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LOK SABHA DEBATES

(Sixth Session)



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LOK SABHA SECRETARIAT
NEW DELHI

62 N.P. (ENGLAND)

THREE SHILLINGS (PAPER)

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LOK SABHA DEBATES

1799

1800

LOK SABHA

Friday, 28th November, 1958

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Technical Man-Power Requirements for Oil and Natural Gas Commission

*291. **Shri V. C. Shukla:** Will the Minister of Steel, Mines and Fuel be pleased to state how Government propose to meet the requirements for the technical man-power of the Oil and Natural Gas Commission's different directorates for the remaining period of the Second Five Year Plan?

The Minister of Mines and Oil (Shri K. D. Malaviya): In addition to the present practice of sending the officers of the Commission abroad for higher training, it is proposed to recruit persons with suitable educational background and train them up with the existing field parties. Recently, a technical training school was started at Jwalamukhi to impart training in oil well drilling.

Shri V. C. Shukla: May I know whether the arrangements made at Jwalamukhi for training men in oil and gas technology are considered to be sufficient for our requirements under the Second Five Year Plan, and if not, what additional arrangements are being made in India for training persons in oil and gas technology?

Shri K. D. Malaviya: We require a large number of technicians for the remaining part of the Second Five Year Plan.—1.

Year Plan, about 1200 persons, including geologists, geo-physicists and drillers. The Jwalamukhi school caters only to drilling experts; we have got a phased programme; and the number of students who are receiving training there is according to our immediate programme; since there is only limited accommodation there, we have phased the programme in such a way that we shall meet the demands of our drilling programme only.

Shri V. C. Shukla: Have any estimates been made of the number of technicians required for the Third Plan period, for gas and oil technology, and if so, what are those estimates?

Shri K. D. Malaviya: For drawing up a programme for technicians for the Third Plan, we must have an idea of the programme itself. That will take some time, perhaps a year or more.

Shri C. R. Pattabhi Raman: Are they being sent in batches abroad for technical training?

Shri K. D. Malaviya: Yes. If we require such trainees, we do send some boys outside. As a matter of fact, many of our boys are receiving training abroad also.

Shrimati Mafida Ahmed: Is it a fact that some engineering personnel are undergoing training in the Assam Oil Co.?

Shri K. D. Malaviya: They were receiving training in the Assam Oil Co., some time back.

Shri Joachim Alva: As a result of the agreement with Rumania, how many boys are going to be sent to Rumania for training?

Shri K. D. Malaviya: There are two sets of trainees that have been proposed to be sent to Rumania. One is for our refinery. It will run into many scores, perhaps to fifty or sixty or more. With regard to our drilling programme, we are preparing a scheme to send about two dozens, in the next three or four months, if possible.

Shri S. M. Banerjee: May I know whether the various directorates under this particular commission which are purely of a temporary nature are going to be declared permanent after the Second Five Year Plan?

Shri K. D. Malaviya: The permanent nature of the cadre depends upon the permanent nature of the work. We think that we are progressing well with our oil exploration programme, and when the entire programme is put on a permanent basis, the technicians also will be put on a permanent basis.

Shri T. B. Vittal Rao: At what stage is the proposal to have an All India Petroleum Institute?

Shri K. D. Malaviya: Just now, we are not actively considering any proposal for creating an All India Petroleum Institute. There are various institutes where the required type of training is being imparted.

Shri Hem Barua: May I know whether Government propose to start a training institute for drillers in this country, and if so, whether they have selected the site for the location of that institute?

Shri K. D. Malaviya: We have already started a drilling centre at Jwalamukhi. About 40 boys are receiving training there; some are receiving practical training at the site of drilling, and some are receiving theoretical training. As our requirements increase according to this programme, we shall have to admit more boys, and perhaps open a school at Cambay also.

Shri Ranga: Have Government any scheme to see that the Assam Oil Co., trains a number of our young men in a systematic manner from year to year? The hon. Minister said some time back that they had some people to be trained; but afterwards, we do not know what is happening.

Shri K. D. Malaviya: Unfortunately, I must say that we have not had a very good experience of sending our boys for practical training in the Assam Oil Co., because they do most of the work on a contract system, and they are more anxious to finish their work within a scheduled time than to train our boys as they say, it takes more time for them. We are now undertaking all such work systematically and under our own arrangements.

Shri P. C. Bose: May I know whether a new section has been opened recently in the Indian School of Mines to impart training in oil technology?

Shri K. D. Malaviya: Yes, in certain activities of oil exploration.

Child Lifting

*292. **Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 375 on the 21st August, 1958 and state the progress made with regard to the study of existing laws to determine whether they are adequate for coping with child-lifting and the specific problem of children being mutilated?

The Minister of Home Affairs (Pandit G. B. Pant): The views of the State Governments on the tentative conclusions reached by the Government of India in the matter are awaited.

Shri D. C. Sharma: May I know how many States have sent their views, and how many have not sent their views?

Pandit G. B. Pant: Some of the Union Territories have sent their comments and replies, but none of the

State Governments has yet sent its views.

Shri D. C. Sharma: May I know whether social welfare agencies like the Indian Council of Child Welfare will be consulted in this matter?

Pandit G. B. Pant: No. Perhaps, a reference has been made to them; if not, we shall do so.

Shri D. C. Sharma: Is it not a fact that in the neighbouring countries like Japan, there is no problem of child lifting, and will it be possible for the Ministry to find out how they have been able to overcome this social disease?

Pandit G. B. Pant: A number of proposals have been sent to the States by the Central Government, and they also involve an amendment of the Indian Penal Code, and a number of administrative measures.

Shri Rameshwar Tanti: May I know whether Government are aware that an innocent sadhu has been burnt to death in Jaipur, last month, in the wrong belief of his being a child lifter, and if so, what protection would be given to such persons in future?

Pandit G. B. Pant: I am sorry that an innocent sadhu has been murdered.

Dr. Sushila Nayar: I understand that reference has been made from time to time to the need for a comprehensive Act for the protection and welfare of children. Have Government taken any steps in that direction?

Pandit G. B. Pant: Government have advised State Governments to adopt the Bombay Children's Act which seems to be the most progressive of all, and a Bill is also being introduced in Parliament.

Some Hon. Members: We cannot hear the hon. Minister.

Mr. Speaker: The hon. Minister will kindly address the whole House. The mike arrangements are such that un-

less he addresses the Chair, it will not be audible to the whole House.

Pandit G. B. Pant: I am sorry. It was an hon. lady Member who asked the question. So I thought I should turn that side.

Shri Tangamani: Three months have passed since Government have reached certain conclusions about proper legislation. The hon. Home Minister has stated that only a few State Governments have responded to this. May I know whether, on the basis of the conclusions, suitable legislation will be introduced here or a model piece of legislation sent to various State Governments?

Pandit G. B. Pant: The legislation will be passed here, but as the item is included in the Concurrent List, it is necessary to consult the States before initiating the legislation.

Dr. Sushila Nayar: The hon. Minister has said that the States have been advised to apply the Bombay Children's Act which is the most modern today. May I ask if this most modern Act has been applied to the Union Territories by the Home Ministry?

Pandit G. B. Pant: I was just submitting that we are introducing a Bill of our own here which, we hope, will mature into an Act soon.

Dr. Sushila Nayar: In Delhi the Act that has been applied is the 1921 Bombay Children's Act. After that, there have been two revisions. In spite of repeated requests, that the latest Act be applied, it has not so far been done. Is there any reason for that?

Pandit G. B. Pant: I understand there are perhaps some legal difficulties. We have accordingly decided to introduce a Bill here in Parliament which, if everything goes well, may be adopted even in this session, but at the latest in the budget session.

Shri D. C. Sharma: Is there any proposal to flog publicly proved offenders of this kind?

Pandit G. B. Pant: No, we have abolished flogging completely.

Local Bodies Schools in Punjab

*293. **Shri Ram Krishan:** Will the Minister of Education be pleased to state:

(a) whether Government have received a request from the Government of Punjab to give money for implementation of scheme for provincialisation of Local Bodies Schools in the State;

(b) if so, the total money asked for; and

(c) the nature of action taken in this regard?

The Minister of Education (Dr. K. L. Shrimali): (a) A scheme for the revision of salary scales of teachers of local bodies' schools has been received.

(b) Rs. 62 lakhs as Central assistance during 1958-59.

(c) The State Government have been advised to include this scheme in their Second Five Year Plan in order to earn Central assistance.

Shri Ram Krishan: May I know whether any help has so far been given for raising the salaries of these teachers?

Dr. K. L. Shrimali: During 1957-58, Central grants amounting to Rs. 16,75,500 were sanctioned Under the scheme for improving the salary scales of primary school teachers.

श्री जगदीश प्रबन्धी : क्या मैं जान सकता हूँ कि इस प्रकार की प्रार्थना किसी अन्य राज्य सरकार ने भी केन्द्रीय सरकार के समक्ष भेजी है ?

डा० का० ला० श्रीमाली : यह प्रश्न तो पंजाब के संबंध में है। यदि माननीय सदस्य दूसरी रियासतों के बारे में पूछेंगे, तो मैं जवाब दूंगा।

श्री जगदीश प्रबन्धी : क्या मैं जान सकता हूँ कि स्थानीय निकायों द्वारा

संचालित शिक्षा संस्थाओं की वार्षिक कुल-वस्था को देखते हुए केन्द्रीय सरकार उनके राज्जीकरण के सम्बन्ध में किसी राज्य सरकार को प्रस्ताव भेजने का विचार कर रही है ?

डा० का० ला० श्रीमाली : यह तो इस प्रश्न से नहीं निकलता है। इस का नोटिस चाहिये।

Mr. Speaker: He only wants to know whether the Central Government have advised various other State Governments also to provincialise the local bodies' schools in various territories.

Dr. K. L. Shrimali: No general advice has been given to all the State Governments. But whenever certain specific proposals are made, the Central Government do examine them.

Indian Council for Cultural Relations.

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*294. { **Shri Subodh Hansda:**
Shri S. C. Samanta:

Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether the plan and estimate for the construction of the building for Indian Council for Cultural Relations have been prepared;

(b) if so, whether this has been approved by Government;

(c) whether the location for the building has also been finalised; and

(d) if so, where?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) to (d). The plans have been generally approved by Government, but detailed estimates have yet to be approved. It will be located in the Indraprastha Estate, New Delhi, and the foundation stone of the building was laid by the President of India on 11th November, 1958.

Shri Subodh Hansda: May I know whether it is a fact that the original estimate has been reduced as a measure of economy? If so, what is the amount reduced?

Shri Humayun Kabir: It is a fact that the original estimate of Rs. 8.2 lakhs has been reduced to Rs. 7.2 lakhs.

सेठ गोविन्द दास : क्योंकि यह इमारत एक सांस्कृतिक इमारत बन रही है, इस लिये क्या इस बात का ध्यान रखा गया है कि इसका मानचित्र ऐसा बनाया जाय, जिस के देखने से भारतीय संस्कृति का भी कुछ प्रभाव मन पर पड़े ?

श्री हुमायूँ कबिर : जी हाँ ।

सेठ गोविन्द दास : इस के सम्बन्ध में किस किस से राय ली गई है ?

श्री हुमायूँ कबिर : जो आर्किटेक्ट्स है, उन का नाम है कानविन्दे एण्ड राय ।

Shri S. C. Samanta: The hon. Minister has said that the building will be located in Delhi. May I know whether the suitability of the space that will be available in the National Laboratory for housing this Council has been examined?

Shri Humayun Kabir: I do not quite follow the question. Does the hon. Member suggest that this should be located in the National Physical Laboratory?

Shri Ranga: National Library.

Shri S. C. Samanta: The additional space that will be available could be used.

Shri Humayun Kabir: The question is not very clear. If it is the National Laboratory, which National Laboratory? If it is the National Library, the building does not exist.

Shrimati Benn Chakravartty: May I know whether, in view of the fact that many very important priority projects

have had to be put off for lack of funds, such building projects are going to be continued still?

Shri Humayun Kabir: It is a matter of opinion. The hon. lady Member may not have much use for culture, but others have.

Shri T. B. Vittal Rao: What is this answer, Sir?

Mr. Speaker: I do not think the question deserves such an answer.

Shri Humayun Kabir: It is a question of opinion as to what is important and what is not. I consider a building for the central headquarters for the cultural association of India to be a very high priority. It is a matter of opinion.

Mr. Speaker: Order, order. Nobody denies it, but to say that the hon. Member is not well conversant with our culture is not proper.

Shri Humayun Kabir: I withdraw that part of the reply.

Mr. Speaker: Hon. Ministers must be a little thick-skinned.

Shri V. P. Nayar: The hon. Minister has said that the firm of Kanvinde and Rai are the firm of architects to whom the contract has been given. What were the special circumstances under which the contract for drawing up of plans were given to that particular firm of architects and why the drawing was not entrusted to architects attached to the CPWD?

Shri Humayun Kabir: This matter was considered several years ago, and after consulting the CPWD and the Ministry of Finance, the contract was given to Kanvinde and Rai.

Policy Direction to Life Insurance Corporation

*295. **Shri Harish Chandra Mathar:** Will the Minister of Finance be pleased to state:

(a) what policy directives, if any, have been issued by the Government

of India to the Life Insurance Corporation; and

(b) what is the purpose and effect of the directives?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) and (b). Government have so far issued two directives for purposes mentioned below:

(i) to entrust Enquiry regarding Shri L. S. Vaidyanathan's conduct in the Mundhra deal to the Bose Board of Enquiry; and

(ii) to move the Allahabad High Court to appoint a Special Officer for the regulation and conduct of the British India Corporation and Begg Sutherland and Company Limited, and to issue an injunction preventing the former management from exercising any powers in relation to the conduct of the affairs of these companies.

Both the directives have since been implemented by the Life Insurance Corporation.

Shri Harish Chandra Mathur: May I know what steps, if any, have been taken to streamline the administration and functioning of the Corporation in the light of the recommendations and conclusions of the Chagla Inquiry Commission?

Shri B. R. Bhagat: That is too wide a question.

Shri Harish Chandra Mathur: This is a question of policy directives to secure the independent working of the Corporation and ensure the streamlining of the administration. Have any directives been issued and have any steps been taken in this regard?

Shri B. R. Bhagat: There has been no other directive issued other than the two that I have mentioned so far as the purpose in view of the hon. questioner is concerned.

Shri Bimal Ghose: So far as the second item of policy directive is

concerned, may I know what is the policy involved in that?

Shri B. R. Bhagat: It relates to the appointment of a Special Officer. It is an important matter; it is not a minor matter.

Shri Prabhat Kar: May I know whether any policy directive has been issued to the Life Insurance Corporation regarding the payment of bonus to the staff?

The Minister of Finance (Shri Morarji Desai): That was issued last year saying that no bonus is to be paid in the government nationalised sector.

Shri Bimal Ghose: The hon. Deputy Minister has given one policy and the hon. Minister said another directive policy.

Mr. Speaker: Next question.

Shri Harish Chandra Mathur: May I ask one question, Sir?

Mr. Speaker: I have already passed on to the next question. I already allowed the hon. Member 3 questions. I looked at him; because he sat down I called another Member.

Shri Harish Chandra Mathur: I am sorry I was not observed. Certain very strong observations have been made by the Chagla Enquiry Commission regarding the administration and functioning of the Corporation. May I know whether the Government considers them to be of no consequence and whether they consider it is not necessary to take any action and issue instructions in the light of those observations?

Shri B. R. Bhagat: I am surprised that the hon. Member draws this conclusion. The matter was discussed in this House and no less a person than the Prime Minister himself spoke on it and gave the opinion of the Government on these matters.

Shri Ranga: May I put a question, Sir?

Mr. Speaker: No; hon. Members have had ample opportunities to rise in their seats.

Manufacture of Earth Moving Equipment

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 { **Shri Bahadur Singh:**
 { **Shri S. M. Banerjee:**
 { **Shri Tangamani:**
 { **Shri Rameshwar Tanti:**
 *296. { **Shri U. C. Patnaik:**
 { **Shri Sanganna:**
 { **Shri Raghunath Singh:**
 { **Shri Morarka:**
 { **Shri Nathwani:**

Will the Minister of Defence be pleased to refer to the reply given to Unstarred Question No. 2727 on the 24th September, 1958 and state:

(a) whether any programme has been chalked out for the manufacture of earth moving equipment like tractors, bulldozers etc., in the Ordnance Factories of India in collaboration with Messrs. Komatsu Manufacturing Company of Japan; and

(b) if so, the details thereof?

The Deputy Minister of Defence (Shri Raghuramiah): (a) and (b). The question of manufacturing various types of earth moving equipment in the Ordnance Factories of India is under consideration. At present it is proposed to take up the manufacture of tractors for the Defence Services. The tractors will be of Class I, Class II and Class IV.

An agreement for the manufacture of these tractors was concluded with Messrs. Komatsu Manufacturing Co. Limited of Tokyo on the 9th September 1958. It is proposed to manufacture these tractors between the years 1959 and 1962.

The prices of these Japanese tractors are favourable and are cheaper than those of equivalent types obtainable elsewhere. Firm prices have been guaranteed, subject only to price variations according to wage index and steel prices.

Our Army have accepted these tractors on the basis of specifications given by the manufacturers. The firm have guaranteed performance up to specifications.

A team of Defence Engineers went to Japan and reported successful trials of all the three classes of tractors.

It has been agreed that we shall be at liberty to export tractors and other items manufactured under this agreement to any country subject to payment of such royalty as might be mutually agreed upon.

It is estimated that the manufacture of tractors under this agreement will result in a considerable saving of foreign exchange, which may amount to about 110 lakhs in the next four years.

Shri Bahadur Singh: May I know the approximate cost that is proposed to be incurred in the establishment of these factories and also the places where such factories will be established?

Shri Raghuramiah: We already have a good deal of machinery in the Ordnance Factories which can be utilised for this. Some special machinery we have to import that is all not the whole machinery.

Mr. Speaker: The hon. Member wants to know the cost of such machinery as would have to be imported.

Shri Raghuramiah: About Rs. 40 lakhs.

श्री रामेश्वर दादिया : मैं जानना चाहता हूँ कि क्या यह फर्म ट्रैक्टरों के लिए सरकारी एम्बुड लिस्ट में है ?

Shri Raghuramiah: These are what are technically called the crawler tractors. The Army has been using these tractors—not of the Japanese manufacture but crawler tractors such as those which the Japanese are going to assist in the manufacture of in this country.

Shri Rameshwar Tanti: May I know whether this firm supplied tractors to the Spanish Government and they were found unsatisfactory?

Shri Raghuramalaiah: I have no information of that at the moment. But our experts have gone there and have satisfied themselves that they are quite capable of performing the task which they are to perform.

Some Hon. Members rose—

Mr. Speaker: Why should hon. Members be in such a haste?

Sardar A. S. Saigal: May I know whether the overhead expenses also will be included in the production figures?

Shri Raghuramalaiah: These are matters of detail which have to be worked after production begins.

Mr. Speaker: I am going to call first those hon. Members who have tabled the question. **Shri Raghunath Singh,**

Shri Raghunath Singh: May I know whether it is a fact that the team was sent to Japan after signing the agreement?

Shri Raghuramalaiah: That is so, Sir.

Shri Raghunath Singh: May I know the reason why it was not sent before?

Shri Raghuramalaiah: In the first instance, there was an agreement entered into with the International Harvesters, an American company, subject to ratification by the American head office. They backed out and we thought that it would not be safe to go on prolonging negotiations. As it is, the Japanese firm have given us the specifications; the Army approved of the specifications. And, further more, the Japanese firm has given us a guarantee of satisfactory performance. Therefore, we thought it best to enter into an agreement.

Shri U. C. Patnaik: May I know, in view of our past experience with firms of this kind, whether the antecedents

and the capabilities of this firm were taken into consideration and whether the Ministries of Agriculture and Irrigation and Power were consulted?

Shri Raghuramalaiah: A few months before entering into this agreement we, in fact, called for global tenders and only two companies agreed to assist us in the manufacture. One is the International Harvesters and the other is Marshal and Co. of United Kingdom. The second company did not and had not manufactured heavier tractors of class I type which the Army wants. Therefore, we were left only with the International Harvesters and they backed out. So, we had no option.

Shri Tyagi: That is not the reply. The question put was whether the other Ministries were consulted?

Mr. Speaker: Hon. Members ought not to go on putting questions sitting.

Shri Tyagi: The question was not properly replied, Sir. The question was whether the other Ministries were consulted or not. That has not been replied.

Mr. Speaker: I will give an opportunity.

Shri Morarka: Is it a fact that a prior contract existed between the Ordnance Factories and an Indian firm the Voltas Ltd., for the manufacture of such equipment; and, if so, has that agreement been cancelled and when?

Shri Raghuramalaiah: I am not aware of such an agreement.

Mr. Speaker: What is the question that was not answered?

Shri U. C. Patnaik: The question was whether the Ministry of Agriculture wherein the C.T.O. deals with heavy earth removing machinery and the Ministry of Irrigation and Power which also deals with such machinery were consulted before this transaction was entered into?

Shri Raghuramaiah: The crawler type of tractors are not used normally by the Agriculture Ministry. I believe only the wheel type is used for agricultural purposes. In any case . . .

Shri U. C. Patnaik: The C.T.O. has got the 'caterpillars', the crawler type of tractors.

Shri Raghuramaiah: In any case, the Ministry that was concerned with it is the Commerce Ministry and we did consult the Commerce Ministry before entering into this agreement.

Shri S. M. Banerjee: May I know if the earth-moving equipments are going to be manufactured in a particular ordnance factory or a number of ordnance factories and if so, what are those factories?

Shri Raghuramaiah: I will have to examine that; I cannot give off hand that information.

Sardar A. S. Saigal: May I know how much foreign exchange will be involved in this deal?

Shri Raghuramaiah: Actually the scheme involves saving of foreign exchange. Over a period of three or four years, we hope to save about Rs. 110 lakhs of foreign exchange. I might add, Sir, this information. A question was put earlier as to how much machinery we may have to import and I said: about Rs. 40 lakhs. I may add that it actually equals to a saving we contemplate in regard to the spare parts so that in effect we do not pay any more foreign exchange at all even for the machinery which we obtain.

Dr. Sushila Nayar: The hon. Deputy Minister has stated that the expert team had gone after signing of the agreement. What was the purpose, of sending that team after the agreement has been signed?

Shri Raghuramaiah: I have already explained that when this Japanese

firm entered into an agreement with us, they gave us an undertaking. They not only gave us specifications but they also gave us a guarantee of satisfactory performance when the things are manufactured here or delivered here. Therefore, there was no reason why we should not enter into an agreement straightaway with them. We were not committing ourselves irrespective of their performance.

What is more, the International Harvesters with whom we entered into an agreement earlier backed out and so much time was already lost. I can take the House into confidence and say that we did not want to risk another such incident. Therefore, we straightaway entered into an agreement and we sent our team in order to make sure that they had enough capacity.

Shri Goray: Having now completed the contract, what were these experts supposed to do there in Japan?

Shri Raghuramaiah: The contract was completed subject to the condition of satisfactory performance. We sent our team to satisfy ourselves that they could do so.

Shri Jaipal Singh: May we know why the International Harvesters backed out?

Shri Raghuramaiah: I wish my hon. friend would give me that information; I really do not know and I cannot say anything on that . . . (Interruptions.)

Some Hon. Members rose—

Mr. Speaker: Order, order. Many hon. Members have caught my eye. Next question.

Shri Tangamani: I am also one of the Members who tabled this question and there is a specific purpose for that.

Shri Raghunath Singh: At least a one hour discussion is required.

Mr. Speaker: I cannot satisfy every hon. Member. There may be twenty persons who table a particular ques-

tion and I give an opportunity to as many as possible. I cannot convert Question Hour into a resolution hour or discussion hour.

Shri Tangamani: The purpose for which I raised this question has not been served by any other question.

Mr. Speaker: My difficulty is this. The hon. Member is very alert and tries to study every question and wants to table a number of supplementary questions on almost every subject. Therefore, I have to pick and choose and occasionally drop him out. He will have plenty of other opportunities.

Shri Tangamani: None of the supplementaries have brought out the point which I wanted. It is a simple question.

Mr. Speaker: What is it?

Shri Tangamani: I would like to know whether there is any provision in the agreement for the manufacture of spare parts and if so, what is the percentage of royalty which is to be paid to this particular firm?

Shri Ragburamalah: I am afraid I cannot disclose it... (Interruptions.)

Shri Tyagi: Why not? Is there anything fishy about it?

Shri Ragburamalah: I am sorry; I have had something else in my mind. As a matter of fact, I might say that we had already answered it on the floor of this House in reply to an unstarred question on 24th September, 1958. The royalty fee is in certain cases two per cent. ... (Interruptions.)

Shri Raghunath Singh: Sir, I have a very important question.

Mr. Speaker: If the hon. Members are very much interested in this matter and if there is something more to be elucidated arising out of this question, they may table a motion for half-an-hour discussion. Next question.

धान कीसी का उपयोग

*२६७. श्री पद्म बेब : क्या वैज्ञानिक गवेषणा और सांस्कृतिक कार्य मंत्री यह बताने की कृपा करेंगे कि क्या यह सच है कि सरकार का जापान की तरह धान की भसी का उपयोग करने के लिये एक उद्योग प्रारम्भ करने का विचार है ?

श्री हुमायूँ कबिर : चावल की मिल के इलाके में जो चावल का छिलका मिलता है उस में से धलकोहल के जरिये तेल निकालने के लिये मैसूर में १० टन का एक प्लांट लगाने के प्रस्ताव पर सी० एस० भाई० प्रार० विचार कर रही है। धान के भूसे से एकटी-बेटिड कार्बन बनाने का काम भी भारत में दो वर्ष से हो रहा है।

श्री पद्म बेब : "इंडिया १९५८" प्रदर्शनी में जो धान का छिलका से खाद और तेल निकालने का प्रदर्शन किया गया है, क्या माननीय मंत्री महोदय यह बतला सकेंगे कि उस की देश के लिये क्या आर्थिक उपयोगिता होगी ?

श्री हुमायूँ कबिर : मैं ने अभी बताया कि जो चावल के छिलके से तेल निकालने की कोशिश की जा रही है और उम्मीद है कि वह बेजिटेबल आयल्स का डिस्कलराइजेशन यानी वर्ण निरोध करने में फायदा देगा। इस में एक और बात भी है कि अभी करीब ३०० टन के ऐक्टिवाइज्ड कार्बन की जो मांग है उस को अगर हम खुद पूरा कर सकें तो उस से फारेन एक्स्चेंज में बचत की जा सकेगी।

श्री पद्म बेब : क्या इस योजना को कार्यान्वित करने के लिये बाहर से विशेषज्ञ बुलाये गये हैं और उन को कार्यों में नियुक्त किया गया है ?

श्री हुमायूँ कबिर : बाहर से विशेषज्ञ बुलाने की कोई वरकॉर नहीं है। हमारे ही विशेषज्ञों ने यह काम पूरा कर दिया।

Shri Dasappa: May I know whether this is going to be an independent unit or an adjunct of the Central Food Technological Research Institute?

Shri Humayun Kabir: Though it started in the Central Food Technological Research Institute, its work is now being done by three different parties: Vijaya Chemicals in Trichinopoly, The Narbada Valley Corporation, Bombay and probably also in the Regional Research Laboratory at Hyderabad; I say 'probably' because I have two different reports.

Shri V. P. Nayar: As I understood the hon. Minister, he said that some oil is being extracted from bran and rice husk . . . (Interruptions.)

An. Hon. Member: Husk and bran are two different things.

Shri V. P. Nayar: I have known of oil being extracted by processing rice bran but husk is something different. I was wondering whether any process has been found to press oil out of husk also?

Shri Humayun Kabir: I have already answered that question about oil being extracted from rice bran. From the husk we are getting activated carbon which is naturally a different thing.

Shri V. P. Nayar: May I know whether the large-scale manufacture on cottage-industries basis, of activated carbon from husk has been introduced and if so, the necessary technical knowledge will be imparted?

Shri Humayun Kabir: I have already answered that question: the process has been perfected; in three places it is being done. There is a capacity for about 500 tons but we are producing about 150 tons per year.

Shri Achar: May I know what is the cost of this plant which has been recently started?

Shri Humayun Kabir: The capital expenditure on plant and machinery for a ten-ton demonstration unit is estimated to be about Rs. 5,25,000.

Jeep Case ,

*298. **Shri U. C. Patnaik:** Will the Minister of Defence be pleased to refer to the reply given to Starred Question No. 1546 dated the 24th September, 1958 and state:

(a) whether any date has been fixed for the hearing of the case relating to the jeeps deal filed by the Government of India in the U.K.; and

(b) if so, which date?

The Deputy Minister of External Affairs (Shrimati Lakshmi Menon): (a) and (b). No date has been fixed for the hearing of the case.

Shri U. C. Patnaik: May we know whether it is a fact, as reported in the newspapers dated the 22nd August, and 24th August, 1958, that in order to avoid much of dirty linen being washed in the courts, the Government of India is contemplating the settlement of the case out of Court?

Shrimati Lakshmi Menon: It is the newspaper report. I cannot disclose anything more as the matter is still *sub judice*.

Shri U. C. Patnaik: Is it a fact that one of the partners has gone into . . .

Mr. Speaker: The case is pending and the hon. Members ought not to make any reflection so far as the case is concerned by saying dirty linen and other things.

Shri U. C. Patnaik: I am referring to the newspaper reports in this country . . . (Interruptions.)

Mr. Speaker: Order, order. The newspaper may say anything. I would not allow the hon. Member to say all that here. The question relates to the date. The hon. Member then went on to ask whether it is going to be a compromise, and added along with that an insinuation of dirty linen being washed. I am not going to allow that.

Shri U. C. Patnaik: It appeared in the newspapers

Mr. Speaker: I am not going to allow hon. Members to blindly copy and say parrot-like here whatever appears in newspapers. They ought not to say anything when a case is pending.

Shri Hem Barua: Sir, you have been pleased to use the word "parrot-like"

Mr. Speaker: I am sorry, if it is not "parrot-like", it is repeating word for word.

Shri Goray: The important part of the question was whether attempts are being made to settle it outside the court.

Mr. Speaker: I have not the least objection to a question of that sort, but let no insinuation be made on a pending case.

Shri Goray: There was no reply to that.

Mr. Speaker: All right. Is there any proposal to have the matter settled out of court?

Shrimati Lakshmi Menon: Sir, I cannot answer that question because I do not know whether there is any such proposal.

Shri Hem Barua: May I know whether it is a fact that Sir France Soskice was asked by our Defence Minister, Shri Krishna Menon, in London to send his confidential opinion on the case and it is in the possession of the Law Minister, and, if so, whether it is a fact that his advice to Government of India is not to proceed with the case?

Shrimati Lakshmi Menon: That is for the Law Minister to answer.

Mr. Speaker: Anyhow, that does not arise out of this question.

Shri Goray: It does, Sir.

Shri Braj Raj Singh: The Law Minister is here.

Shri Hem Barua: The Law Minister may be asked. (Interruption)

Mr. Speaker: Order, order. There may be many things with respect to a case—I do not know. But, so far as this question is concerned, it is my duty to see whether anything which is asked here arises out of it. This does not arise out of the question—whether a date has been fixed or not.

Shri Bimal Ghose: Sir, it arises, if I ask whether in connection with the case about which a date is to be fixed, the opinion of Sir France Soskice was elicited, and if so, what?

Mr. Speaker: We are concerned with the date and not generally about the case.

Shri Bimal Ghose: Unless we know what he was asked—it may be that for delaying it or bringing it before the court.

Mr. Speaker: There is no good imagining all that.

Shri Hem Barua: Sir, a date is to be fixed.

Mr. Speaker: Order, order. Evidently the hon. Member wants to know if on account of any negotiations that are going on the date has not been fixed. Is that the question?

Shri Bimal Ghose: Yes.

Shrimati Lakshmi Menon: This question arises out of the answer that was given on the 24th September when it was stated that the discovery and inspection of documents has been completed and the case is likely to come up for hearing early next year. The question now put is whether a date has been fixed. I have answered that no date has been fixed. It was said "early next year", I think we better wait for the date.

Shri Hem Barua: I want to pin down the Minister to a definite answer. The documents have been received. We understand that Sir France Soskice was asked in London by

Shri Krishna Menon to send his confidential opinion on the case to the Government here. It has already been sent, so far as my information goes, and it is in the possession of the Law Minister. I want to know what is the opinion of Sir Francis Boscawen on the question of dealing with that case?

Mr Speaker: That question does not arise out of the original question. We will go to the next question.

University at Kanpur

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*299. { Shri S. M. Banerjee:
Shri Tangamani:

Will the Minister of Education be pleased to state—

(a) whether it is a fact that UP Government has requested the Central Government for aid for establishing a residential University at Kanpur, and

(b) if so the action taken thereon?

The Minister of Education (Dr K. L. Shrimall): (a) No Sir, the Ministry of Education has received no such request.

(b) Does not arise.

Shri S. M. Banerjee: May I know whether the University Grants Commission has considered this matter, and if so the reaction of the Commission?

Dr K. L. Shrimall: There is a proposal before the University Grants Commission with regard to the establishment of a technological institute at Kanpur. If the hon. Member wants more details with regard to this question he may kindly address it to the Minister of Scientific Research and Cultural Affairs who is dealing with that subject.

Shri S. M. Banerjee: May I know whether it is a fact that because of the proposed establishment of a higher technological institute in

Kanpur it has been denied a residential university?

Dr K. L. Shrimall: I have already suggested to the hon. Member that this question may be put to the Minister of Scientific Research and Cultural Affairs.

Shri S. M. Banerjee: Sir, I know that a higher technological institute is being established in Kanpur. I want to know whether because of this Kanpur has been denied a residential university. They say that this particular institute is a substitute for the residential university. My submission is that it is not so. I want to know what are the facts?

Dr K. L. Shrimall: I have already answered the question which was put by the hon. Member that no proposal for setting up a university has been received by the Ministry of Education. As far as the technical university and higher technical institution are concerned, the hon. Member may kindly address that question to the Minister of Scientific Research and Cultural Affairs.

Shri S. M. Banerjee: May I know whether the Students' Federation of UP have sent a memorandum to the hon. Minister for consideration of this demand and, if so, what is the reaction of the Centre?

Mr Speaker: What is their demand? How does it arise out of this question?

Shri S. M. Banerjee: They have sent a representation for the establishment of this university.

Mr Speaker: The original question is whether the UP Government has sent in any requisition? The students may or may not send in a request; we are not concerned with that here.

Shri Tangamani: In view of the fact that nearly 60 per cent of the colleges are affiliated to the University at Agra and 40 per cent to the Allahabad University, may I know

whether a proposal has ever been received that some uniformity must be brought in by starting a separate University in Kanpur?

Mr. Speaker: He has stated already that there is no such proposal—the hon. Member is only putting the same question in another form.

Shri Dasappa: In view of the fact that there are not enough colleges in Eastern U.P. for ordinary graduate course and there is a rush on the Banaras Hindu University, may I know whether priority will not be given for starting colleges for graduate course?

Mr. Speaker: How does it arise?

Shri Dasappa: Money has to be diverted, first of all, to meet the urgent needs of certain areas. I am suggesting that instead of having a residential university, the money....

Mr. Speaker: No body says that there is a proposal to have a residential university.

Shri Dasappa: He referred to the technological institute.

Mr. Speaker: That is different from this university.

श्री जगदीश श्रवस्ती : क्या मैं जान सकता हूँ कि कानपुर नगर में बढ़ती हुई शिक्षा संस्थाओं की संख्या मुख्य रूप से प्राविधिक शिक्षा संस्थाओं की है तो क्या ऐसी दशा में केन्द्रीय सरकार कोई कानपुर नगर में राज्य सरकार के समक्ष ऐसी योजना भेजने का विचार कर रही है कि वहाँ पर एक टेक्निकल यूनिवर्सिटी खोली जाये ?

डा० का० ला० श्रीवाली : मैं ने आपसे निवेदन कर दिया है कि जहाँ तक टेक्निकल इंस्टीट्यूट्स का सम्बन्ध है, उनसे मेरा सम्बन्ध नहीं है। आप मेहरबानी करके प्रश्न को मिनिस्टर आफ कल्चरल एफेयर्स और साइंटिफिक रिसर्च से पूछ सकते हैं।

Foreign Exchange Regulations

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Shri Ferose Gandhi:
Shri Ram Krishan:
Shrimati Ila Palchowdhuri:
Shri Narayanankutty Menon:
Shri A. K. Gopalan:
Shri Punnoose:
Shri Vasudevan Nair:
*300. Shri Nagi Reddy:
Shri Kunhan:
Shri Goray:
Shrimati Masida Ahmed:
Shri Bimal Ghosh:
Shri Nath Pal:
Shri Jadhav:

Will the Minister of Finance be pleased to refer to a news item published in the *Hindusthan Standard*, Delhi, dated the 7th October, 1958 and state:

(a) the circumstances in which the baggage of Shri Shanti Prashad Jain, Industrialist, was searched at Palam Airport by the authorities concerned;

(b) the nature of documents seized;

(c) whether any attempt was made by Shri S. P. Jain to snatch away any paper from any official; and

(d) if so, what action Government have taken in the matter?

The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi):
(a) On the basis of certain information in the possession of the Enforcement Directorate of Foreign Exchange Regulation.

(b) The documents seized contain a diary and some papers which appear to indicate maintenance of foreign currency accounts. In addition, he had in his possession 'Travellers' Cheques of the value of \$2590 although he had been sanctioned only \$1400 by the Reserve Bank.

(c) Yes, an unsuccessful attempt was made by him to snatch away and tear off some documents.

(d) Adjudication proceedings as provided under the Foreign Exchange

Regulation Act, 1947 have been started against Shri S. P. Jain.

Shri Feroze Gandhi: Since it is only with the permission of Government that the Director of Enforcement can institute a prosecution, will the Government assure the House that if asked for, this permission will be readily given?

The Minister of Finance (Shri Morarji Desai): Most certainly.

Shri Feroze Gandhi: Since the amount under investigation is about Rs. 50 lakhs, may I know whether Government propose to realise income-tax of Rs. 40 lakhs on this amount and impose a penalty of 150 per cent, that is Rs. 60 lakhs, as provided for in the Income-tax Regulations?

Mr. Speaker: Is it not a suggestion for action?

Shri Feroze Gandhi: That arises out of the question here.

Mr. Speaker: How can they give an advance reply?

Dr. B. Gopala Reddi: The adjudication proceedings have been started. The party has to give an explanation, and thereafter the Director will decide whether he should take it to court or whether he should himself adjudicate it. The question of income-tax arises thereafter.

