. I do not intend to traverse the whole of these observations, in view of lack of time, but there are two or three matters to which I feel obliged I should make reference, after full consideration, because it will have a deleterious effect upon our morale, especially of our fighting men.

The first is with regard to some deliberate secrecy in relation to Defence matters. Not only do I confess, I hope that Government is carrying out its responsibilities in regard to security in matters of Defence, but at no time is information withheld just for the fun of withholding it. It is not often realised that what might

appear to be comparatively inconsequential matters would give to other people the capacity to estimate the size and strength or the deficiency and weakness of our Defence. That is the reason. For example, if we were to say that so many people are not working in such and such factory, then it is at once known that the particular aspect of our production has gone down, while it may appear innocuous in the case of civil production. Therefore, I would ask the House to bear with me in the assurance that there is no attempt on the part of the Government to cover up anything. Security is part of our defensive organisation.

Then, I come to the next of these matters, that is about the inadequacy. So far as the notes I have been able to get together are concerned, the inadequacy is mainly in regard to our air defence. I am not prepared to say that having regard to the period of twelve years of independence of our country, having regard to the fact that our country's Air Force has just completed 27 years, beginning from four aeroplanes, and having regard to our economic resources, they do not match up to all these circumstances. But the main question asked was about our interceptor strength. It is not for me to go into the technicalities of this matter. Such violations of our air space that take place, such unfortunate eventualities, for which any country has to be prepared, do not give any reason at the present moment for any alarm, in the sense that consistent with our resources, our Air Forces are pretty well balanced in the various arms and equipment. I would not like the impression to go round in this House that there are no interceptor aircraft in the Air Force. It is quite true that we have no supersonic interceptors yet. As I said in the other House the other day, supersonic aircraft will take their place in squadrons in 1961, which considering the time these things take to develop is a record in production. I hope they will be completed within time. At the present moment there are other types of aircraft which are interceptor air-

craft as well as aircraft which are used for ground attack purposes and other purposes. India is also manufacturing some of these aircraft in a progressive way and in three or four years' time, we should be able to rely largely on our own production. So, while the House should be vigilant and express its concern, I should like to assure them that we do not rest in a sense of complacency, and the efforts that are being made in the present position are not anything that warrant such observations. Then, with regard to production itself, several types of aircraft are under production and development, which ought to take to the air in about six or twelve months. They are of different types for different purposes. Reference has been made to lack of indigenous design and indigenous content in them. The latest type aircraft made at Kan-pur which will go into communication flights in the Indian Air Force are entirely designed by our Air Force people with various devices in them and they will take the place of aircraft hitherto imported. The same thing applies to supersonic aircraft. That will go into the service next year. I hope that this degree of information I have given will provide some assurance.

Then, I come to certain other matters, largely to Mr. Bhargava. Now, it is not necessary for Government to answer these because all these matters are in the printed material before the House, before Parliament and are easily available, I believe. The first of these relates to what is called 20 mm ammunition. It is a kind of hardy annual that has been going on for many years. I believe that my colleague, the Deputy Law Minister, will be able to tell you later about what has been going on over seven or eight years. Government appointed one Committee. They were not satisfied with its report. They appointed another and then they thought that they should appoint a third one in order that every bit of it might be cleared up. I cannot anticipate the findings of the third

[Shri V. K. Krishna Menon.] Committee, over which the Deputy Law Minister presides. But it is entirely wrong to say that on this Committee are members from the Air Force who are concerned with this purchase, because if that were so, my hon. friend would have pointed it out to me and I would not have participated in that. I am sure you will agree with me that this kind of observation about the type of people you put on committees, people who are themselves supposed to be involved, is not quite correct. Then, there is no question of our using this ammunition, of our purchasing ammunition from these people over again.

Now, to make this very brief, this particular ammunition, when we went in for this, was in the earlier stages of development. It is one of the attributes of these war materials that by the time they are purchased, they go out of use, they become obsolescent. Something new comes out. But this particular type of ammunition, which has got certain special qualities, was in the earlier stages of development when we went in for it. We took it as it stood. Further developments have gone on and those developments are being adopted. So far as I know, this Committee will submit its report very soon and this matter will be closed. There was some mention of a dismissed officer. That was not connected with this very particular enquiry.

Another main charge is with regard to the purchase of donkeys, mules and horses. Now, this is not just a matter to be lightly dismissed, because in the changed conditions of our defence thinking, imposed by circumstances, these animals, which have been discarded, which have been in less use in the Army in recent years, have come back into their own. The Government of India, having had to spend a considerable amount of foreign exchange on the importation of donkeys, mules and horses from outside, have taken to equine breeding in four districts of Uttar Pradesh and

two districts of the Punjab. These arrangements for equine breeding are being made in the two Government stud farms and I hope they will be able to complete arrangements in regard to others in Southern India, they will supply our requirements as soon as these animals mature. Having said that on the constructive side, the directions made here are of a character which have no relation to facts at all. On account of the present situation and the general depletion of animal strength, we had to have considerable numbers during the last two years or so. As usual, when this supply of this kind was required, enquiries are made of our Missions abroad. In this particular case our Missions in the United Kingdom, Australia, America, France, Argentina, Italy, Spain and West Germany were instructed to call for tenders in consultation with the foreign Governments concerned. The main charge here was that we did something about Australia, because mules are a monopoly of Australia. I have not heard of mules being imported from Australia. Then, the next charge is that we paid more money than we ought to. The facts are, the parties who supplied these mules, their tenders are higher than the lowest tender received only by Rs. 500. But we might ask, why spend Rs. 500? It is because in receiving a tender it is not sufficient only to look at the money. You must also find out whether the person can supply them or not, because while we are very hard-pressed for this, some one will make these tenders without experience. So it was not a question of the difference. When the tender originally came, it was a higher tender, but then we heard about its being that of a local party, and therefore he said that he would supply at 0-1 per cent, less than anybody else. Now, the Ministry of Supply does not accept that tender. The whole system of tenders is based on the idea of a secret offer. So these mules were imported from Italy. Mention was made in the statement that mules were bought from Kalim-pong or something of that kind. If

mules were brought from Kalimpong, they are not there in the Indian Army. I think they must be for somebody else.

With regard to the purchase of horses from Australia, the same thing obtains. There were two firms supplying them. They operated through our High Commissioner in Australia, and in the case of one the price was lower by £ 393. But we could not accept that tender because they did not accept the other conditions, namely, the penalty clauses. Well, if we would not have the penalty clauses, the price might appear to be lower, but in the long run we may be the losers. Therefore, the other people who have been vouched for by the High Commissioner were suggested by official sources in Australia. They have so far kept to schedule and I believe that the first lot of these animals is coming here day after tomorrow. One of our own veterinary officers has gone to inspect them, and they are purchased through proper inspection in this way.

So I would like to point out that practically the entire part of these observations is totally unrelated to facts, and I would not like them to go out in this way. We as a Government do not always like to say a great many things about individual parties and individual interests, but all we can say is this that we were not satisfied that they would be able to perform this. In any case all that we could do was again to go to Italy and buy them to meet our requirements of mules, so that no injustice has been done to anybody. The interests of the Government had to be safeguarded and the matter was one of grave urgency and time schedules had to be kept. There has been no greater expenditure of foreign exchange and otherwise.

Sir, with this assurance I hope the House will feel that there is nothing in these allegations except the fact that allegations once made, however much you may refute them, are not only five minutes ahead of me but

at the time they are in print they will be five months ahead of me. It is surprising what feet misstatements have. They go in advance of us in this way. That is all I have to say.

SHRI P. D. HIMATSINGKA (West Bengal); Sir, I had no mind to speak on this Appropriation Bill, but then I thought, in view of Mr. Bhupesh Gupta's remarks it would be appropriate to give some of the facts about elections and how they are conducted in Calcutta. In the name of democracy he has been asking the Election Commission to drop the photograph system for purposes of identification.

[THE VICE-CHAIRMAN (SHRI DAHYABHAI V. PATEL) in the Chair]

Mr. Vice-Chairman, I will say that I have some experience of some elections, and I can say that in a place like Calcutta this is the only proper step that the Election Commission could take after making the necessary enquiries. Such a large amount of impersonation had been going on in these elections that it was absolutely necessary that something should be done to prevent this democracy being made a farce of.

SHRI BHUPESH GUPTA: Therefore you throw the baby in hot water.

SHRI P. D. HIMATSINGKA: There is no question of throwing the baby in hot water. As a matter of fact I cannot understand this anxiety to stop this photograph system. Anybody who wants democracy to function properly and anybody who wants that only proper persons should be entitled to vote and that no one should be enabled to impersonate somebody else should welcome the step that has been taken. If the voters were so minded and if difficulties were not created in the way of the Election Commission completing the photographs of the voters, I think the list would have been completed long before. Steps were taken to send out photographer! to the voters' places, and a number of places were selected where voters

[Shri P. D. Himatsingka.] should go and get themselves photographed, but advantage was not taken of that. All kinds of objections were put forward and delays were caused, and in the name of democracy it is now being suggested that the election should be withheld. It will then be said that the election is not taking place and that it is being withheld.

