

# **LOK SABHA DEBATES**

**(Fifth Session)**



***(Vol. XVIII contains Nos. 1-10)***

**LOK SABHA SECRETARIAT  
NEW DELHI**

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(SECOND SERIES—VOLUME XVIII—11th AUGUST TO 22nd AUGUST, 1958)

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*N.B.—The sign + marked above a name of a Member on Questions, which were orally answered indicates that the Question was orally asked on the floor of the House by that Member.*

## LOK SABHA DEBATES

499

500

### LOK SABHA

Wednesday, 13th August, 1958.

The Lok Sabha met at Eleven of the Clock.

[MR. DEPUTY SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Rumanian Aid for Oil Refinery

- +
- \*71. { Shri V. C. Shukla:  
Shri Ram Krishan:  
Shri D. C. Sharma:  
Shrimati Mafida Ahmed:  
Shri Radha Raman:  
Shri Sarju Pandey:  
Shri Vajpayee:

Will the Minister of Steel, Mines and Fuel be pleased to refer to the reply given to the supplementaries on Starred Question No. 2105 on the 9th May, 1958 and state:

(a) whether the preliminary information asked for by the Government of India before the Rumanian delegation arrives here, has since been received; and

(b) if so, what progress has been made in the matter?

The Parliamentary Secretary to the Minister of Steel, Mines and Fuel (Shri Gajendra Prasad Sinha): (a) Yes, sir.

(b) An Indian delegation was recently deputed to Rumania to conduct further discussions and its report, since received, is under examination

Shri V. C. Shukla: May I know whether it is a fact that the International Petroleum Consultants have recommended that a single big refinery

with a crude pipeline from the oil fields to the refinery and a refined products pipeline from the oil refinery to the consuming centre will be, the most economical proposition, and if so, what decision has the Government taken on this particular recommendation?

The Minister of Mines and Oil (Shri K. D. Malaviya): A report has been received from the consultants of the Assam Oil Co., and that report is still being examined by the Government.

Shri V. C. Shukla: May I know whether the Government of Assam have moved the Central Government for a single and a bigger refinery in Assam, and if so whether the Government of Assam would be consulted before a final decision is taken by the Central Government?

Shri K. D. Malaviya: So far as consultations with the Assam Government are concerned, we have had several discussions with them, and there is particularly no occasion now to consult them. The reports are there, we have practically considered everything. Last minute considerations are going on, and I suppose the Government will take a decision very soon.

Shri Hem Barua: In view of the fact that the International Petroleum Consultants have recommended a bigger single-unit refinery in Assam, may I know why negotiations were carried on with the Rumanian Government before the project report was submitted by this international firm of consultants?

Shri K. D. Malaviya: The succession of events has not been very correctly depicted by my hon. friend.

The talks for the refinery with the Rumanians were held before this international company was perhaps constituted, and therefore there are several other factors which are before the Government, and taking everything into consideration, I suppose the Rumanian offer has got to be considered very seriously.

**Shrimati Maftda Ahmed:** May I know the reason or reasons why the Government of India accepted the Rumanian offer without a project report, which is an imperative necessity for installing a refinery?

**Shri K. D. Malaviya:** The Rumanian offer has not yet been finally accepted, but the case for very favourable consideration is that it is a very attractive offer.

**Shri Hem Barua:** In view of the fact that the report of the Refinery Location Committee originally constituted by the Government of India, which is till now a confidential document, recommended a single-unit big size refinery in Assam, why is it that the Government thought it or considered it fit to split up the refinery into two and proceed accordingly with its negotiation with the Rumanian Government?

**Shri K. D. Malaviya:** My hon. friend knows....

**Mr. Deputy-Speaker:** This is perhaps going into too many details which may not be answered in reply to a question. I pass on to the next.

#### Scholarships to Technical Students

\*72. **Shri Subodh Hansda:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that the scheme for awarding scholarships to students in Technical Institutes has not yet been finalised; and

(b) if so, the reasons therefor?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** (a) and (b). No, Sir. Some

research scholarships have been in existence since 1949-50, some post-graduate scholarships were instituted, in 1953 and some for undergraduate studies are now in process of implementation.