Shri Feroze Gandhi: The hon. Minister just told the House that 1,400 dollars were sanctioned to Shri S. P. Jain for his round-the-world trip and that on his return 2,590 dollars were recovered from his person besides goods worth a sum of Rs. 7,000. If so, may I know whether the Government contemplate prosecution under section 23B of the Foreign Exchange Regulation Act?

Dr. B. Gopala Reddi: All these things are under the investigation of the Director. He has given notice on the 22nd of this month and the explanation is awaited on the 3rd or the 4th December. Thereafter, of

course, the Director will look into the matter. All these matters also will be considered by him.

Shri Feroze Gandhi: May I know whether it is a fact that the Reserve Bank have asked Shri S. P. Jain to quit the Chairmanship of the Punjab National Bank because of this particular investigation?

Dr. B. Gopala Reddi: No, Sir. It is not a fact.

Shri Ram Krishan: Since this money belongs to public limited companies and has been accumulated as a result of over and under invoicing, may I know whether the Government intend to take action against Shri S. P. Jain under section 420 of the Indian Penal Code?

Dr. B. Gopala Reddi: The question does not arise at this stage.

Shri Narayanankutty Menon: In view of certain disclosures made from the documents of Shri S. P. Jain regarding the existence of a large amount of foreign exchange in overseas countries, may I know whether the Government propose to have an independent investigation apart from the adjudication now in progress regarding the amount of foreign exchange standing to his credit overseas?

Dr. B. Gopala Reddi: The Director of Enforcement is there for this very specific purpose. We do not find the necessity of entrusting it to another independent investigation, etc. The Director of Enforcement is competent to investigate into the matter and he is going into the matter.

Shri Jadhav: May I know how far it is true that Shri S. P. Jain has dealt with America and Germany illegally to the extent of Rs. 32 lakhs and that for this purpose deposited the amount in dollars and marks?

Dr. B. Gopala Reddi: The whole matter is under investigation. Notice has been given, and the Director is awaiting the explanation.

Shri S. A. Dange: The Minister has replied that an investigation is to be made. May I know for how many years this investigation is expected to last, or, is there any time-limit for it?

Dr. B. Gopala Reddi: Already the adjudication proceedings have been started. He has been served with notice on the 22nd of this month. There is no undue delay in this matter.

Shri Sinhasan Singh: There is an express provision in the law for such breach of the law, why should such investigation proceedings go on, when an express provision is there, as referred to by Shri Feroze Gandhi? Why is not action being taken under the existing law?

Mr. Speaker: They want to know why prosecution has not preceded adjudication?

Dr. B. Gopala Reddi: It is not a cognizable offence. He cannot be arrested without a magistrate's warrant and all that.

Shri Feroze Gandhi: Section 23 of the Foreign Exchange Regulation Act has two parts: A and B. A provides for adjudication and B provides for prosecution. I wanted to know whether the Government contemplate prosecution or whether they just want to rely upon the provisions of 23-A.

Dr. B. Gopala Reddi: It is too premature to say what is likely to happen. After the explanation is received, the Director is competent to decide whether he should himself impose a penalty or, if the penalty is going to be inadequate according to him, whether he should take it before the court.

Shri Feroze Gandhi: He cannot take it before the court without prior sanction of Government.

Dr. B. Gopala Reddi: He is to make the recommendation. At least he has to come before the Government and make a recommendation that he wants to take it before the court.

The Minister of Home Affairs (Pandit G. B. Pant): If any suggestion for prosecution is made by the Director, then the Government will certainly give sanction for such action.

Shri Nagi Reddy: May I know whether the seized document contains any statement of account of his unauthorised foreign exchange in different banks of the world?

Shri Morarji Desai: When the whole thing is under investigation by the Director, it is difficult for us to give any details about these matters at this stage. It is not in the interests of the case itself that the details should be given just now.

Shri Vasudevan Nair: Is the Government aware that this kind of racket is not so uncommon in our country and, if so, whether there is any proposal to constitute a general enquiry into these malpractices?

Mr. Speaker: That is too broad a question.

Shri Nagi Reddy: Are there cases like that?

Mr. Speaker: There may be. The hon. Member will table a separate question.

Shri Goray: Have the Government any information regarding the other persons who have a such deposits in foreign banks and what is the total amount?

Mr. Speaker: All those points do not arise out of this question.

Dr. B. Gopala Reddi: Certain complaints come to the Director of Enforcement from time to time, and he certainly looks into the matter. The number of cases received in 1956-57 was 1,319; in 1957-58, it was 1,556; and in this year, from April to October, 1958, it has been 443. So many petitions were received, but not all of them may prove the guilt of the other persons.

Shrimati Mafta Ahmed: May I know whether Government propose to introduce rules to prevent persons who indulge in such anti-national activities from being invited to State functions at Rashtrapati Bhavan and also from entertaining foreign visitors who come here in connection with conferences?

Dr. B. Gopala Reddi: There is no such proposal under the consideration of Government just at present.

Shri Tyagi: The hon. Minister has just mentioned the number of cases I want to know if the Minister is prepared to place a list on the Table of the House, or, as a deterrent measure, if the Government are prepared to publish such cases in the Press so that people may know that such and such a person has committed this offence? And are the Government prepared to place a list of the offenders on the Table of the House?

Dr. B. Gopala Reddi: No, Sir. A separate question might be put and whatever information is available, we will place it before the House.

Shri Prabhat Kar: In view of the illegal transaction in foreign exchange and also in view of the fact that Shri S. P. Jain was tempted to tamper with the document when he was arrested, may I know whether Government will ask the Reserve Bank to see that he is removed from the Chairmanship of the Punjab National Bank which deals with money?

Shri Morarji Desai: This is a suggestion for action, but such things do not arise from this question.

Mr Speaker: True. Next question.

Stainless Steel

*301 **Shri V. P. Nayar:** Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question 250 (A) LSD—2.

tion No. 1038 on the 8th September, 1958 and state:

(a) whether a final decision to set up a pilot plant to produce stainless steel has since been taken; and

(b) if so, the decision taken regarding location of the plant?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) Not yet Sir.

(b) Does not arise.

Shri V. P. Nayar: May I know how far the proposal to start production of 100 tons, at the plant, of this alloy steel has gone forward?

Shri Humayun Kabir: On the 8th September last, I told the House that when the alloy steel plant is set up, it will 'run up' the first hundred tons, and for that, a project report, as I understand, has been called.

Shri V. P. Nayar: No, Sir. My question was this. To the original question, they said that the proposal was under consideration—whether 100 tons could be produced there or not. I want to know whether any decision has been taken on that matter at least.

Shri Humayun Kabir: As I said, these project reports have been called for from a number of firms in different countries and when the project reports have been received, then only a final answer can be given.

Shri Nagi Reddy: Have any project reports been called for at all?

Shri Humayun Kabir: That is what I said just now.

Shri Hem Barua: In view of the fact there is a special variety of stainless steel which is on show in the India 1958 Exhibition called Thackeron, may I know why it is associated with Professor Thacker, who did not have anything to do with the invention?

Shri Humayun Kabir: I know about that special steel. The name was

given presumably by the person who patented it. He had the option of giving any name he liked.

WRITTEN ANSWERS TO QUESTIONS

Neyveli Thermal Power Station

*302. { Shri T. B. Vittal Rao:
Shrimati Ila Palchoudhuri:

Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether the Civil Engineering work in connection with the setting up of the Thermal Power Station at Neyveli has since commenced; and

(b) when the erection of plant and machinery will be undertaken?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) No.

(b) The contract with the Soviet Organisation for the procurement of plant and machinery has not yet been concluded. Erection of the plant and machinery will be undertaken on receipt from the suppliers

Payments Through Foreign Banks

*303. { Shri H. N. Mukerjee:
Shri Muhammed Elias:

Will the Minister of Finance be pleased to state:

(a) the amount of payments made through foreign banks by the Indian High Commission in the U.K. during 1957-58; and

(b) the reasons for continuing to make use of foreign banks for the purpose?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) The High Commission for India in the U.K. makes remittances through the Reserve Bank of India, London. The

amounts of payments made by the latter through the foreign banks are as follows:—

1957	
(January-December)	£ 67,751,788
1958	
(January-June)	£ 19,448,532

(b) It is Government's policy to utilise and encourage Indian banking agencies for remittances abroad as far as possible. However, continued use has to be made of foreign banks also for this purpose, for Indian banks have got very few branches abroad.

Waterproof Mud Plaster

*304. Shrimati Ila Palchoudhuri: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that Central Road Research Institute has recently carried out experiments with a material known as 'Waterproof Mud Plaster' which has been developed by them;

(b) if so, the purposes for which it can be used; and

(c) the results of the experiments conducted so far?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) The Institute has only carried out comparative tests on various water proofing agents for use in Mud Plaster as a result of which the use of bitumen emulsion as an effective water-proofing agent for mud plaster has been recommended.

(b) It can be used for plastering Kacha walls in villages thereby increasing their durability by making them water-proof against rainfall

(c) The water-proof mud plaster in the semi-field laboratory trials has been seen to resist the penetration of continuous rain moisture for a period of 6 days, as also the wetting effect

of rain at night and drying effect of weather during day for a period of two and a half months.

Loan from Japan

*305. Shri Eaghunath Singh: Will the Minister of Finance be pleased to state what part of the 18 billion Japanese Yen Credit will be utilised for the development of shipping?

The Deputy Minister of Finance (Shri B. R. Bhagat): A sum of 5 billion Yen which is equivalent to about Rs. 6.6 crores out of the 18 billion Yen Credit has been earmarked for purchase of ships.

Police Force for Rourkela

*306. Shri Panigrahi: Will the Minister of Home Affairs be pleased to state:

(a) whether the Government of Orissa have asked the Government of India to bear the extra expenditure involved in the proposed increase in the police force in Rourkela area; and

(b) if so, action taken thereon?

The Minister of Home Affairs (Pandit G. B. Pant): (a) and (b). Yes, the State Government were informed that as the maintenance of law and order was their responsibility, it was for them to determine what police force was necessary in a particular area and to bear the expenditure thereon.

बाल श्रमकाय गृह

*307. श्री नवल प्रभाकर: क्या शिक्षा मंत्री २६ अगस्त, १९५८ के तारंकित प्रश्न संख्या ५५० के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) पहाड़ी स्थानों में बाल श्रमकाय गृह स्थापित करने की योजना पर कार्य का धीरा क्या है ; और

(ख) इस योजना को कार्यान्वित करने के लिये अब तक क्या कार्यवाही की गयी है ?

शिक्षा मंत्री (डा० का० ला० खीराली) :

(क) और (ख). योजना का धीरा और उस पर आने वाले खर्च का हिसाब अभी तैयार करना बाकी है ।

Services of the Indian Steel Works Construction Co. Ltd.

*308. Shri Morarka: Will the Minister of Steel, Mines and Fuel be pleased to refer to the reply given to Starred Question No. 1163 on the 11th September, 1958 and state:

(a) how far the services referred to therein have been rendered so far by the Indian Steel Works Construction Co. Ltd.;

(b) what amount out of 14 crores has been paid to the Company so far; and

(c) when is the balance amount payable and how is it related to the actual services to be rendered?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) to (c). A statement is laid on the Table of the House. [See Appendix II, Construction Co. Ltd.;

Settling of Death Claims by Life Insurance Corporation

*309. Shri Anirudh Sinha: Will the Minister of Finance be pleased to state:

(a) the total number and amount for which intimations for death claims were received by the Life Insurance Corporation of India upto 30th June, 1958 under policies booked by the Corporation since its inception upto the 31st December, 1957;

(b) the total number of death claims settled and the amounts involved thereunder upto 30th June,

1958 under policies booked by the Life Insurance Corporation; and

(c) the average time taken for settlement of death claims during the same period?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) 1,191 claims for Rs. 53,27,358.

(b) 131 claims for Rs. 4,94,157.

(c) 7 months and 1 day.

Synthetic Rice

*310. { Shri Jhulan Sinha:
Shri Asar:

Will the Minister of Scientific Research and Cultural Affairs be pleased to state the present position with regard to the development of synthetic rice and the extent to which it has been possible to supply it to the rice-consuming people in the country?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): The term "Synthetic Rice" is no longer in use. It is now known as 'Tapioca Macaroni'.

A pilot plant with a daily capacity of approximately one ton of "Tapioca Macaroni" is in operation at the Central Food Technological Research Institute, Mysore, and the produce is given to the Government of Kerala for distribution in the State. Proposals for setting up a bigger plant in Kerala and for introducing "Tapioca Macaroni" in Uttar Pradesh are under examination.

Central University in South India

*311. { Shri P. K. Deo:
Shri B. C. Prodhan:

Will the Minister of Education be pleased to state whether Government are considering the question of establishing a Central University in South India according to recommendation of the States Reorganisation Commission?

The Minister of Education (Dr. K. K. Shrimall): No, Sir.

State Bills

*312. Shri Vajpayee: Will the Minister of Home Affairs be pleased to state:

(a) whether the Union Government has issued any letter to State Governments regarding reservation of State Bills for the consideration of the President; and

(b) if so, the nature of contents of the letter?

The Minister of State in the Ministry of Home Affairs (Shri B. N. Datar): (a) Yes.

(b) A copy of the Government of India, Ministry of Home Affairs letter No. 17/159/58-Judl.I, dated the 26th August 1958 is laid on the Table of the House. [See Appendix H, annexure No. 41].

Commissioner-General

*313. Shri E. Madhusudan Rao: Will the Minister of Finance be pleased to state:

(a) when the projected Commissioner-General's Office at Washington with its branches in U.K. and Europe is expected to start functioning;

(b) what is the composition of this office and its branches; and

(c) how much would this new establishment cost annually?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) The Commissioner General's Organisation has already begun functioning in Washington and in London.

(b) The Commissioner General in Washington will be aided by a Counselor, besides personal staff. The Minister (Economic) in our Embassy in U.S.A. and our Executive Director and Alternate Director on the International Monetary Fund will now form part of the Commissioner General's Organisation. The Commissioner General in Europe, who will also, for the present, be discharging the functions of the Minister (Economic) in our High

Commission in London, will be assisted by an officer of the rank of a Second Secretary

(c) It is estimated that the total annual expenditure on both these organisations would be about Rs 9 lakhs

Treasury Bills

*314. Shri Naushir Bharucha: Will the Minister of Finance be pleased to state:

(a) what is the total amount of outstanding Treasury Bills held at present by the Reserve Bank of India;

(b) what part thereof has been funded or proposed to be funded, apart from the creation of Rs. 300 crores 4 per cent. 1973 loan; and

(c) what is the additional annual burden in shape of higher interests and on account of other terms of issue of 4 per cent. 1973 loan which will have to be borne?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) Rs. 929 crores roundly as on 20th November, 1958.

(b) The outstanding amount of Rs 929 crores is exclusive of Rs. 300 crores already funded. There is no immediate proposal for any further funding.

(c) The issue of 4 per cent. loan 1973 for Rs 300 crores in cancellation of Treasury Bills of equivalent amount involves an annual increase in interest charges of Rs. 45 crores

Border Disputes

*315. { Shri Assar:
Shri Mahanty:
Shri Pangarkar:
Shri Agadi:

Will the Minister of Home Affairs be pleased to state:

(a) whether Government have taken any decision to solve the border dispute of Belgaum, Nipani, Karwar Districts; and

(b) if so, the nature thereof?

The Minister of Home Affairs (Pandit G. B. Pant): (a) and (b). The Government have tried to bring about an agreement between the Chief Ministers of Bombay and Mysore for reaching or devising a suitable method for final settlement.

Central Advisory Board for Harijan Welfare

*316. Shri B. C. Mullick: Will the Minister of Home Affairs be pleased to state whether the various recommendations and suggestions made by the Central Advisory Board for Harijan Welfare at its meeting held on the 27th September, 1958, in New Delhi have been sent to the State Governments for action?

The Deputy Minister of Home Affairs (Shrimati Violet Alva): Yes, Sir

Remission of Sales Tax

*317. Sardar Iqbal Singh: Will the Minister of Finance be pleased to refer to the reply given to Unstarred Question No. 2383 on the 19th September, 1958 and state:

(a) the reactions of State Governments to the proposal for remission of sales tax in respect of certain items with a view to increase their export; and

(b) the steps taken so far in this regard?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) and (b). The replies received from the State Governments are under consideration.

"Bond Delivery"

*318. Shri Nagi Reddy: Will the Minister of Steel, Mines and Fuel be pleased to refer to the reply given to Starred Question No. 1541 on the 24th September, 1958 and state:

(a) whether Government have concluded the examination of the type of trade called "bond delivery" which is in vogue in the case of oil companies in India; and

(b) if so, what conclusions have been drawn by Government and what action is proposed to be taken in the matter?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) and (b) Under the relevant Excise and Customs Law, supplies of fuel, that ships or aircrafts proceeding to foreign ports or airfields take, are exempt from import or excise duty. Because of this, arrangements exist at Bombay, Calcutta and Madras for such supplies being made to them by the oil companies from bonded warehouses, for supplies made to international aircrafts from inland points like Delhi, where bonded warehouses have not yet been provided they are entitled to subsequent duty refund. The charges incurred and realizations made from this particular portion of the trading activities of the oil companies, are also included within the scope of the examination that is being conducted by the Chief Cost Accounts Officer of Government of the accounts of the companies in order to evolve a new price formula. His report is expected to be ready by the end of March, 1959.

Territorial Army

*319 Shri D. C. Sharma Will the Minister of Defence be pleased to state

(a) whether there has been any increase in the recruitment to the Territorial Army during 1958, so far as compared with the same period in 1957, and

(b) if not, whether Government have enquired into the reasons thereof?

The Deputy Minister of Defence (Sardar Majithia): (a) Yes, the numbers have increased resulting in meeting the deficiency in part

(b) Does not arise

'Pushpak'

*320. { Shri Bahadur Singh;
Shrimati Ha Fakhondhari;
Pandit D. N. Tiwary:

Will the Minister of Defence be pleased to state

(a) whether it is a fact that the question of mass production of the two-seater ultra light aircraft 'Pushpak' recently developed by the Hindustan Aircraft Factory at Bangalore is under the consideration of the Government of India;

(b) if so, when a final decision is likely to be taken,

(c) when will production begin, and

(d) whether it is fitted with an Indian aero-engine?

The Deputy Minister of Defence (Sardar Majithia): (a) The question is under consideration by the Hindustan Aircraft Ltd, Bangalore who are primarily concerned with this subject

(b) A decision has been taken for production in Hindustan Aircraft (Private) Limited

(c) This is under consideration by the Hindustan Aircraft (Private) Limited

(d) Not at present

वायु शीतक यंत्र

*३२१ श्री पद्म देव क्या प्रतिरक्षा मंत्री यह बताने की कृपा करेंगे कि क्या देहरादून के आसुत र. वान द्वारा बनाया गया छोटा वायु शीतक यंत्र, जिसका प्रदर्शन "भारत १९५८" प्रदर्शनी में किया गया है, बड़े पैमाने पर तैयार किया जायेगा और जनता के उपयोग के लिये बाजार में बेचा जायेगा ?

रक्षा उपमन्त्री (श्री रघुरामैया)
अगर काफी आर्डर आ जाये तो इस कूलर का बड़े पैमाने पर निर्माण किया जायेगा और जनता के उपयोग के लिये बिकने को बाजार में पहुँचाया जायेगा ।

Institute of Archaeology

*322 Shri Ram Krishan: Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question No 331 on the 21st August, 1958 and state at what stage is the scheme of opening an Institute of Archaeology in New Delhi to train post-graduates in history and allied subjects in the field of Archaeology?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir) The scheme has been accepted in principle and details are now being worked out

Oil Survey in UP

323 { Shrimati Ila Palchoudhury
Shri Raghunath Singh
Shri Mohan Swarup
Shri Ram Krishan

Will the Minister of Steel, Mines and Fuel be pleased to state

(a) whether it is a fact that Government are conducting a survey in the districts of Bareilly Rampur Nanital and Pilibhit for the exploration of oil

(b) if so the details thereof, and

(c) the progress made so far

The Minister of Mines and Oil (Shri K D Malaviya) (a) Yes, Sir

(b) and (c) A statement giving the required information is laid on the Table of the House

STATEMENT

Geological surveys are being conducted in the foot-hills of the Himalayas and geophysical surveys by Gravity, Magnetic and Seismic methods are being carried out in the plains During 1957-58 field season, approximately 980 sq miles were geologically mapped by two field parties

Further surveys are being conducted during the current field season by three field parties

2 Two Seismic and two Gravity-cum-Magnetic Parties were in operation in the UP area during 1957-58 field season The Gravity-cum-Magnetic parties covered 3340 sq miles and took observations at 3356 stations. The two Seismic parties shot 324 line miles of profiles Some interesting results have been obtained around Bareilly area but further investigations are essential for interpretation of the data Two Geophysical Parties are carrying on further work

International Finance Corporation

324 { Shri V C. Shukla
Shri Bimal Ghose

Will the Minister of Finance be pleased to state whether it is a fact that Government have agreed to the International Finance Corporation's fixation of the rate of interest on its loans including profits on account of right of participation?

The Deputy Minister of Finance (Shri B E Bhagat) As the International Finance Corporation receives and deals with loan applications from private industries directly, interest rates for the loans are to be settled between the IFC and the prospective borrowers The final approval of Government is, however, necessary for all foreign loans, including loans from International Institutions Government have accordingly informed the IFC that they would generally approve of the financial arrangements arrived at between the Corporation and private borrowers in India, including profit sharing stock option or other similar arrangement, provided the loans are limited to projects which earn or save foreign exchange and that the total return to the Corporation will at no time exceed the exchange expected to be saved or earned by the project.

Sulphur and Magnesium Deposits in U.P.

*325. Shri Naushir Bharsucha: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether recently heavy deposits of magnesium and pure sulphur of very high quality have been discovered in U.P.;

(b) whether preliminary explorations have reached a stage where it would be possible to assess whether commercial exploration is feasible;

(c) what is the analysis report of samples so far procured; and

(d) how far Government have proceeded in the matter of formulating any scheme for commercial exploitation of the minerals?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) Magnesium does not occur as such. However, large deposits of magnesite (magnesium carbonate) have been located near Sonmehwar, Almora District, U.P.

A small deposit of sulphur containing 7 per cent. native sulphur was noticed near village Sutol, in Roop-ganga Valley, Garhwal District by the Department of Mines and Geology, U.P. Government.

(b) In the above-named two areas extent of the grade of magnesite assessed shows that the deposit is commercially exploitable.

Regarding deposit of sulphur as is now known it is too small for large scale commercial exploitation.

(c) Analysis report of magnesite is as follows:—

Mg%	20 to 45 p.c.
Ca%	11 to 35 p.c.
Fe, %	1 to 3.5 p.c.
Al, %	0.1 to 1.0 p.c.
Si, %	1 to 10 p.c.
Loss on ignition	Loss than 35 to 50%

(d) Investigation for magnesite is still continuing. The question of formulating a scheme for commercial

exploitation will be considered after the investigation is completed.

Scientific Policy Resolution

*326. { Shri D. C. Sharma:
Shri Ram Krishan:

Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question No. 1563 on the 24th September, 1958 and state:

(a) whether the recommendations made by the Conference for implementation of the scientific policy resolution have been considered;

(b) if so, the result of the consideration; and

(c) further steps taken in the matter?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) to (c). It has been decided to constitute a pool for temporary placement of well-qualified Indian Scientists and technologists returning from abroad until they are absorbed in suitable posts. Persons with Indian qualifications having outstanding academic records will also be eligible for appointment to the pool in not more than 25 per cent. of the total number of posts in the pool.

The C.S.I.R. have reviewed the terms and conditions of service of Scientific officers and staff in the National Laboratories, and have taken decisions governing the promotion of scientific workers to higher grades, special merit promotions, advance increments to scientific workers etc. A statement showing the particulars of the decisions is laid on the Table of the House. [See Appendix II, annexure No. 42.]

The other recommendations are under consideration.

U.P.-Bihar Boundary Dispute

*327. { Shri Ram Krishan:
Shri Kamal Singh:

Will the Minister of Home Affairs be pleased to refer to the reply given

to Unstarred Question No. 2622 on the 24th September, 1958, and state:

(a) whether the question of fixation of a firm boundary between Ballia District of Uttar Pradesh and adjoining parts of Bihar has been finalised; and

(b) if so, the result thereof?

The Minister of Home Affairs (Pandit G. B. Pant): (a) Not yet.

(b) Does not arise.

Refinance Corporation

480. Shri Damani: Will the Minister of Finance be pleased to lay a statement on the Table showing loans granted by the Refinance Corporation for development of industries, industry-wise?

The Minister of Finance (Shri Morarji Desai): Since its registration on the 5th June, 1958 and upto the end of October, 1958 the Refinance Corporation for Industry Private Ltd. has sanctioned only one loan of Rs. 30 lakhs for the production of ferro-manganese. No amount against this loan has however, been disbursed so far.

Scholarships to Other Backward Classes Students of Orissa

481. Shri Panigrahi: Will the Minister of Education be pleased to state:

(a) the number of Other backward classes students who received the Government of India scholarships for post-Matric studies in Orissa, during 1956-57; and

(b) the number of applications received from Orissa for such scholarships?

The Minister of Education (Dr. K. L. Shrimall): (a) 598.

(b) 911.

I.A.S. and I.P.S.

482. { Shri Ram Krishan;
Sardar Iqbal Singh:

Will the Minister of Home Affairs be pleased to state:

(a) the number of I.A.S. and I.P.S. officers who have been appointed in Punjab by direct recruitment during 1957-58; and

(b) the number out of I.A.S. officers belonging to Scheduled Castes?

The Minister of Home Affairs (Pandit G. B. Pant): (a) Indian Administrative Service—3.

Indian Police Service—5.

(b) One.

Post-Matric Scholarships

483. { Shrimati Masida Ahmed;
Shri Daljit Singh;
Shri Rami Reddy:

Will the Minister of Education be pleased to state:

(a) the number of applications received for post-Matric scholarships, State-wise, for 1958-59 from students belonging to (i) Scheduled Caste; (ii) Scheduled Tribes and (iii) other Backward Classes;

(b) the number of scholarships granted to each category;

(c) the number of female applicants for these scholarships; and

(d) the time by which the first instalment of the scholarships is expected to be remitted?

The Minister of Education (Dr. K. L. Shrimall): (a) to (c). Two statements are laid on the Table of the House. [See Appendix II, annexure No. 43].

(d) Ad hoc amounts for four months which are in the nature of first instalment of scholarships for 1958-59 were sent in respect of 35,328 students to

the Heads of various Institutions in July 1958 for disbursement to the students

Scholarship amounts in respect of the remaining scholars selected for the awards are expected to be remitted before the end of February, 1959

Mixed Colonies in Union Territories

484. Shri Kumbhar Will the Minister of Home Affairs be pleased to refer to the reply given to Unstarred Question No 1844 on the 11th September, 1958, regarding Mixed Colonies in Union Territories and States and state

(a) whether the required information has been collected and will be laid on the Table, and

(b) if not, the reason therefor?

The Deputy Minister of Home Affairs (Shrimati Alva). (a) and (b) Information is awaited from the Governments of Andhra Pradesh, Uttar Pradesh and Jammu and Kashmir

In the Union Territories of Himachal Pradesh, Manipur, Tripura, Andaman and Nicobar Islands and the States of West Bengal and Assam no special encouragement to non-Harijans to induce them to live with Harijans is considered necessary as there is no such problem there. In the Union Territory of Laccadive, Minicoy and Amindivi Islands there are no Harijans

The State Governments of Bombay, Madras and the Delhi Administration have been encouraging mixed colonies and institutions even from before. A statement showing such colonies is laid on the Table of the House [See Appendix II annexure No 44]

The Governments of Madhya Pradesh, Orissa and Pondicherry are setting up such colonies. Their locations are given in the statement

In Kerala and Punjab Harijans and non-Harijans live freely in mixed hostels. The question of having mixed colonies is being considered by the Government of Kerala. The Govern-

ments of Punjab and Bihar have not been able to implement this recommendation in regard to colonies because they think that the funds available for this purpose are hardly adequate to meet the needs of Harijans. The Governments of Mysore and Rajasthan are still considering the matter

Educational Development Programme Orissa

485. Shri Kumbhar Will the Minister of Education be pleased to state

(a) the amount allocated so far during the Second Five Year Plan period to Orissa State for the educational development programme, and

(b) the details thereof?

The Minister of Education (Dr. K. L. Shrimall). (a) Against the total provision of Rs 618 crores made for the State Educational Development Programme of Orissa State, the following amounts were allocated from year to year

1956-57	Rs 0.90 crores
1957-58	Rs 1.04 crores
1958-59	Rs 1.03 crores

The total expenditure incurred during 1956-57, however, amounted to Rs 0.75 crores. The revised estimate for 1957-58 put the expenditure likely to have been incurred during that year at Rs 0.98 crores

(b) A statement giving the information according to stages of education is laid on the Table of the Lok Sabha [See Appendix II annexure No 45]

Commissioner for Scheduled Castes and Scheduled Tribes

486. Shri Kumbhar. Will the Minister of Home Affairs be pleased to state:

(a) the number of employees working in the Office of the Commissioner for Scheduled Castes and Tribes, and

(b) the number of employees among them belonging to Scheduled Castes and Tribes;

The Deputy Minister of Home Affairs (Shrimati Alva): (a) 83.

(b) Scheduled Castes—22; Scheduled Tribes—3.

Technical Education

487. Shri U. C. Patnalk: Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question No. 1412, dated 2nd April, 1958 and state what steps Government have taken to make State Governments and private bodies receiving Central grants:

(a) to provide salaries and other amenities to the teaching staff as recommended by the All India Council for Technical Education; and

(b) to spend the amount of grants and loans as per the condition of the grant?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) The question of assisting State Governments and private technical institutions in the improvement of salary scales of teachers is under the consideration of the Central Government and no grants have been sanctioned, so far

(b) (1) So far as private technical institutions are concerned, the following steps have been taken to ensure that the grants and loans sanctioned for developmental projects are utilised properly:—

- (i) Each technical institution should have a Managing Committee consisting *inter-alia* of representatives of the Central Government, State Government concerned and the All India Council for Technical Education. The administration and management of the affairs and finances of the institution should vest in the Committee.
- (ii) The expenditure on construction of buildings and purchase of equipment should be sanctioned by the Managing Committee in accordance with the

scheme approved by the Central Government. The appointment of the Staff should also be approved by the Committee.

- (iii) The accounts of the institution should be audited by a Chartered Accountant, who shall certify whether the grants and loans sanctioned have been utilised in accordance with the terms and conditions prescribed by the Central Government or not. They are further subject to test audit by the Auditor General of the state concerned.

2. In the case of State Government institutions, the grants and loans sanctioned are for projects included under the Five Year Plan and the expenditure is incurred by the State Governments in accordance with their normal rules and regulations.

Geological Survey of Bombay

488 Shri Pangarkar: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether Government have received any report of the Geological Survey of Bombay concluded in 1957-58; and

(b) if so, whether a copy of it will be laid on the Table?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) and (b). Reports on mineral investigations carried out by the Geological Survey of India during 1957-58 are under preparation and will be received after analytical, petrological and other necessary investigations on the samples collected, have been carried out.

It is not the practice to lay copies of the reports on the investigations carried out by officers of the Geological Survey of India during any field season on the Table of the House, but I should be very happy to furnish the Honourable Member with copies of the reports on the work done in Bombay

State during the field season 1957-58 when ready, if he is interested in them. These reports will be published in the form of Memoirs in accordance with the usual procedure, when the work of a region has been completed.

Re-organisation of Secondary Education in Bombay

489. Shri Pangarkar: Will the Minister of Education be pleased to state:

(a) the number of schemes for re-organisation of Secondary Education so far submitted by the Bombay Government for assistance from the Central Government under the Second Five Year Plan; and

(b) the amount sanctioned or proposed to be sanctioned for the purpose?

The Minister of Education (Dr. K. L. Shrimall): (a) Ten

(b) Rs. 46,73,514 have already been sanctioned up till 1957-58 and about Rs. 2 crores are proposed to be sanctioned during the period 1958-61

Social Service Camps in Bombay

490. Shri Pangarkar: Will the Minister of Education be pleased to refer to the reply given to Unstarred Question No. 1835 on the 11th September, 1958 and lay on the Table the audited accounts of the labour and social service camps held in Bombay during 1957-58?

The Minister of Education (Dr. K. L. Shrimall): Out of 155 camps held in Bombay State during 1957-58, audited accounts of only 99 camps have been received so far. As these accounts constitute voluminous material running into hundreds of pages, it will not be practicable to place them on the Table of the Lok Sabha. A statement giving the abstracts of the accounts so far received is, however, laid on the Table. [See Appendix II, annexure No. 46].

Technical Education in Bombay

491. Shri Pangarkar: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether any Technical Education Schemes have been approved for the State of Bombay by the All India Council for Technical Education; and

(b) if so, the details thereof?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) and (b). A statement is laid on the Table of the Sabha. [See Appendix II, annexure No. 47].

Vigyan Mandirs in Bombay State

492. Shri Pangarkar: Will the Minister of Scientific Research and Cultural Affairs be pleased to state the places where Vigyan Mandirs have been established or are to be established during 1958-59 in the Bombay State?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): One Vigyan Mandir is being established at Amravati

Two more Vigyan Mandirs are likely to be established in the State during 1958-59; and their locations will be decided in consultation with the State Government.

Pakistanis in Defence Services

493. Shri D. C. Sharma: Will the Minister of Defence be pleased to state:

(a) the number of Pakistani nationals serving at present in the Armed Forces and Ordnance Factories, separately; and

(b) the conditions under which they serve?

The Deputy Minister of Defence (Shri Baghuramaiah): (a) and (b) Information is being collected and will be laid on the table of the Lok Sabha in due course.

Pakistanis in West Bengal

494. **Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to state the number of Pakistani nationals detected in 1958, so far, who have been living in West Bengal by falsely declaring themselves as Indian citizens?

The Minister of Home Affairs (Pandit G. B. Pant): 2,456 and 10 Pakistani nationals were detected to be living by falsely declaring themselves as Indian citizens in Calcutta and Hooghly district respectively upto the end of July, 1958. Information in respect of rest of the districts is not available.

S.U.N.F.E.D.

495. **Shri D. C. Sharma:** Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 210 on the 18th August, 1958 and state the progress made by the Economic and Social Council of the United Nations on the Report of the Preparatory Committee towards the finalisation of the organisational frame-work of the Special United Nations Fund for Economic Development?

The Minister of Finance (Shri Morarji Desai): The Economic and Social Council of the United Nations concurred with the recommendations contained in the Report of the Preparatory Committee and transmitted the Report to the General Assembly. The latter has adopted a resolution on the 15th October, 1958 establishing the Special Fund in accordance with the provisions set forth in the Report of the Committee.

Indo-Pakistan Financial Issues

496. { **Shri D. C. Sharma:**
Shri Ram Krishan:
Sardar Iqbal Singh:

Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 800 on the 13th August, 1958 and state

(a) whether any date for convening a meeting for solving the pending

financial issues between India and Pakistan has since been fixed; and

(b) if so, what is the date?

The Minister of Finance (Shri Morarji Desai): (a) and (b) No date has yet been fixed.

Oil Targets

497. **Shri Ram Krishan:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether any proposal for attaining self-sufficiency in crude oil has been finalised; and

(b) if so, the main features of the proposal?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) and (b) Self-sufficiency in crude oil depends on the discovery and exploitation of adequate new reserves of crude oil in the country. Efforts to achieve this are already being made and exploration for oil in parts of Punjab, Rajasthan, Bombay-Cutch, Ganga Valley, West Bengal and Assam is being carried out. The results of these efforts cannot, however, be predicted at this stage.

Coal Resources

498. { **Shri S. C. Samanta:**
Shri Subodh Hansda:

Will the Minister of Steel, Mines and Fuel be pleased to state

(a) whether the suggestions made recently by the Coal Council of India about the development, utilisation and conservation of the coal resources in the country have been considered, scrutinised, and final decision taken,

(b) if so, whether a broad outline of the decision will be laid on the Table, and

(c) whether the four committees constituted by the Coal Council will be temporary ones?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) and (b) The suggestions made by the Coal Council have been considered by Gov-

ernment The following is a broad outline of the decisions taken:

Development and Conservation Preparatory planning for the production of coal during the Third Plan period should be taken up even now on the basis of a tentative target of output of 100 million tons

An order of priority for geological survey and prospecting of coal bearing areas should be laid down

The additional requirements of technical manpower in relation to the planned output of 100 million tons of coal should be assessed and steps taken to meet these requirements

Utilisation A Fuel Efficiency Committee should be set up for the purpose of evolving suitable and adequate measures for achieving maximum economy and efficiency in the use of the coal resources of the country

The above decisions are in the process of implementation The Fuel Efficiency Committee has been set up already and has held two meetings so far

(c) The terms of reference to the committee are wide It is, therefore likely that the committees will continue to function for a considerable time

विज्ञान मंदिर

४६६ श्री पद्म देव क्या वैज्ञानिक गवेषणा और सांस्कृतिक कार्य मंत्री यह बतान की कृपा करेंगे कि विज्ञान मंदिर स्थापित करने की योजना के अन्तर्गत कितना व्यय किया गया है और उक्त योजना के अन्तर्गत अब तक क्या क्या काम किये जा चुके हैं ?

वैज्ञानिक गवेषणा और सांस्कृतिक कार्य उपमंत्री (डा० म० मो० दास) : विज्ञान मंदिरों पर यह खर्च हुआ है —

रुपये

१६५६-५७

५२,६३२

१६५७-५८

२६०,४६०

अभी तक देश के विभिन्न भागों में १८ विज्ञान मंदिर स्थापित किये गये हैं। विज्ञान की ओर लोगों की ज्यादा रुचि करना ही इनका सार काम रहा है।

Mining Institute at Secunderabad

500. Shri T. B. Vittal Rao: Will the Minister of Scientific Research and Cultural Affairs be pleased to state—

(a) the total grant given to the Mining Institute located at Secunderabad for the year 1958-59, and

(b) whether it is a fact that difficulties are being experienced by the students in the second year class for practical training as the institute is located far away from mining areas?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) An amount of Rs 1.96 lacs has been allocated as Central Government's assistance to Mining Institutes at Kothagudem and Gudur, for 1958-59

(b) Government of Andhra Pradesh have formulated a detailed scheme of practical training for the students concerned, which is in the course of implementation No particular difficulties are anticipated The Mining Course now conducted at Secunderabad on a temporary basis will be shifted to mining area as soon as the institute buildings at Kothagudem are ready

Loans from Foreign Countries

Shri V. P. Nayar:
Shri D. C. Sharma:
501. Shri Raghunath Singh:
Shri Damani:
Shri Mohammed Imam.