I find from Mr. Roy's statement that he thinks that this system of photograph for identification purposes has been adopted to help the State Congress. I do not understand how such a system of photograph for purposes of identification will enable the State Congress to gain any advantage. Under this system it will not be possible for anybody to go and cast his vote for somebody else.

SHRI BHUPESH GUPTA: His point was that by this method you have taken away the right of vote of many persons.

SHRI P. D. HIMATSINGKA: As a matter of fact it is not a question of shutting out any particular person. Every voter is entitled to have his photograph and identity card, and if somebody deliberately refuses to be photographed, deliberately refuses to cooperate with the Election Commission, he is to blame. As a matter of fact you know, Sir, that the Election Commissioner has got the praise and appreciation of all the different parties. Even foreign countries have invited our Election Commissioner to help them in conducting their elections. All the parties including the party of my hon. friend have appreciated the work done by the Election Commission, and they have all admitted that the elections have been conducted very well, have been conducted very fairly and impartially.

SHRI BHUPESH GUPTA: The old Election Commissioner has gone.

SHRI P. D. HIMATSINGKA: The Election Commission does not depend upon one particular person. I can tell

you of one particular instance. We had correct names of voters for the house in which I live, but when the list came, I found eleven names of Muhammadans in my house.

SHRI BHUPESH GUPTA: Probably last time you included them.

SHRI P. D. HIMATSINGKA: I did not include them. My friend included them. I can assure you that the names were not known to me. I was surprised to find in the paper run by my friends the names under the heading "Hindu Muslim Apurva Milan". It came to our notice. Apparently they thought that that will frighten away anybody casting vote. When I went to the voting place, I found two or three persons ahead of me and out of curiosity I asked them which houses they came from. They mentioned my house. I said that they did not live in that house, and then I asked the person in charge to challenge them. Ultimately in the evening those eleven votes were cast. It is therefore absolutely necessary that something should be done to prevent this kind of impersonation, and no person should have any grievance against this method of photograph being adopted. Any person who has love for democracy should welcome this method and any other method to prevent impersonation of voters so that democracy may prosper in this country and persons may not be in a position to change the course of elections.

THE DEPUTY MINISTER OF LAW (SHRI R. M. HAJARNAVIS): Sir, I have very little to add to the statement which I placed before the House yesterday except that I have been able to get figures which are said to be correct up-to-date, which I will give later. But I will begin by pointing out the true function of the Election Commission our Constitution vests in it. I am quite aware and my hon. and learned friend, Mr. Bhupesh Gupta, is also quite aware of the true nature of the Election Commission. If I might recall, under article 324, the whole duty of holding the election, of preparing the electoral rolls

and of dealing with *every* matter relating to election is vested by the Constitution in the Election Commission. The function or the activity of holding the election does not properly fall either in the category of legislative activity or judicial activity or executive activity. It is a peculiar contribution of our Constitution to political thought that we have created an independent authority. How well that authority has functioned during the last ten years and what affection, what confidence, it has gained in the country is well known. It has also gained recognition beyond the frontiers of this country. The first Election Commissioner it is well known, was invited to another country to hold elections and it was my privilege to be acquainted with the present Election Commissioner when he was Secretary to the Ministry with which I am associated and I know how hardworking, how efficient, how impartial and how conscientious he is. Under article 327, the Constitution casts a duty upon the Election Commission to abide by the law which is made by Parliament.

SHRI BHUPESH GUPTA: On a point of order, Sir. The hon. Member is referring to the provisions of the Constitution which I did not intentionally do, because it is precisely on the constitutional aspects that the matter is *sub-judice* before the Calcutta High Court. Therefore, he need not touch upon these things and let him leave it to the Court. Leave unto Caesar what is Caesar's. You deal with the other aspects of the matter, deal with practical aspects—the powers of the Election Commissioner to waive or abandon the system of photographing—at this stage; because of prudence, because of practical considerations, give us satisfaction over this matter.

SHRI R. M. HAJARNAVIS: The point that I was making was this. I was not trying to support the law which may be the subject of challenge in the court. All that I am trying to

place in the forefront of *my* submission is that the whole discretion vests in the Election Commission and nobody shall disturb it and Government has so far interpreted it in that way. Under the Constitution, this high authority will function independently without fear or* favour either from the Government or from any party, from even the powerful and illustrious party to which my friend belongs. Therefore, whatever is being done is being done by the Election Commission in its discretion and that discretion must be respected. That is the only point that I am trying to make. If the Election Commission has thought it fit that under the powers given to it by Parliament a particular constituency should be notified for the purpose of providing it with identity cards, well, it is not for any of us to challenge that discretion.

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SHRI BHUPESH GUPTA: No, no. We can challenge it, of course. We can say that it is misdirected.

SHRI R. M. HAJARNAVIS: Sir, I do not agree, but I will abide by the advice of my learned friend and give him as much further information as I have been able to get since yesterday.

Sir, as regards the actual steps which have been taken, I am informed that one photographer and his assistant were given a part of the electoral roll with about 500 names and asked to go to their respective residences and take their photographs. Their usual hours of work were 7 to 10 in the morning and 4 to 6 in the afternoon. The dates of their visits were fully publicised by loudspeakers and other means. Thus, each photographer had only a small area to visit and he went round not once, but three or four times. A number of supervisors were appointed to guide the photographers in their work and supervise it.

The work proceeded quite briskly in the beginning. Thus, between June

[Shri R. M. Hajarnavis.] 21 and August 14, more than 1,50,000 electors were photographed. At this stage, it was discovered that the rolls on which the photographers were working were far from being accurate and a special revision was therefore ordered on July 22, and this resulted in the elimination of over one lakh names against which there are no persons entitled to vote.

SHRI BHUPESH GUPTA: Is it your contention?

SHRI R. M. HAJARNAVIS: As far as I know, they have raised no claims or no objections after the rule was revised.

Subsequently, the work of special enumeration proceeded side by side with the taking of photographs.

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The latest figures are the number of electors on the roll is 3,41,933; the number of people photographed is 2,11,612 and the number to whom identity cards were issued is 1,99,023.

So far as the identity cards are concerned, what they have done is, three copies are made. One copy is affixed on the roll; one copy is affixed to the identity card and the other copy is given gratis to the voter to be exhibited at his own place. This would ensure that his very valuable right of vote is safeguarded for him and no one shall steal it. I submit that the House will agree that the Election Commission has done its best in carrying out the duty which has been entrusted to it by an Act of Parliament.

SHRI BHUPESH GUPTA: I am not challenging the hon. Minister's figures. Why has he read these? Whether " (hey are good, bad or indifferent, the fact remains that 1,25,000 people on the revised electoral rolls are not going to have their right to vote because they do not have their photographs, neither the cards nor the

photographs. Things are being done in this way. Now, may I ask you . . .

THE VICE-CHAIRMAN (SHRI DAHYABHAI V. PATEL) : You are making a speech or . . .

SHRI BHUPESH GUPTA: Sir, you asked a very long question in the morning. I am following you.

THE VICE-CHAIRMAN (SHRI DAHYABHAI V. PATEL) : That was question time.

SHRI BHUPESH GUPTA: Sir, I thought that you were going to ask a short question; but it was a long question, though it was the question time. Anyway, this is how logic works.

The only question I ask him is, why the Government is not making it clear that it is not satisfied when the state of affairs has come to such a position that 1,25,000 people on the electoral rolls have not got themselves photographed and are going to be denied their right to vote. This is a very serious matter. The Speaker in the other House has accepted this thing. He has admitted the motion and here it is treated in this manner. Mr. Gopalan has written to the Government asking what the view of the Government in this matter is. We are the biggest party in that area of greater Calcutta. When we are making a representation of this **kind**, it should be taken seriously.

THE VICE-CHAIRMAN (SHRI DAHYABHAI V. PATEL) : Mr. Bhupesh Gupta, if you just wait, he can answer the points. Otherwise, I will call the next speaker.

SHRI BHUPESH GUPTA: Sir, it is for him to say it. I do not ask you.

SHRI R. M. HAJARNAVIS: It is for the Chief Election Commission to exercise those powers; it is not for the Government to interfere with their judgment.

SHRI BHUPESH GUPTA: It is a discretion and the Government should make its position known. Therefore, I say it is partisan . . .

THE VICE-CHAIRMAN (SHRI DAHYABHAI V. PATEL): Order, order.

SHRI BHUPESH GUPTA: . . . and the Election Commission is playing into its hands again.

SHRI SATYACHARAN (Uttar Pradesh) : How Jong will the hon. Member go on like this? We have also to speak on those points.