**Shri S. M. Banerjee:** May I know the number of students granted scholarships during 1957-58?

**Shri Humayun Kabir:** Under which category?

**Shri S. M. Banerjee:** Technical aid.

**Shri Humayun Kabir:** I have given the break-up, that there are research scholarships and postgraduate scholarships. For the research scholarships there are 680 who are enjoying scholarships at the moment.

**Shri Tangamani:** May I know whether the scholarship is being extended to students of the Marine Engineering College, Calcutta?

**Shri Humayun Kabir:** Twenty institutions have so far been selected for these postgraduate scholarships, and I would have to go through the whole list to find out whether this particular college is there or not.

**Shri Tangamani:** It is not postgraduate. There is only one college of its kind—in Calcutta, with some 50 students each year. I would like to know whether the scholarship includes the students of the Marine Engineering College.

**Mr. Deputy-Speaker:** That list will have to be gone into to see whether this particular institution is included in that or not.

**Shri Tangamani:** It is a very important institution. There is only of its kind.

**Mr. Deputy-Speaker:** Next question.

**Shri Harish Chandra Mathur:** May I ask a question?

**Mr. Deputy-Speaker:** I have passed on to the next question. I am sorry the hon. Member did not rise in time.

## Gold Bonds Scheme

+

- \*78. { Shri Tangamani:  
 Shri Ram Krishan:  
 Sardar Iqbal Singh:  
 Shri Rameshwar Tantis:  
 Shri S. C. Samanta:  
 Dr. Ram Subhag Singh:  
 Shri Hem Raj:  
 Shri Kumaran:

Will the Minister of Finance be pleased to state:

(a) whether Government have considered the proposal to mobilise the idle gold hoards in the country by issuing gold bonds;

(b) if so, whether any final decision has been taken; and

(c) the nature thereof?

The Minister of Finance (Shri Morarji Desai): (a) The matter is under consideration

(b) No, Sir,

(c) Does not arise

Shri Tangamani: May I know whether this matter will be expedited in view of the fact that there is a large disparity between the world price and Indian price per tola (the price in the world market is Rs 62 and the price here is Rs. 106), and whether this will be brought into force as soon as possible to stop smuggling also?

Shri Morarji Desai: The question of price will not be affected by these bearer bonds

Shri Rameshwar Tantis: What are the difficulties in or reasons for not floating these gold loans which will ease the foreign exchange position?

Shri Morarji Desai: As the matter is under consideration, it is not possible for me to describe the whole process.

Shri Damani: May I know whether any foreign Government has issued such gold loan, and if so with what success?

Shri Morarji Desai: As far as I know the French Government have issued them recently, and they got about Rs. 75 crores.

श्री म० ला० द्विवेदी : मैं यह जानना चाहता था कि सरकार जो हम बात पर विचार कर रही है कि सोने के लिये बौड्स जारी किये जायेंगे तो क्या इस योजना के अन्तर्गत ज्वेलरी, जवाहिरात और दूसरी मूल्यवान वस्तुएँ भी रहेंगी या केवल मोना ही रहेगा ?

श्री मोरारजी देसाई : मारा विचार हो रहा है ।

Shri H N. Mukerjee: May I know if Government has got any idea of the gold hoarded in the safety vaults in different parts of the country in banks and elsewhere, and if we have not got a definite idea, are we going to requisition those legal provisions which we have in order to find out what exactly is the position of the hoards?

Shri Morarji Desai: These are all matters of inferences. It is difficult for me to say anything about matters which are not yet decided.

Shri Nath Pal: The Minister has been kind enough to state that the matter is under consideration. We would like to know if any assessment has been made—I am not concerned with the hoard—of the extent of such gold. Since you state that you are considering it, an assessment might have possibly been made.

Shri Morarji Desai: An assessment has been made by some people on behalf of the Reserve Bank, by some economists, and the assessment is about Rs. 2,500 crores.