Will the Minister of Finance be pleased to state the present total commitment in value, of India's foreign loans on Government account with country-wise distribution of the loans and the respective loan amounts owed to each country at present?

The Minister of Finance (Shri Morarji Desai): A statement is laid on the Table of the House. [See Appendix II, annexure No. 48].

Expenditure on Finance Minister's Tour Abroad

502. { Shri V. P. Nayyar;
Shri P. K. Deo;
Shri B. C. Prodhan:

Will the Minister of Finance be pleased to state the expenditure involved in the recent tour abroad of the Finance Minister and his entourage?

The Minister of Finance (Shri Morarji Desai): The accounts have not yet been finalised as a few bills from one of Missions abroad and on account of air-freight are still to be received. But the total expenditure is expected to be about Rs. 79,300.

Indian Culture Centre in Japan

503. **Shri Rameshwar Tantia:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state—

(a) whether it is a fact that there is a move to open an Indian Culture Centre in Japan, and

(b) if so, what is the scope of its activities and how much amount is going to be spent on it?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (b). The Indian Council for Cultural Relations has under consideration a proposal to open a Cultural Centre in Eastern Asia, but no details about the location, the date of establishment or finances have yet been settled.

Foreign Capital Investments

504. **Shri Kodiyar:** Will the Minister of Finance be pleased to state—

(a) the number of applications for investment of foreign capital in India received during the ten years, 1948—1958; and

(b) the number of applications rejected?

The Minister of Finance (Shri Morarji Desai): (a) and (b). The information regarding the number of applications received for investment of foreign capital in India during the ten years, 1948—1958 is not available. However, during the period 1st January, 1948 and 30th June, 1958, 976 consents were granted for the investment of foreign capital in India. During the same period 170 requests were refused.

National Fundamental Education Centres

505. { Shri R. C. Majhi;
Shri Subodh Hansda:

Will the Minister of Education be pleased to state—

(a) the total number of fundamental education centres run by Government;

(b) whether these centres are fully financed and managed by Government;

(c) if not, what are the agencies that help and manage to run the centres; and

(d) the nature of help rendered by the agencies?

The Minister of Education (Dr. K. L. Shrimani): (a) One.

(b) Yes. It is a Subordinate Office of the Ministry of Education

(c) Does not arise

(d) Does not arise.

Vigyan Mandirs

506. { Shri R. C. Majhi;
Shri Subodh Hansda:

Will the Minister of Scientific Research and Cultural Affairs be pleased to state—

(a) whether any new Vigyan Mandirs have been established during the year 1958 so far;

(b) if so, the number of such Mandirs and the names of the places where these have been established;

(c) whether these Mandirs have been fully manned and equipped; and

(d) if not, the reasons therefor?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) Yes, Sir,

(b) Two; One at Nilokheri (Distt Karnal, Punjab) and the other at Ranbirsinghpura (Distt. Jammu, Jammu and Kashmir).

(c) No Sir.

(d) The reasons are difficulties in recruitment of personnel and procurement of equipment.

Indian Institute of Technology Kharagpur

507. { Shri R. C. Majhi:
Shri Subodh Hansda:

Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that the Indian Institute of Technology, Kharagpur is rendering technical assistance to scientific bodies and other sister organisations;

(b) if so, the nature of technical assistance rendered by the Institute;

(c) whether any fee is charged for this work;

(d) if so, how this fee is assessed and how it is recovered from them; and

(e) whether this assistance is extended to private industrial and business organisations in the country?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) to (e). A statement is laid on the Table of the House.

STATEMENT

(a) and (b). The Indian Institute of Technology, Kharagpur is rendering technical assistance to scientific bodies and other sister organisations in the shape of conducting technical tests, research, giving advice and special training.

(c) and (d). The Institute charges fees for consultative practice work and for conducting tests in accordance with the rules laid down by the Board of Governors of the Institute in this behalf. The fees are assessed in the usual way to cover costs of overheads, material used, labour involved and the use of equipment. The recovery of fees is made on presentation of bills.

(e) Similar assistance is extended to private industrial and business organisations in the country consistent with normal work of the Institute as an educational institution.

Setting up of an Investment Centre

508. Shri Raghunath Singh: Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Professor Harry J. Robinson American economist and financial expert has suggested the setting up of an investment centre by the Government of India to attract foreign capital; and

(b) if so, what is the reaction of the Government of India to the suggestions?

The Minister of Finance (Shri Morarji Desai): (a) and (b) Professor Harry J. Robinson, Senior International Economist of the Stanford Research Institute in the United States, who had come to India as a Ford Foundation Scholar, had suggested the setting up of an Industrial Development and Information Centre for India in co-operation with the Government of India. One of the objectives of the Centre would be to stimulate industrial development in desired industrial fields in the Public

and Private Sectors through foreign investment and technical know-how. The Government are considering the suggestion.

Limestone Deposits in Orissa

509. **Shri Panigrahi:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether any new sources of limestone and mica deposits have been discovered in Orissa recently; and

(b) if so, the places of their location?

The Minister of Mines and Oil (**Shri K. D. Malaviya**): (a) and (b). No new sources of limestone and mica deposits have recently been discovered by the Geological Survey of India. However, in a recent press release issued by the Directorate of Mining, Government of Orissa, new sources of limestone in Umpavalli-Tunriguda area of Koraput and mica in the Boypore, Tentulikhunti area of Koraput and in Koksora and Ayapatha in Kalahandi district are reported to have been discovered.

National Gallery of Modern Arts

510. **Shri Ram Krishan:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that there is shortage of technical personnel in the National Gallery of Modern Arts New Delhi; and

(b) if so, the steps taken or proposed to be taken to overcome this shortage?

The Deputy Minister of Scientific Research and Cultural Affairs (**Dr. M. M. Das**): (a) and (b). No Sir, the existing technical staff is considered adequate for the present requirements of the gallery, and will be increased as its activities also increase and justify increase of staff.

250 (A) LSD.—3.

Excavations at Ratnagiri Hill

511. **Shri Panigrahi:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) what are the finds of the recent archaeological excavations at Ratnagiri hill in the district of Cuttack, Orissa; and

(b) whether there is any proposal to carry out any other archaeological excavations in Orissa by 1960-61?

The Deputy Minister of Scientific Research and Cultural Affairs (**Dr. M. M. Das**): (a) The most important find was a brick stupa, situated in the South-Western part of the hill. The area around the Stupa contained several minor Stupas of varying dimensions and base-forms. A fairly large number of small to medium-sized Buddhist stone sculptures, stone slabs and terracotta plaques bearing inscribed text of dharanis and the Buddhist creed, were found in the debris round the Stupas.

(b) Programme of excavations for the subsequent years has not yet been finalised.

Contract to M/s. Hotchief Gammon

512. **Shri Morarka:** Will the Minister of Steel, Mines and Fuel be pleased to refer to the reply given to Starred Question No. 81 on the 13th August, 1958 and state:

(a) the details of the item of Rs. 1.57 crore for 'site supervision and equipment hire' in the contract given to M/s. Hotchief Gammon, Bombay;

(b) the actual work involved in 'site supervision'; and

(c) whether any such payment is made in regard to any other plant to other contractors also?

The Minister of Steel, Mines and Fuel (**Sardar Swaran Singh**): (a) The

amount of Rs. 1.57 crores is made up of the following items:

	Amount in lakhs of Rs.
Cost of supervisory personnel (including passage & leave)	67.34
Workers' accommodation, workers' insurance, etc.	11.20
Hire of Plant	50.00
Freight, handling charges and miscellaneous charges	28.00
Total Rs. 156.54 lakhs or say Rs. 1.57 crores.	

(b) By 'site supervision' is meant the continuous supervision of the construction work proceeding at the site and of the operation of the construction machinery and equipment

(c) No such payment specifically for site supervision has been provided for in other Civil Engineering Contracts for other Sections of the Rourkela Steel Plant. However, the total payment provided under these contracts take into account the cost of site supervision

High Court Judges

513. **Shri Narayanankutty Menon:** Will the Minister of Home Affairs be pleased to state:

(a) how many judges were appointed to the various High Courts from 1947 to 1957 who were members of any political party before their appointment; and

(b) their number party-wise?

The Minister of Home Affairs (Pandit G. B. Pant): (a) and (b). Appointments of High Court Judges are made only on merit in accordance with the procedure prescribed in the Constitution mostly on the initiative of the Chief Justice of the High Court concerned and after consulting the Chief Justice of India. No record about the affiliation of any candidate to any political party is kept

Government Committees

514. **Shri Narayanankutty Menon:** Will the Minister of Home Affairs be pleased to state:

(a) the number of Committees appointed by the Ministry of Home Affairs which are functioning at present;

(b) on how many of them Members of Parliament are represented; and

(c) the names of Members of Parliament on each such Committee?

The Minister of Home Affairs (Pandit G. B. Pant): (a) Nine.

(b) Four.

(c)

Committees Members of Parliament

I. **Delhi Advisory Committee.** (1) Shri Radha Raman

(2) Shri Naval Prabhakar

(3) Smt. Sucheta Kripalani

(4) Shri C. K. Nair

(5) Shri Onkar Nath

(6) Shri Brahm Perkash

(7) Mirza Ahmad Ali

II. **Mampur Advisory Committee.** (1) Shri L. Achaw Singh

(2) Shri Rung Sung

Suisa

(3) Shri L. Lalit

Madhob Sharan

III. **Tripura Advisory Committee** (1) Shri Dasaratha Deb

(2) Shri Baigshi

Thakur

(3) Shri Abdul Latif

IV. **Himachal Pradesh Advisory Committee** (1) Shri Joginder Sen

Mardi

(2) Smt. Lala Devi

(3) Shri Anand Chand

(4) Shri Padam Dev

(5) Shri Nck Ram Negi

Tripura Territorial Council Budget for 1958-59

515. **Shri Dasaratha Deb:** Will the Minister of Home Affairs be pleased to state:

(a) whether the Chairman of the Tripura Territorial Council approached the Central Government for financial grants necessary for the implementation of the Council budget for 1958-59; and

(b) If so, what decision has been taken by the Central Government in that regard?

The Minister of State in the Ministry of Home Affairs (Shri Datar):

(a) Yes.

(b) The Council was informed that a grant of Rs. 78.18 lakhs would be made available under Section 36 of the Territorial Council Act, 1956, for the current financial year.

Government Quarters at Agartala

516. Shri Dasaratha Deb: Will the Minister of Home Affairs be pleased to state:

(a) how many quarters have been constructed for Government employees at Agartala and Sub-divisions of Tripura during 1957-58 and 1958-59 so far;

(b) how many of them are for officers and how many for the staff;

(c) what is the total cost involved for the construction of these quarters;

(d) whether the actual cost has exceeded the budgeted amount; and

(e) if so, the reasons therefor?

The Minister of State in the Ministry of Home Affairs (Shri Datar):

(a) 84 quarters were constructed during 1957-58 and 81 quarters have been undertaken for construction during 1958-59.

(b) 73 for officers and 92 for staff.

(c) Rs. 14,45,080-00.

(d) No.

(e) Does not arise.

Kaushambi Finds

517. Dr. Ram Subhag Singh: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) the progress of excavations at Kaushambi (U.P.);

(b) whether they have brought to light certain archaeological finds with Harappan affinity; and

(c) if so, the details of those new finds?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das):

(a) The excavations have yielded a large number of minor antiquities, amongst which particular mention may be made of terracottas, the more important of which were human heads in the grey ware and northern black polish ware and arrow-heads of bone and iron. This year five main periods of the defences besides a predefence deposit with fine grey ware including a few painted specimens were discovered.

(b) Finds are under examination and at present nothing definite can be said.

(c) Does not arise.

Himalayan Mountaineering Institute

518. Shri Ghosal: Will the Minister of Defence be pleased to state:

(a) what is the strength of the students of the Himalayan Mountaineering Institute at present;

(b) whether there is any criterion in the selection of trainees; and

(c) if so, the details thereof?

The Deputy Minister of Defence (Sardar Majithia):

(a) to (c). The Himalayan Mountaineering Institute runs four basic courses in a year each of 6 weeks' duration. A course normally consists of about 24 students. 26 students are under training in the current course which commenced on 1st November, 1958. The number of persons seeking admission has so far generally been within the capacity of the Institute but to be accepted for training every candidate should be medically fit in accordance with the standards prescribed by the Institute. Since its inception in November 1954, the Institute has completed 15 basic courses in which 294 persons have received training.

Staff in the Ministry of Education

519. Shri Daljit Singh: Will the Minister of Education be pleased to refer to the reply given to Unstarred Question No. 2422 on the 19th September 1958 and state:

(a) the percentage of posts of Assistants and clerks in the Ministry of Education reserved for the Scheduled Castes and Scheduled Tribes;

(b) the reason not filling it up so far; and

(c) the time by which it will be filled up?

The Minister of Education (Dr. K. L. Shrimali): (a) to (c). A statement giving the required information is laid on the Table of the House. [See Appendix II, annexure No. 49].

"Scheduled Castes and Scheduled Tribes"

520. Shri Daljit Singh: Will the Minister of Finance be pleased to refer to the reply given to Unstarred Question No. 2423 on the 19th September, 1958 in regard to the number of Assistants and clerks in the Ministry of Finance and state:

(a) the percentage of posts reserved for persons belonging to the Scheduled Castes and Scheduled Tribes by Government;

(b) the reason not filling up the reserved posts so far; and

(c) the time by which they will be filled up?

The Minister of Finance (Shri Morarji Desai): (a) Reservations of posts for Scheduled Castes and Scheduled Tribes are made in accordance with the roster prescribed in the Ministry of Home Affairs Office Memorandum No. 42/21/49-NGS, dated the 28th January, 1952 a copy of which is laid on the Table of Lok Sabha. [See Appendix II, annexure No. 50].

(b) No direct recruitment to the posts of Assistants and Upper Division

Clerks is made by the Ministry of Finance. The question of making any reservations by this Ministry for Scheduled Castes and Scheduled Tribes in the grades of Assistants and Upper Division Clerks does not, therefore, arise. Only in the case of Lower Division Clerks, direct recruitment was made. A few vacancies reserved for Scheduled Castes and Scheduled Tribes are there but they could not be filled owing to non-availability of suitable candidates, and ban on further recruitment of Lower Division Clerks.

(c) As soon as possible, after the ban on fresh recruitment is removed.

Colonies of Scheduled Castes and Scheduled Tribes in Orissa

521. Shri Kumbhar: Will the Minister of Home Affairs be pleased to refer to the reply and statement given to Unstarred Question No. 1847 on the 11th September, 1958 and state the number of families belonging to non-Scheduled Castes and Tribes who have been allotted accommodation in colonies and hutments constructed for Scheduled Castes and Tribes in Orissa?

The Deputy Minister of Home Affairs (Shrimati Alva): The required information is being obtained from the State Government and will be laid on the Table of the House as soon as received.

Coal in Bombay

522. Shri Assar: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that there is a possibility of heavy coal deposits surrounding Kerali village of Umbarga Tehsil, Usmanabad District, Bombay State;

(b) if so, whether Government have sent any drilling party to investigate the coal mines; and

(c) if so, result thereof?

The Minister of Mines and Oil (Shri L. D. Malaviya): (a) No, Sir. The whole of the Umbarga Tehsil is covered by Deccan traps and there is no prospect of getting coal out-crops in his area.

(b) and (c). Do not arise.

भारत के संविधान का द्विभाषी संस्करण

५२३. श्री कुशवन्त राय : क्या बिधि मंत्री यह बताने की कृपा करेंगे कि भारत के संविधान का द्विभाषी संस्करण जनता को कब उपलब्ध किया जायेगा ?

बिधि उपमंत्री (श्री हजारावडीस) : भारत के संविधान का द्विभाषी संस्करण सरकार द्वारा उसकी कीमत का निर्णय हो चुके के बाद तुरन्त जनता को उपलब्ध हो जायेगा। कीमत नियत करने में कई मंत्रालयों का हाथ है इसलिये देर हो रही है। धाशा की जाती है कि यह निर्णय बहुत जल्दी हो जायेगा।

Monuments in Manipur

524. Shri L. Achaw Singh: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) how many protected monuments there are in the Union Territory of Manipur; and

(b) whether the Kangla and the Govindagi temple in the Cantonment are protected monuments?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) One.

(b) No, Sir.

National Gallery of Modern Art, New Delhi

525. Sardar Iqbal Singh: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) how many paintings and sculptures have been acquired by

National Gallery of Modern Art, New Delhi, in 1958 so far; and

(b) price paid for each?

The Deputy Minister for Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) 28 paintings and 3 sculptures.

(b) A statement is laid on the Table of the Lok Sabha. [See Appendix II, annexure No. 51].

Supply of Iron and Steel to Bombay

526. Shri Pangarkar: Will the Minister of Steel, Mines and Fuel be pleased to state the total amount of iron and steel quota allotted to Bombay during 1958-59 and the total amount actually supplied during the said period so far?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): A total quantity of 15,411 tons of pig iron and 41,068 tons of steel were allotted to Bombay State during the period from 1st April, 1958 to 30th September, 1958, against which 23,044 tons of steel were despatched upto 30th September, 1958. The despatches of pig iron are not available.

Houses for Scheduled Castes

527. Shri Daljit Singh: Will the Minister of Home Affairs be pleased to state the number of houses constructed for Scheduled Castes in 1957-58 with the Central assistance in each State?

The Deputy Minister of Home Affairs (Shrimati Alva): A statement showing the information so far available is laid on the Table of the House. [See Appendix II, annexure No. 52.] Progress reports from the Governments of Assam, Bombay, Jammu and Kashmir, Kerala, Mysore, Rajasthan and Uttar Pradesh have not yet been received.

Standardisation Committee

528. Sardar Iqbal Singh: Will the Minister of Defence be pleased to state:

(a) the main purpose and functions of the Standardisation Committee;

(b) the names of the members of this Committee; and

(c) the work done by this Committee so far?

The Deputy Minister of Defence (Shri Raghuramaiah): (a) (i) To rationalise equipment.

(ii) To reduce to the minimum the types and quantities of equipment held by the user in each Service.

(iii) To lay down the policy of Joint Services Standardisation.

(iv) To liaise with other National Standardisation Organisations.

(b) *Chairman*

Scientific Adviser to the Minister of Defence.

Members

Chief of the General Staff, Army Headquarters.

Chief of Material, Naval Headquarters.

Air Officer Incharge, Technical and Equipment Services, Air Headquarters.

Additional Financial Adviser, Ministry of Finance (Defence).

(c) The Committee and its various Sub-Committees are at present, actively engaged in the preparation of inter-services list of equipment with a view to examining the scope for reduction in the total holdings.

"Smuggled Articles Seized in Rajasthan"

529. Sardar Iqbal Singh: Will the Minister of Finance be pleased to state the value of smuggled articles including gold and jewels separately seized in Rajasthan during 1957-58 and 1958-59 so far?

The Minister of Finance (Shri Morarji Desai): The information is as follows:

Year	Gold seized	Jewels seized	Other goods seized
	(Value Rs.)	(Value Rs.)	(Value Rs.)
1957-58	8,77,104	Nil	9,60,406
1958-59 (upto 31st October, 1958)	14,08,121	Nil	2,32,065

Houses for Scheduled Castes

531. Sardar Iqbal Singh: Will the Minister of Home Affairs be pleased to state:

(a) the number of houses and colonies constructed in each district of Punjab for Scheduled Castes and Ex-criminal Tribes, separately with the Central Government assistance given during 1956-57 and 1957-58;

(b) whether it is a fact that some money allotted for the purpose lapsed in 1957-58; and

(c) if so, the steps being taken to ensure that no amount lapses in future?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) A statement showing the number of houses constructed in Punjab during the years 1956-57 and 1957-58 is placed on the Table of the House. District-wise details are not available. [See Appendix II, annexure No. 53].

(b) Yes.

(c) A new procedure for releasing grants-in-aid to the State Governments has been evolved according to which three-fourths of the Central assistance will be made available to the State Governments in nine equal monthly instalments beginning with May and the final payment will be paid in the month of February on the basis of actual expenditure for the first three quarters and a realistic

estimate of expenditure for the last quarter, subject to final adjustment in the following year in the light of actual expenditure for the year as a whole. The State Governments have been authorised to implement the schemes included in the Second Five Year Plan with the approval of their own Finance Departments without waiting for any sanction from the Government of India. Powers of re-appropriation from one scheme to another within the same group have also been delegated therein.

Houses for Scheduled Castes and Scheduled Tribes in Punjab

532. **Sardar Iqbal Singh:** Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that the financial allocations made by the Central Government for construction of colonies and hutments for Scheduled Castes and Tribes in Punjab during 1956-57 and 1957-58 have been given to non-Scheduled Castes and Tribes;

(b) if so, how many such cases are there in Punjab State (district-wise); and

(c) the steps being taken in the matter?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) to (c). The required information is being collected from the State Government and will be laid on the Table of the House as soon as received.

12 hrs.

PAPERS LAID ON THE TABLE

AMENDMENTS TO INDIAN ADMINISTRATIVE SERVICE (PAY) RULES

The Minister of State in the Ministry of Home Affairs (Shri Datar): I beg to lay on the Table, under sub-section (2) of Section 3 of the All-India Services Act, 1951, a copy of Notification No. G.S.R. 1097 dated the 22nd November, 1958 making certain

amendments to Schedule III to the Indian Administrative Service (Pay) Rules, 1954. [Placed in Library. See No. LT-1049/58.]

REPORT OF SANSKRIT COMMISSION

The Minister of Education (Dr. K. L. Shrimali): I beg to lay on the Table a copy of the Report of the Sanskrit Commission, 1956-57. [Placed in Library. See No. LT-1050/58.]

LEAVE OF ABSENCE

Mr. Speaker: The Committee on Absence of Members from the Sitzings of the House, in their Tenth Report, have recommended that leave of absence may be granted to the following Members for the periods indicated in the Report:—

1. Shri Khushwaqt Rai
2. Shri C. Bali Reddy
3. Shrimati Maimoona Sultan
4. Shri J. Rameshwar Rao
5. Shri George Thomas Kottukapally
6. Rani Manjula Devi
7. Shrimati Lalita Rajya Laxmi
8. Shri Balasaheb Patil
9. Shri Surendranath Dwivedy
10. Rani Kesar Kumari Devi
11. Shri K. G. Deshmukh
12. Shri Lachman Singh
13. Kunwarani Vijaya' Raje.

I take it that the House agree with the recommendations of the Committee. The Members will be informed accordingly.

Shri V. P. Nayar (Quilon): How Many of them have been given leave of absence before?

Mr. Speaker: The hon. Member must have read the report. Hereafter I will ask the hon. Member who tables this report to move it. It is for him to move, instead of putting me to the difficulty of answering these questions.

12.63 hrs.

REFERENCE TO ALLEGED INAC-
CURACY IN REPLY TO A
QUESTION

Shri Narayanankutty Menon (Mukandapuram): On the 9th September, 1958, in answer to Starred Question No. 1072 asked by Shrimati Ila Palchoudhuri and four others, the hon. Deputy Minister for Labour, *inter alia* stated,

"The Vice-President of the Federation, of which representatives met us, has written to us that the question should be left to be settled by the regions themselves."

When the hon. Deputy Labour Minister was present, the representatives of the Federation including myself, requested the Government of India to set up a national tribunal, so far as the demands of the All-India Petroleum Workers' Federation were concerned. Later on, I personally wrote a letter to Shri G. L. Nanda on the 25th August, 1958, from Bombay, in which I requested the hon. Minister to set up a national tribunal. It was after that letter that this question was answered by the hon. Deputy Labour Minister.

I had made it very clear in my letter dated the 25th August that the Federation stand for the appointment of a national tribunal and the oil companies are trying to upset the whole demand by starting certain regional negotiations. But obviously, the hon. Deputy Labour Minister said on the floor of the House that I have written to the Government telling the Government that it is better for the Government to leave the matter to be settled by the regions themselves. That comes directly contradictory to the stand taken by the Federation and also what I have written in my letter. The hon. Deputy Labour Minister says that para. 2 of my letter gave him the impression that I told the Government that the matter should be left to the regions themselves.

I have to submit that the answer given by the hon. Deputy Labour Minister is an allegation and also an insinuation about the stand I have taken personally. In the letter which I have written to them, it is made very clear that a national tribunal should be set up so far as the petroleum workers' demands are concerned. I request the hon. Deputy Labour Minister to correct the answer that he has given attributing to me that I have informed the Government that the matter should be left to the regions themselves to be settled. I also wish to submit that whatever interpretation may be given to both para. 2 and para. 3 of my letter which is in the possession of the hon. Deputy Labour Minister, reasonably no impression could be gathered that this matter should be left to the regions themselves. On the contrary, I have told the hon. Deputy Labour Minister in the letter that the oil companies are trying to raise up issues in the regions and the Government of India should not be deterred by those regional negotiations which have been started by the oil companies. I, therefore, request the hon. Deputy Labour Minister to make matters clear at least this time and correct the answer that has been given, so that the misunderstanding that has arisen because of the reply in the mind of the petroleum workers can be removed.

The Deputy Minister of Labour (Shri Abid Ali): Shri T. C. N. Menon, who is the Vice-President of the All-India Petroleum Workers' Federation, in a letter addressed to the Ministry of Labour and Employment on the 5th August, 1958....

Shri Narayanankutty Menon: Not 5th August, but 25th August.

Shri Abid Ali: ...relating to the demands of the petroleum workers, stated *inter alia* as follows:

"After refusing to negotiate on the wage increase demands at Madras, the Oil Companies all of

a sudden expressed a willingness to negotiate with the Unions in Madras on the 14th of August, 1958. The Madras Labour Minister called a conference in which the companies agreed to negotiate with the Unions. It was also agreed that if no settlement is reached within four weeks from the date of the above agreement, the parties are at liberty to pursue their own course."

This letter, particularly the part which I have just now read, ft an impression on my mind that the hon. Member wanted the question of wage increase, etc. to be left to the regions to settle.

Shri Narayanankutty Menon: It is quite unfair. Read the next paragraph.

Mr. Speaker: Although the te has been corrected as 25 and not 5, the hon. Minister has read out the letter without any mistake. The hon. Member has written that originally a conference is going to be called and if it is not successful, those people will do it themselves. Evidently the hon. Minister feels that because the letter has proceeded from the Vice-President of the Federation, that is his view also that in case the conference is not brought about by the Labour Minister at Madras, the parties will take to such steps as they think proper. I do not know how we are going to correct that impression. That impression can arise or it need not arise also.

Shri Narayanankutty Menon: He has read out only the second para. If he reads the third para., it will be clear.

Shri Abid Ali: It is not here.

Shri Narayanankutty Menon: I will read it:

"This sudden change in the policy of the companies especially at Madras alone is obviously an attempt to disrupt the workers and also to find an excuse for not

dealing with the workers on an all India basis. The Unions attended the conference and agreed to negotiate just because they did not want themselves to be accused later on that they violated the code of discipline. The time-limit even in Madras would expire by 10th of September, I request you to be good enough to appreciate the Oil Companies tactics to frustrate the Federation's effect."

Mr. Speaker: The hon. Member himself has suggested that if the oil companies still persist in doing so, the parties will take to their own course.

Shrimati Renu Chakravartty (Basirhat): What has been put forth by the companies is attributed to the workers themselves. He is opposed to it.

Mr. Speaker: Possibly para. 2 should have taken the place of para. 3. If he has put in para. 2 as para. 3, that would have been proper, that his view might come in ultimately. He complains that these oil companies are not dealing with the workers properly and ultimately he gives a suggestion in para. 2 that if nothing happens, the only course is we will be relegated to that position. It is not as if the hon. Minister wanted to attribute motives to any hon. Member of this House.

Shri Narayanankutty Menon: It is a question of fact. He replied on the floor of the House that the Vice-President of the Federation has written to the Government that this question should be left to be settled by the regions themselves.

Mr. Speaker: So?

Shri Nagi Reddy (Anantapur): The letter does not say that it should be left to the regions.

Mr. Speaker: What is that could be done? I cannot understand what more has to be done. Both the paragraphs have been read. Neither the

[Mr. Speaker]

companies nor the Federation is in his hands. Therefore, they are trying to settle the differences, and that is the function of the Government. Still, if nothing happens it has to be regretted.

Shri Narayanankutty Menon: Sir, that is not a dispute between you and me. The hon. Deputy Labour Minister attributed to my letter a thing which I have not stated. Now it is for him to correct it.

Mr. Speaker: He must have quoted this also—if nothing happens this is what the President of the Federation says.

Shrimati Renu Chakravartty: May I submit something?

Mr. Speaker: What is it that the hon. lady Member wants?

Shrimati Renu Chakravartty: You should direct the hon Deputy Minister to express regret for the mistake.

Shri Abid Ali: What for?

Shrimati Renu Chakravarty: For quoting what did not appear in the letter. I may also state that the hon. Deputy Minister is given to making insinuations in reply always. So, it is better that he does it.

Shri V. P. Nayar: Let him say that he could not understand that letter.

Mr. Speaker: I am afraid, one kind of wrong information has been answered by another kind of suggestion that he is prone to make insinuations.

Shri Narayanankutty Menon: I submit that the only question is that he has stated that I have written a particular sentence, and that is not there in the letter. That is the only question involved.

Mr. Speaker: Hon Members will understand the scope of this entry, so

far as corrections to answers are concerned. It is always open to any hon. Member who feels that the Minister has not given a correct reply, or has understood his letter differently, to bring it to the notice of the House. I give notice to the Minister to be present here and explain it. Now the hon. Member has read out several portions of the letter, and the hon. Minister also has read out some portions. There the matter stands and nothing more is to be done. The public at large are able to understand what exactly has happened in regard to this matter. Therefore, let us proceed to the next item.

12-13 hrs.

MOTION RE INVESTMENT
POLICY OF LIFE INSURANCE
CORPORATION

The Minister of Finance (Shri Morarji Desai): I beg to move:

"That the statement made by the Finance Minister in the Lok Sabha on the 25th August, 1958, regarding the Investment Policy of the Life Insurance Corporation of India, be taken into consideration."

I have not a long statement to make at this stage, because the views of Government have been made known in the statement referred to in the motion. The statement is now before the hon. Members and the public for more than three months. I find that there is no grave criticism of this policy so far. Therefore, too, it is not necessary for me to speak now about any particular points which may arise for discussion in this policy. I should, however, welcome any suggestions or criticisms that may be made by hon. Members here after the deep consideration they must have given to this policy, and I may assure hon. Members that any suggestion that may be made will be carefully considered by Government and if any changes are necessary, the changes

will be made by Government, if Government agree with those suggestions

I may, however, mention one point, about which some doubts have been raised and that is the mention in this statement of policy that the Life Insurance Corporation will invest also in order to foster the good of the community as a whole. Some people have raised doubts that this might mean some pet schemes of Government and not considered from the point of view of the good of the policy holders. All investments made by the LIC are governed by one primary consideration, and that is they must be good and sound investments. Therefore when these investments are made for the good of the community as a whole, it does not mean that they will not be sound and good investments. That condition, of course, will or there and therefore, that feeling is not justified and it should not be there.

It has also been our experience now, though the time is very short, that during the last three months the LIC has found no difficulty in implementing this policy. They have re-constituted their Investment Committee, which is now functioning properly and no difficulties have arisen so far and it is expected that no difficulties will arise in the future. As I said before, I look forward to the criticism and the suggestions that will be made by the hon. Members in this House during this debate.

Mr Speaker: Motion moved

"That the statement made by the Finance Minister in the Lok Sabha on the 25th August, 1958, regarding the Investment Policy of the Life Insurance Corporation of India be taken into consideration."

Dr Krishnaswami (Chingleput)
Mr Speaker, the hon. the Finance Minister has pointed out that the statement has been before the country for the past two months and that there has been no serious criticism made

of his policy. I am grateful to him for having apprised Parliament at last of the policy to be adopted for investing life insurance funds.

It may be that certain aspects of this policy are not satisfactory, it may be that other aspects can be improved upon. But here is something substantial on which the House can pronounce its views. What is the policy that should be adopted in investing the funds of the life insurance corporation? When we nationalised the insurance companies—the 240 odd insurance companies—as my friend points out in his statement, we took a revolutionary step, the full implications of which were not understood or apparent, even to those who were most vocal on the subject of strategic controls. The extension of provident fund schemes to cover industrial workers, the nationalisation of the Imperial Bank, the nationalisation of the 240 life insurance companies and the creation of rupee accounts by foreign Governments all taken together, Mr Speaker, constitute a radical transformation of our monetary system and public debt policy. It is to be hoped that these extra departmental funds that will be wisely invested so as to promote the greatest interests of our community. We have today acquired command over the annual net investible income of the LIC to the tune of Rs. 35 crores to 40 crores. The addition to the provident fund each year would be of the order of Rs. 20 crores, the Deposit reserves of the State Bank, though they fluctuate from year to year, would be on the average one-fifth of the total resources of the scheduled banks. The rupee accounts of the foreign governments which augment, at least temporarily, the reserves of the State Bank would also be substantial. These extra-departmental funds, if they are utilised with wisdom and vision, can be shaped into a potential instrument for promoting economic development. What is the policy that should be pursued in investing these life insurance funds? In my opinion, the interests of the policy-holders must have the highest

[Dr. Krishnaswami]

priority. Secondly the wider social purpose of lending stability to the gilt-edged and equity markets should be borne in mind. As regards the interests of the policy-holders, it is the opinion of most of us that today, after nationalisation, the primary security for these policy holders comes from the State. It is, therefore, necessary that we should invest in those funds hereafter on a basis which ensures as high a profitable return to the policy holders as possible, rather than concentrate on investments which yield only a safe return. Therefore, one cannot appreciate the significance that is attached to section 27A by the hon. Finance Minister in his statement. We had nationalised the life insurance companies in order to prevent mis-use of funds. If this was the alleged motive of nationalisation according to Shri C. D. Deshmukh the then Finance Minister, it stands to reason that we should not necessarily subscribe fully to section 27A as the Minister apparently is doing. For, what was the purpose of having section 27A in the original insurance Act? The purpose was to prevent mis-use of funds by the various private companies and to protect the interests of the policy holders. Now that we have got over that, it is not necessary to fix such a high proportion as 50 per cent for being invested in gilt-edged securities, to impart strength and stability to gilt edge market, a very valuable objective, particularly which is a valuable objective which can be promoted by the use of extra-departmental funds. I suggest that it may not be essential year after year to insist on the investment of 50 per cent in gilt-edged securities. Sometimes, in one year, it may be necessary to invest only 25 per cent. Sometimes, in another year, it may be necessary to invest only 15 per cent in gilt-edged securities. Sometimes, in another year, it may be necessary to invest even 75 per cent. I should not like a specific rule tying down that to be placed in the statement of policy. Perhaps, the Minister

might answer pointing out that in the early years until we have acquired experience it is necessary to follow a rule of thumb, as it were, and suggest that 50 per cent should be invested in gilt-edged securities. I would like to suggest at this stage that we should have a sense of perspective in appreciating how much should be invested in gilt-edged securities.

What is the position that we are facing today? Our long term borrowing programme for the coming seven years would be to the tune of Rs. 200 crores per year. According to the present estimate, taking into account the annual accretion to the provident fund and also the amount that is going to be allotted out of the life insurance funds, we would have subscribed about one-fifth of the annual issue. It may not be necessary, as I pointed out, and it is not necessary merely to subscribe out of this fund a specified amount. What is necessary is to give support to the gilt-edged market. It has also been pointed out that 35 per cent will be invested in approved investments. Here, I should like to suggest that when we suggest that these funds should be invested in approved investments, concentration or the accent should be on those approved investments which yield as high a profitable return as possible. I am suggesting this caution at this stage because, there is a certain tendency in certain circles, particularly among the hot-gospellers of the public sector to suggest that all this 35 per cent should be concentrated only in safe investments and not in those which are as profitable as possible in the approved investments. The remaining 15 per cent is to be invested in other investments.

One would like to ask certain questions. Year after year, the life insurance funds will be increased. There is a snow-fall effect, as it were in the case of most of our life insurance companies. But, let us realize

that the increase in the life insurance funds will come from the pockets of those who, in nine out of ten cases, would have invested in equities. It is proper that we should invest in equities and the investments should be distributed as widely as possible, and there should be concentration on potential value. For instance, the annual demand of the public sector is of the order of about Rs. 200 crores for lending and other needs. There is no reason to expect that the private sector demand would be any less. It would also be about Rs. 250 crores. What is sucked out of private individuals should also be allowed to flow in some measure into those industries which would be vital for promoting our development. The L.I.C., in my opinion, should certainly play a very vital part in the absence of an organised capital market. There is no reason why the Life Insurance Corporation should not play a positive role not only in buying debentures and shares but also in sponsoring and starting new ventures, and maintaining the strength and stability of the stock markets.

From this it follows that certain codes of conduct will have to be observed by the Life Insurance Corporation. The Life Insurance Corporation must pass a self-denying ordinance not to use its holdings of shares in companies in order to acquire control over them. After all, the logic of the existence of the Life Insurance Corporation is one of imparting strength and stability to the equity market. It cannot be an agency for acquiring control and if it attempts to acquire control over, for example, the A.C.C. it would have its hands full with management and even cease to maintain strategic control over the economic sector. In short, the Life Insurance Corporation cannot be used for acquiring control by backdoor nationalisation. In fact, it is a salutary rule to propound at this stage that a financial institution should not be used for acquiring control over other companies for the purpose of

managing them. Indeed, it ought to be clear that at times, there would be a sharp conflict between managing a company and promoting the basic interests of the economy. At this stage, the Life Insurance Corporation should not be placed in the unenviable position of having to reconcile what may be the two irreconcilables.

I should like to take up another point which is of very great importance. That point has been referred to by the hon. Finance Minister in a rather cursory manner. For the purpose of giving strength to this argument, may I have your leave to quote from the statement which has been presented by the Finance Minister? The statement remarks:

"It will, therefore, invest in ventures which further the social advancement of the country. It will take no parochial view. Its funds are drawn from all over India and they will—as far as practicable considerations allow—be invested for the good of the entire country. Thus, there shall be a studied diversification of its investible funds which is an essential requirement of any insurer, particularly the sole insurer of a country."