SHRI BHUPESH GUPTA: You can. I will speak next time.

SHRI P. N. SAPRU: Sir, I do not propose to speak on the various Demands which are to be found in the Appropriation Bill or on the working of the various departments of the Government. I want to raise one or two questions which arise out of our financial arrangements. We are engaged in the task of moving towards a self-generating economy. Sir, I profoundly believe in economic planning and I do not think that any progress is possible either in the industrial field or in the agricultural field without large-scale planning. We must have commanding heights of power over all the aspects of our national economy. The question which, however, troubles me is, how are we going to finance this immense planning? Now, Mr. Morarji Desai indicated in his original speech on the Finance Bill that, in his opinion, direct taxation had almost reached its limit. He thinks that it is not possible to increase direct taxation. We are, therefore, resorting to deficit financing borrowings both external and internal and more indirect taxation. And the result of this deficit financing and increased indirect taxation is a rise in the cost of living for the poor man. So far as the richer classes are concerned, so far as the

capitalists are concerned, this rise does not really very much affect them, but so far as the poor are concerned, so far as the middle-class are concerned, they are very much affected by it. And what is our conception of socialism? Is it our desire that the rich should grow richer and the poor should grow poorer? That is a fundamental question which all those who believe in economic planning must face. I think, Sir, the time has seriously come for us to consider some alternative sources of revenue. We have today the challenge of the Right; it is an opportunistic Right; it is a Right which is obscurantist, and it will be an evil day for this country if the Right were ever to achieve electoral triumphs in this country. We have the challenge of the extreme Left also and it is a question for us to consider as to whether we who believe in democratic socialism have any alternative solution to offer, any alternative solution so far as the finding of revenues for financing our Plans is concerned. Now I suggest, Sir, that it has become imperative on our part to think in terms of greater State-ownership, greater State-trading, a greater number of State-industries and a greater number of profit-yielding State-businesses. I think it has become necessary for us to think in terms of various forms of public ownership, because we do want to have revenue-yielding, profit-yielding concerns run by the community, and if we are able to run these concerns successfully, we shall be doing away with the necessity, to that extent of indirect taxation or even for that matter, direct taxation. We cannot therefore escape from the logic of what frightens most people—nationalisation. I do not say that nationalisation is fundamental to socialism. In an affluent society it may not be, but in a backward society we gave to think along new lines and we must therefore, I submit, give serious attention to the question of the industries that we can ourselves run. Sir, I was disheartened to read the statement, that Mr. Patil 'has' definitely declared that he will have nothing to

[Shri P. N. Sapru.] do with State trading and ! that the Planning Commission's views on that question 'are' quite unacceptable to him. I was deeply grieved to read that statement, because we had pinned our faith in State trading in food-grains and we had taken some momentous decisions on this question of State trading and it looks as if it is a complete change of front on our part. Now, I do not think that these changes of front should be made every alternate day. State-trading in foodgrains has never had a real chance, and if you want to hold the price-line, you must be prepared for some physical controls. You are not disposed to think in terms of having ' some physical controls; you fight shy of them and therefore the difficulty is that we are moving towards a State where the common man feels dissatisfied with many of our policies. He has no love for opposition parties. He knows that his lot would be worse off under them, but then he feels dissatisfied with the life as he finds it under our scheme of things. He does not like this rise in prices. It hits him hard. Therefore the question for us is to consider ways and means of controlling the price-line. I am not an economist and I am not a financier. You have got many big brains in this country. Let us pool our resources; let us pool our brains; let us find a solution of this problem, a solution not on lines which will take us back to the days when there was no economic planning, but a solution which will help forward economic planning of a progressive kind. Therefore, I would like to say that we have to face the position that planning involves controls, that it involves extension of the sphere of public ownership and that it involves even some—if not all—ownership of the principal means of production, distribution and exchange. But, Sir, I cannot suggest in an offhand manner what industries or trades or businesses we should take under public ownership. All that I am saying is that we have to give serious thought to this matter. I am getting really alarmed

at finding young men and young women who should be more radical than we are, moving in the direction of the Right or moving in the direction of the extreme Left. I do not mind the extreme Left so much; I am more worried about the extreme Right.

SHRI P. D. HIMATSINGKA: You want things to go wrong.

SHRI P. N. SAPRU: I do not know, but from the extreme Left something some day may emerge but not from the extreme Right.

Then, Sir, I would like to invite the attention of the House to the 63rd Report of the Estimates Committee. In this the Committee has observed that there is no uniformity in regard to submission of annual reports and accounts of public undertakings to Parliament. There are cases in which reports are not submitted by these public undertakings at the proper time; there are cases in which they are submitted without the auditors' report. We have set up a number of public bodies in recent years; I am glad that we have a number of public bodies and public corporations.

[MR. DEPUTY CHAIRMAN in the Chair]

But I see no reason why the reports of these bodies should not be submitted to Parliament. This is an important matter. As my time is limited, I think I need not search for the exact quotations. You no doubt have all received the 63rd Report of the Committee. You can read the relevant paragraphs in that Report yourself. I see no reason why the reports of all these bodies should not be submitted to Parliament. This is all the more important because with the expansion of the public sector the control of Parliament over that sector should increase.

Sir, one of the things which has brought nationalisation into some discredit—I have been following the controversies regarding public ownership

in the British press—is that Parliament has not exercised vigilant control over nationalised industries.

We shall have to think along some new lines in this matter. I remember in the old days to have read Sydney and Beatrice Webbs's "Industrial Democracy", advocating an economic Parliament subordinate to the political Parliament for purposes of co-ordinating and controlling the work of public corporations. I think some much thinking has to be done by us in the interests of future planning in this country.

We have no doubt a very able Planning Commission, but I fail to see in that Commission representatives of the latest economic thought of the country. There are very eminent administrators, but I should like to have a strong academic element on the Commission. My friend may have but—I am not a Communist—I have no particular hatred for the word "Communist" or "Marxist". I think Marx himself was a very great thinker. If he has gone wrong with some of his theories, he could not help that because he wrote a hundred years ago. Many things have happened during this period which he could not anticipate. For instance, he could not anticipate so many improvements in the economic field and so many other things. But I am not suggesting that we should accept any particular 'ism'. That is not my point. Far from that. But I want serious thinking to be done along new lines.

There are many other things that I wanted to say on this matter. I think, if you will give an opportunity to me to do so, I will reserve what I have got to say in regard to this matter for my remarks on the Finance Bill. Thank you.

MR. DEPUTY CHAIRMAN: Ten minutes each now.

SHRIMATI YASHODA REDDY (Andhra Pradesh): Mr. Deputy Chairman, Sir, now that the time is limited

only to ten minutes, and we have got almost all the Ministries in this Appropriation Bill to be discussed, I would like to confine myself to one or two, namely, the Irrigation and the Industries Ministries.

Sir, as somebody pointed out here, India is primarily an agricultural country, and in an agricultural country I find irrigation is of utmost importance. In India we have been having all the three kinds of irrigation—major, medium and minor—from time immemorial. For the first few years of our independence minor irrigation was completely ignored, but for the last few years, I am glad to say, even minor irrigation is getting some attention. But, Sir, presently I am not discussing minor or medium irrigation schemes, but the major schemes.

Sir, water resources in India are equal to the water resource? of the U.S.A. and other big countries, but the way the water resources have been utilised in America and the way we have been utilising our water resources there is nothing to compare.

Sir, before we launch on a major irrigation scheme, three important factors have to be taken into consideration. Firstly, irrigation projects of a heavy nature should be confined to areas where there is not heavy rainfall and they should not also be in places where there is thin population. Therefore, when irrigation schemes of major importance are launched in areas where there is heavy rainfall or very thin population, the utilisation of water is not as much as one would like to. While referring to these things, the former Irrigation Minister said that there were only one or two first class projects in India which fulfilled these conditions, viz. the Gandak project, the Kosi project and the Pochampad project. We are having Bhakra Nangal and Nagarjunasagar projects. I do not deny their importance but there has been only 60 per cent, of water utilisation in respect of these projects. Similarly, we have got the

[Shrimati Yashoda Reddy.] 0 V.C. and the Hirakud schemes where there is very heavy rainfall *arid*, as a result, the water utilisation has not been to the desirable extent. Similarly, in respect of some schemes of Rajasthan, because of the areas being scarcely populated, water has not been utilised to the fulle.it extent.

Moreover, some of our schemes, which we have launched, require heavy capital investment. There, unless the rains are risen to a certain level, water cannot be thrown out for irrigation purposes.