These are excellent sentiments. But the question arises, is the Life Insurance Corporation going to be in a position to promote these ideals. I want to ask the Finance Minister this straight question. What has been done during the past two years? During the past two years, the Life Insurance Corporation has been in existence. How far has it promoted diversification of investments? There is a feeling in many circles in this country that this large monolithic Corporation, by the very fact of its largeness, by the fact of its operating from centres like Bombay and Calcutta, will not be interested in other centres or other areas of this country. It is a point of view which has to be taken into account by those who are responsible for the financial management

[Dr. Krishnaswami]

of our country. A large corporation, by the very fact of its largeness, necessarily has a bias for concentrating on large investments in certain areas, and we who are aware of how economic development takes place, realise that large funds will flow only into those areas which are very largely developed.

Besides, when we talk of parochialism, let us bear in mind that before nationalisation we had 240 odd insurance companies which were investing in some small measure in different parts of India. Having nationalised these companies overnight, it may be that those centres which had these funds might be starved for want of funds. So, parochialism is not an unambiguous concept and it has to be investigated more closely. I would ask the Finance Minister in particular to lay on the Table of the House on another occasion, or towards the end of this debate, a statement showing how the Corporation, during the past two years, has distributed its funds and in what proportion it is done. It is an important issue on which we should like to make up our minds, and I am only placing this as a positive suggestion for him to consider.

I have always held the view that a monolithic corporation will not operate very efficiently. The only two controls that we have over the Corporation are the Minister's supervision and Parliament's exercise of the power of questioning and having debates on the Corporation. I do not refer to what happened in the past, but I do realise that a Corporation which is very large and which has no competitor at all might really suffer from the very fact of not having competition. Even when we have nationalised life insurance business there is scope for permitting competition provided we split the Corporation into five corporations and allow them, nationalised though they are, to compete with each other. It is not

a prospect from which we need quail, and it is a point which we ought to consider definitely, because I feel that unless there is competition, it may not be possible for us to realise whether the business is run very efficiently. It is only when something goes very wrong, or something goes away with the Corporation, that Parliament will be seized of the matter. After all, we realise that Parliament cannot interfere in the day-to-day administration of the Corporation. That would be disastrous. Therefore, from the point of view of our knowing what is happening, it would be better to consider seriously the advisability of splitting the Corporation into five corporations competing with each other, thus being able to bring about a greater amount of efficiency among the different corporations. It is only a suggestion that I am throwing forward. I believe in that case some of the objectives and sentiments that the Minister has given expression to in this statement of policy would be translated into practice more easily than would happen otherwise.

There is one particular paragraph which heartened me in the statement. The Minister points out that the Controller of Insurance would have details regarding the Corporation's investments, but what would be the purpose of the Controller of Insurance having this information? That information should be readily available to Parliament, and it would be an advantage for us to have such information because we would be in a position to throw light on the Corporation and its activities. I do want to point out that after all that has occurred, this Parliament cannot afford to dissociate itself from displaying an active interest in the affairs of the Corporation.

As I pointed out, we have taken a very big step in nationalising life insurance business; but Parliament would continue to take a very energetic interest in how the Corporation

distributes its investments, how far it really supports the equity markets, and how far it is able to promote not only the interests of the policyholder but also the interests of the community as a whole

I am very thankful to the hon. Minister for having placed before us a substantial document, and some of the criticisms that I have made will, I hope, receive his earnest consideration, and there might be some modifications made. I do realise that in the case of this Corporation which is a financial institution, we would have to take a great deal of care when we attempt to criticise its activities. It does not mean that on that account we should not have an opportunity of reviewing its policies continuously. Indeed, I should like to make the suggestion to the Minister that once in six months a statement on the Corporation's activities should be placed on the Table of the House so that we might have an opportunity to suggest amendments of policies to promote greater diversifications of investments which he suggests, should be one of the key features of the policy of investment of the Corporation.

Shri Bimal Ghose (Barrackpore)
It appears to me that two considerations are involved in an examination of the problem before us. One is the question of the investment policy; the other is that of the machinery for making investments in pursuance of such a policy.

With regard to the investment policy, I might cursorily refer to the point of view expressed in certain circles as to whether there was any necessity for enunciating an investment policy. Their point of view is that since the life insurance business was nationalised for making resources available for the Plan, the best course would have been to leave all the funds in the custody of the Government at a guaranteed rate of interest, allowing the Government to invest the funds in such ways as they felt necessary in pursuance of the Plan. I do

not think that is a view that should be acceptable. It is necessary that the Corporation should have an independent policy of its own.

Mr Speaker: Why were these companies nationalised? What was the primary object of nationalising the life insurance companies?

Shri Bimal Ghose: The primary object was that their funds should not be misused, and since the Government has control over the whole economy, wherever the Corporation may invest its funds, it must be in pursuance of that policy that is embodied in the Plan, whether the funds are given to the Government or even left with the Corporation, because if you invest in the private sector, that also will be in pursuance of the Plan.

This policy which has been enunciated and laid before us more or less follows section 27A of the Insurance Act, and it has come, I believe, after the report of the Chagla Commission because of the recommendations made in that Commission's report. There have been some modifications and I first want to examine the modifications made in the old section 27A.

One is in regard to section 27A(4), viz. that now the Corporation is permitted to invest up to 30 per cent of the equity share capital whereas under the old Act the percentage was 10 not in the equity share capital only but of the subscribed share capital and debentures of any one company. The reason given now is that so many insurance companies have been nationalised that the figure of 10 per cent is not relevant now. Is that a fair consideration, because I believe the principle behind the original section 27A was that no insurance company should be in a position to have too much influence in regard to any one particular company in the private sector and control too much of its shares. It is not that so many insurance companies have been

[Sbri Bimal Ghose]

nationalised and therefore the figure should be increased from 10 to 30 per cent. If we accept the principle that no private company should be controlled too much by any insurance concern, whether it is of the Government or under private auspices, then the figure of 30 per cent is high. I should suggest that the figure may be lower at 15 per cent with the proviso that if Government so decide, they may invest as much as they want in any company, because I am not against the Corporation securing even a major share in any one company provided the Government think it necessary and decide that it is in the national interest, but otherwise I should think that the percentage of 30 should be brought down.

In this connection I may ask the Government: when they have modified section 27A(4) why is it that section 27A(3) has not been modified since that is also based on the same policy, namely, that no insurance company should invest more than 2 per cent in any banking company or investment company? That has not been modified now to say that the Corporation may invest up to, say, 10 or 15 per cent of the shares of a banking or investment company. Section 27A(3) has not been modified, and, therefore, I think that it is not right to have modified section 27A(4).

The second modification is in regard to investments in private companies. I should like to know whether it is Government's intention that private companies in the private sector would also be considered good enough for investment by the Life Insurance Corporation or whether this amendment has been made merely to enable the Life Insurance Corporation to invest in the private companies in the public sector only.

There are two other aspects of investment policy which deserve notice. One is what the Finance Minister has referred to here, namely, that whereas

it was made clear that the Life Insurance Corporation will always keep in mind its primary obligation to its policyholders and work as far as possible on business principles, it has to keep before itself the interests of the community as a whole. I concede that so long as the two do not conflict there is no trouble. But if the two should ever conflict, I want a clear statement from the Finance Minister as to whether the interests of the community or the interests of the policyholders will be held supreme: if the two should conflict, as they may conflict in certain cases, there should be a clear statement as to which should be considered supreme, the interests of the community or the interests of the policyholders.

The second is in regard to investment operation vis-a-vis the stock exchanges. It has been said that the Life Insurance Corporation should not indulge in speculation, but at the same time, it has been said that there is no harm in buying in periods of depression and selling in periods of boom. But that brings in a speculative element in the transaction. If the House will remember, the former Finance Minister stated here that it was not the purpose of the Life Insurance Corporation, once it has bought any shares, to sell the shares or to sell the debentures; once the corporation has bought, then it tries to maintain those shares in its vaults and not to sell them. If we accept the principle that there is no harm in buying during periods of depression and selling during periods of boom, we really are trying to stabilise the stock exchanges. I have no objection to what the Finance Minister has stated, although I would not like to do that, and we should decide whether it is the policy of the Life Insurance Corporation to function, as the Reserve Bank does in gilt-edged securities, and carry on open market operations in equities with a view to stabilise the stock exchanges. If we do not intend to do that, as I think we should not do if we have the policyholders' inte-

rests supreme, then this kind of policy should not be favoured, and v should not try to buy and sell securities

If we look at the investments of the Corporation, we find that actually, since the business was nationalised, compared to the time before nationalisation, investment in the private sector has increased, while investments in gilt-edged and other securities and other investments have decreased. If we take the appointed day in 1958, we find that the investment in debentures, preference and ordinary shares was 16.8 per cent on that day while at the end of July, 1958, it was 19 per cent, in gilt edged and approved securities it was 73.1 per cent on the appointed day, and at the end of July, 1958, it was 71.9 per cent while in the case of other investments the figure has declined from 10.1 to 9.1 per cent.

In this connection, I should like to draw the Finance Minister's attention particularly to mortgages. Why is it that mortgage loans are not allowed now? Under section 27A mortgages are not debarred from consideration for investment. It is in this context very surprising that the corporation wrote to a certain party who had applied for a mortgage loan on the 3rd of September, that is after 23rd August, 1958 when this policy statement was made—I have got a true copy here—to the effect that

'The Corporation has decided as a matter of policy not to grant new loans on mortgaged property'

I can understand not granting new loans at a particular moment of time but how can the Corporation say that it will not grant new loans as a matter of policy in view of the policy statement laid on the Table of the House by the Finance Minister. I should like to have a clarification of that point as to whether it is the policy of the corporation not to grant mortgage loans.

250 (A1) LSD—4.

This point was raised by us during the discussion on the interim report of the Life Insurance Corporation, and the then Finance Minister had assured us that mortgage loans would be allowed and that they would be revived. It is very necessary that they should be revived, because this kind of loan is required particularly by a number of middle class people to build houses, so there is no reason why mortgage loans should not be allowed, because they are quite safe. In all countries, they are allowed. In America, for instance

Mr Speaker Does this ban apply to policyholders also, that is, this prohibition on borrowing?

Shri Bimal Ghose Yes all mortgage loans are banned

Mr Speaker Whether by policy holders or by others?

Shri Bimal Ghose Whether by policyholders or by others—

Mr Speaker Are not policy holders allowed to borrow on the security of their insurance policy?

Shri Bimal Ghose Yes that is there. But I am talking independently of that.

This form of investment has always been favoured. I was saying that even in America about 20 to 25 per cent of the funds are invested in mortgage loans. So it is not that it is an unsafe investment and it is an investment which is necessary in our country. Therefore I do not understand why mortgage loans have been stopped at the moment and particularly how the Corporation can write that they have been stopped as a matter of policy because the policy does not debar mortgage loans.

Before I go on to the question of the machinery, there is one question that I should like to ask of the Finance Minister, and that is whether under section 8(2)(b) of the Act, Government want to frame rules for

[Shri Bimal Ghose]

guiding investments to be made by the Life Insurance Corporation. There are certain provisions in the Life Insurance Corporation Act, such as section 6 (2) (b), section 19 for the setting up of an investment committee, and section 43 (2) under which this policy statement has been made and section 27A of the Insurance Act made effective. There is also, in relation to section 6 (2) (b), the relevant provision in section 48 (2) (g) for making rules for guiding the Corporation in regard to investments. I should like to know whether Government want to take advantage of this provision and make any further rules for the guidance of the Corporation in the matter of investments.

Coming to the machinery, I want to say two things. The first is that although we may enunciate principles, they are not enough. We have found that even before section 27A was made effective, during the few months during which the Corporation was functioning, the old investment committee had adopted a policy of investment more or less on the basis of section 27A of the old Insurance Act. But, nevertheless, the Mundhra deal was possible. It was not that they had not adopted a formula, but they did not observe the formula. So, we have to be very careful here that the machinery that we set up is such that this formula that we have now evolved will be complied with.

The second point is with regard to the tendency to which my hon. friend Dr. Krishnaswami had referred, namely, of concentration of activities in particular localities; it appears that all financial activities are going to be concentrated in Bombay. I have often spoken about that; and that is not a very healthy phenomenon.

I find that the reconstituted investment committee that has been set up this time does not contain anybody who has intimate knowledge of the

capital markets in Calcutta. The former investment committee had one such person. I do not know if there is anybody who has information about the Madras market, but the reconstituted investment committee does not contain anybody who has any intimate knowledge of the capital market in Calcutta.

You may remember that the former Finance Minister had introduced a Bill which he had to withdrawn, namely, the Life Insurance Corporation (Second Amendment) Bill of 1957.

That Bill envisaged a provision for setting up advisory committees in Bombay, Calcutta and Madras. I believe that is a salutary provision, that there should be advisory committees in Bombay, Calcutta and Madras, that a proportion of funds should be allocated for investment in such markets. Otherwise there is tendency for all the investments to be done in Bombay or through the Bombay market. If the hon. Minister likes, he may also include Delhi and Kanpur in this list, but there should be dispersal of funds for investment in different regions and localities. For that purpose, it is desirable that there should be advisory committees or even the present advisory committee, which should, however, consist of people who have knowledge of local conditions and local markets, should at least meet in these different regions so that there may be dispersal of investments so that each region may get a fair proportion of the investments made by the L.I.C.

I hope the Finance Minister will take note of the suggestions I have made and give satisfactory answers.

श्री रामेश्वर दंडिया (सीकर) : अध्यक्ष महोदय, वह लाइफ इन्श्योरेंस कॉर्पोरेशन हिन्दुस्तान की सब से बड़ी पूंजीवादी संस्था है और बकवास से धनवान और करीब से करीब का क्या इसमें जना हुआ है। इसलिए हमारा वह

करीब ही जाता है कि जो रुपया हम लगायें वह सोच समझ कर लगाने और देखें कि किस तरह से वह रुपया सुरक्षित रह सकता है, किस तरह से ज्यादा से ज्यादा आमदनी इस रुपये पर हो सकती है। कुछ अर्सा हुआ जबकि कम्पनियों में बीमा कम्पनी का रुपया तथा और उसके द्वारा कुछ कम्पनियों के शेयर सारीदे गये और इसम करोड़ों रुपये का नुकसान हुआ। इस नुकसान को देखते हुए हमारा यह फर्ज हो जाता है कि हम इस मामले में और भी सतर्क रहे, और भी सचेत रहें।' [14]

जब सरकार ने जीवन बीमा निगम की स्थापना की तो उस समय २४० के करीब कम्पनियां अलग अलग जगहों पर, अलग अलग रूप में हिन्दुस्तान के हर हिस्से में काम कर रही थी। उनके अलग अलग बोर्ड थे, वे बोर्ड अलग अलग से अपनी पालिसियां तय करते थे, अलग अलग से अपना रुपया लगाते थे। इनके द्वारा जो रुपया लगाया जाता था वह मकानों के मार्टगेज में, शेयरों में, गवर्नमेंट पेपर्स और डिबेंचर्स में तथा इसी तरह से दूसरे कार्यों में लगाया जाता था। तो इन २४० के करीब कम्पनियों का एक ही बड़ा निगम होना और उसका काम एक ही केन्द्र द्वारा संचालित होना, एक ही जगह से चलाया जाना, मेरी राय में, उतना इफेक्टिव नहीं हो सकता जिसना इफेक्टिव उसे होना चाहिये।

जहां तक कि इस निगम द्वारा रुपये लगाये जाने का ताल्लुक है मैं समझता हूं कि केवल गवर्नमेंट सिक्योरिटी में ही नहीं बल्कि हिन्दुस्तान में स्थापित हजारों कम्पनियों के प्राइमरी शेयरों में और डिबेंचरों में उसका रुपया लगाना चाहिये। मैं समझता हूं कि यह लगाया भी जा रहा है। जब ऐसी बात है तो मेरा नम्र निवेदन है कि जैसा डा० कृष्णास्वामी ने कहा हमें अलग अलग पांच या छः जोन बनाने चाहिये या पांच या छः बांजिज बनानी चाहियें, पांच या छः फीनल कारोरेखंस बनानी चाहियें जिनके कि अलग अलग से

एक्वाइटी बोर्ड हों और अलग अलग से वे अपना रुपया लगायें तथा उसकी हिस्साव रखें और अलग अलग से जीवन बीमा का काम भी करें। इसका एक लाभ यह होगा कि उनमें आपस में होड़ लगी रहेगी और हम यह भी पता लगा लगता रहेगा कि किस जोन ने कम काम किया है, किस ने कहां कहां अच्छी तरह से इन्वेस्टमेंट किया है और कितना फायदा करवाया है और किस जोन ने कम से कम रुपया डुबाया है। मैं समझता हूं कि यह चीज बहुत जरूरी है और मैं चाहता हूं कि जीवन बीमा निगम को अलग अलग पांच या छः जोस में बांट दिया जायें।

अब जो इन्वेस्टमेंट पालिसी है, उसके बारे में मैं कुछ कहना चाहता हूं। आपने सेशन २७ को तबदील किया है और कहा है कि पहले जहां दस परसेंट किसी प्राइवेट कम्पनी के प्राइमरी और डिबेंचरों के शेयरों में अधिक से अधिक लगाये जा सकते थे उसको अब ३० परसेंट खाली प्राइमरी शेयरों के लिये कर दिया गया है। मैं मानता हूं कि ब्याज कुछ शेयरों में कुछ अर्थ के लिये ज्यादा हो सकता है परन्तु कमी कमी यह भी हो जाया करता है कि सारी की सारी रकम ही कुछ शेयरों में डूब जाया करती है। इस वास्ते मैं चाहता हूं कि इस पर भी विचार कर लिया जायें। मैं चाहता हूं कि १० या १५ परसेंट से अधिक किसी प्राइवेट कम्पनी के प्राइमरी शेयरों में न लगाया जायें और इस चीज को नियमों में स्थान दे दिया जायें।

अब मैं प्रेफेंस शेयरों के बारे में कुछ अर्थ करना चाहता हूं। जो अच्छे प्रेफेंस शेयर माने जाते हैं वेसे शेयर छः या साढ़े छः परसेंट के ली रुपये में फ्री आफ टैक्स के मिलते हैं। इनमें अगर टैक्स जोड़ा जायें तो आठ या साढ़े आठ परसेंट का ब्याज होता है। जहां तक प्राइमरी शेयरों का सम्बन्ध है उनमें काफी बढ़ावही होती है। साथ ही साथ हम को इस बात का भी ध्यान रखना होता कि जीवन

[श्री. रामेश्वर टांडिया]

बीमा में जो रुपया आता है, वह ज्यादातर गरीब आदमियों का आता है, मध्यम श्रेणी के जो लोग हैं उनका आता है, जो आफिसिस में क्लर्क हैं उनका आता है और उनके हित में यह देखा जाना बहुत आवश्यक है कि उनसे ज्यादा से ज्यादा व्याज बिना किसी खतरे के कैसे मिल सकता है। मैं मानता हूँ कि यह ज्यादा व्याज स्पेकुलेशन और फाइनरी शेयरों में है और आज जिस सी रुपये के शेयर की कीमत सी रुपया है कल उसकी १२५ हो सकती है। लेकिन हमें यह भी ध्यान में रखना होगा कि उसकी कीमत घट कर ७५ भी हो सकती है। इस वास्ते हमें सोचना होगा कि हमें ज्यादा रुपया प्रेफ़ेंस शेयरों में या फाइनरी शेयरों में लगाना चाहिये। प्रेफ़ेंस शेयर में फाइनरी शेयरों के मुकाबले में कम घटा बड़ी होती है और नुकसान होने पर उसका व्याज नहीं मिलता है, वह ज़ुब्त रहता है। मैं समझता हूँ कि जीवन बीमा निगम का यह उद्देश्य होना चाहिए कि जो १५ या २० परसेंट रुपया वह प्राइवेट कम्पनियों की पूजी में लगावे वह प्रेफ़ेंस डिबेंचर्स और प्रेफ़ेंस शेयरों में ज्यादा लगावे और फाइनरी शेयरों में कम लगावे।

पहले प्राइवेट कम्पनियां नए मकान बनाने के लिए पालिसी होल्डरों को रुपया देती थी। आज शायद यह तय हो गया है कि इस तरह से रुपया नहीं दिया जाएगा। मैं प्रार्थना करता हूँ कि आज ज़रूरत इस बात की है कि साधारण और मध्यम श्रेणी वाले लोगों को इस चीज़ को करने के लिए अधिक से अधिक प्रोत्साहन दिया जाए और उनको जीवन बीमा निगम उनकी पालिसियों की जो सरेंडर वैल्यू है उसको कर्लेटिव सिस्पोरिटी के रूप में रख कर उनको छोटे छोटे मकान बनाने के लिए कम से कम व्याज पर रुपया दे। यदि ऐसा किया गया तो जो आपका रुपया है वह तो सेफ़ रहेगा

ही और साथ ही साथ बीमा कराने वालों की आप अधिक से अधिक सेवा भी कर सकेंगे।

जीवन बीमा निगम काफ़ी रुपया प्राइवेट कम्पनियों के फाइनरी शेयरों में लगाता है। जैसा कि श्री फ़िमल बोब ने कहा कि अगर प्रलग प्रलग जोन हों और सब जोंस में एडवाइजरी बोर्ड हों तो यह ज्यादा अच्छा होगा। मैं यह भी चाहता हूँ कि इन बोर्ड्स में प्राइवेट से टर के आदमी भी लिये जायें, पब्लिक से टर के भी लिये जायें और अगर ऐसा किया गया तो ज्यादा जानकारी का मौका मिलेगा और पता चल सकेगा कि किस जोन की क्या हालत है और जिस कम्पनी के शेयर हम खरीद रहे हैं, वह अच्छी कम्पनी है या नहीं, उस रुपये का हमें अच्छा रिटर्न मिलेगा या नहीं और वह ठीक इन-वेस्टमेंट है या नहीं।

Shri Achar (Mangalore): The policy laid down has been considered and there is almost unanimous agreement, as is clear from the attitude taken up by Members Opposite also. So I do not wish to say anything about the policy.

I only want to make one or two suggestions. The income of the LIC is increasing. They will be able to invest large amounts year after year and probably more hereafter. In fact, the Deputy Minister stated during Question Hour that they had a record business last year, though there has been a certain amount of criticism that though the business has been a record one, the LIC has not made as much progress as the insurance companies used to do when they were under private management. Anyhow, this is not the occasion to discuss that aspect of the question. I am only trying to make one or two suggestions which I would request Government to consider.

The income of the LIC comes from all parts of the country, from towns, from villages where the insurance habit is developing very much. When that is so, we have no doubt to consider the interests of the policyholders uppermost. In fact, it is their money which is almost a trust money in the hands of L.I.C. From that point of view we should consider this aspect of the question also whether the capital available cannot be made available to the smaller people also who live in the villages and the mofussil. Instead of investing in the cities and big towns and industries and equities and gilt-edged securities, should not the investment be made in that area also? I am suggesting whether the Government cannot think of investing these funds in loans etc. that may be floated by the local boards, the district boards and municipalities. We know that several municipalities are lacking in funds and the State Governments are not able to supply them with the necessary funds. They are floating loans which are not sufficiently subscribed sometimes.

13 hrs.

The improvement of the municipalities and the improvement of the mofussil areas under the district boards have very often to face difficulties. These governmental and semi-governmental bodies like the local boards, district boards and the municipalities are not able to find sufficient funds. I am only requesting government to consider this aspect of the question whether this large amount coming to this organisation from all parts of the country—to a considerable extent from the villages also—in the interests of the country—and I am sure it is not going against the interests of the policyholders—should not be invested in the loans that are floated by the local bodies like the district boards, the municipalities and the like.

If there is any statutory difficulty—I do not think there is any—the Insurance Act should be amended to

that effect. I would request Government to consider that aspect of the question.

The other suggestion that I would like to make is with regard to the smaller industries and the smaller concerns that are coming up in the district and taluk headquarters. Of course, so far as the small industries are concerned, we have got the Small Industries Corporation also to give them loans. But, we also know how to a considerable extent, when these applications are made, funds are not available.

I am making this request also whether the LIC funds should not be made available for the purpose of helping these institutions by granting them loans. I do not mean that any risk should be taken or that the policyholders' interests should not be looked into. So far as that is concerned, safety has to be considered. But, while considering that, I think, it should be possible to invest a considerable portion of the amount in these smaller concerns. Probably, some organisation is necessary to find out how it can be invested. I would request the Government to consider this aspect of the question also and see whether the funds could not be made available for the smaller concerns in the mofussil.

Shri Morarka (Jhunjhunu): Mr. Speaker, Sir, we are thankful to the Finance Minister for placing before this House a statement of policy concerning the investment of the LIC funds. The statement says, in paragraph 3, that 'while ensuring the safety of the policy holder's money the possibility of augmenting the profits has also been afforded'. I think, Sir, this is the main guiding principle for the investment of these funds.

The first principle which must apply to the investment is safety and the second is profitability. May I say with great respect that there cannot be any third consideration for the investment of these funds, howsoever noble and laudable that other objective may be?

[Shri Morarka]

After all, these funds belong to certain classes of people. These are their savings. There are about 55 lakhs of policyholders and the total amount is about 400 and odd crores of rupees. On an average, it comes to about Rs. 800/- per policyholder. One cannot say, therefore, that these savings or funds belong to a class which is very rich and can afford to lose these funds. Therefore, my humble submission is that there cannot be any third consideration to guide the investment of these funds except the two which are enumerated in the statement and which I have also mentioned. Among these two, the first is the safety and the second is profitability.

Now, because safety comes first, a large portion of these funds has to be invested necessarily in those securities where the fluctuations are less, where the risk of losing the capital is the least; that is, in gilt-edged and government securities.

Section 27A prescribes a definite and rigid limit, that is a certain percentage that must be invested in these gilt-edged securities. At the same time, in order that the investment may also earn profit which is more than usually realisable on government securities, certain latitudes are given. And, those are in the form of investment in approved securities and in other securities.

There is one statement in this policy statement which I cannot understand. Though the Finance Minister tried to explain it, still it is slightly ambiguous and that is in paragraph 7. It says:

"It will"—it "means the LIC—therefore, invest in ventures which further the social advancement of the country."

What is social advancement of the country? Any activity connected with the social welfare or social advancement of the country may be a venture

in the social advancement of the country. Yet, investment in that venture may not be as safe or lucrative or profitable as is required under the rules of sound investment.

As you know, sometimes Government have to invest funds in ventures on considerations other than mere considerations of safety and profitability. But, for that purpose, if the Government wants to make use of the funds of this Corporation, they must provide a cushion. You remember that when the Government floated the Industrial Finance Corporation and wanted the banks and other insurance companies to subscribe to share capital of that Corporation, they guaranteed a certain minimum rate of dividend and also the safety of the capital.

Similarly, if I remember correctly, when the Warehousing Corporation was floated, again, similar guarantees were given.

If the funds of the Life Insurance Corporation are to be invested in any social advancement venture which does not satisfy the guiding principles, namely, safety and profitability, then, I think, in fairness to the policyholders the Government must provide a cushion and must give a guarantee about the safety of the funds and a minimum return.

In this connection one of the speakers, Shri Ghose, said that all the funds of the Corporation must be taken over by Government, a minimum guarantee of returns should be afforded and these funds should be utilised for the purpose of the Plan.

Shri Bimal Ghose: I did not say so. That was not my opinion. I said that was a view expressed with which I did not agree.

Shri Morarka: I stand corrected. I do not also agree with this view. This will virtually mean investing cent per cent of the funds of the Corporation

in the gilt-edged securities. While it would ensure a definite minimum return, it would at the same time endanger the safety of the funds.

Dr. Krishnaswami, on the other hand, was even objecting to the rigid limit of 50 per cent. He thought that no limit should be prescribed for investment in gilt-edged securities. His contention was—if I understood him correctly—that this matter should be left free and the Corporation should be allowed to invest more and more funds in the equity capital of the ventures, both old and new. There are different views expressed about investment in the equity share capital and there is a view expressed here by an American author which goes so far as to say—

"Investment in common stock is not investment at all, but speculation and morally wrong for life insurance companies. 'I am against it', says one leading life insurance official. I think it would be a sin to utilise policy holders funds to speculate in common stock."

The second objection which people took in other countries also against the investment of these funds in the common stock was that unless there are definite and rigid limits, life insurance companies, particularly when they happen to be one single monopoly corporation, would have a tendency to invest more in one company in order to capture control and management and thereby build an economic empire around itself. Apart from the managerial difficulties which the Life Insurance Corporation would create by such activities, in principle it would be wrong because it is none of the functions of the Life Insurance Corporation to take over the management of other companies. We know unfortunately at present the Corporation has been saddled indirectly though with the management of certain concerns. The Corporation has to put its officials through the High

Courts and have a voice in the management of big companies and corporations where the Corporation has a big stake.

There is also a strong argument why investment in these common stocks should be allowed and that is that when the country prospers and when there are very good companies which have a good record of dividends, good record of stability without any risk of investment in those shares, there is no reason why one of the biggest investing bodies should not benefit by investing its funds in those shares also. Therefore, I think this policy statement has rightly allowed the Life Insurance Corporation to invest its funds in common stocks also, but has laid down a limit of 30 per cent. of its ordinary shares in any single company.

Objection has been raised that this 30 per cent. is too high. I also feel that 30 per cent. is too high. But then there is another consideration to this. Before these companies were nationalised there were about 240 different companies and each company was allowed to invest up to 10 per cent. of the subscribed capital. When these companies were nationalised, it is quite possible that when all their investments were put together, the Corporation might have come in possession of shares which are more than 15 per cent. or even 30 per cent. If you were to enforce this rule of 10 per cent. or 15 per cent. today you would be compelling the Corporation to disinvest its funds from the shares. Those shares might be quite good, might be lucrative and a sound investment.

What about future investments? I do not think that the Life Insurance Corporation after various censures that have been passed by this House, would ever dare invest funds in any risky ventures and would ever dare invest funds more than 10 per cent. of the capital of that company, unless of course there are very good reasons.

[Shri Morarka]

The reasons may be it may be a Government corporation with a definite future with Government guarantees and things like that. In those circumstances, I do not think that there should be any objection in this Corporation investing its amounts.

There is another point which I want to say and that again is in the statement. The modification of section 27, sub-section (a) permits the Corporation to invest in private limited companies. This is a new thing. Shri Ghose said if this is only for the purpose of enabling the Corporation to invest in Government companies which are technically private companies the objection would be less. But if under this section you are permitting the Corporation to invest funds even in private companies of private individuals, I think the objection is very strong, because under the Companies Law private companies are not subjected to the same scrutiny, to the same vigilance as the public companies are. The affairs of these companies are not known to the public; the public is not entitled to know them; their accounts are not audited in the same way and these companies are not subjected to the same regulations as the public companies. Therefore I think that there is a lot of force in this argument that the investible funds of the Corporation should not be allowed to be invested in the private companies in the private sector.

There is one thing more. I do not think that all the private companies which are in the public sector should be permitted to be invested in. Unless a company owns an industrial undertaking, no investment should be made in that by the Corporation. We should not make any investments in a company whose business by its very nature is of a speculative character. For that purpose the statement of the hon. the Finance Minister requires certain clarification and the Corporation must be given some directive in that behalf. One great merit which invest-

ment in the common stock or equity capital, as it is called, has, is that it diversifies risk. Safety of the funds also includes diversification of risks and to the extent to which the risk is diversified the funds are safe and to that extent the first condition is satisfied.

Therefore, I feel that by and large the whole policy enunciated by the Finance Minister is acceptable and is very satisfactory subject to the few things which I have said.

Two or three hon. Members who preceded me have argued here—though not very germane or relevant to the issue under discussion—that this monolithic Corporation should be split up into five or six different units. That would make the management more efficient and create competition and further the interests of the policy-holders better. May I say with great respect that I do not agree with this view? It would have been one thing to create five or six corporations to begin with, but it is another to split them now and again create troubles which are hardly over. When these 214 companies were merged into one single Corporation, it led to a lot of problems—teething problems if you may call so—and even today, I do not think the Corporation has got them over. When these problems are hardly over, you decide to create again six bodies and again create those problems of disintegration.

13.22 hrs

[SHRI C. R. PATTABHI RAMAN in the Chair.]

In that case, when would this Corporation pay attention to the real business for which it was created? They would always be busy in integrating and disintegrating offices and corporations, divide the assets and liabilities and policies and so forth. I, therefore, feel that we should not think in terms of dividing this Corporation into small units at this stage. We must give it a fair chance and allow it to stabilise and

then see whether it functions properly or not and whether in spite of all these the need to split it into smaller units still exists. Therefore, I oppose this view and I thank you very much for this opportunity.

Shri Dasappa (Bangalore): Mr. Chairman, I am very happy that the investment policy of L. I. C. has been clearly laid down by the Government. I wish very much that it had been done even earlier. In fact, under section 43 of the Life Insurance Corporation Act they did contemplate the application of section 27 (a) of the Insurance Act to the Life Insurance Corporation with suitable modifications. But somehow that idea never matured till the 25th of September last. Possibly, if the Government had been vigilant and also mindful of their own assurances, the mishap or misadventure which happened during the period could well have been obviated and so this has come none too soon.

With regard to the particular points referred to in this policy statement, I am almost in entire agreement though might have a few general observations to make not necessarily arising out of the statement. At the time of the enactment of this Act I was one of those who definitely held the view that it is not wise or good to have a monolithic structure and that it would be better if every State of this Union would be permitted to have its own Life Insurance Corporation or company and that in any case such of those who had their own life insurance schemes should be permitted to continue them. I tried to reason out to the best of my humble capacity but it carried no conviction to the hon. Finance Minister then. Even now, I feel it is wrong from every point of view to have monopoly in life insurance in the country. That is my definite view. While I entirely agree that there is merit in nationalisation, I do not subscribe to the view that it must be one big, huge, colossal Corporation in India all centralised. I would say that

while we subscribe to the view of nationalisation, we must permit every State to have its own life insurance scheme. The reasons are very obvious.

The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi): Come to the investment policy.

Shri Dasappa: My hon. friend says that I must confine myself to the investment policy. If only he had alerted the first speaker, the second speaker, the third and the fourth....

Shri Bimal Ghose: The second speaker spoke on the investment policy. I did not speak on anything but investment policy.

Shri Dasappa: The first speaker at any rate. Why should he have his daggers drawn at me alone? (Interruptions.)

Mr. Chairman: He meant to say that he was in good company.

Shri Bimal Ghose: The first speaker was the Minister.

Shri Dasappa: I am speaking about Dr. Krishnaswami and Shri Morarka.

Shri Morarka: What did I say?

Shri Dasappa: You opposed it; my friend forgets what he has spoken.

Shri Morarka: The hon. Member was not in the House. He went out and when he came back he could not gather the thread of the debate..... (Interruptions.)

Shri Dasappa: I do not know whether I have got to disbelieve my eyes or my ears or both. He seemed to suggest that it was not a wise policy to break up this organisation into five or six.

Shri Morarka: That was only in answer.

Shri Dasappa: I am saying he referred to the subject. That is all that I have said.

Mr. Chatterjee: I think the Minister wanted to convey that here we were concerned with the policy of investment. That is all.

Pandit Thakur Das Bhargava (Hissar): May I suggest that what the hon. Member is saying is also a means of finding out avenues for investment? If there are so many companies the money may be invested in different States in the manner suggested and I am sure he is also discussing the investment policy in this way and he is not irrelevant in this way.

Shri Dasappa: That is exactly the point. If anybody has any doubt I am going to illustrate my case. The idea which was at the back of all the hon. Members who referred to this question was that every part of the country should have its due share of the advantages of the investments. If that is a thing which is irrelevant..... (An Hon. Member: No, no).....then I really cannot understand what is relevant....

Shri D. C. Sharma (Gurdaspur): It is very relevant.

Shri Dasappa: It can only be achieved, I believe, not by having this huge, monolithic structure, nor only by diversifying the investments but also by diversifying the management of the Corporation.

I am saying this not without some experience of the working of State life insurance schemes. I happened to be in charge of the State life insurance when I was, in a small State maybe, but still I had this scheme working very successfully. I am referring to Mysore State. It started with a total revenue of Rs. 2 crores to Rs. 3 crores. But if you just evaluate the productive assets that the State has built up it will be comparatively very much more than what any other State has done. I ask, Sir, whether it is not worthwhile to investigate how that State has been able to build those productive assets.

I entirely agree with my hon. friend Shri Morarka, when he said that if these investments are to reach the private sector it should certainly be not for commercial ventures and undertakings but for development of these productive assets, namely industries. I quite appreciate that point. I was illustrating this point to support what my hon. friend, Pandit Thakur Das Bhargava, was saying.

We had these life insurance funds at our disposal. Sir, I am not very much worried about the safety of the life insurance funds.

Some Hon. Members: Why?

The Deputy Minister of Finance (Shri B. R. Bhagat): Not worried?

Shri Dasappa: Sir, even Shri Bhagat is surprised at my statement. I am not worried, for this obvious reason that the whole thing is nationalised, and therefore it is a national trust for the Government to see.....

An Hon. Member: Now it is a national worry.

Shri Dasappa:.....that the policy-holders' interests do not suffer. They cannot suffer. And what is more? If they had seen the investments they would have realised that as much as 70 per cent. and more, are invested in gilt-edged securities and approved securities. When you have such a large percentage of investment in them, I do not know why my hon. friends should be harping on the question of safety. Shri Ghose said, I suppose very rightly, when the whole of the life insurance business is nationalised the Government of India may take over the entire funds of the Corporation and give them the necessary interest to see that the interests of the policy-holders are secure.

Shri Nathwani (Sorath): What about the loss in "Mundhra deal"?

Supposing a loss is incurred as a result of investment, how will it be made good?

Shri Dasappa: I am afraid, my hon. friend has not followed my argument. I said, if the Government of India takes over all the funds on the basis of giving an adequate return to the Life Insurance Corporation, how will the interests of policy-holders suffer? Therefore, the 'Mundhra deal' does not come in; the 'Mundhra deal' comes in only when the Life Insurance Corporation tries to gamble with its investments. But the suggestion, which of course did not find acceptance at the hands of Shri Ghose, is not going to minimise the safety of investments by the Corporation in any way and that specially, when most of it is going to be invested in gilt-edged securities. Therefore, I would not in the least be worried if that policy is to be accepted, unless you find that the Government goes bankrupt. That is a different thing; I do not think even in their wildest imagination they will ever suggest an occurrence of that sort.

Sir, I was referring to the question of the States having their own life insurance corporations for the fulfilment of the objectives which are now set out in this investment policy. I was saying that Mysore built up its productive assets. It so happens that today's mail brings me a letter from an industrial concern in Mysore State to which I, during my term, had advanced a sum of Rs. 10 lakhs because it felt the need, it was short of funds. They now say: "We are very happy to report to you the news that we have paid back the whole of the amount with all the interest, and the industry is on a very stable and sound footing; we are now declaring dividend and bonuses." I ask, is not a great social purpose served by the funds which the Government had at its disposal, whose funds were augmented by the receipts of the life insurance scheme which it had?

Therefore, I say it would be a very great national service which we can do if we allow every State to have its own life insurance corporation.

Then, in the alternative, I plead, if you are so averse to trusting your own State Governments and encouraging them to find funds to meet their State demands, you could at least split the L.I.C. up into five insurance corporations.

Shri Morarka: Not now.

Shri Dasappa: That is your view. My hon. friend thinks that wisdom does not lie apart from himself.

Shri Morarka: And you agree.

Shri Dasappa: I cannot so readily agree to that.

Sir, I do not know whether Shri Morarka remembers that the hon. Prime Minister while speaking on this subject here or in Rajya Sabha—at any rate, I listened to him—referred to this monolithic structure of the Life Insurance Corporation and also referred that it may be desirable to consider whether anything could be done to change that character. This is what the hon. Prime Minister said in Parliament. Therefore, the idea is not so very strange. If Shri Morarka thinks that it can never be done now, I do not really know why the hon. Prime Minister should have referred to it. I do not think he would have referred to something which would become impossible of achievement.

Shri Morarka: I never said that it can never be done. All that I said was that at the present moment it was not desirable to do it.

Mr. Chairman: It is a matter of opinion.

Shri Dasappa: I do not know why my hon. friend is so very allergic to any criticism that I am making. What

[Shri Dasappa]

I say is, if a thing is good by itself it has got to be done. He says the time is not propitious. Sir, I would like him to indicate the time and I would not pursue that point any further. Let it be one year, two years, five years or ten years . . .

Shri Morarka: Give a fair chance to this Corporation. Let it stabilise.

Shri Dasappa: He does not indicate the time; he leaves it to the glorious future and makes it as indefinite as possible. I have a different notion of my responsibility. If I say the time today is not propitious, I think of tomorrow or the day after.

Mr. Chairman: The hon. Member must try to conclude his speech now.

Shri Dasappa: Is there a time-limit, Sir?

Mr. Chairman: Yes. I have got a number of speakers on the list.

Shri Dasappa: I have hardly got into the subject. There were so many interruptions.

Mr. Chairman: The hon. Member may go on and try to finish as quickly as possible. I am calling Shri Asoka Mehta after this.

Shri Dasappa: I am equally anxious to listen to my hon. friend.

My next point is about the development of the work of the Corporation. I feel, apart from this question of zones which I will now leave to itself, that certain arrangements in regard to agencies would greatly help in spreading the net wide, and securing more policy holders and funds at our disposal. I have been at this point for a fairly long time. I have mooted this point here also. Today the Life Insurance Corporation thinks of, what is known as 'personalised service'. I have been unable to understand this expression used

by the Life Insurance Corporation. The idea is that the field agent could only be an individual and not a partnership or a co-operative venture. I thought that instead of an individual agent if half a dozen of them pool their resources together they could render much better service to the Life Insurance Corporation than they could do as isolated individuals. I do not know why the Insurance Corporation has not chosen to welcome this co-operative effort on the part of agents, where they could pool their resources, have common offices and all that and work more vigorously. I really have been unable to understand it even in spite of my best efforts.

So, there are these ways of getting more funds. After all, what are we getting now? No doubt the teething troubles are over and we are doing much better than at the beginning. But the people are becoming insurance-minded, and we ought to be able to mop up very much more than what we are doing today. Therefore, I suggested that point. I just leave that suggestion for the consideration of Government, for this notion of personalised service makes no sense to me. There can be no institution without persons. They should welcome the idea of co-operative efforts for the kind of agency work that the Corporation has.

With regard to investments, as I said, so far as the question of gilt-edged securities and approved securities goes, there is no change. 50 per cent is the limit. Certainly the Life Insurance Corporation is at liberty to invest anything more than that in the gilt-edged and approved securities, and that is how we find today that as much as 71 per cent. of the funds has been invested in these gilt-edged and approved securities.

As regards the other approved investments, such as the debenture, preference and ordinary shares, and so on, my submission is, as Shri Bimal

Ghose said, they are increasing. They can very well increase even up to 30 per cent. What is wrong with it? In fact, the idea of the hon. Minister in saying that the interest of the community as a whole has to be maintained and safeguarded can only be carried out through the investments which they have enlarged from ten per cent to 30 per cent. I welcome this arrangement.

Shri Morarka was saying that it is possible that the Life Insurance Corporation finds itself, with regard to certain private companies, that it has an extent of more than 30 per cent of their equity capital. He asked what is to be done or something like that.

Shri Morarka: Not private companies.

Shri Dasappa: I am talking of these,—what you call,—public companies. The public companies and the public sector make different meanings altogether. What I say is, the Life Insurance Corporation may invest more than 30 per cent. in these public companies, because there are 240 insurance companies which they have taken over. The provision is there in the investment policy. If more than 30 per cent has got to be invested the Life Insurance Corporation Investment Committee cannot do it. They must come with a recommendation to the Government and the Government can have 30 per cent or 60 per cent or 80 per cent; may be 90 per cent or even 100 per cent. Therefore, there is nothing to prevent the L.I.C. from investing more than 30 per cent if it becomes necessary.

One plea has been made right from the beginning, namely, that this idea of diversification, being an excellent idea, must bear fruit. The natural fear is this, in this connection, and the hon. Minister, will kindly forgive me and forgive the others who have ventured to refer to this point. It is this, namely, the structure being

what it is—a huge monolithic structure—their vision will be more confined to the bigger concerns and not on the poorer, smaller concerns, in the various regions of the country. Supposing there is a 20-lakh project in my State, it is very difficult for that enterprise to go as far as Bombay and make itself felt and be able to secure some aid. Therefore, the Life Insurance Corporation must have some idea of this diversification being State-wise so that every State may have its share of the advantages of this diversification. I do not think that is too unreasonable or extravagant a plea. I am afraid it is not possible now. If there are State Insurance Schemes, it could have been easily possible. What I would suggest is that in its investment policy, whether it is by way of a direction issued by the Central Government or by any other way, the persons charged with the investment must be specifically directed or asked to see that these smaller companies are helped by these funds.

I can give instance after instance where such help has gone to help the industries. I need not mention the one which I have already referred to, but I now mention another. There is a textile company whose Rs. 50 share came down to as low as Rs. 2-8-0 a share. It was almost sinking. The Government went to its rescue because they had this fund at their disposal, and today, that enterprise is paying 16 per cent. dividend regularly. Therefore, it is possible to build up the national economy on a wider basis if the Corporation funds are invested in the manner which I have been pleading.

I have said most of what I wanted to say. I am inclined to agree with Shri Morarka that these private companies, if they mean non-Government private companies, should not be very much thought of in regard to investments and for very good reasons. They have got very many other institutions from which they

[Shri Dasgppa]

can get aid if they deserve it, but I think it will lead to complications if the Life Insurance Corporation's funds are thought of for the benefit of these private limited companies.

With regard to the other investments, I think the Life Insurance Corporation have got to be congratulated on the fact that they have kept their investments, other than those to which I referred, very much below the limit. I hope that the fact that they have been permitted to have as far as 15 per cent should not mean that they should necessarily resort to other investments up to 15 per cent limit.

I have really great pleasure in welcoming this policy. In the end I request the hon. Minister to give us half-yearly reports, as suggested by some hon. friends, so that we may throw such light on the transactions as we think is desirable, in the interests of the country as well as in the interests of the Corporation, and contribute what little we can to the successful working of the Corporation.

Shri Asoka Mehta (Muzaffarpur): Mr. Chairman, Sir, as we look at this investment policy, we can look at it from two possible angles: either we want an investment policy which is known as a sound policy or we have an investment policy which is dovetailed into a socialist policy. This whole question of nationalisation of life insurance was dealt with partly as a reaction and a revulsion to the mismanagement that was taking place in some of the life insurance companies, and partly because the country at that time was profoundly interested in a search forward towards socialism.

Recently, certain incidents that we all know of, have given a jolt to this process of nationalisation, and I do not know if perhaps the climate in the country as a whole has somewhat

cooled off as far as socialism is concerned. I would, therefore, like to place before you two approaches, and suggest why I feel that the second would be better than the first. This particular policy statement has been placed before us on the plea that it adopts or it sanctifies the main provisions of section 27-A of the old Insurance Act, and it is said that these provisions have stood the test of time. Firstly, these particular provisions were introduced into the Act only at the end of 1950. I believe by that time the insurance companies were nationalised. I do not think the competent authorities had more than five years' information at their disposal to study and scrutinise and reach any conclusions. Secondly, the life insurance companies were nationalised because it was felt that in spite of the provisions of this Act, things were not as they should have been.

It would, therefore, be better if we do not fall back upon the provisions of this Act and the way those provisions were acted upon in order to strengthen our case now. After all, only on merits these provisions can be considered and perhaps these provisions make out a case for a sound investment policy. I would like to remind the House that nationalisation of life insurance followed in the wake of the nationalisation of the Imperial Bank of India. We were told by the then Finance Minister that this was done because it was essential for the implementation of our Plan. I am not going to suggest that all the monies of insurance should be invested in the Plan; I am not making any such juvenile suggestion. When the then Finance Minister, who is one of the acutest minds in our country, said that this was essential for the implementation of our Plan, he had two things in view: (i) mobilisation of savings in the country, and (ii) an investment policy which would be in conformity with the Plan. Is this investment policy in conformity with the Plan? Is this

the best investment policy that we can have?

Before I go into all those details, I would like to analyse it on its own merits. As I said, it is conceivable that we are not interested in socialism just now; we are just interested in having a sound investment policy. Even from that point of view, it must be realised that by the time the third Five Year Plan is over, the L.I.C. funds will be Rs. 8,000 crores or Rs. 10,000 crores. Can you conceive of these funds in isolation? What is the Plan after all? As the Finance Minister knows very well, the Plan is nothing more, nothing less, than an investment policy for all the internal and external resources both in the public sector and in the private sector. Such large funds—Rs. 10,000 crores—would mean almost one year's national income at the beginning of our planning period. This huge amount that would be available has to be fitted in adequately and properly into an over-all investment policy which we must evolve.

I have supported that policy and I am sure we are committed to what is loosely called a policy of mixed economy. We do not want that our entire economy should become one undifferentiated public sector. If the private sector is to continue to grow and blossom in the manner in which we would like it to, what should we do? We have been told last year with the blessings of the Government a very influential delegation was sent out—maybe year before last—and this Birla delegation came back and said that the difficulties are not about getting foreign capital, but about internal resources. Have we made adequate provisions to meet that difficulty also?

If the traditional pattern is to be followed, I find in foreign countries, the life funds are invested in 11

avenues which have been provided for investment; Government securities, corporate bonds, preferred stocks, common stocks, policy loans, mortgages, real estate, private business loans, purchase of commercial and industrial properties with the purpose of leasing them back to the sellers, promotion of new enterprises and foreign investment. It would have been useful to know how many of these 11 avenues are going to be explored or whether some of these avenues are definitely closed. But a general statement has been made that more or less the provisions of section 23A are going to be continued. I would like to know, if a broad pattern has to be followed, out of the 11 avenues—possibly there may be more; I am not claiming that my list is exhaustive—how many are ruled out and why.

My friend Shri Bimal Ghose raised the question of mortgages. Today the question of housing is becoming a problem in India. I am not making any plea for Bombay city, as I never make any plea for any one part of the country, but as an illustration, in Bombay city, an enquiry was made by a competent official body and it said we would require Rs. 20,000 crores to solve the housing problem in Bombay. Should the Life Insurance Corporation think in terms of building up certain real estate areas? Mortgage is one way of doing it. You permit people to construct on their own and give them certain facilities. The other way is, you take certain areas and build houses. It is a kind of planning, of perspective construction. Is it possible or should the whole housing be left to somebody else? Our departments and agencies proliferate. The large investment that the Life Insurance Corporation is in a position to make can provide a basis or focus where some of these dispersed activities can be brought together. Is any effort made in that direction?

[Shri Asoka Mehta]

In some foreign countries, this idea of purchase of commercial and industrial properties with the purpose of leasing them back to the seller is being carried out extensively, the purpose being that you release part of their own funds for working capital for these concerns. I do not know whether it would be wise or whether the private enterprises in India are worthy of such support. If you want to have a broad type of policy, there also my suggestion is there is room for further thinking.

Then again, constantly we are told that any investment policy must be such that there will be no kind of risk involved in it, and that these are sacred or trust funds. I grant that any public corporation must be very vigilant and careful about the way it uses the funds. But nowhere in the world has anyone been able to exercise or organise an investment policy with 100 per cent security guarantee. I have some figures about the United States of America. A study of 26 largest life insurance companies by the Securities and Exchange Commission, which is a government body, for the decade preceding World War II showed that they had to write off a loss of 269 million dollars in the real estate loans and 624 million dollars in the stock and bond accounts. The life insurance companies in the U.S.A. are in the private sector. 26 biggest life insurance companies lost a billion dollars in a decade, it is truly a turbulent decade.

14. hrs.

[PANDIT THAKAR DAS BHAR-
BAVA in the Chair]

I am not saying that our investment policy should be such that it should involve any loss and the worthwhileness of the policies should be judged by the losses they make. All I am saying is that in all these matters we must not lose our perspective or balance. Maybe something happened during the Mundhra episode, which was very unfortunate; but that

should not colour our thinking so completely that we are all the time frightened of embarking on an imaginative policy. I hope there will not be large losses, but there may be losses, and no investment policy can be worked out where people demand that there should be a cast iron guarantee against any kind of loss, whether it is the public sector or the private sector, no matter where the insurance companies are located.

Then, even in the United States of America this question has been very squarely posed. The *Harvard Business Review*, one of the most sober journals of commercial opinion, as early as 1946 posed this question. It said:

"Policyholders will have to choose one day not too distant, between continued security for their policies and more security against cyclical unemployment."

This is the choice which the policyholders have to make. Do you want the kind of security, I would say wooden security, for your policies or are you willing to invest against certain social disabilities and disadvantages that should be warded off to certain advantages that should come? Are the investment funds going to be used for the purpose of fostering and developing the co-ordinated sector in our economy or are they going to be used all the time as a widow clings to her mite? I would say that a country like ours, with all its faith, with all its confidence, should see to it that the fullest provisions are made against any kind of maladministration, against all mismanagement and should always function with hope, with confidence, with faith and in a manner whereby the resources that we have will be utilized, not for the purpose of assuring a widow's security but for the purpose of having the possibilities and perspectives that a pioneer sees or the voyager sees when he moves forward on a voyage.

Here again the best authorities on the subject say that boiled down and stripped of qualifications, the real basic investment policies are two—investment for income and investment for appreciation. Do you invest only for the income or do you invest also for appreciation? That is a matter to be decided, and I hope that is one of the crucial things that the Finance Minister would allow us to decide. Are we interested purely in accepting the theory of investment for income or are we interested also in the theory of investment for appreciation? As has been stated, probably he will come forward, and very rightly, and very wisely he would recommend, as he recommended in his policy statement, what we might call the theory of "balanced Fund". But the moment you accept the theory of balanced fund, you have accepted the theory of investment for appreciation, and any theory of investment for appreciation cannot be hundred per cent guaranteed in favour of security.

I welcome the proposal that has been made that the funds of the Life Insurance Corporation will be used with discrimination and great care under requisite caution as a counter-speculator in the stock exchange. Repeatedly, even at the cost of being misunderstood, I have argued and have pleaded for such a policy. And there are various reasons for it, the most important being that since, I think, increasingly the L.I.C. is going to be the single biggest shareholder in the country, it has got to see that its own investments are properly safeguarded and, secondly, if you are interested in the theory of investment for appreciation, obviously then you are tremendously interested, the Corporation should be profoundly interested, in the prospects and the fluctuations in the stock market. Obviously, it will not function as a bull in the China shop. We want it to act as a counter-speculator, as a stabilising force. Therefore, I feel that even if we want to follow the traditional policy, even if we want to accept and

develop in terms of the traditional policy to which we are accustomed to, as we move forward with growing resources, we will find that the pressures of socialistic policies are going to become more and more significant and, therefore, I shall turn to what I mean by the socialist implications of the investment policy.

The first thing is that if we mobilise these savings for our Plan, then all savings must be treated alike. I have a feeling that we are treating the contributions of the poor people, the provident fund and the small savings, not on the same basis, not on par with the savings that are covered by the L.I.C. I do not know if my findings are correct, but if they are, I find that the average value of life policy has gone up after nationalisation from Rs. 3,100 to Rs. 3,500. If that is so, in spite of the Janata policies that we have launched—and at the launching of it I had the privilege of being associated with our Finance Minister in Bombay—it is found that the average size of the policies are becoming larger, compared to the conditions of our people in the country. Now the provident funds and the small savings, to the best of my knowledge, do not share in the profits, while the life insurance policies, many of them, enable them to share the profits. Now this is a matter to be considered. These two types of savings, when both of them are being mobilised for the purpose of our Plan—I include both in the Plan, the private sector or the public sector—why should there be this discrimination? Because, the Government have already guaranteed the life funds; the principle of guaranteed yield is implicit in the Government's guarantee, the yield being assumed in the construction of the premium. Over and above that, they share the profits and so various difficulties arise.

Now this is a question which should be considered; I am not saying today or tomorrow, if we want to create in this country a uniform impulse for

[Shri Agoka Mehta]

contributing to the accumulation of capital that is needed for the development of our country, whether all these contributors have to be treated on par or they should be treated separately, where ultimately savings are concerned, which all have been guaranteed by Government, whether it is provident fund or small savings or life insurance funds, whether there should be any kind of difference are matters which have to be gone into.

Then, whether you have an investment board or an investment committee, the investments should not be in any kind of hand-to-mouth manner, but should be properly planned and co-ordinated. Today there is the Investment Advisory Committee, which just gives advice and it is probably inside the Corporation itself that decisions are taken. The Investment Committee should be a competent body. Whether, it is inside the L.I.C. itself or separately from it is again a matter of detail. But we should have at its disposal increasing amounts from year to year that are to be invested, and there should be a proper picture before it as to where those investments are to be made. I think the private industries should also get investments of funds of the L.I.C. and the industries should place their schemes, their plans, their prospects, their proposals, all of them, before the L.I.C. That is done in the case of any lender, particularly foreign lenders. Even so great or proud a nation like ours has to place all these things before the World Bank if we want anything. We have the Company Law Administration, the Life Insurance Corporation, and a variety of these institutions today in the country. I would like them to be integrated in a manner whereby not only the private sector is enabled to function freely and effectively, but at the same time, it functions within the four corners of the Plan and in accordance with the social discipline and social objective that we are determined to implement in our country. The Life Insurance Corporation funds pro-

vide you with a tremendous opportunity to see that the social discipline and social objectives are carried out. I do not know what the Policy statement under discussion precisely means, there are general statements here. They might mean anything or they might mean nothing. I would have liked this Life Insurance Corporation investment policy to have been so worded, or at least, I hope it will be so worked out that the social discipline and social objectives are really made effective. It is possible, for instance, to invest up to 30 per cent in an individual concern. In this also, there is no idea of increasing nationalisation in this. Those of us who accept an economy wherein there is scope both for the private sector and the public sector, and both are considered relevant and necessary for the full flowering of the economic destiny of our country, are not interested in introducing anything by the backdoor. What is important is that the private sector in this country has not functioned in a manner as would leave it beyond reproach. If it had functioned in that manner, there would not have been this Income-tax Investigation Commission and there would not have been this new Life Insurance Corporation. People like me would have pleaded for them. A large majority of the people, sober and practical in their outlook, would never have supported that kind of a step. We have moved in this direction not only for purely ideological reasons, but mainly because of the actual difficulties and mischief that we have encountered. That is why I say that this can be a kind of instrument for seeing that the social discipline and social objectives are carried out.

It is rather interesting to find that the British Labour Party, after travelling in various directions, has come to the conclusion that nationalisation is no longer necessary. As against that, the British Labour Party's new policy which it hopes to implement if it comes into power is that, the Govern-

ment will invest in different companies, the idea being that you share in the rising prosperity of those concerns. Particularly such investments are very necessary and very useful in what may be called the growth sector of our economy where conspicuous benefits are likely to follow as a result of the development that we are carrying on today, and secondly because it provides you with sensitive instruments, instruments which are built—in, into those undertakings themselves through which you can prevent wrong things being done and see the right kind of social discipline all round. This can be just a stray investment or all these investments are co-ordinated. There is a purpose behind it, a pattern behind it. There is a well articulated policy behind it. It is not clear whether these scattered investments are going to be made by just looking up the prices of shares, quotations on the stock market and then deciding what you buy or sell in order that you may have a little more income or it is going to be worked out as a result of a detailed study of the economy, of the direction in which you want to go, of certain people who need to be pulled up, of certain people who need to be encouraged, of certain industries which are located in the growth sector where we should have a fairly large share in the growing prosperity of these industries. These things may be there, I do not know, because it is a rather cryptic statement. I would like the Finance Minister, if it is possible, to take us further into confidence. I say, if it is possible, because these details are not worked out. If they have not worked out, on a later occasion we might be told how his mind is working.

I was in Egypt and I found that the nationalisation of the French and British Banks and the French and British Insurance companies, which was carried out immediately after the invasion of Suez and which was carried out entirely for other reasons, as you know, has led to remarkable economic consequences. The leaders of the

Egyptian Government told me that they are not interested in nationalisation any more. I asked them, why. They said, in 80 per cent of the companies—they are all important companies in Egypt—with the nationalisation of these important banks and insurance companies, we have enough participation and we are able to influence and control things. In India, not only have the Life Insurance Corporation with large funds, but the banks are today bursting with funds which are not being fully utilised. On the one hand, there is this cry that there are not enough internal resources. I am not talking about the difficulties of the Government. But, businessmen are saying that they are in a position to do many more things, but the tight internal resources position creates serious difficulties. We shall soon be engaged in drawing up of our Third Plan. I personally would like the Third Plan to be proportionately as ambitious as the Second Plan was with reference to the First Plan. If it is to be done, the resources of our banks have to be fully utilised. They cannot all be utilised piecemeal. How to utilise the resources that are with the banks today for the furtherance of the Plan, how to utilise the resources that are with the Life Insurance Corporation for the furtherance of the Plan, all these things have ultimately to be co-ordinated. I am not suggesting that we have a further proliferation of more Boards and more Bureaus. May be that in a developing economy that we envisage, some proliferation is inevitable. Whatever is done, I would not like all these investments to be carried out in a kind of side way, un-related, un-co-ordinated or at least not adequately related and adequately co-ordinated for the overall purposes and policies of the Plan. I have, therefore, on more than one occasion in the past, argued and pleaded for a National Investment Board, and that we have to move in that direction. In the last analysis, the Plan is effective only to the extent you are able, on the one hand, to mobilise the fullest possible resources

[Shri Asoka Mehta]

of the country and on the other hand, to work out and implement the most effective, the most efficient and the most productive investment policy that you can conceive. It is wrong to speak of the private sector and the public sector. To my mind, that is a controversy that need not cloud all our discussions. If a National Investment Board is to be created, the nucleus is already provided by the Life Insurance Corporation funds. Any authority that is clothed with the power and responsibility of utilising these funds should realise, should be made to realise that it is either the nucleus of a larger body or that it will be integrated into such a larger body. If the Finance Minister agrees with me and if we are really serious about socialism, we have to move towards some such overall investment policy which can only be implemented by a National Investment Board.

In conclusion, I would like to say that even if this policy is viewed as the traditional policy, a policy which was pursued between 1950 and 1956, a certain amount of further thinking needs to be done. We are in 1958. Things have changed. Whether the avenues for investment that we decided upon in those days are still the avenues or they can be widened or narrowed needs to be considered. Secondly, even if we accept the old policy, the mere fact that the size of the funds is going to be disproportionately large compared to 1950—by 1960, the funds would be two-fold or threefold or four-fold than we were in 1950—by itself should compel us to think out this policy more fully than seems to be done in the paper that has been given to us. Thirdly, I have been contending that if we want to move towards socialism, the whole investment policy should be dovetailed into an overall investment policy, an overall investment Plan. We have already started having annual plans. The annual plans will move forward to a national economic and investment policy. All these tools and techniques are being

reviewed. I am just pleading that we move a little faster and make it possible for us to forge the tools and techniques earlier than we are compelled to do with the development and pressure of circumstances. These, in brief, are the comments that I have to offer.

श्री जगराज सिंह (फिरोजाबाद) :
सभापति महोदय, मैं यह कहना चाहूंगा कि जिस तरह इस साल जीवन बीमा निगम का खर्चा लगाने के बारे में नीति यहां पेश की गयी है, इसी प्रकार, जीवन बीमा निगम के महत्व को देखते हुए, हर साल सरकार का यह काम होना चाहिए कि यह नीति सदन के सामने विस्तृत रूप से पेश करे।

भाज जो नीति व तथ्य हमारे सामने पेश किया गया है उसके दोतरफा अर्थ लगाये जा सकते हैं। मैं चाहूंगा कि भविष्य में जब भी इस तरह का नीति व तथ्य पेश किया जाये तो वह इतना निश्चित होना चाहिए कि उसके दो अर्थ न लगाये जा सकें। हमेशा वही अर्थ लगाया जा सके जो कि सरकार चाहती है, ताकि सरकार का उद्देश्य अच्छी तरह पूरा हो सके।

सदन में चर्चा की गयी है कि जीवन बीमा निगम के पास जो धन है उसे विभिन्न रीतियों से लगाकर हम राष्ट्र का उन्नयन कर सकते हैं। लेकिन मैं इस बात से सहमत नहीं हो सकता, जैसा कि कुछ माननीय सदस्यों ने कहा है कि यह धन प्राइवेट उद्योगों में लगाया जाये। मैं तो चाहता हूँ कि यह धन उन उद्योगों में लगाया जाये जो कि पब्लिक सेक्टर में हैं, और ऐसा करना हमारी राष्ट्रीय नीति के अनुसार भी होगा। हम प्राइवेट लिमिटेड कम्पनियों में भी धन लगा सकते हैं लेकिन केवल उनमें ही जो कि पब्लिक सेक्टर में हैं। यदि इसी प्रकार हम देश के उद्योगों का उन्नयन करें तो बहुत अच्छा होगा। प्राइवेट कम्पनियों को हम जीवन

बीमा निगम के धन से भ्रष्ट हैं यह कोई भ्रष्टी बात नहीं होगी।

एक बहुत ही जरूरी चीज है जिसकी तरफ अभी तक सरकार का ध्यान नहीं गया है। अभी तक जीवन बीमा निगम के धन को केवल उन्हीं उद्योगों में लगाने पर विचार किया जाता है जो कि शहरों में हों। लेकिन जहां भस्मी हिन्दुस्तान बसता है, भस्मात् गांवों में, वहां पर यह धन लगाने की ओर सरकार का ध्यान नहीं गया है। उदाहरण के लिए मैं सिर्फ एक बात कहना चाहता हूं। सब लोग जानते हैं कि देश में मकानों की बड़ी जरूरत है और मकान बनाने में किसी का नुकसान नहीं हुआ करता। पहले भी जो २४० लाख इंग्लिश कम्पनियां थीं, उनका काफी रुपया इस काम में लगा हुआ था। मकान बनाने के लिए वे रुपया कर्ज देती थीं। कुछ कम्पनियां अपने तौर पर भी मकान बनाने का काम करती थीं। इस काम में उनको नुकसान नहीं उठाना पड़ा। मैं चाहता हूं कि राष्ट्र की इस बड़ी समस्या को हल करने के लिए सरकार क्यों न यह सोचे कि गृह-निर्माण समस्या को जीवन बीमा निगम के धन से हल करे। इस तरह से देश की एक बड़ी समस्या हल हो सकेगी और यह नीति वक्तव्य के अनुसार भी होगा जिसमें कि यह कहा गया है कि जीवन बीमा निगम के धन की सुरक्षा रहे और उसे इस तरह के कामों में लगाया जाये जिसे कि समाज की भलाई हो। तो मेरा क्या है कि इस प्रकार रुपया लगाने से ये दोनों काम हो जायेंगे। मैं यह नभ्रतापूर्वक कहना चाहता हूं कि यह गृह-निर्माण की समस्या का सवाल कई तरह हल हो सकता है। या तो जीवन बीमा निगम खुद गृह-निर्माण योजना को अपने हाथ में ले। अगर वह खुद ऐसा नहीं कर सकता तो यह व्यवस्था करे कि प्राइवेट लोगों को दस दस पांच पांच हजार रुपया मकान बनाने के लिए कर्ज दे और वे लोग उन मकानों को या अपनी ओर दूसरी जायदाद

को निगम के पास गिरवी रखें। इस तरह से मुल्क की एक बहुत बड़ी समस्या हल की जा सकती है।

एक तरफ तो हमारे सामने यह समस्या है कि हमारे पास इतने साधन नहीं हैं कि हम अपनी योजना के उद्देश्यों को पूरा कर सकें, और दूसरी तरफ हमारे पास इस जीवन बीमा निगम का धन आता है। यह जो ५५ लाख पालिसी होल्डर्स का धन हमारे पास आता है इसको अगर हम स्टॉक मार्केट में लगाकर सट्टेबाजी करें तो यह हमारे लिए मुनासिब नहीं होगा। यहां मूंदड़ा डील के बारे में बहुत सी बातें कही गयी हैं और जब-जब सदन में उस पर चर्चा हुई तो यह कहा गया कि सरकार की नीति की वजह से यह चीज हुई। लेकिन मैं कहना चाहता हूं कि अगर हमने सट्टे पर यह धन न लगाया होता या भविष्य में न लगायें तो इस तरह के सवाल ही न उठें। इसमें मैं निगम की नीति का उतना सवाल नहीं समझता जितना इस बात का क्या हम इस प्रकार स्टॉक मार्केट में रुपया लगा कर एक भ्रष्टा उदाहरण पेश नहीं कर रहे हैं। मेरी पुच्छ राय में यह मुनासिब काम नहीं है और इसमें जीवन बीमा निगम का धन नहीं लगाया जाना चाहिए।

मेरा विचार तो यह है कि हम को अपनी योजना के उद्देश्यों को पूरा करने के लिए पालिसी होल्डर्स के इस धन को लगाना चाहिए। मैं इस बात से इनकार नहीं करता कि हमें इस धन की सुरक्षा का पूरा ध्यान रखना चाहिए। लेकिन जब इस उद्योग का राष्ट्रीयकरण हो गया है तो इस धन की सुरक्षा की जिम्मेदारी तो सरकार की है। राष्ट्रीयकरण हो जाने के बाद सरकार धन की सुरक्षा के लिए जिम्मेदार हो गयी है। उसे इस धन की सुरक्षा का खयाल रखना होगा। ऐसी हालत में मैं नहीं समझता कि इस बात पर बार-बार जोर देने की कि इस धन की सुरक्षा का ध्यान रखा जाये क्या आवश्यकता है। राष्ट्रीयकरण हो जाने के बाद यह सरकार

[श्री अजयराज सिंह]

का काम हो जाता है और इस बन की सुरक्षा रक्षक, ऐसा हमको मान लेना चाहिए। लेकिन फिर भी मैं इस बात से इनकार नहीं करता कि जीवन बीमा निगम के बन की सुरक्षा की जरूरत है और उसको सुरक्षित रखा जाना चाहिए। लेकिन साथ ध्यान तो हमको इस तरह देना चाहिए कि हमको जो इस तरह से बन मिल रहा है इसका अधिक से अधिक उपयोग योजना के उद्देश्यों को पूरा करने में किया जाये।

अब एक सवाल और उठता है। हमारे यहां अभी भी दस करोड़ एकड़ जमीन बेकार पड़ी हुई है जिसमें खेती नहीं की जाती पर जिसमें खेती की जा सकती है। मैं यह कहना चाहूंगा कि कोई ऐसी योजना क्यों न बनायी जाये कि इस बन का एक बड़ा हिस्सा इस खेती योग्य जमीन पर लगाया जाये। इसमें नुकसान होने का कोई सवाल नहीं है। अगर इस जमीन को तोड़ा जाये और उसमें खेती की जाये तो उससे एक तरफ तो हमारा बन राष्ट्र के हित में लगेगा, दूसरे मुल्क की जो साथ की बड़ी समस्या है वह हल होगी और तीसरे जिन लोगों के पास जमीन नहीं है, जिनके पास काम नहीं है, उनको जमीन और काम मिलेगा और इस तरह से बेकारी की समस्या भी हल होगी।

श्री स्थायी (देहरादून) : लेकिन फिर पालिसी होल्डर्स को देने के लिए रुपया कहाँ से आयेगा ?

श्री अजयराज सिंह : रुपया तो सरकार के पास ही रहेगा। सरकार उस की गारंटी देती है।

श्री स्थायी : लेकिन जब रुपया जमीन पर लगा दिया जायेगा तो देने के लिए कहाँ से आयेगा ?

श्री अजयराज सिंह : इसमें जोखिम का तो कोई सवाल ही नहीं है। मैं तो केवल एक विचार दे रहा हूँ। आप अगर चाहें तो इसकी तफसील में जा सकते हैं और इसकी पूरी योजना को देख सकते हैं कि इसमें रुपया अधिक उपयोगी ढंग से लगेगा कि नहीं। खैर मैं यह निवेदन करना चाहता हूँ.....

Mr. Chairman: It is now 2-30. We have to take up Private Members' Business. The hon. Member may continue the next day.

14-29 hrs.

COMMITTEE ON PRIVATE MEM- BERS' BILLS AND RESOLUTIONS

THIRTIETH REPORT

Sardar A. S. Saigal (Janjgir): I beg to move:

"That this House agrees with the Thirtieth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 25th November, 1958."

Mr. Chairman: The question is:

"That this House agrees with the Thirtieth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 25th November, 1958."

The motion was adopted.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL*

(Amendment of Section 100)

Shri Naldurgker (Osmanabad): I beg to move for leave to introduce a Bill further to amend the Code of Civil Procedure, 1908.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill further to amend the Code of Civil Procedure, 1908."

The motion was adopted.

Shri Naldurgker: I introduce the Bill.

14-30 hrs.

HINDU ADOPTIONS AND MAINTENANCE BILL*

(Amendment of Section 18)

Shri Wadiwa (Chhindwara—Reserved—Sch. Tribes): I beg to move for leave to introduce a Bill to amend the Hindu Adoptions and Maintenance Act, 1956.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill to amend the Hindu Adoptions and Maintenance Act, 1956."

The motion was adopted.

Shri Wadiwa: I introduce the Bill.

Mr. Chairman: The next Bill is in the name of Shri Mahanty. The hon. Member is absent.

SHOPKEEPERS (FIXATION OF PRICE LABELS) BILL*

Shri A. M. Tariq (Jammu and Kashmir): I beg to move for leave to introduce a Bill to provide for fixation of price labels on commodities by shopkeepers.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill to provide for fixation of price labels on commodities by shopkeepers."

The motion was adopted.

Shri A. M. Tariq: I introduce the Bill.

FACTORIES (AMENDMENT) BILL*

(Amendment of sections 45 and 47 and insertion of new sections 47A, 47B and 47C)

Shri Ram Krishan (Mahendergarh): I beg to move for leave to introduce a Bill further to amend the Factories Act, 1948.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill further to amend the Factories Act."

The motion was adopted.

Shri Ram Krishan: I introduce the Bill.

REPRESENTATION OF THE PEOPLE (AMENDMENT) BILL*

(Amendment of sections 30, 78, 85 etc.)

Shri Ram Krishan: I beg to move for leave to introduce a Bill further to amend the Representation of the People Act, 1951.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill further to amend the Representation of the People Act, 1951."

The motion was adopted.

Shri Ram Krishan: I introduce the Bill.

INDIAN TRADE UNIONS (AMENDMENT) BILL*

(Amendment of section 8)

Shri Ram Krishan: I beg to move for leave to introduce a Bill further to amend the Indian Trade Unions Act, 1928.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill further to amend the Indian Trade Unions Act, 1928."

The motion was adopted.

Shri Ram Krishan: I introduce the Bill.

*Published in the Gazette of India Extraordinary, Part II—Section 2, dated 28-11-1958.

SALARIES AND ALLOWANCES OF MEMBERS OF PARLIAMENT (AMENDMENT) BILL*

(Amendment of section 8)

Shri Ram Krishan: I beg to move for leave to introduce a Bill further to amend the Salaries and Allowances of Members of Parliament Act, 1954.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill further to amend the Salaries and Allowances of Members of Parliament Act, 1954."

The motion was adopted.

Shri Ram Krishan: I introduce the Bill.

MANAGING COUNCIL BILL*

Shri Ram Krishan: I beg to move for leave to introduce a Bill to set up Managing Councils in Industrial concerns for participation of labour in management.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill to set up Managing Councils in Industrial concerns for participation of labour in management."

The motion was adopted.

Shri Ram Krishan: I introduce the Bill.

COMPANIES (AMENDMENT) BILL*

(Insertion of new sections 43A and 250A and amendment of sections 224, 237 etc.)

Shri Ram Krishan: I beg to move for leave to introduce a Bill further to amend the Companies Act, 1956.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill further to amend the Companies Act, 1956."

The motion was adopted.

Shri Ram Krishan: I introduce the Bill.

REPRESENTATION OF THE PEOPLE (AMENDMENT) BILL*

(Amendment of section 7)

Shri Mahanty (Dhenkanal): I beg to move for leave to introduce a Bill further to amend the Representation of the People Act, 1951.

Mr. Chairman: The question is:

"That leave be granted to introduce a Bill further to amend the Representation of the People Act, 1951."

The motion was adopted.

Shri Mahanty: I introduce the Bill.

MUSLIM WAKFS (AMENDMENT) BILL*

(Amendment of section 3)

Shri Abdul Salam (Tiruchirappalli): I beg for leave to withdraw the Bill further to amend the Muslim Wakfs Act, 1954.

Mr. Chairman: Has the hon. Member leave of the House to withdraw his Bill?

Several Hon. Members: Yes.

The Bill was, by leave, withdrawn.

14-34 hrs.

COMPANIES (AMENDMENT) BILL —contd.

(Amendment of section 293)

Mr. Chairman: The House will now resume further discussion of the

*Published in the Gazette of India Extraordinary, Part II—Section 2, dated 28-11-1958.

motion moved by Shri Mahanty on the 19th September, 1958, namely:—

"That the Bill further to amend the Companies Act, 1956, be taken into consideration."

Out of 3 hours allotted for discussion of this Bill, 53 minutes were taken up on the 19th September, 1958, and 2 hours and 7 minutes are now available.