Sir, I was telling you, as the former Irrigation Minister said, that some of the projects which ought to have been included in the First Five Year Plan ought to have been the Godavari project, the Kosi project and the Pochampad project. Coming to Andhra Pradesh, Pochampad which was supposed to be a first class project, where the capital investment is very low, where the water can be utilised to the fullest extent, where it can irrigate most of the dry areas of Hyderabad, has been under the consideration of the Central Government for quite a long time but still they have not given their verdict. Sir, the Andhra Pradesh Government is even prepared to drop its Devnour project which will cost them about Rs 9 crores. Instead, if the Central Government is prepared to allow the State Government to utilise the State loans granted for these areas, we can easily fulfil the commitment over the Pochampad project. The Pochampad project is estimated to cost Rs. 15 crores. The Devnour project will cost about Rs. 9 crores. By sparing this difference from the schemes which have already been sanctioned in the Second Plan, we can easily have the Pochampad project which will be of great use to the Andhra people, particularly to the people of the Telengana area. I stress on the hon. the Finance Minister, the Planning Minister and the Irrigation Minister to look into this suggestion. Recently we, the MPs

Andhra Pradesh, have been meeting all the Ministers concerned and placing our views before them. I again take this opportunity of telling the hon. Ministers concerned to give this proposal a little more consideration to see that the scheme is sanctioned in the Second Five Year Plan. Now coming to the industrial side, I would like to say that whenever we pointed out anything about industries, the Planning Commission had, no doubt, very nicely said that no regional imbalances should be there and that all the industries must be so arranged that each State gets some sort of recognition. But unfortunately, I do not know, Andhra being a surplus State, whenever we ask for a heavy industry, they say: "You are mainly an agricultural State. You are producing food. Why should you think of industries?" When I ask for any irrigation schemes, the hon. Food and Agriculture Minister tells me: "You are a surplus State. Why do you want more irrigation?" When we ask for any industry, they say: "You are an agricultural State. Why do you want industries?" So it becomes a sort of disqualification to be even a surplus State. When India is a deficit State and when we want more foodgrains, to be even a surplus State is a disqualification, it seems, because on the agricultural and irrigation side, they do not want to give us money. On the industrial side they say: "You are an agricultural State". If you look at Andhra, you will find that we do not have even one heavy industry worth the name and for years together Ministries after Ministries and Ministers after Ministers have been requesting the Government of India and when these Central Ministers come to Andhra, they promise many things; but nothing has come out so far.

In particular, in regard to heavy industries, I would like to mention one of the heavy industries and if I have time, I will say about others. The first and most important is the newsprint industry. This morning and a few days back also, the Minister o*

Industry was saying that there was a great demand for newsprint and paper in India and we had been spending a lot of foreign exchange and that at least in the Third Plan period he hoped to make India self-sufficient in paper. Regarding newsprint, as we know, the Nepa Mills are producing it and I believe, if I am correct, the paper produced is not of a high quality and not as economical as one would wish it to be. But China, which has been experimenting and Japan also, which has been experimenting on paper manufacture, have found that the manufacture of paper out of bagasse has been found to be most economical and useful and you could produce the best quality newsprint. In Hyderabad where we have our sugar factory, which is the biggest in Asia as far as sugar factories are concerned, we have thousands of tons of bagasse as spare and the Central Government has sent to West Germany 10,000 tons of bagasse. The expert seems to have said: "I do not know why after the licence has been granted by the Central Government for more than a year now, the Central Government have not sponsored a newsprint factory at Hyderabad." The other day I came to know that now they want to have a paper factory instead of a newsprint factory. I do not know which is correct. I would like the hon. Minister concerned to let us know whether they are going to give us a paper factory or a newsprint factory. Whichever way they decide, whether it is to be a paper factory or a newsprint factory, I want them to expedite it.

In the public sector, one of the other projects which we have been pressing for, has been the low carbonisation plant. This plant, as a pilot scheme, has been working and a product known as Colzide has been produced and put in the market. It has been found economical and the Director of the Central Laboratories has recommended it to the Central Government saying that it will be a very economical and a good plant to be installed. Now, when the Expert Com-

mittee has gone into it and found that the Central Laboratories at Hyderabad have done this and have found it economical, I would like to request the Central Government to consider this matter of low temperature carbonisation plant at Hyderabad. Thank you for giving me this time.

SHRI MOHAN LAL SAKSENA
(Nominated): Mr. Deputy Chairman, Sir, while discussing a Bill involving such a huge expenditure as Rs. 77,58,57,56,000, I naturally feel inclined to refer to several important questions relating to Government policies and their implementation and particularly to the scope for economy and the need for avoidance of considerable extravagance and waste in the Government administration. But with the limited time at my disposal, I would like to refer to only one question which I consider to be most important and which has to be tackled foremost, I mean, the food problem, the problem of increasing agricultural production and food production. The Food Minister is away and even his Deputies are not to be seen here. Still I would like to make my submission. The Minister of Revenue and Civil Expenditure had assured me that he would be here today but he is not to be seen. You will remember that on the last occasion when the food question was discussed, Air. Patil was pleased to say that he would not go with a begging bowl, that he would go abroad and he assured us—and he named me—that every pie of the food loan will have to be paid, not only every pie of it but with interest. That, I know, but my submission is that it is not good for the country either. For, if one went abroad with begging bowl, one debased oneself, but a man who goes abroad to borrow, mortgages something more valuable—the well-being of the future generation. When I say that, I might cite what Mahatma Gandhi had told us. I may remind the House that when he was removed from our midst by the cruel bullet of the assassin, the one problem that had engaged his attention most was

[Shri Mohan Lai Saksena.] the food problem, not even the post-partition problem, and he utilised every opportunity for discussing this question but the warnings that he gave us and which had not been heeded all the time—I might repeat them here. First of all he had told us that his immediate purpose would be served if responsible persons in the States, in the districts and towns went about and told the people that they should not look for their food supplies ' to the outside world, and they shall have to eke out their existence from whatever they could themselves produce and they must produce it. Again he said on another occasion, only a few months before he was removed from our midst as follows:

"The first lesson we have to learn is the lesson of self-help and self-reliance. If we are able to assimilate this lesson, we shall at once free ourselves from disastrous dependence on foreign countries and ultimate bankruptcy."

These are his words and he had written further and warned us that even the slightest dependence on foreign countries would keep us away from exerting our level best to produce our food in our own country. He said that India was not a small country, India was not a small country which could have its supplies from abroad. It was a country having many rivers and of considerable resources, with plenty of land, and if during the two centuries of British rule our agriculture had been properly looked after, we would have produced enough food not only for our own purposes, but even for others.

But those wise words of "> P.M. warning have gone unheeded

with the result that during the last twelve years of our freedom, notwithstanding foreign aid to the desired extent and also eight years of planned effort, our agriculture, which is the mainstay of the country, is still in as precarious a condition as ever, depending on the vagaries of

nature, and why? As the previous speaker has pointed out, we have had many big projects. We have got so many costly schemes and we have had so repeated assurances and statements about improvement in agricultural production. But even now we remain dependent on other countries and our Food Minister has gone abroad to negotiate food loans' on a long term basis for about seventeen million tons. I will come to that later. But here I would like to point out that while leaving the country he said that if we had proper confidence in the peasant, we shall surely solve our problem. But I see from the fact that he has gone abroad for seeking help, that he himself has no confidence in the capacity of our peasants. It may be said, Sir, that Gandhiji was an idealist and that he did not know the realities when he uttered those words. But I may, her?, refer to what Prof. Rene Dumont, who had come as a member of a U.N. Commission to study our Community Projects has said. He went round and saw things and he has said that India relies more on foreign assistance than on internal efforts. He ha? said that though the land is exhausted, but with a little humus and proper looking after, it is possible in this country to produce three harvests which is not possible in a country like China. Instead of making any effort to increase production, our Food Minister, since taking office, has been talking and talking. I know that Food Minister before have also talked. I will refer only to one speech made by the Agriculture Minister, Dr. Deshmukh. While inaugurating the International Rice Conference at Calcutta in January, 1956, he said that the Japanese method of rice cultivation had been so successful that we were likely to produce sufficient food not only for our own requirements, but we would be in a position to export. This was said before the International Rice Conference, which was held here. And notwithstanding that statement, we know that in that very year we had to import rice. So, what did the Agricultural Minister or

the Food Minister mean? I do not know on what basis they made this statement. Either he did not have correct figures or whatever was being produced was being smuggled outside. These are the only explanations. He had made other speeches and all these speeches are published in the form of a book called "Rice Revolution" published at the cost of exchequer. These speeches are there. Public memory is proverbially short, but these speeches are here and we can refer to them. In one of the speeches he has said that the prices had fallen, but for floods they would have fallen further and they had been receiving demands for raising them. What I want to point out once again is that it is not by statements or by speeches that we will be able to build up stocks. We can solve the problem only by hard work. Everybody says that, but nobody is prepared to do hard work. The peasants think that they can get more production out of the land only by using these chemical fertilizers, not the fertilizers which my hon. friend here had just now referred to, the fertilizer to which Gandhiji drew our attention repeatedly. Every year we produce about Rs. 2 worth of waste per head. And that was in the forties. Since then prices have gone up and we can see how much we lose now.