Ch. Ranbir Singh may now continue his speech.

श्री० रणबीर सिंह (रोहतक) : सभापति महोदय, मैं कह रहा था कि हम ने इस सदन में फॉर्मला किया है कि इस देश में समाजवादी ढांचे का समाज बनाया जाये। इस लिए महन्ती साहब ने जो बिल बेश किया है, उस के ऊपर हमें बड़ी शान्ति के साथ गौर करने की जरूरत है। मैं मानता हूँ कि यहाँ शायद कोई भी मੈम्बर ऐसा नहीं है, जो यह चाहता हो कि इस सदन के ऊपर किसी रुपए वाले का प्रभाव हो और उसकी वजह से यह सदन अपना फॉर्मला बदले। जहाँ तक उन के मुद्दे का ताल्लुक है, मैं मानता हूँ कि सदन का हर एक सदस्य उन के साथ सहमत है। सवाल यह पैदा होता है कि जो खतरा उन्होंने जाहिर किया है, दरअसल इस देश में ऐसा कोई खतरा है भी या नहीं। मैं मानता हूँ कि वह खतरा एक दिमागी खतरा है। अगर असल हालत को देखा जाय, तो हम इस नतीजे पर पहुँचेंगे कि इस देश में ऐसा कोई खतरा नहीं है। जब कि हमारे पड़ोसी देश में, जो छि कभी हमारा ही हिस्सा था, एक भी चुनाव नहीं हो पाया है और अब आखिर में वहाँ पंचायती राज्य का ढांचा खत्म हो गया है और फ़ौजी राज्य कायम हो गया है, उस के मुकाबले में हमारे देश में दो जनरल इलेक्शन हो चुके हैं। माननीय महन्ती साहब ने अपनी तकरीर के दौरान में श्री लाल बहादुर शास्त्री की एक स्पीच का छिक किया, जिस में उन्होंने कहा

बताते हैं कि कांग्रेस पार्टी के चार हजार उम्मीदवारों में से कुछ चन्द ही उम्मीदवार ऐसे थे, जो अपने इलेक्शन का खर्चा खुद दे सकते थे। मुझे मालूम नहीं कि उन्हें इस बात से क्यों गिला है। क्या वह इस सदन में बड़े-बड़े राजाओं और अमीरों को लाना चाहते हैं? उन्हें तो इस बात पर खुशी जाहिर करनी चाहिए थी कि गरीब आदमियों को ही इस बेश में रहने वाले करोड़ों गरीब आदमियों का नुमाइंदा बना कर यहाँ लाने की कोशिश की जाती है। कांग्रेस पार्टी ने इस ग्यारह सालों में जो कामयाबियाँ हासिल की हैं, उन में एक यह भी है कि उस ने इस देश के गरीब लोगों का ध्यान रखते हुए ग्राम तीर पर गरीब आदमियों को ही अपना उम्मीदवार बनाया। हो सकता है कि मेरे दोस्त को इस बात से कोई गिला या नाराजगी हो, लेकिन जहाँ तक मेरा ताल्लुक है, मुझे तो इस बात पर बड़ी खुशी है, क्योंकि मैं खुद भी उन में से एक हूँ। मेरे क्वाल में यहाँ बहुत कम दोस्त ऐसे होंगे—शायद वे पचास के करीब होंगे—जो ग्यारह बारह साल से लोक-सभा और उस से पहले संदुल असेम्बली के सदस्य रहे हो और उन में से बहुत ही कम ऐसे दोस्त होंगे, जो आज भी अपना इलेक्शन का खर्चा अदा कर सकते हैं। मैं समझता हूँ कि इस सदन के उन सदस्यों की यह एक बड़ी खामियत है, बड़ी बटालिफिशियन है कि उन्होंने दस ग्याःह साल तक मेम्बर रहने के बावजूद गरीब आदमी रहना ही पसन्द किया, क्योंकि इस देश में समाजवादी ढांचा बनाने में गरीब आदमी ही ज्यादा मदद कर सकता है और वॉस्टेड इन्ट्रस्ट्स से असर-अंदाज नहीं हो सकता है।

मेरे दोस्त श्री महन्ती ने इस सिलसिले में दो तीन वाक्यात का जिक्र किया। उन के मुताल्लिक सही जवाब तो मंत्री महोदय ही दे सकेंगे, लेकिन मैं समझता हूँ कि अगर उन को पिछले ग्यारह साल के अरसे

[श्री० रणदीर सिंह]

में यही दो वाक्यात एतराज करने के लिए मिले—जामिन टिस्को और इस्को को बस करोड़ रुपया बगैर सूद के क्यों दिया गया—तो उन का खदशा अपने भाप ही झूठा साबित हो जाता है। आप जानते हैं कि इस देश में लोहे की कितनी जरूरत है। इस वक्त हम लोहा बाहर से मंगा रहे हैं और हमारे देश में य दो बड़ी कंपनियां हैं, जो लोहा पैदा करती हैं। अगर उन को देश की लोहे की जरूरत को पूरा करने के लिए, जो कि देश के आगे बढ़ने के लिए बहुत जरूरी है, दस करोड़ रुपए बगैर सूद के दे दिए जाते हैं, तो वह उतना ही अच्छा है जितना कि गरीब किसान और मजदूर को अपना कारोबार या खेती बढ़ाने के लिए बगैर सूद रुपया देना है।

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मेरे दोस्त ने साढ़े छः फी सदी भूद का भी जिक्र किया। मुझे मालूम नहीं कि मेरे लायक दोस्त को इस बात का पता है या नहीं कि रिजर्व बैंक हिन्दुस्तान के किसान और मजदूर को खेती और छोटी मोटी कारीगरी में बढ़ावा देने के लिए डेढ़ फी सदी सूद के ऊपर कर्जा निकालता है। हो सकता है कि वह रुपया इतना सस्ता जितना कि रिजर्व बैंक निकालता है, किसानों और मजदूरों तक न पहुंच पाता हो, लेकिन उस को पहुंचाने की कोशिश करनी चाहिए। मैं तो यह भी मानता हूँ कि अगर हम डेढ़ फीसदी सूद के बगैर भी दे सकें, तो अच्छा है, क्योंकि अगर किसान और मजदूर खुशहाल होगा, तो फिर हमें इस देश में व्याज के रुपए की जरूरत नहीं होगी, देश में रुपए का कोई बाटा नहीं होगा।

मैं यह धर्ज करना चाहता हूँ कि मेरे दोस्त को इन दो बातों के अलावा एतराज करने को कोई बात नहीं मिली। एक एतराज उन्होंने यह किया कि बल्ले बैंक ने उनको जो कर्जा दिया है, सरकार ने उस के लिए उन की जमानत क्यों दी। मैं उन से यह पूछना

चाहता हूँ कि क्या किसी ऐसी चीज की जमानत दी गई है, जिस को हवाई जहाज में उठा कर कहीं ले जाया जा सकता है।

Shri Mahanty (Dhenkanal): Probably I have not been correctly understood. What I said was that here there were two loans granted by the World Bank to these two private concerns. The Government of India have stood guarantee for these loans. In that way, the Government's resources have been pledged for the sake of these two business houses which have contributed liberally to the party funds. That was the point I made. If he answers it, I will be very happy.

श्री० रणदीर सिंह : मेरे साथी शायद मुझे नहीं समझ सके हैं। मैंने तो खूब अच्छी तरह उन की बात समझ ली थी। उन का एतराज यह है कि इन कंपनियों को बल्ले बैंक से कर्जा दिया गया है, उस की जमानत देश की सरकार न क्यों दे और देश की सरकार ने जमानत देकर देश को जामिन बना दिया। मेरा कहना साफ़ है कि जमानत जिस चीज के लिये दी गई है, उस चीज को ये दो बिज़िनस हाउस हवाई जहाज में उठा कर किसी दूसरे देश में तो ले जा नहीं सकते। उस रुपये से कारखाना लगेगा और वह कारखाना इस देश में ही रहेगा और मेरे दोस्त श्री महन्ती और दूसरे सदस्य अगर कल को चाहेंगे कि यह सरकारी कारखाना हो जाय, तो हम ही इसका फ़ैसला करेंगे, कोई तीसरा आदमी फ़ैसला नहीं करेगा। उसको किस धर्त पर सरकार ले, क्या कम्पेन्सेशन दिया जाय, यह भी फ़ैसला हमारा ही होगा। और हम कौन हैं ? हम आखिर देश के नुमायंदे हैं। लोगों ने हमको यहां चुन कर भेजा है। इस बारे में देश को या किसी भाई को इस बात की जिकायत हो, तो वह मेरी समझ में नहीं आती। लेकिन खैर, वह शायद अपने ढंग से सोचते हैं। उन्हें इस में कोई आपत्ति दिखाई दी होगी। लेकिन एक बात मैंने और देखी और वह यह है कि

अगर मंत्री महोदय का इरादा रुपया लेने का ही होता, तो वह दूसरे तरीके से काम करते। मुझे तो मालूम नहीं कि किसी ने कांग्रेस पार्टी को कौड़ी भी दी है या नहीं, लेकिन मेरे दोस्त ने कहा कि दस लाख रुपया एक पार्टी ने और डाई लाख रुपया दूसरी पार्टी ने कांग्रेस को दिया। उन दोनों को दस दस करोड़ रुपया दिया गया। अगर हमारा रुपया लेने का ही मुद्दा होता, तो जिस कम्पनी से डाई लाख रुपया दिया था, उस को सिर्फ डाई करोड़ ही लोन देते। मैं यह प्रश्न करना चाहता हूँ कि ऐसा कोई इरादा नहीं। बात बिल्कुल साफ है। अगर दूसरी पार्टियों का हिसाब खाता देखा जाय, तो वे तो बहुत आगे गई हैं। मुझे मालूम नहीं कि कहां तक सच है लेकिन मुझे पता चला है कि ब्रावणकोर कोबीन के राज्य में कम्युनिस्ट पार्टी ने बंद साल के अन्दर ३५-३६ लाख रुपया इकट्ठा किया है।

Shri Narayanankutty Menon (Mukandapuram): Where is that from?

श्री० रणवीर सिंह : इसके बारे में मुझे पक्का पता नहीं है लेकिन यह चीज मुझे बतलाई गई है। हो सकता है यह गलत हो। मैं तो चाहता भी यही हूँ कि यह गलत हो।

Shri Narayanankutty Menon: Do not give to any party.

श्री० रणवीर सिंह : लेकिन मैं यह जानता हूँ कि कांग्रेस पार्टी जो कि एक ब्राल इंडिया पार्टी है, जो कि देश की पार्टी है, उसने भी अपने १०-११ साल के पिछले इतिहास में इतना पैसा इकट्ठा नहीं किया है या कर नहीं सकी है। हमें इसमें कोई गिला नहीं है क्योंकि हम जानते हैं कि कम्युनिस्ट पार्टी को ३५-३६ लाख रुपया देकर अगर कोई उसके विचारों को बदलना चाहता हो तो वह बदल नहीं सकता है। यह उसकी भूल है कि वह सोचे कि कोई उसके मित्रांतों को बदल सकता है। इसी तरह से अगर कोई यह समझना है कि कांग्रेस पार्टी के विचारों को पैसा देकर अगर कोई बदल सकता है तो वह भी उसकी गलती है।

उसका सबूत यह है कि जिन कम्पनियों का जिक्र इस हाउस में किया गया है और जिनके बारे में यह कहा गया है कि उन्होंने खूब रुपया हमको दिया है जैसी कि उनकी इन्कॉर्पोरेशन है, उन्हीं की बीमा कम्पनियों को हमने सरकारी अधिकार में कर लिया है। इस तरह की बात होने के बावजूद भी अगर कोई किसी को चन्दा देतो किसी को क्या एतराज हो सकता है। अगर किसी को इसमें कोई एतराज होता है तो यह बात मेरी समझ में नहीं आती है।

अगर हमारे देश के पिछले ११ साल के आर्थिक इतिहास को देखा जाये तो पता चलेगा कि इन वर्षों में हमने देश के अन्दर समाजवादी छाँचा स्थापित करने का फैसला किया है, इस सदन ने फैसला किया है। हमारे भाई ने एपलबोर्ड की रिपोर्ट को कबोट किया है। मैं भी उसे पढ़ना चाहूँगा। लेकिन जहाँ तक मुझे मालूम है उन्होंने साफ लिखा है कि हिन्दुस्तान के अन्दर हिन्दुस्तान की जो पार्लियामेंट है वह बिजिनेसमैन के ऊपर बहुत ज्यादा विश्वास नहीं करती है। वह उन पर इतना अविश्वास करती है जितना अविश्वास कि यू० के० में भी नहीं है। मैं समझता हूँ कि यह तो खयालात की बात है। जिस की जैसी भर्जी हो वह वैसे ही खयाल जाहिर कर सकता है। एपलबोर्ड ने जो कुछ कहा है उसमें से जो बात हमारे भाई को पसन्द आ गई वह उन्होंने कह दी और जो उनको पसन्द नहीं आई उसको उन्होंने नहीं कहा। जो बात किसी के दिल लग जाती है वही वह कहना पसंद करता है। इसमें किसी का कोई दोष नहीं है। एपलबोर्ड की हमारे बारे में क्या राय है, किसी जज साहब की हमारे बारे में क्या राय है, उनकी हिन्दुस्तान की स्थायी पार्टियों के बारे में क्या राय है — बहुत अच्छी उनकी राय हो सकती है और बहुत अच्छे उनके खयालात हो सकते हैं — इसमें न जाकर मैं इतना ही निवेदन करना चाहता हूँ कि स्थायी जीवन के बारे में जो असली राय है वह असली राय तो पोलिटिकल पार्टिस की ही हो सकती

[बी० रणवीर सिंह]

है और वही उसके बारे में राय जाहिर करने का हकदार हो सकती है। जब साहब को क्या मालूम है कि राजनीतिक पार्टियाँ कैसे चलती हैं। उन्हें तो यही मालूम हो सकता है कि वकील कैसे अदालतों में भाते हैं और किस तरह से केस भाते हैं, किस तरह से वे वकील लोग केस तैयार करते हैं, अच्छी बकालत कौन करता है इत्यादि। लेकिन इस बात को वे कैसे जान सकते हैं या कैसे उनको इस बात का पता चल सकता है कि राजनीतिक पार्टियों को चलाने का तरीका क्या होता है। यह भी एक कहानी है। मैं इस बात में जाना नहीं चाहता हूँ क्योंकि मैं जानता हूँ कि कोई ए.स.टी. ही इस सारा चीज को बता सकता है और बैसा एक्सपर्ट हमारे लाल बहादुर शास्त्री जी से अच्छा और कौन हो सकता है। उन्होंने इस देश की दो जनरल इलेक्शंस लड़ी है और चार चार हजार उम्मीदवार मैदान में लड़ें किये हैं जो संख्या किसी भी पार्टी द्वारा लड़ें किये जाने वाले उम्मीदवारों की संख्या से कहीं ज्यादा है। तो इस बारे में लाल बहादुर शास्त्री जी की राय ज्यादा अच्छी और मुस्तनद होगी। हमारे महन्ती जी को जब साहब की बात पसन्द आई और उन्होंने वह कह दी। मैं समझता हूँ कि उन्हें कहनी भी चाहिये थी, यह उनका काम था।

मैं अर्ज करना चाहता हूँ कि अगर हम पिछले ग्यारह साल के इतिहास को देखें तो हमें पता चलेगा कि देश के आर्थिक ढांचे को आगे बढ़ाने के लिये ६१ सरकारी कम्पनियाँ चालू करने का फैसला हो चुका है और वे बन चुकी हैं। और यह मैं उस लिस्ट के आधार पर कह रहा हूँ जो कि हमको सप्लाई की गई है और हो सकता है कि इसके बाद चार पांच और सरकारी कम्पनियाँ बन चुकी हों। लेकिन ६१ कम्पनियाँ ऐसी हैं जोकि पब्लिक अंडरटेकिंग्स हैं और डिफेंड केटेगरीस की हैं। यह कोई छोटा काम नहीं है और यह भी तब जब हम इसका मुकाबला दूसरे देशों के

साथ करते हैं चाहे वे टेलीटेलिग्राम देश हों अथवा डेमोक्रेटिक। हमारे पड़ोसी देश में तो कोई काम चल ही नहीं रहा। हम दूसरे पड़ोसी देशों को देखें तो हमें पता चलेगा कि एक देश की यह कहानी नहीं है तकरीबन चारों तरफ के देशों की यही कहानी है कि वहाँ पर पंचायती राज ही खरम हो गया है। मैं कहना चाहता हूँ कि मेरे भाई महन्ती जी को कोई गिला नहीं होना चाहिये बल्कि खुशी होनी चाहिये कि जिन पर आप पिछले दस सालों से धाक करते आये हैं कि चन्दा लेकर वे अपने खयालात को बदल देंगे, वह सड़ो ही निकला है और यहाँ पर आप भी हम पंचा ती राज को कायम रखे हुये हैं। साथ ही साथ यहाँ दो दो जनरल इलेक्शंस हो चुके हैं और हमने इन इलेक्शंस को करने का कानून भी बनाया था। ये दोनों इलेक्शंस हमन से हमने कराये। इन इलेक्शंस में जो राजे हमारे खिलाफ लड़ें उनमें से कुछ जीत कर आये, जो बड़े बड़े जागीरदार लड़ें वे भी जीत कर आये। मजदूरों और किसानों के अपने आप को जो नुमाइंदे कहते हैं भी जीत करके आये हैं। सोशलिस्ट पार्टी वाले भी जीत कर आये हैं। कम्युनिस्ट पार्टी वाले भी जीत कर आये हैं। हमें किसी से कोई गिला नहीं है। अगर गिला होता तो लाल बहादुर शास्त्री जी के हाथों में बागडोर थी और जिस तरह का इलेक्शन कानून वह बनवाना चाहते बनवा सकते थे। तो मैं महन्ती जी को बतलाना चाहता हूँ कि जहाँ पर बदकिस्मती से कांग्रेस पार्टी के कोई नुमाइंदे उनके प्रदेश में हार गये हैं वहाँ पर आया कौन है, इसका भन्दाजा वह लगायें और अगर उन्होंने इसका भन्दाजा लगाया तो उनको पता चलेगा कि वहाँ पर रजवाड़े शाही के कोई पुरानी किस्म के विचारों के प्रादमी जीत कर आये हैं, प्यूडल लार्ड्स आये हैं। अब मैं पूछना चाहता हूँ कि वह क्या चाहते हैं? क्या वह चाहते हैं कि यहाँ प्यूडल लार्ड्स का बोलबाला हो? लेकिन जो भाई यह चाहते हैं कि यहाँ पर किसानों और मजदूरों

का बोल वाला हो तो मैं समझता हूँ कि उनको जो डर दिखाया जा रहा है उससे डरने की उनको कोई आवश्यकता नहीं है।

श्री स० म० बनर्जी (कानपुर) : समा-पति महोदय, मेरे मित्र महन्ती जी ने जो बिल मूव किया है, मैं उसका समर्थन करने के लिये खड़ा हुआ हूँ।

इसके पहले कि मैं अपने विचार इस सदन के सम्मुख रखूँ, मैं कुछ चीजें, जो पिछली मर्तबा बहस में उठाई गई थीं, उनको आपके सामने रखना चाहता हूँ। मेरे माननीय मित्र श्री म० रं० घोष ने महन्ती जी का खंडन करने के लिये कुछ बातें ऐसी कहीं हैं जिन के बारे में मैं अपने विचार यहां रखना चाहता हूँ और मैं यह साबित करना चाहता हूँ कि जो चीज उन्होंने कही है वह कहां तक सत्य है या कहां तक उसके बारे में उनको इल्म नहीं है। उन्होंने कहा :—

"As I was going to submit, contribution by public companies in other western countries is not condemned. I am not aware that anybody in England or Australia has condemned such contributions in their country. In the United States of America, in some cases this contribution to party funds and other organisations under certain circumstances in a different background has been made punishable. But I would submit that in our country the trade unions by statute are allowed to collect money by subscription. That is allowed. If there is no immorality there, if there is no objection there, why should there be any objection here?"

मैं केवल इतना ही कहना चाहता हूँ कि देश में जितनी भी ट्रेड यूनियंस हैं उनके फंड्स के बारे में मेरे माननीय मित्र को शायद यह मालूम नहीं होगा कि वे पोलिटिकल फंड्स रख नहीं सकती हैं। हम जानते हैं कि जब मान्यता प्रदान की जाती है तो उन्हें यह साफ तौर से कह दिया जाता है कि अगर

पोलिटिकल फंड्स की कोई क्लास होगी तो मान्यता नहीं दी जायेगी। टाटा कम्पनी ने १० लाख ३५ हजार रुपये वॉलिंग पार्टी को चुनाव के लिये दिया, २ लाख २५ हजार इंडियन आयरन एंड स्टील कम्पनी ने वॉलिंग पार्टी को चुनाव के लिये दिया और उसको डिफेंस में हमारे भाई गरीब ट्रेड यूनियंस का नाम लें और यह कहें कि हम टाटा से पैसा लेते और दूसरी राजनीतिक पार्टियां यूनियंस से पैसा लेती हैं और अगर यही उनका कनक्वूज हो और अगर वे यही कहना चाहते हों तो मैं समझता हूँ कि शायद ट्रेड यूनियंस को रिकग्नाइज करने वाला जो कानून है, उसको मेरे भाइयों ने नहीं देवा है या उसका खयाल नहीं किया है।

मैं समझता हूँ कि श्री महन्ती ने एक बहुत बड़ा मवाल इस सदन के सामने पेश किया है। हमने क्या कानूनी पेचीदगियां हैं या इसके क्या लीगल एम्पैकट्स हैं, उन पर मैं नहीं जाना चाहता। मैं तो केवल यही कहना चाहता हूँ कि आज क्या वाकई इस फंड को पाने से वह कांग्रेस पार्टी जिस के पीछे कि एक इतिहास है, जिसके पीछे कि एक कुर्बानी है, ६५ साल की वह नियाद जिस नियाद पर लाखों नौजवानों की लाशें होंगी, क्या वाकई मैं उसकी इज्जत इस देश में बड़ी है या नहीं बड़ी है। हमें सिर्फ यह देखना है कि इसके लीगल इम्प्लीकेशन क्या हैं। हमारे भाई घोष साहब ने यह कहा था कि जस्टिस तेन्दुलकर ने यह नहीं कहा कि यह राग या इम्मारल है और चू कि इस बिना पर किमी हाई कोर्ट के जज ने यह नहीं कहा कि यह राग या इम्मारल है इस लिये यह जायज है। मैं अपने मित्रों से एक मवाल करना चाहता हूँ कि आखिर आज हिन्दुस्तान में चुनाव किस चीज से लड़ा जाय? आज के हिन्दुस्तान में चुनाव सिर्फ वैसे से नहीं जीता जा सकता। मैंने खुद कानपुर जैसे क्षेत्र में चुनाव लड़ा था। मैं एक सरकारी मुलाजिम था, एक निकाला हुआ मुलाजिम था और पन्द्रह महीनों से बेकार था। लेकिन मैंने इस

[बी स० न० बिल]]

चुनाव में देखा कि गरीबों किस तरह से परयेबन्दी की और शक्तिशाली कांग्रेस के माइन्डे को १७ हजार वोटों से हराया। लेकिन सबाल भाज के चुनाव का नहीं भगले चुनाव का है। सन् १९६२ का या दूसरा चुनाव तभी जीता जा सकेगा जब लोगों के तरीके बुद्ध होंगे। बड़ी जीत सकेगा जिस का नैतिक स्तर ऊँचा होगा। अगर आप समझते हैं कि टाटा जैसे सरमायेदारों के हितों से आप चुनाव जीत सकते हैं तो मैं समझता हूँ कि प्रजातंत्र और उस प्रजातांत्रिक आधार की जड़ पर, जिस के उसूल पर हमारी सरकार खड़ी है या चुनाव हो रहे हैं, कुडाराबात किया जायेगा। इस लिये इस चीज के बजाय इस चीज को कहा जाय कि यह अमेंडमेंट मान लिया जाय यह ठीक नहीं है। मेरे भाई महन्ती जो आखिर अपने बिल के स्टेटमेंट आफ प्राव्जेक्ट्स एंड रीजन्स में क्या कहते हैं? वह कहते हैं:—

"The present Bill which is based on these judgments of the High Courts seeks to amend section 293(1)(e) of the Companies Act, 1956 so that no contribution in excess of Rs. 5,000 may be made by the Company without the previous sanction of the Court."

हालांकि होना यह चाहिये कि राजनीतिक पार्टियों को पबित्र रखने के लिये, राजनीतिक पार्टियों में पोल्यूशन न हो, राजनीतिक पार्टियाँ नीचे न गिरें, गिरने से उन का ठोके के लिये, उनको बचाने के लिये नियम बनाया जाय कि देश में पोलिटिकल कंट्रिब्यूशन न हो। और इसी लिये ट्रेड यूनियंस के लिये हम जनता से पैसा लेते हैं, गरीबों से लेते हैं, मेहनत-कशों से लेते हैं, उन लोगों से लेते हैं जिनसे कि लेना चाहिये। एक एक रुपया, एक एक आना और एक एक पचास तक कर के और उनके सामने झोलियाँ फैला कर लेते हैं। लेकिन

आखिर क्या बात है कि सरमायेदारों ने आज साठे दस लाख रुपया दे दिया चुनाव में? बात यह है कि उस के एक्ज में उन्होंने दस करोड़ रुपया लिया। जैसा हमारे भाई महन्ती श्री ने रखा कि उस पर कोई सूद न हो। दूसरी तरफ तकाबी सबा छः परसेंट के हिसाब से बांटी जाय। जहाँ गरीब किसानों की बस्तियाँ उजड़ चुकी हैं, खेती नष्ट हो चुकी है, वह परेशान हैं, हाहाकार कर रहे हैं वहाँ पर आखिर सबा छः परसेंट के हिसाब से क्यों लिया जाय? मैं कहता हूँ कि आप राजनीतिक दृष्टिकोण से मत देखिये, सामाजिक दृष्टिकोण से देखिये या नैतिक दृष्टिकोण से देखिये और आप खुद फँसला कीजिये कि क्या यह जायज होगा? मुझे अच्छी तरह से मालूम है कि साठे दस लाख रुपया दे कर टाटा कम्पनी में किस तरह से टाटा नगर में मजदूर प्रांबोलन को कुचला गया है। शक्तिशाली सेन्ट्रल गवर्नमेंट और शक्तिशाली बिहार गवर्नमेंट दोनों खड़ी रह गई। मोहताज थीं टाटा कम्पनी की जब मजदूरों पर गोलियाँ चली, जब वहाँ लाठी चार्ज हुआ। ७०० लोगों पर मुकदमे चलाये गये और सब लोग इस तरीके को देखते रहे क्योंकि बेचारे समझते थे कि यह जो दस लाख रुपया दिया गया, उसमें तक ठीक ६ लाख २० आल इंडिया कांग्रेस कमेटी को दिया गया, ३ लाख ० बिहार कांग्रेस कमेटी को दिया गया और १ लाख ० हमारी उड़ीसा कांग्रेस कमेटी को दिया गया। आखिर वह क्या कहते? मैं समझता हूँ कि चाहे राजनीतिक जिन्दगी में ही चाहे सामाजिक जिन्दगी में या आर्थिक जिन्दगी में, चाहे रूनिंग पार्टी हो या कोई और पार्टी हो, कुछ रुपया देने के बाद वह लोग हमेशा चाहते हैं कि उनको खरीद लिया जाय ताकि सत्ता की बागडोर उन के हाथों में रहे।

इस लिये मेरा निवेदन है कि इस चीज को कम से कम मान लिया जाय। मैं नहीं चाहता कि मैं अपने पूज्य दोस्त लाल बहादुर

जी का नाम इसमें न। मेरे भाई रणवीर सिंह जी ने बार बार उनको बचाने की कोशिश की और यह कहने की कोशिश की सास बहादुर जी हमेशा चुनाव लड़ाते हैं, उनके हाथों में बागडोर रहती है। यह भी क्या करें। हिन्दु-स्तान की जमीन ही कुछ ऐसी है जैने देना है कि यहाँ चार साल, ग्यारह महीने और उन्तीस दिन हमारी क्लिंग पार्टी के पीछे लोग ऐसे ढीढ़ते हैं जैसे सांप के पीछे इन्सान लाठी लेकर ढीढ़ते हैं। लेकिन एक दिन वह हमारी नाग पंचमी का देवता बन कर खड़ी हो जाती है, सारे बोट उसमें डाल दिये जाते हैं। यह हिन्दु-स्तान की परम्परा है, आखिर इसका आप क्या कर सकते हैं? लेकिन मैं एक चीज कहना चाहता हूँ कि बदलते हुये जमाने को आप देखिये। इस साठे दस साल रुपये के लिये उन्होंने कहा कि दो ही जगह लिया गया है, तीसरी जगह क्या हुआ? मैं उत्तर प्रदेश का रहने वाला हूँ। सारे कानपुर से हजारों रुपया चुनाव में दिया जाता है। लेकिन आप उस को लीगलाइज क्या करते हैं? आप डोनेशन लीजिये। २५ हजार रुपया, बैंक सशिट में अंकित है, जे० के० श्रीवास्तव ने उत्तर प्रदेश कांग्रेस कमेटी को दिया है। इसमें मुझे गुरेज नहीं। पर हमें लीगलाइज क्यों किया जाय? आखिर एक इम्मारत चीज को आप लीगलाइज क्यों करें। यह चीज देश के लिये घातक होगी।

Shri Raghunath Singh (Varanasi):
It is only charity; it is not immorality.

श्री स० ब० बनर्जी : मेरे भाई कहते हैं कि यह चरिटी है। अगर हमें चरिटी करनी है तो जरूर करें, हम किसी चरिटेबल अस्पताल को दें। अगर आप समझते हैं कि कांग्रेस कमेटी चरिटेबल इन्स्टिट्यूशन है तो जरूर चरिटी की जाय। आप कांग्रेस को भी चरिटेबल इन्स्टिट्यूशन मान लीजिये। इसका नाम आप आरफनेज रख लीजिये, विधवा आश्रम रख लीजिये। मुझे आज पिछली कांग्रेस कमेटी की याद आती है। सन् १९४७ के पहले जब

लोग गांधी टोपी को देखते थे, जब कांग्रेस वाले देहातों में जाते थे तो कोई नहीं पूछता था कि तुम हिन्दू हो, मुसलमान हो, ईसाई हो, सिख हो, ब्राह्मण हो या कायस्थ हो। कहते थे, आ गया देश सेवक, उस के लहर में उसकी जिन्दगी का राज छिपा हुआ है, उस की कदमबोली करते थे, कदम चूमते थे। लेकिन आज क्या है? सन् १९४७ के पहले वह देश के सेवक थे, सन् १९४७ के बचत वह देश के शासक हुये और सन् १९५८ में देश के शोषक हुये। इसी से तमाम चीजें हो रही हैं।

मैं सिर्फ इतना निवेदन करना चाहता हूँ कि अगर आप समाजवाद लाना चाहते हैं तो वह समाजवाद कैसे बनेगा? समाजवाद पर कुठाराघात करने वालों से अगर आप रुपया लें तो समाजवाद कैसे बनेगा? बिरसा साहब की रोज की आमदनी करीब ३ लाख ६० है और मामूली सड़कों पर सेटने वाले इन्सान की ८ भा० रोज न हो तो कैसे काम चलेगा? हम कहते हैं कि इन ३ लाख वालों का आप ३ हजार पर लाइये, तो आप कहते हैं कि हमारा समाजवाद ऐसा नहीं है। ६, १० आदमी आकाश पर बैठे हैं, कैलाश पर्वत पर बैठे हैं और ३६ करोड़ आदमी पाताल में हैं। हम कहते हैं कि आखिर इन कैलाश पर बैठने वालों को, आकाश पर बैठने वालों को नीचे उतारो, ऊंचे और नीचे में १।१० का अन्तर करो, तो आप कहते हैं कि हमारा समाजवाद ऐसा है, हम पाताल में इतनी मिट्टी डालेंगे कि वह कैलाश पर्वत बन जाय। लेकिन ऐसा होने वाला नहीं है।

15 hrs.

[**SHRI BARMAN in the Chair.**]

इसलिये मैं कहूंगा कि आप इस को देखिये। मैं आपके खिलाफ नहीं कहना चाहता हूँ, लेकिन अगर आप वाकई समाजवाद की तरफ, इश्वराकियत की तरफ, बढ़ना चाहते हैं, अगर आज वाकई आप का काफिला ३६ करोड़

[श्री स० म० बनर्जी]

लोगों को लेकर समाजवाद की तरफ जाना चाहता है तो समाजवाद के ऊपर कुठाराघात करने वाले जो लोग हैं उनसे फायदा उठा कर, उनसे रुपया लेकर आप समाजवादी ढंग से नहीं देख सकते हैं। मेरा निवेदन है एक हिन्दुस्तानी की हैसियत से, एक सच्चे नागरिक की हैसियत से, एक भाई की हैसियत से कि आखिर हमारी और आप की लड़ाई क्या है? हम जानते हैं कि हमारी और आप की लड़ाई एक भाई भाई की लड़ाई है। हम पांडव हैं और आप कौरव हैं, राज्य करते हैं। हमें पांच गांव की जरूरत है। हम आप से सिर्फ पांच गांव चाहते हैं। हम चाहते हैं रोजी रोटी—एक गांव, हम चाहते हैं कपड़ा—दूसरा गांव, तीसरा गांव है अस्पताल, चौथा गांव बच्चों की शिक्षा और पांचवां गांव मकान। अगर यह पांच गांव नहीं दिये तो महाभारत की लड़ाई होगी भले ही इस सदन में या कहीं और पर हो। इसलिये कौरव राज, आप से यही कहना है कि हम महाभारत की लड़ाई यहां लड़ेगे और फिर नार्थ रेवेन्यू और साउथ ऐव्यू में जाकर एक साथ लेंगे। हमारी और आप की भाई भाई की लड़ाई है। हमारे पूर्वजों की जो परम्परा रही है उसी के हिमाब से कह रहे हैं कि आप यह रोटी दे नहीं सकेंगे अगर आप रोटी छीनने वालों की मदद लेंगे। इस लिये इस बिल को आप कम से कम इस वजह से डिफेंड न करें, जिस तरीके से आज हमारे भाई श्री घोष ने डिफेंड किया कि यह इम्मारत नहीं है, रोग नहीं है। मैं कहता हूं कि आप इससे अधिक ऊंचे हैं, आप के पीछे इतिहास है जो हमारे पीछे नहीं है, हमारे पीछे कुर्बानी का इतिहास नहीं है, आप के पीछे कुर्बानी का इतिहास भी है, इसलिये अगर नये हिन्दुस्तान के नक्शे के लक्ष्य को जो कि हमारे प्रधान मंत्री जी की आंखों के सामने है, आप कामयाब बनाना चाहते हैं, तो अमीरों से, सरमायेदारों से, बल्कि मैं तो कहता हूं कि धार्मिक हैं, उन से पैसा लेकर आप ऐसा नहीं कर सकते। इस

लिये मैं निवेदन करना कि गरीबों पर विश्वास करो, विश्वास करो गरीबों और भूखों पर जिन से एक एक पैसा ले कर आप फिलहाल चुनाव जीत सकते हैं, करो विश्वास हमारी जनता के ऊपर। अगर जनता और मिनिस्ट्रों के बीच पुलिस की कतार खड़ी हो जाय तो आप विश्वास मानिये वह चुनाव चुनाव नहीं होगा। अगर रुपये से आप गरीबों की जिन्दगियों को खरीदना चाहते हैं, अगर आप चाहते हैं कि वोटों को खरीदा जाय, तो वह जमाना अब चला जा रहा है। लोगों ने अपने वोट की कीमत पहचान ली है उन्होंने पहचान लिया है कि सही वोट इस्तेमाल करने से हमारी किस्मत की लकीरें पलट नहीं सकतीं। इस लिये मैं तो चाहता हूं कि टाटा कम्पनी दस करोड़ ६० कांग्रेस को दे ताकि जनता के सामने असली रूप आ जाय। लेकिन मुझे तो ठेस लगती है जब मैं सोचता हूं गांधी के भावनों की बात। मुझे ठेस लगती है जब मैं उस पवित्र इन्सान की बात सोचता हूं।

Pandit K. C. Sharma (Hapur): Join the Congress Party.

Shri Raghunath Singh: That is always happening in every Party.

श्री स० म० बनर्जी: मेरे दोस्त इस तरह से कहते हैं “जवाइन दि कांग्रेस पार्टी।” मैं कहता हूं कि आप अपनी पार्टी को सम्भालिये। पंजाब में अभी रामलीला खत्म हुई है, लखनऊ में रामलीला शुरू हो गई। तुम कोई और बात कर रहे हो दूसरा कोई दूसरी बात कर रहा है। कांग्रेस की इमारत को आज आपस के लोग ढा रहे हैं। उसकी छत अगर लोग पंजाब में लेकर भाग रहे हैं तो उत्तर प्रदेश में वे उसे तोड़ रहे हैं। हमारे नेहरूजी पंचशील के सीमेंट की बोरी लेकर पलस्तर कर रहे हैं, लेकिन बहककेगा नहीं। आप विश्वास मानिये कि आज जैसी स्थिति हो रही है उसमें कांग्रेस की इमारत गिरने से बचेगी नहीं। कांग्रेस को सही सिद्धांतों पर चलाने से

ही एक नेशनल यूनिटी कायम हो सकना है और राष्ट्रीय एकता स्थापित हो सकती है और राष्ट्रीय आधार पर चल कर ग्रीन मही सिखातो को अपना कर ही हम इस दूसरी पंचवर्षीय योजना का कामयाब बना सकते हैं। लेकिन यह खेद का विषय है कि आज ऐसा नहीं हो रहा है।

उन शब्दों के साथ मैं इस मसल में निवदन करूंगा कि श्री मेहता की बिना पंछेजा लिमिटेड नाम कर रही है और जो उसमें तब तक कि वे जा महाराजाध्या का तत्त्व जाय ना आप देख कि बाबाट में इस बिना पंछेजा है 'इसके बाद आप मान कि यह करवा लने न जा सपना देने वाला है व क्या गरीब हम और उसमें आपका नेतिक स्तर गिरगा या उठगा इसके बारे में आप विचार करें।

Shri P R Patel (Mehsana) Sir, I support the Bill. The Bill is very simple but no limited company be allowed to contribute more than Rs. 5,000 to a political party and that too after the permission of the court is sought and the amount should be given 90 days after the consent is given. Sir, whether this Bill is necessary or not, that is the question to be considered. The only question will be whether we want people's rule in the country. Today, this House of People should represent naturally the common man and should reflect the viewpoints of the poor people in this country. More than eighty per cent of the people are agriculturists and yet we do not find agriculturists being represented here. Their viewpoint is never pressed here. Even though eighty per cent of the people of our country are agriculturists and belong to the rural areas, I do not think we devote one-hundredth part of the time to the problems of the agriculturists and the rural areas.