(Time bell rings.)

Sir, I know the time is nearing to a close, but I would like to make one or two more suggestions. If you want to increase food production, when chemical fertilizer will have to be sent to the villagers and you should lay down certain conditions with the co-operatives that whatever extra or additional production is there, it must be handed over to the Government. Otherwise, as we have been having repeated complaints, these fertilizers go to the cities and get exported to other places and the peasants do not get the benefit.

On the question of buffer stock, I have to say a word. Building up a buffer stock is very important. It

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has been said by the Minister **that** once he got hold of five million tons by way of buffer stock, the whole difficulty would be solved. He seems to forget that while building up the buffer stock, he will be simply hovering round the fringe of the problem and unless there was greater production, the problem would not be solved. In one speech he said there was no food problem, that it was only a question of distribution, that the problem was one of maladjustment, or maldistribution. If it was a problem of distribution, **then** he should not have gone abroad for getting more food. If there is sufficient food in the country and he got more food, then there will be wastage somewhere. The peasantry will suffer the prices will fall and once the prices fall, the peasants instead of producing food crops will switch over to cash crops.

Therefore, I think this move is in the wrong direction and it will not be conducive to the production of more food in the country. Moreover, once you have 5 million tons more of food, what is the facility for storage? I understand there is not sufficient storage capacity. In one place it is stated that the Government has a storage capacity of 1.5 million tons. That means you spend about Rs. 200 or Rs. 250 crores on the import of food, on which we shall have to pay interest of Rs. 10 crores per year and, in addition to this, we shall have to spend about Rs. 50 crores on providing additional arrangements for storage. (Time bell rings). **What** I am pointing out is that the whole sum comes to a big figure. I feel if we spend all that money which we pay by way of interest and so on providing incentives for increasing food production, it would pay rich dividends. Finally, I would suggest that we may make a rule that whichever village produces 30 or 50 per cent more, would be paid a subsidy of 10 to 25 per cent, on the price.

MR. DEPUTY CHAIRMAN: Mr. Babubhai Chinai.

SHRI BABUBHAI CHINAI (Bombay): Mr. Deputy Chairman, two speeches among those made yesterday have very rightly attracted attention. One of them was made by Shri K

K. Shah and the other by Mr. Khandubhai Desai. Since there are certain points in these speeches which question some of the very fundamentals of our planning, I think it is my duty to remove some of the misunderstandings that might have been caused by these speeches.

Sir, Shri K. K. Shah questioned the propriety of our dependence on foreign investments for our development. In theory we understand that it is not prudent to depend too much on foreign resources but, Sir, we have to reckon with the realities of the situation, and one of the realities is the existence of the well-known vicious circle of low income and low savings. Low income cannot be overcome without the inflow of capital funds from abroad. It is not only we in this country who have to realise this stark fact after our trials and tribulations of nine years of planning, but that is the considered judgment of all the foreign experts who have visited and studied the economic situation in this country. The recent Bankers' mission have also stated the same thing. I would like to know the country in the world which has carried on without foreign assistance?

SHRI P. N. SAPRU: No country.

SHRI BABUBHAI CHINAI: England developed on the resources it got from abroad in the conditions prevailing in the 18th and the 19th centuries. America developed with the aid of European countries and even Russia had to import quite a sizable technical knowhow and capital goods from the Western countries, particularly America. I am conscious of the fact that foreign aid has got to be returned, and serviced also. What we have to think about seriously is as to how rapidly we can break this vicious circle so that our dependence on foreign aid is short-term and is not a perpetual one.

Mr. Shah also said something about the yield on investments. I do not know from where he gets his information that investment, so far made, has not yielded even 6 per cent, return. This may be true on the ratio of yield to total outlay of the Plan, but certainly it cannot apply to investment in the industrial sector, whether it is the public sector or the private sector. Mr. Shah also spoke about the desirability of an investment of Rs. 2,000 giving employment to five persons. I doubt whether that is possible. Even if everyone was employed in the Ambar Charkha or even in more labour-intensive schemes, it is not a question of our wanting to do this or that but it is a question of sheer economy. Surely Shri Shah does not want to perpetuate poverty and the conditions that prevailed during the days of sweated labour. We have to find employment but it must be found in worthwhile jobs and we will be making a grave mistake if we confined our thinking to outmoded ideas and think that this is our panacea in this age of atomic energy.

Shri Khandubhai Desai pleaded for an economic assessment of the results of our two Plans. I am one with him in this respect. In fact, I think the assessment is being continuously done by the Planning Commission. Where, however, I differ from him is his conclusion that during the last ten years while production has increased by fifty per cent, the bulk of the people have not benefited. I most humbly submit that this is not a fact. I do not know from where he gets his facts. While no one will say that everybody has become prosperous as a result of the Plans, there is no denying the fact that there is a greater sense of well-being felt in the country than there was ever in the past. Shri Desai himself has pointed out that there has been an increase of 50 per cent, in the production. If that is so, where has this production gone to? Naturally it has been distributed in the whole of the country and among the citizens of the country. Sir, take

the case of cycle, sewing machines and so many other things, the use of which is not restricted to the well-to-do sections of the community. The very fact that they are being consumed shows that the standard of living has risen. I do not say that it is rising very fast but to belittle the contribution of the Plans to the well-being of the masses of the country is to say the least not doing justice to the effort which the country has made since independence. I can well understand the indignation of Shri Desai in regard to the bonus commission but, Sir, let me assure him that the employers are a party to this decision taken at the meeting of the Tripartite Committee, and the mere fact that a certain person in the country objects to it does not mean that the employers are not going to follow what they have accepted in the Tripartite Committee.

Another point that I would like to touch upon is this. Shri Khandubhai Desai suggested that in order to mop up the profits, excess profits tax should be introduced. One must not forget the fact that this tax is a tax which can be introduced in emergencies like war or where the resources have dried up absolutely. In a planned economy, as we have been wedded to, if we are going to resort to excess profits tax which is the last resort according to me, then whatever profits the industry has been making and which has been ploughing back for developing existing units and for the setting up of new units will be dried up. We know the economic situation which prevailed six months before in the investment market. Investment was not forthcoming. During post-war years, one and all know, that investments came through the ploughing back of profits. Therefore, to say that the industrialists are making huge profits is not correct. For your information, Sir, I might say that on the 31st March, 1957, when Shri Morarji Desai was the Minister of Commerce and Industry, the industrialists met him and agreed to a truce saying that they will not charge

more than what was being charged on the 31st March, 1957, and they have kept their promise. If there is any scope for any truce then it is for a truce for freezing the wages. In season and out of season we have been hearing of labour unrest. Who is creating this labour unrest?

SHRI RAJENDRA PRATAP SINHA: (Bihar): How are we to know that there has been a freezing of profits?

SHRI BABUBHAI CHINAI: If we want to increase the rates of the products, then we have to take the permission of the Ministry of Commerce and Industry. If we do not take that permission they have got certain measures which they can always apply by way of restrictions on the purchase of raw material? etc. I would request the hon. Member to refer to the Ministry of Commerce and Industry and find out whether the industrialists have carried out their promise or not. I am sure the Ministry of Commerce and Industry will bear me out. I know, Sir, that the wages have gone up, the prices of raw materials have gone up, and in spite of the promise given by the then hon. Minister that in such circumstances some increase would be given to the industrialists, when the authorities were approached, this request was not conceded on the only one reason that in spite of the rise in the cost of production, the industrialists were making pretty good profits. As such, they said, there was no case for giving something more. This will be borne out by the Commerce and Industry Minister.

One word more and I have done. Much was said about State trading in the course of the debate, especially the opinion of the hon. Food Minister given out at the last meeting of the National Development Council. I feel that we should be proud of the fact that there is one man at least who is prepared to act according to his convictions, whether we agree with him or not is a different matter . . .

SHRI ROHIT M. DAVE (Bombay)! Is there only one such man in the Cabinet?

SHRI BABUBHAI CHINAI: I do not say 'in the world'. At least there is one who has got . .

SHRI RAJENDRA PRATAP SINHA: Not 'in the world' but 'in the Cabinet'. My friend was asking about the Cabinet, not the Government.

SHRI BABUBHAI CHINAI: I do not want to distinguish between one officer of Government and another, but I can say that I am proud that the hon. Minister, Shri S. K. Patil, has got the courage of his conviction to say that he does not think that State trading is essential so far as his Department is concerned and that prices could be brought down by bringing in some buffer stocks ever ready to be released in the market whenever it is necessary. I am sure, Sir, that his efforts will bear fruit in course of time, and only events will show whether he was right or whether the others were right.

SHRI B. D. KHOBARAGADE (Bombay): May I know whether Mr. Patil has been able to convert his colleagues to his point of view?