Why is it so? The only reason is this poor people, common people cannot come to this House. It has become the privilege of the rich people—rajās, maharajās and nawabs and

zamindars and the party financed by the capitalists of the country—to stand against the others. They are the people with money. Is it possible for the common people to be successful in any election? That is the reason why in this House the common viewpoint is not represented and is not pressed. Even though we talk of doing so many good things to the common man, he is against us and he has no trust in us. I can say so frankly.

The second question will be whether there will be purity of democracy. We have got democracy and anybody coming here will claim to represent the people. Even the rajās and the maharajās and the mill-owners, even if they come in large numbers they would claim to be the representatives of the people. But they come because they have 'big bags' and because of the 'big bags' they can collect votes. The common man cannot withstand them. Do we desire that a common man should be able to come to this House? Do we desire that ordinary agriculturists should be able to contest against in body and come to this House? Is it possible in the present circumstances? Let us consider.

The biggest party wedded to democracy is the Congress Party—at least that is the claim of the Congress Party. I do not come in the way.

An Hon. Member: But a hollow one.

Shri P R Patel: But because the Congress Party is supported by the capitalists of the country because it is financed by the capitalists of the country, what is the result? The result is that the Congress is getting itself far and far away from the common people, far and far away from the agriculturists, because the common people do know that Congress is supported by the capitalists, financed by the capitalists, and they look more to the interests of the capitalists and the rich people than the common people.

[Shri P. R. Patel]

Sir, I would only quote one example. We have put a ceiling or intend to put a ceiling on the income of agriculturists, on income of persons living on agriculture in rural areas—it may be Rs. 3,600 or Rs. 4,200 a year. That forms the big mass of about 80 per cent. of the population. But we dare not put a ceiling on the income of the rest 20 per cent. What is the reason? We, representing 80 per cent. of the population, want to put a ceiling on the annual income of the agriculturists, but we do not want to put any ceiling on the income of others. Why? It is because we are financed by those persons whose interests we want to safeguard; otherwise they would not finance us. I will give you another case. We have put a ceiling on land only. We have given by law proprietary rights in the land to a tenant. Do we want to give that right to tenants living in houses in the cities? No. We cannot do it because we are financed by these people.

Therefore, finance is bad from all respects. I would submit that the Congress may consider that instead of getting finance from the big moneyed persons they should rather go from man to man and collect pies, annas or a rupee. That way the Congress would be more powerful and more trusted than they are today. But they will not do it, that is the trouble. If they are able to get Rs. 10 lakhs from one man and Rs. 15 lakhs from another man, why should they go from place to place? And, when they have to go from man to man, naturally they have to bow down and understand the wishes of the common people.

Now, because of money given by the capitalists, what is the result today? We do say that it is the people's rule. But I fail to see any people's rule in the country. There is the capitalists' rule. Birlas and so many other 'Birlas' rule over the country. People may say that Pandit Jawaharlal Nehru has full authority, but his Government is under the thumb of so many 'Birlas' in the coun-

try. That, Sir, rather dictates our policy internally and externally. I wish that there should be a check on political parties getting a single farthing from the capitalists, from the companies or from the firms.

Some days back I read in the newspapers that Dalmia was bold enough to say that he contributed lakhs to the Congress fund. Mundhra also said that he contributed lakhs to the Congress fund. These people do contribute large amounts to the Congress fund. Are they not intelligent enough to understand their own interests? Do they contribute for no purpose? Why do they not give a pie to a beggar in the street and give lakhs to the Congress Party? If the Congress Party be not in power, would anybody think or imagine that these people would contribute a single farthing to the Congress? Sir, the contribution has two purposes. One is just to be in favour of the ruling party. Is it not corruption? I say, expecting favour from the ruling party is nothing but bribing the ruling party. And, the charge also comes from that side that the Communists have got contributions. I do not know why capitalists are contributing funds to the Communist Party; perhaps, it may be for the nuisance value. In our country we do find that some people contribute money to get favour and some people contribute money just to see that they are not harassed. These are the two things which make people to contribute. I feel that the capitalists of this country contribute to Congress fund only with one view, and that is to get themselves acquainted with the Ministers, with the Congress bosses and thereby gain their points. And they do gain their points. Then, Sir, they contribute to the Communists or some other political party. Well, there also they gain their points. That is just to save themselves from harassment, any trouble or any strike. Therefore, contribution is bad for all purposes.

I would say that no political party should be allowed to get any money from any firm registered under the Partnership Act or a limited company

either small or big. I think that would make our democracy pure democracy and make this House a really representative House of the common masses. Otherwise, Sir, we might claim that we represent the people, but the people do believe that we speak out something, we do not express their view points, we express our own view points and serve our own purpose.

Shri D. C. Sharma (Gurdaspur): Mr. Chairman, Sir, I have listened with a great deal of interest.....

Mr. Chairman: I would like to have some idea about the allotment of time. The hon. Minister wants to have 20 to 25 minutes. Certainly the Mover also will take 5 to 10 minutes for his reply.

Shri Mahanty: 15 to 20 minutes.

Mr. Chairman: That leaves only 20 minutes. Therefore, hon. Members should not take more than 10 minutes. I shall try to accommodate two or three hon. Members.

Shri Easwara Iyer (Trivandrum): Nobody from our side has spoken.

Mr. Chairman: Shri S. M. Banerjee has spoken.

Shri Easwara Iyer: He is not in our group.

Shri Braj Raj Singh (Firozabad): Will it not be possible to extend the time. This is a very important Bill.

Mr. Chairman: It has been fixed by the Committee.

Shri Braj Raj Singh: Of course, but the House has got over-riding powers.

Mr. Chairman: I am afraid it is not within my discretion.

Shri Sinhasan Singh (Gorakhpur): This is a Bill which requires a very thorough discussion. More time may be allowed. You can take the view of the House. Let somebody move

that the time be extended and if it is extended, I think many more Members may be able to take part and express their opinion freely.

Shri D. C. Sharma: Let the hon. Member himself move.

Shri Sinhasan Singh: I formally move that the time allotted for this Bill be extended.

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): This is the second time that this matter is being discussed in this House during the course of the year. Shri Naushir Bharucha had once moved such a Bill and a lot of time was taken over that Bill. This is the second time that this Bill comes in. I think Shri Mahanty has said that this is a similar Bill as Shri Naushir Bharucha's. I can quote his words from his speech if he likes. I can quote a sentence from his speech.

Shri Mahanty: I would like you to quote where it was said.

Mr. Chairman: All these factors have been taken into consideration by the Committee—the importance, etc. After that, if every time we change the time, it will not really be fair to the Members who have tabled other Bills and which have to be moved. They will certainly object to the extension of time. Simply by a majority, if the House extends the time, then the other Bills which are to come next will just remain there. That is another difficulty.

Shri Sinhasan Singh: I have moved the motion. Let that motion be put to the House.

Shri Sonavane (Sholapur—Reserved—Sch. Castes): We are not in favour of extending the time.

Mr. Chairman: The hon. Members should consider all these factors and difficulties. I think I can extend the time, say, by about 20 minutes. But I do not think I can extend it in such a way that the rights of other Members in regard to the remaining Bills are taken away.

Shri Braj Raj Singh: It may be extended by half an hour.

Pandit K. C. Sharma: Extend it by half an hour.

Mr. Chairman: I extend it by 25 minutes. The only thing is that I do not like the right of the other Members being taken away by the House.

Shri Easwara Iyer: That is not in anyway taken away. Those Bills will come the next day, because the ballot has been taken. Or, perhaps no ballot is necessary.

Mr. Chairman: They come in again for the ballot, if they are not moved. Anyway, I have called upon Shri D. C. Sharma. I would request the hon. Members to be as brief as possible.

Shri D. C. Sharma: Sir, I have listened to the speeches of the hon. Members with a great deal of interest and sometimes with respect. But I am afraid that instead of discussing the merits of this Bill they have tried to discuss the merits and demerits of the Congress organization. It is a strange thing. I feel very unhappy about it. The Congress organization stands as solid, as monumental and as massive as before. I can assure my friends that the donation of somebody here and the donation of somebody there cannot affect the ideology or the basic structure of the Congress. Therefore, those persons who have expressed any doubts about the integrity of the Congress because of some donation here and there are utterly mistaken. Their approach is utterly wrong and unwarranted by facts, unwarranted by the kind of work that the Congress has done and unjustified by what national service it has rendered all these years.

It has been said that the socialist pattern of society is not being implemented. It is utterly wrong. I ask the House to remember that we on the floor of this House have passed the Wealth-tax Bill, the Excess Profits

Tax Bill, and the Expenditure-tax Bill. From whom has the impulse for these Bills come? From my friends who talk about *Maha Bharat* without knowing what *Maha Bharat* is? They talk about the difficulties which the Congress faces without knowing what the difficulties are. Who have brought forward those Bills? I wish to say that thanks to the great glory of the Congress those Bills have been passed by this House with the Congress majority, and those Bills have done more to take away the power from those big business people and from the so-called millionaires than anything has done.

Shri Braj Raj Singh: Can he tell me what is the income derived from the Wealth-tax Bill? ...

Shri D. C. Sharma: Talk is one thing. Action is another. My hon. friends over there are the Rustoms of talk, but we are the giants of action, and those measures are due to our action. I was submitting very respectfully that we have done everything to take away the power of money from those persons. We are going to have grain trade vested in the State Trading Corporation. Who has done it? Is this idea taken from somebody other than the Congress?

Shri Braj Raj Singh: We have been pleading for it till now.

Shri D. C. Sharma: You have been pleading for the Heavens to fall, but the Heavens have not fallen. That is the difficulty. You go on pleading without the power to implement anything. Therefore, whenever anything happens you say, "We have done it". I say you are the Rustoms of talk, while we are the poor persons who implement good schemes.

I was submitting very respectfully that by the legislation that we have passed, we have taken away much from the wealthy persons. By our State Trading Corporation we are now engaging ourselves in the trade in grains. Again, we have done so many things by means of which we have

tried to give the common man a new hope, a new joy and a new vision and a new India in which he can live and work freely and happily.

Now, in spite of all this, I hear these persons talk about the Congress ideology and other things without knowing what all those things are about. They talk about the prestige of the Congress: "Oh, the prestige of the Congress is going down". I ask one question. I take it for the sake of argument that the prestige of the Congress is going down. But then I ask, "Whose prestige is going up"? Point out any national party whose prestige is going up. I think the prestige of all the parties is going down. So we are all co-partners, if our prestige is going down. But I can assure you, my friends,—I submit it respectfully—that the prestige of the Congress is going up, while the prestige of those persons is not as it should be in spite of the fact that they do all kinds of things to build up their prestige. Prestige is not built up in a day. Prestige is not built up by speeches. Prestige is built up by good work, by good faith, by good deeds and by good actions, and my hon. friends over there may feel in their heart of hearts that what I am saying is correct, in spite of what they say.

I can assure you that the prestige of the Congress has not suffered any diminution. Every political party has its ups and downs in life as do human beings. Therefore, you cannot judge by solitary things whether the prestige of a party is up or down. I think we stand as well as before, and I would say to my friends over there, that they should wait and see when the next elections come, then those friends who think they are now faring well, fare as well as they have been faring in the past elections. It is not a question of the Congress Party, but it is a question of the merits of the Bill. If Shri Surendra Mahanty had said "Do not give any donations to any political party and all donations are bad", I

would have been the first man to support him. If donations are bad, they are bad whether they are to the extent of Rs. 5,000 or Rs. 25,000. If he had said that no donations should be given to any political party for its funds from any business house or other limited concerns, I would say that he had done some good for the country. But I cannot understand the logic of it. Corruption is corruption, whether it is interpreted in terms of rupee, anna or pie or in terms of Rs. 5,000 or Rs. 25,000.

Shri Mahanty is a very good friend of mine, but I think he has over-shot the mark in the wrong direction. I would have supported him if he had said that no donations should be given at all, but he brings forward a half measure and says that upto Rs. 5,000 donations can be given, so that small parties may also get some donation. It is more in the interest of small parties.

Shri Braj Raj Singh: Let the big party come forward with the assurance they would not accept any donation.

Shri D. C. Sharma: Corruption is corruption; you cannot have it half way. You say, Rs. 5,000 is all right.

Shri Mahanty: If the Congress Party gives an assurance that they will lose no time in bringing forward a measure banning donations whatever be the amount, I am prepared to withdraw the Bill.

Shri D. C. Sharma: Mr. Mahanty thinks I am the Congress Party. I am a very humble member of the Congress Party. But I am saying that if you have brought forward banning donations to political parties altogether, I would have supported you. So, considering it on its merits, this Bill is bad. It is bad in intention.

Then, we have to understand that the content of a political party has changed

[Shri D. C. Sharma]

beyond recognition. Its scope has widened and now a political party is also a welfare agent. You know some of the political organisations have so much of work to their credit. They look after young men and women; they do social work and so on. All these things are now within the purview of a political party. So, since a political party has to do this social, economic and other work, to say that you should not give it money is the biggest wrong that can be done, because the context and scope of a political party have changed entirely in free India.

There is another thing also. I think that my friends are up-to-date in their knowledge and they know that now in free India we have donations in terms of physical and manual labour, donations in terms of time and other things. So, if you think donations in terms of money are bad, I think you will have to ban all other donations, because ultimately all these donations can be evaluated in terms of rupees, annas and pies. If I give you free labour, is it not a kind of money?

So, I would say that the Bill as it has come forward shows a mentality which is out-dated. It does not show any awareness of what we have done during the last 11 years. It does not show what is happening in the matter of social context and other things. So, I would request Shri Mahanty, who is one of the most reasonable men I have come across, to withdraw this Bill, because I should say it is not proper in the context of free India. I am sure he will respond to my appeal, because he is my sincere friend.

Shri Easwara Iyer: Mr. Chairman, I would have certainly welcomed a Bill which would prohibit the contribution to political parties from company funds, as my friend, Shri Sharma, said he would also welcome it if it banned donations altogether. Finding that this Bill is not finding acceptance so far, I would certainly say that we have to examine it in a more rational way. The question is not as to whether there

will be corruption or the company will be looking forward to favours from the party in power and so on. Here is a question where public limited companies' funds are sought to be utilised for political parties by way of contribution.

The very term 'public limited company' means the funds belong to the public or the shareholders. Shareholders may have different political convictions. It may be the case that a vast majority of the shareholders may have a leaning towards a particular party and there may be a minority who feel strongly against it. If the directors are invested with powers whereby they can divert a substantial portion of the company's funds for political ends, the voice of the minority is drowned. Why should the funds belonging to the minority also, which is in the hands of the directors of a limited company as trustees of the shareholders, be diverted against their conviction? This is a matter that this House should consider.

There is another aspect of the matter which has been well put forward by Shri Mahanty and I would not elaborate it. What is it that impels the directors to give contribution to political parties? It is not certainly out of charity or because they like the faces of the members of that political party and certainly not for investment. Here is a case that they at least expect a sort of *quid pro quo* from the political parties, which they believe will come into power.

Shri Narayanankutty Menon: That is also investment.

Shri Easwara Iyer: I do not want to quote any instances. If you look at the case that went up to the Calcutta High Court, the case of Indian Iron and Steel Company the words are that "for the more economic and efficient management of the company", they want to make a contribution. If you want to amend the memorandum of association of a public limited com-

pany, you will have to apply for sanction of the court and sanction can be given only on certain grounds enumerated in section 17 of the Companies Act. So, the company which wanted to contribute liberally to the Congress funds wanted to give some ground on which this liberal contribution could be made, namely, more efficient and economic management. From where does this efficiency come if they contribute to the Congress party fund? Perhaps, efficiency and more economic management can be had if funds are contributed to the Congress Party! It is done because the companies believe that if the Congress party continues to be in power, they may get some favour or other—I do not want to use any adjectives here—from that party. Instances are quoted by my hon. friend, Shri Mahanty, and I do not wish to repeat them. But coming to brass tacks, it is nothing but bribery. Of course, the existing law in the State does not define bribery. But the concept of bribery can be extended to the case of contribution by a company to a political party. But certainly if you take the moral concept of it, if the real basis of those contributions is analysed to the fullest extent, we find it is nothing other than bribery. Why do you say it is corruption? Why should a company which is having large resources and doing good business seek to contribute funds to a ruling party? It is nothing other than a case of bribery in the ultimate analysis.

The question has to be examined impartially and not from the point of view whether the contribution is made to the Congress party or the Communist party. I find some persons from the other side saying that the Communist party have also taken contributions in the State of Kerala. The question is whether contribution is bad and illegal or not. I am not saying that it should not be done by one party but can be done by another party. That is why I say: let us prohibit once and for all contributions made to political parties from funds belonging to public

limited companies. It is no answer saying: you can also take funds. We will have to examine the question as to how far it is conducive to the standards of public morality and administration to take contributions from public limited companies for political purposes and whether this principle of democracy can be kept reasonably pure and unsullied if we take funds from businessmen, industries and companies which have always to apply for export permits or for loans or further favours from the Government. We talk of equality. We say that we have laid down equality before the law and equal protection of the law in our Constitution. Now suppose two or three businessmen apply for some favour from the Government in the nature of a loan. If, fortunately or unfortunately, the favour of loan without interest falls on Indian Iron and Steel Company or Tatas, which have contributed liberally to the funds of the party in power, certainly it will not be in any way wrong for the other businessmen who have also applied and who are standing on equal footing with Tatas and Indian Iron to say that the loan has been granted to them because they have contributed to the party funds. So, there will be a rush and more and more companies will amend their memoranda of association in order to contribute to the funds of the political parties. So, when we talk about this equality, is not there at least some case for these businessmen who have not been contributing but who are on all fours with the other businessmen to say that they have been discriminated against? I would say that equality before the law should not only be declared as we find in the Constitution but must be there in its practical administration also. Equality must appear to be done by the party in power or the Government in power.

If that has to be done, my respectful submission before the House is that there should not be any room for any company or any public concern to give money to any political party on the pretext that they are only giving a

[Shri Easwara Iyer]

mere contribution or charity. I do not want to expatiate or deal at length with all the possibilities of dangers, but I would conclude by administering a sort of warning about the dangers if these potentialities are allowed to develop. Today it may be that my friends on the other side are the ruling party. But it may quite happen that the situation has become different. Then they will feel that the situation has become out of control because companies and industrialists would be coming forward in large numbers for loans and favours. Then only will they open their eyes to the situation and then they will start a hue and cry. So, I would say, let it not be too late before we control the entire danger. Let us see that such practices as contributions, charitable contributions, by public limited companies to party funds are stopped. If we allow this to continue what is it that prevents banks from giving contributions. Public funds cannot be allowed to be utilized in this manner. So, my respectful submission before the House is that this danger may be taken note of, and at least Shri Mahanty's Bill, which restricts the evil to the extent of at least Rs. 5,000 may be accepted. I would always welcome the entire prohibition of such contributions. I have already made it quite clear. I am not supporting the Bill on the ground that it is only Rs. 5,000 but I am supporting it because there is no other possible way, because the other scheme does not find acceptance from the majority on the other side.

श्री जगदीश अचरूकी (बिल्हौर) : सभा-पति महोदय, हमारे मित्र सुरेन्द्र महन्ती जी ने कम्पनीज एक्ट में संशोधन करने के लिए जो विधेयक प्रस्तुत किया है, मैं उस का समर्थन करने के लिए खड़ा हुआ हूँ। सदन में काफी समय से इस सम्बन्ध में चर्चा हो रही है। और सदन के कई माननीय सदस्यों ने इस बारे में अपने विचार व्यक्त किए हैं। इस बिल में महन्ती जी ने जो सिद्धान्त पेश किया

है, वह सचमुच विचारणीय है। इस बिल को लाने का सब से बड़ा श्रेय कलकत्ता हाई कोर्ट और बम्बई हाई कोर्ट को है। उन्होंने इस सम्बन्ध में जो निर्णय दिए हैं, उनकी प्रतिक्रियास्वरूप यह विधेयक प्रस्तुत हुआ है। मुझे अच्छी तरह से स्मरण है कि जब टाटा आयरन एण्ड स्टील कम्पनी के डायरेक्टर्स ने कांग्रेस पार्टी को एक लम्बा चौड़ा—लाखों रुपयों का—चन्दा दिया और उस के फलस्वरूप कम्पनी के शेयरहोल्डर्स ने डायरेक्टर्स के खिलाफ एक मुकदमा दायर किया तो उस पर उस वक्त के न्यायमूर्ति श्री छागला ने जो जजमेंट दिया था, मैंने उसको पढ़ा—मैं उस समय जेल में था—और मेरा क्याल है कि हमारे माननीय सदस्य ने भी उस को पढ़ा होगा। सचमुच में वह निर्णय आपके खीन देने वाला था। उन्होंने स्पष्ट रूप से लोक सभा को आह्वान किया कि अब समय आ गया है, जब कि इस देश की सर्वोच्च लोक सभा का एक कानून, एक नियम बनाना चाहिए जिसके अन्तर्गत उन बड़े-बड़े लोगों, उन पूजापतियों, उन लिमिटेड बनमज्जों पर कुछ अकुश लगाया जा सके, जो राजनीतिक पार्टियों को लाखों रुपए चन्दे की ढबल में देकर उनके चरित्र को भ्रष्ट करते जा रहे हैं। पूजापतियों का—चाहे वे इस देश हो या मंसूर के किसी अन्य भाग के—तो एक ही उद्देश्य, एक ही धर्म और एक ही काम है और वह यह कि अपने पैसे के बल पर अपने देश की राजनीतिक पार्टियों के द्वारा अपना स्वार्थ सिद्ध किया जाये और उन पार्टियों को उन व्यक्तियों को, जो कि देश के कर्णाधार माने जाते हैं, पैसा देकर—एक प्रकार से उनको अप्रत्यक्ष रूप में रिकवत दे कर समाज को भ्रष्ट किया जाय और अपने वर्ग विशेष के हितों को सदा के लिए सुरक्षित रखा जाय और इस हेतु अपने अनुकूल कानून और नियम बनवाए जायें न्यायमूर्ति के शब्द शब्द भी मुझे याद हैं कि अगर देश में जनतंत्र को सुरक्षित

रखना है, अगर हम मचमुच चाहते हैं कि देश के उन करोड़ों मतदाताओं की ध्वनि, जिन के पास पैसा और अन्य साधन नहीं हैं, लोक-सभा में प्रसारित हो, उन की सही ध्वाज बहा पड़ें, उन के हित के लिए कानून बनाए जाएं, तो निश्चित रूप से अब वह समय आ गया है जब कि ऐसी व्यवस्था की जानी चाहिए कि इन पूंजीपतियों द्वारा संचालित कंपनियां और संस्थान राजनीतिक पार्टियों को चन्दा न दे सकें। उन्होंने कहा कि चूंकि कंपनीज एक्ट में ऐसा कोई नियम नहीं है, इस लिए हमें खेद के साथ उन की अपनी धम्बीकार करनी पड़ती है, लेकिन इस प्रकार का नियम अवश्य बनाया जाना चाहिए। मुझे विश्वास था कि सरकार कंपनीज एक्ट में उस प्रकार का कोई नियम बनायगी, लेकिन ऐसा न हो कर विरोधी पक्ष की ओर से आज यह विधेयक रखा गया है, जो कि 77 दृष्टि में उचित है।

महर्षी साहब ने अपने मसौदा में कहा है कि कोई भी चन्दा या निर्माण फंड की ओर से किसी राजनीतिक पार्टी को दिया जाय, या जो रुपया 'चैरिटी' के नाम पर दिया जाय वह पांच हजार में ज्यादा न हो और उस की स्वीकृति प्रथम किमी कोर्ट से ली जाय। इस मसौदा में इस प्रकार के रुपया देने पर कानूनी बन्दिता हो जानी है। कांग्रेस पार्टी या किमी और पार्टी में इस का सम्बन्ध नहीं है। मोधा और मोटा मवाल है कि इस के द्वारा किसी पार्टी या किसी व्यक्ति विशेष को मौका नहीं मिलेगा कि वह किमी लिमिटेड कनसर्न से चन्दे के रूप में लाखों रुपये ले सके और न ही लिमिटेड कनसर्न को ही इस बात का मौका मिलेगा कि अपने स्वार्थ के लिए चन्दे के नाम पर इस प्रकार से पूंजी लगा सके। देश की राजनीतिक पार्टियों को स्वतः चाहिए कि वे इस प्रकार चन्दा न लें। हम सब को स्मरण होगा कि जब कांग्रेस पार्टी शासन में नहीं थी, तो वह किस प्रकार से चुनाव लड़ती थी। वह जिन गरीबों

का बोट लेती थी, उन्हीं से धन लेती थी—उन्हीं से दो दो पैसे ले कर चुनाव लड़ती थी। १९४७ में पहले कांग्रेस पार्टी गरीबों से ही पैसा लेती थी और उन्हीं का सच्चा ध्वनि को प्रसारित करती थी।

श्री नवल प्रभाकर (बाह्य दिल्ली—रहित-अनुसूचि जातियां) अब भी वो वह गरीबों का बोट लेती है।

श्री जगदीश अबरू श्री तो गरीबों का लेती है, लेकिन पैसा बड़े धादमियों का लेती है और ये बड़े धादमी—ये टाटा और बिड़ला—उस को जो चन्दा देते हैं, वह उस लिए नहीं कि उन को उस के संगठन का ख्याल है, या जनहित का ख्याल है, बल्कि वे चुनाव के मौके पर चन्दा इस लिए देते हैं कि कांग्रेस पार्टी जब चुन कर शासन में पहुंचेगी तो स्वभावतः उन के हितों का ख्याल रखेगी। कहायत है कि जिसकी स्वार्थसे उसकी बजायेगे। अगर हम लोग उन धनपतियों का पैसा लेंगे, या निर्दिष्ट रूप से हमारी आत्मा, हमारा मन, हमारे विचार और हमारे नीति-निराके उन का धार जायेगे और ऐसा हो रहा है। पूर्णपति जब चन्दे के नाम पर रुपया देते हैं, तो वे एक प्रकार से उधार पैसा देते हैं और वे समझते हैं कि जब वे लोग चुन कर शासनारूढ़ होंगे, तो इस पैसे के बदला हम का बहुत कुछ लाभ पहुंचायेगे और इस देश में यही हो रहा है। क्या वजह है कि जो कांग्रेस पार्टी देश में इतनी लोकप्रिय थी, शासन में आने के बाद आज उस का प्रतिष्ठा गिरनी जा रही है। आज स्थिति यह है कि लाखों रुपए सेंट्रल फंड में इकट्ठे होते हैं और कांग्रेस पार्टी के जिन उम्मीदवारों के पास पैसा नहीं होता है, उन को तीन, चार, पांच हजार रुपए दिए जाते हैं और इस प्रकार विरोधी पक्ष के गरीब लोगों को धसमस कर दिया जाता है कि वे चुनाव में खड़े न हो सकें। इस लिए कांग्रेस पार्टी और सरकार को सचेत हो जाना चाहिए। अब वह समय

[श्री जयदीप भट्टाचार्य]

नहीं है कि वह पैसा ले ले कर चुनाव जीत सकें। एक बार हमारे प्रधान मंत्री महोदय ने स्वतः कहा था कि जब समय आ गया है कि कांग्रेस पार्टी को वह स्थिति खत्म कर देनी चाहिए जब कि वह लम्बे लम्बे चन्दे ले कर, बड़ी बड़ी जीपें दिखा कर चुनाव जीत लेती है। लेकिन दुःख होता है कि एक और प्रधान मंत्री महोदय ऐसे भाषण देते हैं और स्वयं उन की पार्टी इतने लोगों का चन्दा लेती है। इससे स्पष्ट है कि करनी और कबनी में कितना अन्तर हो गया है। जिन के हाथ में मत है, अगर उन का पैसा लिया जाय और उन के बीच में काम किया जाय, तो वह ठीक है, मैं आप को अपना उदाहरण देना चाहता हूँ। मैं एक गरीब अध्यापक था। मैंने लोक सभा के लिए चुनाव लड़ा और उस चुनाव के लिए लिक्विडिटी जमा करवाने के लिए मैंने पांच सौ रुपये अपने प्रिंसिपल से उधार लिया और ७५ रुपये एक एक पैसा करके गरीब लोगों से लिया और उनका वोट लेकर मैं चुनाव जीता। इस वास्ते जरूरत इस बात की है कि आप आम जनता की पार्टी बनें। अगर आप सचमुच चाहते हैं कि मतदाताओं का विश्वास आप पर रहे, उनका विश्वास न उठे तो मेरी यह निश्चित राय है कि आप पैसे के बगैर भी चुनाव लड़ सकते हैं। चुनाव लड़ने के लिए पैसे की कोई आवश्यकता नहीं है। आप बिना पैसे की भी विजयी हो सकते हैं। जब एक ऐसी पार्टी या ऐसे प्रतिनिधि जो गरीब जनता का मत और गरीब जनता से घन लेकर जीत कर आते हैं तो उनका अमर जनता पर बहुत पड़ता है और वे जनता को अपने साथ बनाये रख सकते हैं।

आप समाजवाद की बात करते हैं, जनतंत्र की बात करते हैं। लेकिन आम जनता का मत ले कर और धनियों से घन ले कर मैं समझता हूँ एक प्रकार का भ्रम जनता में फैलाया जाता है और एक प्रकार का भुलावा जनता को दिया जाता है। मैं समझता हूँ

कि देश के अन्दर यह एक बहुत बड़ा पाप किया जा रहा है और आप इस पाप के पक में से मैं समझता हूँ जितनी जल्दी यह कांग्रेस पार्टी अपने आप को निकाल ले उतना ही अच्छा होगा।

मैं चाहता हूँ कि आप समझें कि आज जनता चुप नहीं बैठी रह सकती है। आप इस भ्रम में न रहें कि यहाँ की जनता अशिक्षित है और वह किसी चीज को समझती नहीं है। वह धीरे धीरे पार्टियों को समझती जा रही है, व्यक्तियों के चरित्र को समझती जा रही है। देश की जनता बहुत ही सेटीमेंटल होती जाती है। वह प्यार भी करती है और दुतकारती भी है। यही कांग्रेस पार्टी है जिस को जनता प्यार करती थी और आज भी यही पार्टी है जिस को जनता प्यार नहीं करती है। अगर जनता इस पार्टी को प्यार करती होती तो विरोधी पक्ष के लोग कैसे यहाँ आ सकते थे।

इस बिल के अन्दर जो बात कही गई है उस में कोई ऐसी बात नहीं है जिस में किसी की पार्टी की प्रतिष्ठा का प्रश्न हो या किसी के इसके विरुद्ध होने की बात हो। लेकिन यह जो चन्दा लेने की बात उठाई गई है वह बहुत सामयिक है। इसमें कोई शक नहीं कि इस देश के अन्दर राजनीतिक पार्टियाँ पैसे के बगैर नहीं चल सकती हैं और वे चन्दे लेती भी हैं। लेकिन जो चन्दा वे लें वह उनको सामान्य जनता से लेना चाहिये, जैसा कि गांधी जी किया करते थे। उस समय भी कांग्रेस पार्टी चलती थी और आज भी उसी तरह से काम कर सकती है। लेकिन आज आप ऐसा नहीं करना चाहते हैं। इस वास्ते मैं चाहता हूँ कि आप गांधी जी जी द्वारा बताये हुए रास्ते पर चले।

एक अन्तर्नीय सबब : गांधी जी भी बिड़ला से चन्दा लिया करते थे।

की व्यवस्था अवश्यी : मैं मानता हूँ कि वे उनसे लेते थे। उनमें महान शक्ति थी। उनको कोई प्रभावित नहीं कर सकता था। लेकिन आज देश के अन्दर कौन ऐसा व्यक्ति है जो कह सकता है कि बड़े धादमियों से चन्दे ले कर आप जनता के हितों में अपनी पार्टी के प्रति सन्देह पैदा नहीं कर रहे हैं। जनता में सन्देह पैदा होता जा रहा है, यह आज स्पष्ट होता जा रहा है। इसलिए अगर हम चाहते हैं कि सचमुच राजनीतिक पार्टियों के प्रति जनता की भावना बनी रहे, सरकार के प्रति जनता की भावना उत्पन्न हो, तो यह मेरी निश्चित राय है कि शासकीय दल को भागे घाना होगा और पहल करनी होगी और इस चीज पर प्रतिबन्ध लगाना होगा। कोई भी राजनीतिक पार्टी कम्पनियो से चन्दा ले, इसके बारे में हमें कानून बनाना होगा।

श्री दी० च० शर्मा ने कहा कि चन्दा लेने पर प्रतिबन्ध लगा दिया जाए। मैं उनसे इस बात में सहमत हूँ और मैं पहला व्यक्ति हूँ जो कहेगा कि किसी भी राजनीतिक पार्टी को इस तरह से चन्दा नहीं लेना चाहिए। अगर आप राजनीतिक पार्टियों को जिन्दा रखना चाहते हैं, लोगों की भावना राजनीतिक पार्टियों में बनावे रखना चाहते हैं—वे राजनीतिक पार्टियाँ जोकि जनतंत्र के लिए बहुत आवश्यक हैं, जिन का महत्व दिन-प्रति-दिन बढ़ता जा रहा है और बढ़ता जाएगा अगर हमें जनतंत्र को विकसित करना है, तो इस सदन को इस तरह के नियम बनाने ही होंगे एक न एक दिन। अगर हम चाहते हैं कि लोगों का चरित्र ऊँचा हो तो उसको ऊँचा करने के लिए इस तरह की व्यवस्था आपकी करनी ही होगी। आपको जो पार्टियों की वार्षिक आय व्यय होती है, उसका लेखा जोखा करना होगा और उनके एकाउंट्स को बैंक करवाना होगा। जो बड़ी-बड़ी पार्टियाँ हैं, तथा जो शासकीय पार्टी है उन सब

के लिए यह व्यवस्था करनी होगी। शासकीय पार्टी के पास लाखों रुपया सेंट्रल फंड के रूप में पड़ा हुआ है और पड़ा रहता है। आज कोई एकाउंट नहीं रखा जाता है कि कितना रुपया कहाँ से आया और कितना रुपया कहाँ व्यय हुआ। इस बाबत में चाहता हूँ कि उनके पैसे की, उनकी आय की, उनके व्यय की जांच हर साल होती रहनी चाहिए ताकि लोग समझ सकें कि कहाँ से उनके पास धन आता है और कहाँ उनका धन व्यय होता है।]

अन्त में मैं इतना ही कहना चाहता हूँ कि जो सरोजन महन्ती साहब ने प्रस्तुत किया है वह बहुत ही उपयुक्त है, बहुत ही सामयिक है और निश्चित रूप से आज इस सदन को बिना किसी भेदभाव के इसको स्वीकार कर लेना चाहिए और हमको आज जनता को यह दिखाना चाहिए कि हम पार्टी बन्दी से ऊपर उठकर इस काम को करना चाहते हैं और हम जो जनता के प्रतिनिधि बन कर बैठे हुए हैं, वे वास्तव में जनता के ही प्रतिनिधि हैं न कि किसी वर्ग विशेष के।

इन शब्दों के साथ मैं इस बिल का समर्थन करता हूँ और सदन से प्रार्थना करता हूँ कि वह इसको स्वीकार करे।

16 hrs

Mr. Chairman: Shri Jaganatha Rao. He can take ten minutes.

Shri Jaganatha Rao (Koraput): My good friend Shri Mahanty seeks to ban public companies from making contributions to political parties; secondly, he wants to put a limit on such contributions up to Rs. 5,000.

In his speech while introducing the Bill, he said that he did not want to put a complete ban on donations because political parties had to depend on donations, but that that should not be to such an extent as to make any party or group of individuals returned on a party ticket obliged to implement a certain line of policy contrary to popular interests. I am not able to

[Shri Jaganatha Rao]

appreciate the principle behind this Bill. If my hon. friend wants to build up a code of political ethics and public morality, what is the reason or the principle in saying that up to Rs. 5,000 it is quite moral and in excess of it, it becomes immoral?

Shri Mahanty: I am prepared to withdraw this Bill if an assurance is given on the floor of the House....

Mr. Chairman: He has said it before. He should not repeat it.

Shri Jaganatha Rao: I am a Member of this House just as you are. We are not here to give assurances. I am only commenting on the Bill which you have brought forward.

Even in England which is the homeland of democracy, there is no such law which prohibits contributions to political parties. In no other country of the Commonwealth is there any law which prohibits such contributions. What is wrong if a contribution is made by a public limited company, or for the matter of that, by a private limited company, a partnership, a trade union or by individuals in support of a particular political party or a candidate put up by a particular political party? Simply because a contribution is made, can it be said that the policy of the Government will be influenced by it? Are there any strings attached to such contributions? Has any of the hon. Members opposite pointed out that the party in power which received contributions from the public companies has ever deviated from its declared policy to any extent? Has the industrial policy in any way been affected? Was any undue favour shown to any of the companies which made contributions? How do my friends explain the taxation policy of the Government of India? What about the nationalisation policy of the Government?

So, to say that merely because a contribution is made by a public com-

pany or by an individual or an association of individuals, the policy of the Government would be deflected and the springs of democracy are sullied is something which I fail to understand. On the other hand, I would go to the length of saying that every person who contributes voluntarily furthers democracy in this country. It is open to a company or an individual to support any candidate or party if the election manifesto or if the principles on which the party stands appeal to him. I do not know how it can be argued that the springs of democracy would be sullied and that the people at large would not get the benefit from the Government.

In America there are two Acts which prohibit donations by public companies, but their scope is very limited. One is the Anti-lobbying Act. It only requires that where a donation of 500 dollars or more is made, it should be reported to the Clerk of the House. Failure to do so would entail punishment. The other is the Federal Corrupt Practices Act of 1928, which also serves a very limited purpose. There is no other law which prohibits donations by companies or by any private limited company or a partnership to make a donation to any political party of its choice. So, to extend the principle of morality to these donations which cannot come within the definition of bribery or a corrupt practice or any other offence under the Indian Penal Code can be assailed on this ground.

If my hon. friend wants to build up a code of political ethics, there cannot be half way. A man or woman who wants to be chaste has to be chaste throughout. Even a single lapse from virtue is bad. How can my hon. friend justify a donation of up to Rs. 5,000 as being legal, but say if it is Rs. 5,001 it becomes immoral. To say on this ground that the donations of these companies should be limited to Rs. 5,000, I am afraid, does not stand to reason.

This question came up before the Companies Act Amendment Committee. It went fully into this question. With your permission I shall quote what it says on page 112:

"The position as it stands today may thus be stated. If contributions to the funds of political parties are covered by the objects as specified in the memorandum, or if not so directly covered, fall within the category of transactions conducive or incidental to the profitable working of the company, it would be open to the board of directors to contribute any amount to the funds of political parties not exceeding Rs. 25,000 or 5 per cent of the average annual net profits of the company whichever is greater. This pecuniary limit of contributions may be exceeded only with the consent of the general meeting in the case of a public company or a private company which is a subsidiary of a public company."

My hon. friend Shri Easwara Iyer said that some of the shareholders may not subscribe to the political views of the directors of the company. Therefore it has been suggested here that where a contribution is made above the prescribed limit, it should be referred to the general body meeting, and it is open to the shareholders to approve or disapprove of the action of the directors.

It was also said that there is a strong motive when such contributions are made by companies. As I stated earlier, my hon. friends have not been able to point out that any company which made any contribution to the ruling party has derived any undue advantage from Government. To indulge in such, if I may say so, loose talk, I am afraid, does not serve any purpose.

The Companies Act Amendment Committee has suggested that in

future where such contributions are made, it should be immediately shown in the accounts of the company, in its balance sheet, and should be published in some newspaper so that the public will know about it. So, I respectfully submit that the views expressed by the hon. Members opposite that such contributions should be banned or only allowed to a limit extent do not stand any scrutiny. This Bill of my hon. friend does not merit any consideration, and it has to be thrown out.

Shri Satish Chandra: As I said a few minutes ago, this matter has been brought for a second time in this House. A few months ago, Shri Naushir Bharucha moved another Bill which was fully debated, which had the same objects and reasons. Though Shri Mahanty may dispute it and say that this is not a similar Bill, I find from the Statement of Objects and Reasons of the two Bills that even some of the sentences are common. Anyway, without taking up that question any further, I would like to say that the trend of the speeches that have been delivered in this House over this Bill or over the previous Bill or in connection with a similar Bill in the other House of Parliament, goes to show that this subject matter is being utilised to the fullest extent to cast all sorts of aspersions on the Government as if Government has contrived to enact a law for its own benefit, and to give a picture to the country which, to my mind, appears to be in the spirit of unleashing a cold war.

The facts are clear. In the Companies Act of 1913 there was no clause at all to curb donations or contributions by companies to political parties. Every company was free to donate to any extent without any limit to the funds of any political party. A different picture is being painted today as if some liberalisation has been made in the present Act. That is not so. In fact, section 293 in the present Act was introduced for the

[Shri Satish Chandra]

first time to limit the contributions which could be made by the public companies. The proposal of Government was, in fact, more modest, but the Joint Committee and this House in their wisdom thought it fit to raise those limits. The fact, however, remains that these new restrictions were brought in for the first time in the Companies Act.

In this connection, I would respectfully submit that a few judgments of the High Courts of Bombay and Calcutta have been quoted slightly out of context. According to section 17 of the Companies Act, it is necessary for a company to go to a High Court for the amendment of its memorandum of association. Under this section, two companies went to the High Courts, one at Calcutta and the other at Bombay, to include in their memoranda of association a provision to enable them to make contributions to charitable institutions or political parties.

Shri Kaswara Iyer: For the more efficient management. That is what they have said.

Shri Satish Chandra: That was what they might have said, but the High Courts have not commented on that. That is what I am coming to. I shall point out how the judgments have been quoted.

The High Courts considered those applications to be quite valid within the provisions of the present law; they allowed those applications, but some observations were made by them in that connection.

I would like to read one or two sentences from what Justice Mukerjee said in the Calcutta High Court. Some sentences have been read by hon. Members, but I want to read one or two more of his sentences.

After discussing the subject, he said:

"It is essential that there should be the fullest publicity to the fact

that a company is contributing some of its money to political funds of the political parties both in the general interests of the industry concerned in which this company is engaged as well as in the interests of its shareholders It would be highly undesirable to encourage any kind of secrecy in respect of such payments."

The conclusion of the High Court is, according to me, as I read the judgment of Justice Mukerjee, that all these contributions should be made publicly; there should be no secrecy about them; they should be published and shown in the accounts of the companies. The memorandum of association is the creation of the shareholders of a company. It can be amended only after a resolution is passed by the shareholders of the Company in a general meeting, and the High Court is approached to give effect to that amendment. What Justice Mukerjee has said is that the contributions made by the public companies should not be treated as secret but should be published.

Similarly, though a lot has been said about the judgments of the Bombay High Court—there were two judgments—I would like to place the correct position before the House. When the matter came up first before Mr. Justice Tandulkar, he said:

"I am not prepared to hold that the mere power to give donation or a contribution to a political party has such a tendency to corrupt political life as to be considered against public policy".

This is, again, a judgment of an eminent Judge of the Bombay High Court.

Shri Mahanty: This is obiter dictum.

Shri Satish Chandra: I do not

w. I am quoting word for word
his judgment.

Shri Kaswara Iyer: We need not
show that wisdom.

Shri Satish Chandra: There was
their judgment, of the Division
bench of the Bombay High Court, by
Justice Chagla and Mr. Justice
Munshi, in which they felt rather more
strongly about this matter. But,
however, while concluding their remarks,
they said that the least that Parlia-
ment could do is to require a sanction
from the court before any large amount
be paid by a company to the funds
of political party.

Shri Mahanty: That is what I am
going to do.

Shri Satish Chandra: They say:

"It is not for us to legislate, nor
is it for us to lay down the
policy"—

They themselves say that it is not
for them to lay down the policy in
this matter.

"The policy must be laid down
by Parliament. We thought it our
duty to draw the attention of
Parliament to the necessity of
some remedial measures being
undertaken to control...."

This matter was again examined by
their eminent retired Judge of the
Bombay High Court, Shri Viswanatha
Shastri.

Shri Mahanty: In what context? Is
it a Judge or retired Judge?

Shri Satish Chandra: Retired Judge.
That is, he has done his full term
as Judge.

Shri Tridib Kumar Chaudhuri
(Barrister-at-Law, Calcutta): How was he called
in to give his opinion on this mat-
ter? After he retired, he is just a

private person like any other person
but for his experience.

Shri Satish Chandra: A Committee
presided over by Shri Viswanatha
Shastri has reviewed the entire work-
ing of the Companies Act—in order to
suggest amendments in the light of
the experience gained after the pass-
ing of the new Act. This matter was
also specifically referred to Shri
Viswanatha Shastri, after these judg-
ments were delivered. Now, his
opinion is different. He does not
agree with this opinion and he came
to a conclusion more or less on the
same lines as those of Mr. Justice
Mukerjee and Mr. Justice Tandulkar.
He says that: when such contribu-
tions are made, they should not be kept
secret. He has recommended that as
the law stands, a general resolution of
the company authorising the board of
directors to contribute to charitable
or other funds in excess of the limit
prescribed by section 293(1)(e) would
be sufficient and a separate resolution
is not required in respect of each
such contribution; that the prohibition
of contributions to political and party
funds should not appropriately be
considered in isolation under the
Companies Act; that it is not desir-
able to impose on the courts the duty
to decide merits of contributions to
political parties in each case;

"that full information relating
to every contribution should, how-
ever, be incorporated in the
accounts and circulated to the
members before the next annual
general meeting so that, if they
so decide, they may give appro-
priate directions to the Board for
future guidance; and

that for this purpose the follow-
ing provision may be added to
section 293 of the Act."

His recommendation for amendment
is this. The report has been placed

[Shri Satish Chandra]

on the Table of the House. It is that every company shall disclose in its profit and loss account every donation made by it during the year of account to any political party giving particulars of the amounts given, the name of the person or persons, association or party to whom or to which such donation is made.

Now, this recommendation of Shri Viswanatha Shastri is before the Government at present. And, we propose to bring forward a suitable amendment when a comprehensive company law Amendment Bill is brought before this House in the near future.

An Hon. Member: Prohibiting all contributions?

Shri Satish Chandra: It is not what I have said. Shri Mahanty has quoted the American law on the subject. There is some inconsistency in his bringing in that law. The American law is not company law.

Shri Mahanty: May I interrupt him for a moment for better edification? I had referred to the American legislation, the Anti-Lobbying law. It is not in connection with company law. What I tried to submit was that there are other legislations to counteract the evil influences which might emanate from receiving funds from companies by political parties. Company law is irrelevant here.

Shri Satish Chandra: I am coming to that. He has referred to the American practice—the American Lobbying law.

Shri Mahanty: The American law is not company law.

Shri Satish Chandra: But an amendment of the Indian Company law is an entirely different thing from the law of America referred to by him.

Now, the elections of various political parties including the Congress as

much as every other political party to which the hon. Members opposite belong are run with funds. And, I am quite sure that candidate for candidate the Congress spends much less than any other political party.

Shri Easwara Iyer: No.

Shri Awasthi: This Congress spends a lot.

An Hon. Member: Let us know what the Congress spends on elections.

Shri Satish Chandra: Hon. friends opposite might dispute the fact. But, those of us who have had the experience of fighting against candidates of other political parties do know to our own cost as to how much money is thrown into the elections. From where it comes, how it comes and how it is spent, we do not know that.

An Hon. Member: They are secret.

Shri Satish Chandra: But, I am quite sure some of that money also comes from companies. (Interruption)

It is very well that the Mover of this Bill, my hon. friend Shri Surendra Mahanty, who belongs to a party of landed aristocrats and ex-Rulers of Orissa should bring forward a Bill like this. But I am not able to understand it when he calls in the same breath such contributions as bribery and illegal gratification and what not. In his own Bill he suggests that instead of Rs. 25,000 the limit should be reduced to Rs. 5,000/-. These two things are inconsistent. I do not wish to retaliate in the same harsh language which he has used. He is entitled to call it bribery; he is entitled to call it illegal gratification. But, I am quite sure that if he looks into the accounts of his own party he will find that he is equally guilty of that bribery or illegal gratification—whatever he may like to call it. Now, contributions are not made by companies only. Contributions can be made by trusts created by *rajās* and *maharajās*; contributions can be made by trade union organiza-

tions which collect money from capitalists in the companies. (Interruptions)

Shri Mahanty: Also Maharajas and maharajis

Shri Jaganatha Rao: Raja includes rani; also

Shri Satish Chandra. The contributions can come out of the trade union funds which are collected by certain political parties for certain occasions. Contributions may be made by individuals sometimes by free will and persuasion and sometimes by intimidation and agitation. There are many ways of collecting contributions from persons and parties, including the companies. I can quite understand the Lobbying Act in America. It prohibits contributions of every sort.

16.26 hrs.

[MR SPEAKER in the Chair]

But here to suggest that only companies should be prohibited from making contributions does not stand to reason. It will not make much difference if the contribution is taken from the TISCO or it is taken from Mr J R D Tata and whoever can perhaps manage to get it does get it. It is not proper to throw stones at others while one is living in a glass house.

So this matter has a wider angle. The House can certainly consider the matter in a more comprehensive way. If it so likes Government will be quite prepared to consider every reasonable suggestion coming forward from the other side.

There is an election law in this country according to which elections are conducted. Parliament has prescribed certain limits to expenditure that can be incurred. There are limits laid down for a single member constituency, for a double member constituency, for each of the States Legislatures and for Parliament. If the 250 (A1) LSD—7.

House likes, it can certainly bring in and decide by an amendment to reduce the quantum of expenditure for each candidate if all parties co-operate in limiting the expenditure within the new ceilings that may be prescribed. To say that Congress alone is guilty and it is that Party alone which is spending huge amount of money is not correct. We may look at things in proper perspective and if all parties agree to reduce the expenditure on election, and not to raise funds from various sources it would be all right. None of the friends opposite. I am quite sure, would like that this Parliament should be made the preserver of the rich people and that vested interests alone should be able to contest the elections. If the Communist Party claims to represent the workers and if the Socialist Party represents the workers and peasants, as we do also on this side, there is no meaning in keeping the limits which are prescribed in the election law. If these limits are there and if Parliament in its wisdom thinks that it is reasonable then every Party will have to collect money in the same manner as we do for running the elections.

It is a different matter that Congress being the largest political organisation in the country and setting up the largest number of candidates might spend more money. The Congress sets up candidates for each of the seats while the Opposition Parties choose to contest a few seats here or there and some seats in some States or elsewhere. It is easy for them to do with less money. But I repeat that candidate for candidate our expenditure is much less than that of any other political party or independent candidate. (An Hon. Member: Question). That is an unchallengeable statement.

Sir, when the Company Law Bill was before the House, an hon friend from the opposite side, Shri K K Basu, who belonged to the Communist Party then moved an amendment that the limit should be Rs 3000—It was

[Shri Satish Chandra]

very similar to Shri Mahanty's thinking that it should be Rs. 5,000. He said that it should be Rs. 3,000, and the political institutions with which Ministers are connected should be prohibited from accepting any donation.

Shri Mahanty: It was very wise of him.

Shri Satish Chandra: Yes, very wise, because Shri Mahanty will be able to get it; perhaps, not in Orissa because he may find some difficulty at some time or the other. That was Shri Basu's amendment. He was not opposed to the principle of this donation. Then, Shri Gurupadaswamy of the Socialist Party moved another amendment that the contribution should be reported to the shareholders. Well, the High Courts who have passed these judgments in Bombay and Calcutta have also called upon the Board of Directors to report . . .

Shrimati Renu Chakravartty (Basirhat): May I just ask the hon. Minister to let the House know what was the voting on that particular clause? Did the Communist Party support that clause about allowing companies to donate to political parties? He is now making a sweeping statement that we did not oppose it in principle.

Shri Satish Chandra: I am only saying that a member of that party accepted it in principle. He wanted to limit the amount, but the contribution was not sought to be banned. He only wanted a reduction in the amount.

Shrimati Renu Chakravartty: We fought it tooth and nail. You may please read the entire amendments.

Shri Satish Chandra: If my hon. friend is not prepared to be convinced, I cannot help it.

Shrimati Renu Chakravartty: Sir, he is just taking out one amendment without referring to the other amend-

ments. That gives only a very partial picture.

Mr. Speaker: All hon. Members who tabled amendments were very careful. . . .

Shrimati Renu Chakravartty: Sir, it is only right that you should see that nothing is said here which is not the entire truth on a particular question. There are various stages in respect of amendments. One amendment may be voted out while another may be voted in. If you take only one amendment and make a general statement, that gives a totally wrong picture.

Mr. Speaker: That is how any person will argue while supporting or opposing a Bill. Hon. Member will also have her chance. Are hon. Members on this side expecting the hon. Minister to argue on the same lines and defeat his own arguments?

Shri Satish Chandra: Sir, I do not want to take more time of the House. I only wish to say that we may think over this matter in a more dispassionate manner. I do feel that any amount of eloquence and merely throwing unjustifiable charges on others and imputing motives that the acceptance of these donations affect the policy of Government will not do. The matter is being brought up in this House and in the other House by Members of different political parties. As I said, this is the second time in this House within six or seven months. The Government is prepared to consider the whole matter if a dispassionate consideration of the problem is demanded, or some constructive proposals are put forward. As far as the present is concerned, I can only say that the matter has a much wider angle than a single provision in the Company Law can serve. In any case, we propose to bring forward an amendment in the Company Law that all these things should be made public. As far as other donations are concerned we shall be glad to come to some common arrangement if other political parties adhere to some arrangement.

Shri Braj Raj Singh: Let the funds of political parties be published before the public

Shri Satish Chandra: That suggestion can be considered, but as I said, that is a wider matter. It is not covered by the provisions of the Company Law. The Companies Act covers only one sector capable of donating money or contributing funds to the political parties. Companies are not, however, the sole contributors. If some scheme according to which all the political funds could be made public, all the income and expenditure can be made public, I do not think that my party will lag behind the others. The Congress, after all, is an organisation which publishes its accounts regularly. They are made public, and they are placed before the All-India Congress Committee and before the State Congress Committees. I do not know how many other political parties publish their accounts and place them before the public.

Shrimati Renu Chakravartty: You can victimize them? Is that so?

Shri Satish Chandra: I do not know. But this is what I say. I may respectfully submit that we might consider it in a more dispassionate manner and not merely in a spirit of eloquence and melodrama.

Shri Mahanty: Mr Speaker, Sir, I had known the inevitable. Passive silence could have been golden but would have been unconscionable. Much has been said as to why I have sought to impose a limit by imposing a ceiling of Rs 5,000. If it was evil, it was unmitigated evil, if it was corruption, it was unmitigated corruption. Lessening it does not mitigate the fact that it is corruption. I did not know that the memory of the Treasury Benches was far too short. It will be remembered that Shri Naushir Bharrucha had brought a Bill which completely banned all donations to political party funds. At that time, it was eloquently asked from those benches, "Are you going to dry up the sources

of charity?" No. Therefore, that Bill was rejected, and now, when a ceiling is being imposed, the question asked is, "Are you going to fix a ceiling? We will oppose it." Whether it is intellectual dishonesty or not, I leave it to the House to consider.

Shri Satish Chandra: Ceiling is already there.

Shri Mahanty: This charity is the contribution to political party funds. Therefore, it was unfair for such of the hon. Members as had spoken from these benches to have attributed motives to this Bill by saying why a ceiling is being sought to be imposed. I wish they were not like the proverbial Bourbons who forget nothing or learn nothing.

This charity, unfortunately, is not like the charity of Shakespeare which blesses them those who give and blesses them those who take. It is the other kind of charity which corrupts them those who give and which corrupts them those who take. This Bill had no intention to make a broadside against the Congress Party in which I think the people, by and large, have had some confidence at least till now. I had no intention to make any broadsides against anybody. The only motive was to keep the springs of political life reasonably unsullied and pure.

There have been three recent judicial pronouncements in this regard. I do not know why the hon. Deputy Minister was referring to a retired High Court judge. That is a matter which I do not wish to touch at the moment. He should not have referred to retired High Court judges, I believe.

Shri Satish Chandra: Retired judges do not lose their wisdom by retiring.

Shri Mahanty: Those who are active judges are more active in their intellectual functioning than the retired judges. Well, the less said about it, the best. Therefore, we cannot lay much store by retired judges, ignoring the functioning judges. What did Mr Justice Chagla say, whose findings

[Shri Mahanty]

in the LIC enquiry evoked great interest all over the country? He said,

"The least that Parliament can do is at least to require the sanction of the court, before any large amount is contributed by the company to the funds of political parties."

Mark the words "large amount". Therefore, I have proposed in my amending Bill that if any private limited company contributes more than Rs. 5,000, then sanction of the court should be obtained.

It has been said, "Why don't you ban contributions by companies altogether?" I ask those who know the law, is there any legal provision in this country which can ban contributions to any funds? A group of people can join tomorrow, promote a company and say in the memorandum of association that they will contribute money, say, to the communist party. There is nothing which can prevent them from doing so. It is a fundamental right. So, it is only on account of ignorance that some people may ask, "Why don't you ban contributions altogether?" How can you do it?

What is required is to impose some reasonable restraint on this kind of contributions which have all the potentialities of inciting political corruptions. While moving this Bill for consideration, I had cited two instances. The TISCO and the LISCO were granted Rs. 10 crores loan each without any interest. I expected a reply from the hon. Commerce and Industry Minister, who for reasons best known to him, did not reply. At least the Deputy Minister, who is no less efficient, could have cleared it up. Here are matters which should be seriously considered. I can quite appreciate the fact that money can be contributed to political party funds, but persuasion by contribution to party funds or promoting policies conducive to the interest of the contributors is politically wrong,

morally unconscionable and administratively reprehensible. If the Congress Party with all their loud professions for high and noble principles in administration and public life do not realise this, it is really a misfortune for our country.

But apart from entering into polemics with the hon. Deputy Minister, I would beg of him to consider this. On 24th May, 1957, the then Finance Minister, Shri T. T. Krishnamachari, had said in this House:

"This question of contribution by companies and organisations to political party funds is something probably which will have to be gone into later on."

That was said as late as 24th May, 1957. Since then 18 months have elapsed and three judicial pronouncements have been made. I would like to ask the hon. Deputy Minister whether the three judicial pronouncements have not categorically pointed out that if these contributions go on in this manner, it would have the effect of corrupting and vitiating our entire administration. In that context, I have quoted the views of Mr. Paul Appleby, whom the Government of India, in their wisdom had invited to give his opinion on the public administration in India. Mr. Appleby has made a remark about the Indian Parliament, of which no Parliament can be proud. He has said that powerful vested interests are at work and therefore, any policies that they want to dictate are easily passed in the Parliament. Look at the enormity of the situation. Mr. Appleby was invited by no less persons than those who decorate the treasury benches.

Therefore, with all humility, I wish to plead that if the ceiling is accepted, it would have had the effect of putting a reasonable restraint on this kind of contribution to political party funds, which in effect is vitiating the administrative purity of our country. In that context instances were cited where the Government of India have issued two loans to the Indian Iron

and Steel Company and Tatas at the rate of Rs 10 crores each free of interest, whereas our peasantry is paying interest at the rate of 6½ per cent on taccavi loans, whereas our peasantry is put to all sorts of difficulties for getting Government loans. Look at the enormity of the situation. Rs 10 crores are being given as loans to Tata and Indian Iron, free of interest. How has the hon Minister reconciled himself to that? Why were these loans granted without any interest? That is my insinuation. That is given because they have contributed to the party funds of the ruling party. Therefore, you were so charitable in granting them loans without any interest.

I would not labour those points. Further, I have no intention to cast any aspersion on anybody. My idea is far from it. I only want to bring it to the notice of the House, as also of the hon Minister, that at least these judicial pronouncements which have been given by the Calcutta High Court and the Bombay High Court are acted upon in some way. It is no good pointing out what a retired High Court Judge as Chairman of the Company Law Committee, has pointed out. I am aware of his recommendations. But those recommendations are not far enough. So, I would once again appeal to the hon Minister not to stand on the pedestal of prestige of his own and try to oppose any measure that emanates from this side but to consider this matter dispassionately and see that something is done to maintain the purity of our political life.

Mr Speaker: The question is

"That the Bill further to amend

Division No. 2.

Awasthi, Shri Jagdish
Borus, Shri Hem
Beck, Shri Ignace
Ben Raj Singh, Shri
Chakravarty, Shrimati Renu
Chaudhuri, Shri T K
Dasgupta, Shri B
Deb, Shri P G
hossai, Shri

Ghose, Shri Subman
Gopalan, Shri A K
Goundar, Shri Shanmuga
Iyer, Shri Easwara
Jadhav, Shri
Kunhan, Shri
Mahanty, Shri
Matera, Shri

the Companies Act, 1956, be taken into consideration"

The Lok Sabha divided

Some Hon Members: There is something wrong with the machine.

Shri Tyagi (Dehra Dun) I am sorry, I am not represented there; this is out of order.

Mr Speaker: One after another I shall note down all hon Members who think their names have not been recorded. That is not difficult.

Shri Narayanankutty Menon (Mukandapuram) Voting No 484: the hon Member's vote is not recorded there.

Mr Speaker: Is he not present?

Shri Narayanankutty Menon: He is present. It is not shown there.

Shrimati Renu Chakravarty: We are making the representation because he cannot express himself in English or Hindi.

Mr Speaker: For or against?

Shri Narayanankutty Menon: For.

Mr Speaker: I shall add one for 'Ayes'.

Shri Tyagi. One for 'Noes'.

Mr Speaker: The result of the Division is: The Board indicates 24 for 'Ayes'. I have added 1. Total 25. I have added one to 'Noes', 92 plus 1—93. The 'Noes' have it. The motion is lost.

The Lok Sabha divided Ayes 25,
Noes 93

AYES

16-53 hrs

Menon, Shri Narayanankutty
Nair, Shri Vasudevan
Nayar, Shri V P
Panigrahi, Shri
Patel, Shri P R
Rajendra Singh, Shri
Tangamani, Shri
Verma, Shri Ramji

NOES

Achar, Shri
Anjanappa, Shri
Arumugham, Shri R. S.
Ashana, Shri
Babunath Singh, Shri
Balakrishnan, Shri
Bangahi Thakur, Shri
Berman, Shri
Basumatari, Shri
Bidari, Shri
Borooah, Shri P. C.
Bose, Shri
Brajeshwar Prasad, Shri
Chaturvedi, Shri
Chuni Lal, Shri
Das, Shri Ramdhan
Desai, Shri Morari
Deshmukh, Dr. P. S.
Dindod, Shri
Dube, Shri Mulchand
Owivedi, Shri M. L.
Gandhi, Shri Feroze
Gandhi, Shri M. M.
Ghose, Shri M. K.
Hajarnavis, Shri
Hansda, Shri Subodh
Hazarika, Shri J. N.
Hem Rai, Shri
Jain, Shri M. C.
Jhulan Sinha, Shri
Kalika Singh, Shri

Kotaki, Shri Lladhar
Khan, Shri Sadath Ali
Krishna Chandra, Shri
Lachhi Ram, Shri
Madhusudan Rao, Shri E.
Masfida Ahmed, Shrimati
Malviya, Shri Motilal
Mandal, Shri J.
Mehta, Shrimati Krishna
Mishra, Shri Bibhuti
Mishra, Shri B. D.
Mohammad Akbar, Shaikh
Mohudeen, Shri Gulam
Morarka, Shri
Muthukrishnan, Shri
Naldurgker, Shri
Nanjappa, Shri
Narasimhan, Shri
Narayanasaamy, Shri R.
Nathwani, Shri
Negi, Shri Nek Ram
Nehru, Shri Jawaharlal
Padam Dev, Shri
Pahadia, Shri
Panna Lal, Shri
Prabhakar, Shri Naval
Raghubir Sahai, Shri
Raghunath Singh, Shri
Rajiah, Shri
Raju, Shri D. S.
Rampure, Shri

Ranbir Singh, Ch.
Rane, Shri
Rangaroo, Shri
Reddy, Shri Rami
Saigal, Sardar A. S.
Samanta, Shri S. C.
Samantsohar, Dr.
Senkarspandian, Shri
Serhadi, Shri Ait Singh
Satish Chandra, Shri
Sharma, Shri D. C.
Sharma, Shri R. C.
Siddian, Shri
Singh, Shri D. N.
Singh, Shri H. P.
Singh, Shri M. N.
Sinha, Shri K. P.
Sinha, Shri Sarangadhar
Snatak, Shri Nardeo
Sonawane, Shri
Subramanyam, Shri T.
Tariq, Shri A. M.
Tewari, Shri Dwarikanath
Thirumala Rao, Shri
Tiware, Shri R. S.
Tula P. m, Shri
Tyagi, Shri
Upadhyaya, Shri Shiva Datt
Varma, Shri B. B.
Wadwa, Shri
Wodeyar, Shri

The motion was negatir 'd.

16.54 hrs.

SIKH GURDWARAS BILL

Sardar A. S. Saigal (Janjgir): I beg to move:

"That the time allotted by the House on the 19th September, 1958 (Vide Twenty-seventh Report of the Committee on Private Members' Bills and Resolutions) for discussion of the Sikh Gurdwaras Bill be increased from 2 hours to 3 hours."

Mr. Speaker: This question is:

"That the time allotted by the House on the 19th September, 1958 (Vide Twenty-seventh Report of the Committee on Private Members' Bills and Resolutions) for discussion of the Sikh

Gurdwaras Bill be increased from 2 hours to 3 hours."

The motion was adopted.

Sardar A. S. Saigal: Sir, I move:

"That the Bill to provide for the better administration of Sikh Gurdwaras situated in different States of Indian Union and for inquiries into matters connected therewith be circulated for the purpose of eliciting opinion thereon by the 30th March, 1959."

I shall place before the House my point of view on this Bill, History of Gurdwara Legislation, Sikhs and their Gurdwaras. Gurdwaras and Dharmasalas, popularly known as Sikh religious places are the objects of highest esteem and respect.

among the Sikh community, and have played an important role in its history. These places serve the humanity without any distinction of caste, creed or colour wherever they are situated.

Shri Akal Takhat, Amritsar, Shri Kashgarh Sahib, Anandpur, Shri Takhat Patna Sahib Shri Hazur Sahib Nanded, Shri Harimandir Sahib of Golden Temple, Amritsar are some of the seats of the highest authority and have throughout the Sikh history served as a source of inspiration, faith and devotion. Historic decisions of far-reaching importance have always been taken by the Sikhs by the gurmattas and Akal Takhat and heroic expeditions always directed and controlled from such sacred shrines. The Sikh gurus and martyrs continuously cemented their temples with blood and bones to keep burning the highest and eternal torch of Sikhism for guidance and deliverance of the human race.

About the middle of 18th century, while the Sikhs were hiding in the deserts of Bikaner, being declared outlaws, the then Mogul Talukdar turned the Golden Temple into a "nauch house" and stable. Then Bhai Maha'ab Singh, with his only companion, Sukha Singh of Maru Kambah, came for its deliverance and they were done away with in no time. His son was also beheaded for this. Similarly, Baba Deep Singh who came fighting, received a mortal cut on the neck (at a short distance from Amritsar), and fulfilled his vow of liberation supporting his head with one hand and fighting with the other hand until he fell in the precincts of the temple.

Again in 1757, when Tamur, son of Ahmed Shah Abdali, took over charge of Punjab, the Golden Temple was destroyed. Then the two famous

generals, Jassa Singh Ramgarhia and Jassa Singh Ahluwalia succeeded in regaining and restoring the same in 1758. Durrani again invaded in the year 1762, demolished the temple and polluted the sacred tank, and took away Shri Gurugranth Sahib to Kabul. But the Sikhs again rose to the occasion and overpowered the aggressors and reconstructed the temple in 1763. In Delhi, Shri Baghel Singh of Karori Singhia-Missa erected a gurdwara known as Rakabganj—it is just near—at the place where the mortal remains of Guru Teg Bahadur were burnt after execution by Aurangzeb. He also raised a number of monuments and gurdwaras at other places of Delhi associated with the visits of Guru Teg Bahadur, Guru Harkishen Sahib, Mata Sahib Kaur and Mata Sundari.

17 hrs.

In the days of the Gurus, these Sikh shrines were managed and supervised by the local sangats through masands. This worked till the time of the tenth Guru. These institutions of masands which worked efficiently before gave way to corruption later on. The Tenth Guru, therefore, punished these masands for their misdeeds and corruption, and finally removed them.

Mr Speaker: I am sure the hon Member would like to say much more.

Sardar A. S. Saigal: Yes.

Mr Speaker: He may continue on the next day.

17-01 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Saturday, the 29th November, 1958.

[Friday 28th November, 1958]

ORAL ANSWERS TO QUESTIONS		COLUMNS	WRITTEN ANSWERS TO QUESTIONS—contd		COLUMNS
S Q No	Subject	1799—1833	S Q No	Subject	
291.	Technical man-power requirements for Oil and Natural Gas Commission	1799—1802	321	Air Cooler	1842
292	Child lifting	1802—04	322	Institute of Archaeology	1843
293	Local Bodies Schools in Punjab	1805—06	323	Oil Survey in U P	1843-44
294	Indian Council for Cultural Relations	1806—08	324	International Finance Corporation	1844
295	Policy direction to Life Insurance Corporation	1808—11	325	Sulphur and Magnesium deposits in U P	1845-46
296	Manufacture of earth moving equipment	1811—17	326	Scientific policy resolution	1846
297	Utilization of paddy husk	1818-19	327	U P-Bihar boundary dispute	1846-47
298	Jeep case	1820—23	U S Q No		
299	University at Kanpur	1823—25	480	Refinance Corporation	1847
300	Foreign Exchange Regulations	1826—31	481	Scholarships to other backward Classes students of Orissa	1847
301	Stainless steel	1831—33	482	I A S and I P S	1848
WRITTEN ANSWERS TO QUESTIONS		1833—75	483	Post-Matric Scholarships	1848-49
S Q No			484	Mixed colonies in Union Territories	1849-50
302	Neyveli Thermal Power Station	1833	485	Educational Development Programme, Orissa	1850
303	Payments through foreign banks	1833-34	486	Commissioner for Scheduled Castes and Scheduled Tribes	1850-51
304	Water proof Mud Plaster	1834-35	487	Technical education	1851-52
305	Loan from Japan	1835	488	Geological Survey of Bombay	1852-53
306	Police force for Rourkela	1835	489	Re-organization of Secondary Education in Bombay	1853
307	Holiday homes for children	1835-36	490	Social Service Camps in Bombay	1853
308	Services of the Indian Steel Works Construction Co	1836	491	Technical education in Bombay	1854
309	Settling of death claims by Life Insurance Corporation	1836-37	492	Vigyan Mandirs in Bombay State	1854
310	Synthetic rice	1837	493	Pakistanis in Defence Services	1854
311	Central University in South India	1837	494	Pakistanis in West Bengal	1855
312	State Bills	1838	495	S U N F L D	1855
313	Commissioner General	1838-39	496	Indo-Pakistan financial issues	1855-56
314	Treasury Bills	1839	497	Oil targets	1856
315	Border disputes	1839-40	498	Coal resources	1856-57
316	Central Advisory Board for Harijan Welfare	1840	499	Vigyan Mandirs	1857-58
317	Remission of Sales-tax	1840	500	Mining Institute at Secunderabad	1858
318	'Bond Delivery'	1840-41	501	Loans from foreign countries	1858-59
319	Territorial Army	1841	502	Expenditure on Finance Minister's tour abroad	1859
320	'Pushpak'	1842			

**WRITTEN ANSWERS TO
QUESTIONS—contd.**

U.S.Q. Subject

U.S.Q. No.	Subject	
503	India Culture Centre in Japan	1859
504	Foreign capital investments	1859-60
505	Fundamental education centres	1860
506	Vigyan Mandirs	1860-61
507	Indian Institute of Technology, Kharagpur	1861-62
508	Setting up of an investment centre	1862-63
509	Limestone deposits in Orissa	1863
510	National Gallery of Modern Arts	1863
511	Excavations of Ratnagiri Hill	1864
512	Contract to Mrs. Hotchiff Gammon	1864-65
513	High Court Judges	1865
514	Government Committees	1866
515	Tripura Territorial Council Budget for 1958-59	1866-67
516	Government quarters at Agartala	1867
517	Kaushambi finds	1867-68
518	Himalayan Mountaineering Institute	1868
519	Staff in the Ministry of Education	1869
520	Scheduled Castes and Scheduled Tribes	1869-70
521	Colonies of Scheduled Castes and Scheduled Tribes in Orissa	1870
522	Coal in Bombay	1870-71
523	Diglot edition of the Constitution of India	1871
524	Monuments in Maripur	1871
525	National Gallery of Modern Art, New Delhi	1871-72
526	Supply of Iron and Steel to Bombay	1872
527	Houses for Scheduled Castes	1872
528	Standardisation Committee	1872-73
529	Smuggled articles seized in Rajasthan	1873-74
531	Houses for Scheduled Castes	1874-75
532	Houses for Scheduled Castes and Scheduled Tribes in Punjab	1875
250	(A) LSD.—8.	

COLUMNS

PAPERS LAID ON THE TABLE 1875-76

The following papers were laid on the Table —

- (1) A copy of Notification No. G S R 1097 dated the 22nd November, 1958, under sub-section (2) of section 3 of the All India Service Act, 1951, making certain amendments to Schedule III to the Indian Administrative Service (Pay) Rules, 1954
- (2) A copy of the Report of the Sanskrit Commission, 1956-57

LEAVE OF ABSENCE

1876

Thirteen Members were granted leave of absence from the sittings of Lok Sabha

REFERENCE TO ALLEGED INACCURACY IN REPLY TO A QUESTION

1877—82

Shri Narayanankurty Menon made a statement referring to an alleged inaccuracy in a reply given by the Deputy Minister of Law to Starred Question No 1072 on the 9th September, 1958 regarding "Strike by the All India Petroleum Workers' Federation". The Deputy Minister of Labour (Shri Abid Ali) made a statement in reply thereto

MOTION RE. INVESTMENT POLICY OF LIFE INSURANCE CORPORATION

1882—1938

The Minister of Finance (Shri Morarji Desai) raised a discussion on the statement made by him in Lok Sabha on the 24th August, 1958 regarding the Investment Policy of the Life Insurance Corporation of India. The discussion was not concluded

REPORT OF COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS ADOPTED

1938

Thirtieth Report was adopted

PRIVATE MEMBERS' BILLS INTRODUCED

1938-39

The following Bills were introduced —

- (1) Code of Civil Procedure (Amendment) Bill, (Amendment of section 100) by Shri Naldurgkar

COLUMNS

COLUMNS

(2) Hindu Adoptions and Maintenance (Amendment) Bill (Amendment of Section 18) by Shri Wadiwa

(3) Shopkeepers (Fixation of Price Labels) Bill by Shri A M Tariq

(4) Factories (Amendment) Bill, (Amendment of sections 45 & 47 and insertion of new sections 47A, 47B and 47C) by Shri Ram Krishan

(5) Representation of the People (Amendment) Bill (Amendment of sections 30 "B, 85 etc) by Shri Ram Krishan

(6) Indian Trade Unions (Amendment) Bill (Amendment of section 8) by Shri Ram Krishan

(7) Salaries and Allowances of Members of Parliament (Amendment) Bill (Amendment of section 8) by Shri Ram Krishan

(8) Managing Council Bill by Shri Ram Krishan

(9) Companies (Amendment) Bill (Insertion of new sections 43A and 250A and Amendment of sections 224 237 etc) by Shri Ram Krishan

(10) Representation of the People (Amendment) Bill (Amendment of section 8) by Shri Mahanty

PRIVATE MEMBER'S BILL
WITHDRAWN

1942

Shri Abdul Salam moved for leave to withdraw the Muslim Wakfs (Amendment) Bill and the Bill was withdrawn by leave of Lok Sabha

PRIVATE MEMBER'S BILL
NEGATIVED

1942-2002

Further discussion on the motion to consider the Companies (Amendment) Bill, 1957 Amendment of section 293 moved by Shri Mahanty concluded After the discussion, Lok Sabha divided, Ayes 25 Noes 93 and the motion was negatived

MOTION TO CIRCULATE
BILL UNDER DISCUSSION

2001-04

Shri A S Saigal moved that the Sikh Giridwaras Bill be circulated for the purpose of eliciting opinion thereon by the 30th March 1959 The discussion was not concluded

AGENDA FOR SATURDAY
29TH NOVEMBER 1958—

Further discussion on the motion raising discussion re Investment Policy of Life Insurance Corporation and discussion on the Annual Report on the Working and Administration of Companies Act