SHRI BABUBHAI CHINAI: I do not know. You can put that question to the hon. Mr. Patil. I can speak for myself. I am convinced.

DR. B. GOPALA REDDI: Sir, I have listened to the speeches made during the last two days. The Budget discussion is now in the last stage and from the 29th February I have had a large number of opportunities of listening to the views of various hon. Members coming from various States both in this House and in the other House. Certainly, Sir, the new Members who have come to this House have brought in a fresh outlook with their intimate knowledge of the various problems which they could not give expression to on the floor of the legislatures and it is cer-

tainly gratifying that we have had the benefit of those fresh views. I am really glad that about 10 to 11 new hon. Members have taken part in this discussion.

Sir, it was suggested that the first Budget was presented in 1860 and certain hon. Members said that we should have celebrated the centenary of the presentation of the Budget some time ago. Whether we celebrate it or not, it is but right that we should look back on these 100 years. Sir, we have reached a stage when we will make greater progress with accelerated speed in the coming years. A century of financing has stood well by our country and we have gained much experience and I am sure that in the third, fourth and fifth Plans we will have the benefit of this experience and go forward into that take-off stage of our economy.

Sir, the hon. Member who started the discussion with a neat speech pointed out that there is a crisis of organisation. He applauded the great efforts that are being made, the objectives, the programmes and the plans and the way in which international climate is also being created for getting loans but he summed it up by saying that it is all a crisis of organisation. He said that we are not able to organise our efforts in a proper manner and derive the full benefit of our efforts. I do not know whether I can straightway say that he is not correct or I can straightway say that he is correct. After all, it is a question of comparison. If you look back on the ten years of development, and you see how our engineers, our administrators and others are undertaking huge responsibilities, I am sure you would perceive a vast difference. It is true that some of our administrators and engineers are new to some of the works that we are undertaking now. Some of these things were not being done before. These huge hydroelectric projects and irrigation projects were not known to them. They were just doing some little

repair work, some minor works like constructing a little road and things like that. Now heavy responsibilities have been entrusted to them and I am sure our administrators and engineers have acquitted themselves very well and they have won the praise of even international experts.

SHRI SUDHIR GHOSH: The point I was trying to make was that whereas the purposes of Government have undergone revolutionary changes the basic character of the Government machine has not changed even by one-tenth of an inch.

DR. B. GOPALA REDDY: That is where I am unable to agree with him. Whether it is one-tenth of an inch, or one inch, or one yard, or one metre according to the new phraseology, it is a relative term; it is a comparative term and I claim that we did undergo some change even in the Government machinery because otherwise we could not have spent all these huge sums during our First and Second Plans. Our administrative machinery previously was not geared up to this momentum but today slowly and steadily our machinery is also* being geared up and our people are able to undertake big responsibilities. If only more money is made available to them, they would be able to spend very much larger sums on irrigation and other projects. I know from personal experience our engineers and the Andhra Government have been asking us, 'Give us more money and we will be able to speed up our work and finish the Nagarjunasagar project within five or six years'. But of course due to shortage of finances it has to be phased and the Planning Commission and the Government are unable to give them more money and therefore they are going very slow. The engineers and administrators there have geared up the entire machinery so that they are able to spend at least Rs. 13 to Rs. 14 crores per year, a thing which they could not think of some time ago. I know, the entire irrigation budget of the Madras Government was only a few

lakhs some time ago but today on a single project they are able to spend twice that amount and thrice that amount in a financial year provided moneys are made available to them. But I do admit that much more work has to be done, much more organisation has to be installed. But more and more experience is also being gained.

Even with regard to community development work, I must say that there were days when our work was very slow; it was not at all perceptible even but later on thanks to the various seminars and tours and things like that of the officers concerned, they are able now to spend large sums of money on community development work. So in regard to rural development also we can say that slowly and steadily the administrative machinery is gaining speed and we need not draw a very gloomy picture of our organisational methods. After all, we gain by experience and things are moving fast and it is certainly not one-tenth of an inch as the hon. Member wants us to believe.

Sir, I am really thankful for the great variety of subjects that were discussed during these two days and when the Demands have been passed by the other House and when we are in the closing stages of the Budget discussion, if I do not touch upon all the subjects that have been raised today, it is not because they are unimportant or that they do not deserve any consideration but it is for want of time and perhaps a single Minister will not be able to answer for all the Departments. There were technical matters also among the vast variety of subjects touched upon by hon. Members but I can assure hon. Members that they will all be considered by the various Ministers and Ministries and nothing that has been said here will go waste. That is from my experience. Though the Ministers are not present here, certainly they are all put up to them and even if the Ministers do not see them, the Secretaries and* the other officers

[Dr. B.,Gopala Reddi.] who are concerned will certainly look into all these matters and if there is anything that they can do, they will certainly do. There are many things which they cannot do also for want of finance. For instance, an hon. Member from Gorakhpur wanted more money to be given to Education. Some were interested in rural uplift and they said it must be undertaken in a swifter manner. Somebody said that archaeology must be given greater preference; civil aviation must be developed; gliding clubs must be put up as in West Germany and so on, Naturally hon. Members plead according to their own aptitudes, according to the environments which they see around them and according to what they think is more important. Some people say that health is very important; some people say that education is more important, some say that archaeology is very important; our Indian culture must be fostered and in all the world capitals we must be able to broadcast our ideals and cur culture. There are others who want to see civil aviation developed, who want gliding clubs to be set up everywhere, who want all our young men to be trained in aviation so that we can go forward from civil aviation to military aviation. After all, it is a question of taking a balanced view of all these things. There are various claims from various territories for various departments with various objects and it is up to the Planning Commission and the Government of India to take a balanced view of all these things and to determine the priorities which they rightly deserve. After all if we begin spending as in West Germany on our gliding clubs and on civil aviation asking everybody to take to flying, it does require crores of rupees and if archaeology also is to be given a high priority, it also requires large sums of money. At the same time hon. Members have also criticised some of our taxation measures. They say, 'What is this Wealth Tax; what is this Expenditure Tax; what is this Gift Tax? They are not serving the purpose for which

They were put on the Statue Book end you are not getting any money from them. Therefore you had better reorient your thinking, reorient your entire tax policy'. So, on the one side they do not want that additional levies should be put; they want that there must be lesser levies and that direct taxation also should be lower to give greater incentives while on the other side they want more money to be given for various purposes from civil aviation to archaeology, from food production to industrial production. Certainly the Government is aware of all the requirements of the people; yet circumstanced as we are, in the condition in which we are, we have to go by some priorities and make the necessary resources available to meet those requirements. It is one thing to advise the Government, but it is another thing to sit in the Government or to sit in the Finance Ministry and see which requires a higher priority and which requires a lower priority, because the money is limited while the demands are various and variegated. Therefore, it is a question of taking a balance, a *via media*, and of trying to go ahead with the programmes incorporated in our Plan.

I am really somewhat surprised that Shri Khandubhai Desai, in a speech full of feeling and emotion, pleaded that nothing has been done in the rural side, that the entire Planning Commission is urban-minded and perhaps all the Ministers and everybody are urban-minded and that nothing big has been done to our rural people.

SHRI DAHYABHAI V. PATEL (Bombay):
What did he do when he was a Minister? Did he plead for anybody?

DR. B. GOPALA REDDI: I am not retorting him like that. Anyway, the one thing that has happened since our independence is that Governments, both State and Central, are paying more and more attention to the rural side. On the other hand there

are complaints from Calcutta, perhaps even from Bombay, but I know certainly from Calcutta, that in the name of rural development, in the name of community development, the urban towns, municipalities, the Calcutta Corporation, etc. are being neglected. So many people are coming into the cities. So many slums are being created and so many unemployed persons are there. Government in the name of community development are not caring for the urban community development. There was a resolution, there was also a speech at the Bangalore session of the A.I.C.C. From Calcutta Mr. Mukerjee, ex-Speaker of the Bengal Assembly, pleaded that you must re-orient your policy and you must also provide some monies for the big cities or big municipalities and that the entire urban community also must be looked after by the Government. So, the complaint is coming from the urban side. As I said, anybody who comes from abroad to our country— If he had seen our villages some time ago and if he sees them now—will certainly see that they are now a little ahead, with a little ambition, that something is being done. He will find some little industries. It may be hand-weaving, it may be Ambar charkha. It may be some community development, school building in it and hospital building in it. He will find certainly some little life. The entire rural life is pulsating with a new hope, and a silent revolution, as it is called, is taking place in the areas which are covered by community development. Even local development works have been taken up with great anxiety and with great enthusiasm. People come forward with their donations. A number of school buildings, a number of hospitals, a number of small little wells, have come up in our villages.

SHRI SUDHIR GHOSH: The only trouble is that the machine remains high bureaucratic in nature and that

is your trouble. We want to help. We want you to succeed.

DR. B. GOPALA REDDI: After all bureaucracy is a much maligned organism, apparatus. What is bureaucracy after all? It is a little examination as to whether there is a full appropriation or sanction. Bureaucracy is certainly necessary. Otherwise the whole thing will go rudderless, as it were. After all, even in spite of the bureaucracy great countries have flourished, great industries have come into being, great wars were also won. Bureaucracy is not a hindrance always. It is certainly of help. They examine them. They put up everything. They scrutinise everything. And yet we cannot go on maligning bureaucracy, the officialdom. The officials who are there are also inspired by lofty ideals.

SHRI SUDHIR GHOSH: I am not maligning anybody. I am merely trying to explain the nature of the Government machine, because we want you to make more effective use of our resources. We are not short of resources. If we want to make good use of the limited resources, we need machinery of a different character. That is what I was trying to say.

DR. B. GOPALA REDDI: That is all right. There is no difference between the hon. Member and myself. We do want on occasions a swift execution of our plans, a good scrutiny of our plans. While that is done, I always plead also for the officialdom or the bureaucracy. They have a right to function and they are there to function.

SHRI SUDHIR GHOSH: Nobody disputes that.

SHRI DAHYABHAI V. PATEL: They are functioning. The Ministers are not. That is the trouble.

MR. DEPUTY CHAIRMAN: Order, order.

DR. B. GOPALA REDDI: After all officialdom is there and in spite of the officialdom we are progressing. Our national income is growing and certainly in the coming few years we will see vast changes, in spite of that bureaucracy, in spite of that officialdom. Officialdom is not a thing to be discarded, but will have to be fully utilised and mobilised.

(Interruptions).

MR. DEPUTY CHAIRMAN: Let him continue. There should be no disturbance.

DR. B. GOPALA REDDI: Therefore, rural development is the one thing that is going on. But as I said, there are complaints from the urban cities. During the Second Five Year Plan, some of the important items of rural development on which expenditure has been incurred I will give now. These exclude figures relating to Education, Medical and Public Health, where it is not possible to distribute them between urban and rural sectors.

(Rs. in - :
crores)

Community Development and National Extension Service	77.14
Rural Development	3.77
Grants to States for agricultural production	31.26
Grants to States for development of backward) classes, scheduled tribes and castes.	60.09
Maintenance of Health Centres in N.E.S. Blocks	6.14

It goes on. For Khadi and village industries it is Rs. 51.78 crores. The total is Rs. 249.64 crores. It is not a small amount, considering our own limited resources. This does not include health, medical, education and things like that. In spite of that it comes to a big figure of Rs. 250 crores. It cannot be said that we have been neglecting the rural side. In the next two or three years the entire area will be covered by the community development blocks. I know

from personal experience that villagers are certainly asking for these extension blocks, because they know that something is being done in those areas. After all, somebody says organisational crisis; somebody says rural sector is not being looked after. Somebody says the agricultural sector is not being looked after, the village industries are not being looked after. Then, what is happening? Is something happening or not, from the First Plan and Second Plan? If anybody from the gallery listens to the speeches that are made on the floor of Parliament sometimes, he would feel that perhaps nothing is being done, that the Members of the House are up against the Government, that the whole thing is a flop. It is not so. After all something is being done. Members can say that the whole thing must be accelerated, the whole thing must be organised in a proper manner. To say that nothing is being done, the rural side is being neglected, does not give a true picture of what is happening. I do not want hon. Members to delineate a gloomy picture and give an impression that nothing is being done in the country outside.

Shri Khandubhai Desai has also been complaining that while excise revenue is increasing, income tax has not shown improvement. Taxation must be on an equitable basis. Here again, I do not think he has all latest figures with him. Income tax also is not static. There is greater production in the country. Profits also are there and the Income tax Department are realising more and more from year to year. I have certain figures. In 1954-55 we collected Rs. 159 crores both on the corporation tax side and also on the income-tax side. For the subsequent years these are the figures:

1955-56	Rs. 168 crores
1956-57	Rs. 203 crores
1957-58	Rs. 220 crores
1958-59	Rs. 226 crores
1959-60	
(latest)	Rs. 241.62.

The figure for 1959-60 is Rs. 11 brores over and above the revised estimate which was given on the 29th February. From Rs. 159 crores in 1954-55 to Rs. 241.62 crores in 1959-60, it is more than 50 per cent in the last six years. Our income-tax receipts have gone up

by more than 50 per cent ----- not a bad record as far as the direct taxation is concerned, ----- and I am sure that in the next two or three years some of the tax holidays will be extinguished. The development rebate, the depreciation and additional depreciation allowances, etc., are all being enjoyed by some of the industries that have come in under the First Plan and the Second Plan. Some of these advantages are being enjoyed by them, but as soon as they are extinguished, they will begin paying income-tax, and in the next two or three years I hope that our direct taxation, our income-tax and corporation tax, will reach Rs. 300 crores. It is not a bad performance at all. It is true that Central excise has gone up in the last five or six years from Rs. 160 crores or so to Rs. 350 crores or so. It is true that direct taxation cannot keep pace with indirect taxation, and then we need not be apologetic about our proportion of indirect taxation. It may be of interest to observe that the total indirect taxation with reference to the total tax revenue of the Central Government is less in India than in many other countries. In India it is 67.2 per cent; in Pakistan 70 per cent; in France 74 per cent; in Switzerland 73 per cent; and in the U.S.S.R. 83 per cent. It would thus follow that with the emergence of a socialist pattern of society and the disappearance of higher income groups, comparatively more reliance would have to be placed on indirect taxation in future. Supposing in a socialist pattern of society we reduce the higher incomes, naturally we will have to place reliance on our own Central excise and things like that, indirect taxation, and therefore we need not be apologetic that we have a very high percentage of indirect taxation in our country.

169 RS—7.

Sir, Mr. Khandubhai Desai, also pleaded very vehemently that we must revive our Excess Profits Tax Act which was given up immediately after the war in 1946. It is true that many people made huge sums of money, huge profits during the war period and immediately in the postwar period perhaps, and an Act which was in force during the war period; the Excess Profits Tax Act, had to be given up in 1946 or so. Sir, excess profits tax is generally levied in a period of monetary and price inflation such as during war and post-war periods. The Taxation Enquiry Commission considered this point in detail, and they stated that while the excess profits tax may be kept in reserve for possible use in a highly inflationary period when excess profits are made, they did not recommend the levy of this tax as a normal component of the tax system for which income-tax and corporation tax should ordinarily suffice. It is not as though our income-tax is so innocent as -not to mop up some of the profits. Of course people are complaining about the high personal taxation in the country. Therefore, this must be kept as a reserve, as they said, for a highly inflationary period when excess profits are made, and they did not recommend this as a normal component of the tax system. They further stated that the experience of the U.S.A. and other countries in regard to excess profits tax in normal times has shown no particular advantages for it over the customary forms of income taxation. Incidentally the Income-tax Act already provides for the taxation of capital gains. Therefore, in view of this I do not know whether there is need for the revival of the excess profits tax. The people are making profits, the entire society, the entire community, because of the fruition of some of the projects and things like that. There is a tremendous growth of national income and everybody is having a little share of that, and perhaps some of them are having a little larger share than necessary. But there is no need or no case fo: %

[Dr. B. Gopala Reddi.] reviving the excess profits tax just now.

Sir, I need not touch upon the South Calcutta election. Both in the other House and in this House much has been said, perhaps for and against, and, as our Deputy Law Minister says, the Election Commission came to the conclusion that there was widespread impersonation. When that is the conclusion to which the Election Commission came, it is not up to us to interfere with their discretion, and they are not doing it at the dictation of the Government. They have come to the conclusion that there is wholesale impersonation, and therefore it is but right that they adopt methods which will eliminate impersonation. I / something about that. I was also concerned with elections in Madras municipal elections and State rably elections. I knew that in Coimbatore, in a small house there 27 people. I find that Mr. Avinashilingam Chettiar is not here. Anyway, there were Christians, Muslims, Iyengars, Iyers, everybody in that small house, and they were all to vote in a municipal election. When that came to the notice of the Government, we had to postpone the election of that ward and ordered the revision of the electoral roll. Therefore, when there is widespread impersonation, or at least when there is ample proof of widespread impersonation, it is but right that the Election Commission or the authority that is concerned in the matter should take proper steps to see that such things do not exist, that these ghosts have no place in a democracy ----- they can go into the infernal flames. In a democracy it is up to us to safeguard it and eliminate impersonation wherever it exists; whether it is pro-Communist or pro-Congress or pro-anything it must be eliminated, and it is the duty of the Election Commission to do that.

Then, Sir, our learned friend, Mr. Basu, made a reference to the Calcutta Port. The departments concerned are certainly looking into the

matter. It is not as though it has escaped attention. All possible steps are being taken. The river Hooghly has deteriorated rapidly during the last ten years* due to various causes such as increase in the sand and silt charge, inadequate head water supply, bad configuration of the river in certain stretches, non-implementation of river training schemes in the past and increase in the intensity and frequency of bore tides. The matter continues to receive the urgent attention on the part of the Port Commissioners and of other connected authorities. Suitable research techniques are also being developed with the assistance of the Central Water and Power Research Station, Poona, for arresting the deterioration and improving the navigation facilities. Certain river training works have also been taken in hand. Besides river training works, intensive dredging is being undertaken with the assistance of four large suction dredgers. The dredging fleet is being expanded and an order for the construction of a new suction dredger at a cost of Rs. 177 lakhs has also been placed which is expected to be received next year. Further proposals for the purchase of fresh dredgers are under consideration. Meanwhile the existing dredgers are working to full capacity. A dredger is also being requisitioned from the port of Vishakapatnam.

All authorities are unanimous that the Hooghly navigable channel can be improved only by the cumulative action of intensive dredging, appropriate river training works and restoration of adequate perennial head water supply.

Sir, while the position about the port demands urgent attention on the part of the authorities, it is not as grave or as alarming as has been made out in the Press or on account of the concern expressed by the shipping interests in Calcutta. I can assure the House that no efforts will be spared to meet the situation in every possible manner.

As I said the Ministry concerned is fully aware of the difficulties that will arise if the Calcutta Port does not function properly, and they are taking all necessary steps.

As was done last year, the hon. Member from Hmiachal Pradesh devoted his entire time to the affairs of the Territorial Council of Himachal Pradesh, the administration aspect and things like that. I listened to him last year also with great attention, and when I went to Simla in July last, I met the Lieutenant-Governor, the Chief Secretary and the Finance Secretary. All have discussed the problems which he raised I had all the points which he raised with me, and I told them that the hon. Member from Himachal Pradesh was raising these points from time to time on the floor of the House, and I wanted to know what exactly was happening. So I spent nearly two hours with the Chief Secretary, the Finance Secretary and the Lieutenant Governor discussing all the points that he raised. And of course they give a different version of what is happening in the Territorial Councils or about the attitude that is generally adopted by the hon. Member. That is a different story. But all these matters are also being looked into by the hon. Home Minister himself. While I do not want to say anything more on that, we will certainly see what could be done with regard to improving the administration of the Centrally administered areas. I do not know how he is complaining that the Judicial Commissioner is there for the last six or seven years. After all, Judicial Commissioners are not appointed for a fixed tenure of office. They are there sometimes for a very long time. Hon. the Chief Justice of the Madras High Court has been the Chief Justice of Madras from February, 1948, It is now over twelve years and still he is the Chief Justice. He has been a Puisne Judge also in the same High Court, and he can go on till he at-

tains sixty. Therefore, there is no question of any tenure of office for the Judicial Commissioners. He can only complain that the Lt. Governor has been there for more than five years. That is a different matter. He thought that he was part of the administration and therefore it would not be desirable to keep him for longer than five years. That is a different matter. But with regard to, the Judicial Commissioner, I think he has no case to make out, and he can stay there as long as the administration wants him to or till he attains his superannuation.

Shri Jaswant Singh pleaded for the ex-State Defence Forces. He spoke about the emoluments, pensions and other matters connected with the ex-State military personnel of Jaipur, Jodhpur and all those Indian States. All these matters were considered at great length. It is not peculiar to the Defence Services alone. We have the same problem in the Income-tax Department also in regard to people who have come from Travancore, Mysore and other States. But all these matters were considered by the Home Ministry and they came to certain conclusions and they finalised the matter in 1951 or 1952. But, of course, they are not satisfied with what has been done by the Ministry. In these things, they have to take an all-India view of the matter. If we reopen the issue of pension of people who retired some time ago and during a certain period and then begin to raise their emoluments, etc. there will not be any finality in these matters. Something has been done. We know their educational qualifications, their experience in the Indian States and their calibre and the salaries that they were receiving also. And I do not think, as far as I could see, that any officer has suffered because of the integration of Indian States with the Indian Union. They do not perhaps get what they expected or what their counterparts in Madras or Bombay or Calcutta are getting today. It is

[Dr. B. Gopala Reddi.] a different matter. But when compared to the emoluments that they were receiving prior to integration, certainly they are not in a very disadvantageous position. On the other hand, many of them have gained much, and therefore, Sir, there must be some finality with regard to these matters, and we must allow them to rest instead of raking them up from time to time whenever some representation is received.

My friend, Shri K. K. Shah, was somehow misled by the figures given in the Appropriation Bill and he said that our debt itself was over Rs. 5,000 crores and things like that. As I mentioned in the introductory speech, out of a total of Rs. 5,327 crores included in the appropriation for the repayment of debt, Rs. 5,187 crores are for the discharge of Treasury Bills and Rs. 140 crores only for repayment of other debts. The Treasury Bills have a currency of 91 days and unless discharged, are automatically renewed. Accordingly, provision is required to be made for their discharge four times a year. The figure of Rs. 5,187 crores does not therefore represent the total outstanding amount of Treasury Bills. This would be of the order of Rs. 1,298 crores at the end of 1959-60. Moreover, the rate of interest on these Treasury Bills is not 4 per cent, but about 2.7 per cent. This rate depends upon the average rate at which tenders for investment in Treasury Bills are accepted at public auctions.

The thesis built up by Shri Shah therefore proceeds on wrong premises. The volume of public debt, with the large development plans that the country has in view, would inevitably increase as the plans are implemented. But with their implementation, we can expect a steady increase in incomes and savings with the consequential increase in the capacity of the country to repay the public borrowing. Therefore, even with regard to our borrowings, whether internal or external, we need not take a pes-

simistic view. All that is being considered at various levels and it is not as though the lenders also are carelessly giving these loans. They are very great experts; they are *great* bankers; they come and study our situation very carefully from time to time. Missions come and they give their reports to their countries or to the World Bank, and after very careful consideration, after careful deliberations, they allow some of these loans. And it is not as though after receiving them we will not be in a position to repay them and it is not as if our position is becoming critical. I would also like to repeat the assurance given by the Finance Minister and the Prime Minister from time to time that every instalment, every single pie that has been taken from abroad will be given back with due interest at the stipulated time, and there will not be any default on our side. I mean, after all, that assurance is already there and the country also knows the position full well. There is no intention of our going back on our commitments and there again, we need not take, a very pessimistic view.

Sir, with regard to fisheries also, certain points were raised. I have some notes also here. It is not as though we have neglected fisheries. There again, we have been spending some money in the Second Plan and during the first four years of the Second Plan, a total sum of Rs. 2.89 crores approximately has been spent on grants to States for fisheries and for fisheries research and development schemes, apart from what they are spending on this from their own resources. In addition, this year's Budget provides Rs. 1.62 crores for this purpose. In all, a sum of Rs. 4J

will be spent during the Five Year Plan period. It is true that we have a very long coastline in Kerala, in Tamil Nad, in Andhra Pradesh, in Orissa, etc. and if we can spend more money, perhaps we will be able to get more fish. But here again it is a question of priority because

Shri Sri Rama Reddy would like to have money for livestock purposes or for veterinary science. Somebody may want it for various other researches. Therefore, the Planning Commission had to circumscribe the allotments to these various purposes to the extent possible.

Shri K. K. Shah said that our national income was also not commensurate with the investments that we had been making. But I may say that during the last ten years, our national income has been growing up at 3.5 per cent, and of course, our population also has been going up at 1.8 per cent. The difference of 1.7 per cent, is the real rise in the per capita income. After all, I think it will be accelerated in the coming Plan periods.

Sir, various views were expressed by various hon. Members, Really some very nice speeches were made and nice viewpoints were expressed. And I am thankful to hon. Members for the various views that they have expressed. Of course, I have no doubt in my mind that they will not object to any of these appropriations being granted. While granting the appropriations, they have also showered upon the Government their blessings, and we receive these grants with those blessings.

Thank you, Sir.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consoli-

dated Fund of India for the services of the financial year 1960-61, as passed by the Lok Sabha be taken into consideration."

The motion was adopted.

6 P.M.

MR. DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill.

Clauses 2 and 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

DR. B. GOPALA REDDI: Sir, I move:

"That the Bill be returned."

The question was put and the motion was adopted.

ANNOUNCEMENT RE. GOVERNMENT BUSINESS ON SATURDAY, THE 23RD APRIL, 1960

MR. DEPUTY CHAIRMAN: I have to announce that there will be a sitting of the House on Saturday, April 23, 1960, for the transaction of Government Business, namely consideration and passing of the Bombay Re-organisation Bill, 1960.

The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at two minutes past six of the clock till eleven of the clock on Friday, the 22nd April 1960.