Mr. Deputy-Speaker: Next question

Shri Kamalnayan Bajaj: Since the scheme is under consideration. . .

Mr. Deputy-Speaker: I am very sorry. The hon. Member rose late.



### Election in Patiala Constituency

\*75. **Shri Ajit Singh Sarhadi:** Will the Minister of Law be pleased to state:

(a) whether it is a fact that in election to Patiala city constituency in May 1958 polling was postponed suddenly from the 11th to 25th May due to the non-printing of the ballot papers despite earlier announcement that such polling would take place on the 11th May; and

(b) if so, whether any enquiry has been made into the causes of this postponement resulting in the extreme inconvenience to the candidates and also to the electorate?

**The Deputy Minister of Law (Shri Hazarnavis):** (a) Polling at this bye-election had to be postponed because of unforeseen difficulties in getting the ballot papers printed in time.

(b) No enquiry was necessary as the postponement was due to compelling circumstances which were known to the Election Commission.

**Shri Ajit Singh Sarhadi:** May I know whether the printers were given any time-limit before which they were to supply the ballot papers?

**Shri Hazarnavis:** I have no precise information on this point. But, if the hon. Member requires specific dates, he might give me notice.

**Shri Ajit Singh Sarhadi:** Is it not a fact that there has been inefficiency or slackness somewhere, for the ballot papers were not printed in time and the election had to be postponed?

**The Minister of Law (Shri A. K. Sen):** No. The Election Commission is satisfied that there was no laxity. The reasons in short are as follows. These ballot papers had to bear the marks necessary for allowing the new system of voting to be practised in this particular bye-election. They were sent in time to the printers. When they came back with proofs, it was found that there were various

alterations made compared to the original designs prepared by the Punjab Government. So, they were sent back to them, and they came back on the 5th May, whereas polling was fixed on the 11th May. The time was too short. Moreover, out of twelve candidates, in the meantime, all had dropped excepting four. So, the ballot papers had to be reprinted with the names of four candidates remaining in the field. The postponement, therefore, was made only from the 11th of May till the 25th of May, a very short postponement; and we are satisfied that it did not inconvenience anyone.

**Shri Ajit Singh Sarhadi:** May I know whether the time factor was kept in view when the examination of the proofs was going on?

**Shri A. K. Sen:** It is always kept in view.

### Engineering Graduates

+

**Shri Harish Chandra Mathur:**  
\*76. **Shri Muhammed Elias:**  
**Shri Ram Krishan:**  
**Shri Hem Barua:**

Will the Minister of Home Affairs be pleased to state what consideration and shape has been given to the Prime Minister's suggestion to the National Development Council that Engineering graduates, till they are permanently employed, be taken on rolls and paid Rs. 350/- a month?

**The Minister of Home Affairs (Pandit G. B. Pant):** It has been decided to create a pool for temporary placement of highly qualified Indian scientists and technologists returning from abroad. Persons with outstanding academic records and high post-graduate qualifications in science or engineering from Indian universities will also be eligible for the pool.

**Shri Harish Chandra Mathur:** May I know the nature of the suggestion made by the Prime Minister in the

National Development Council regarding the engineering graduates who are coming out from the universities here, in order to provide them with jobs or to take them on the rolls before they could find a permanent employment?

**Pandit G. B. Pant:** I have just stated that a pool is being formed in which persons of outstanding merit will find a place.

**Shri Harish Chandra Mathur:** I have followed the answer that a pool is to be formed for the outstanding persons. But may I know whether there was any suggestion made or not?

**Mr. Deputy-Speaker:** Now, the purpose will be served.

**Pandit G. B. Pant:** Of course, suggestions were made by the Prime Minister....

**Mr. Deputy-Speaker:** The question suggested that they may be temporarily employed and not remain without a job. It has been answered that a pool is being formed, and, therefore, they would not be out of job. And highly qualified engineers would be taken on that.

**Shri Harish Chandra Mathur:** It is entirely a different class of engineers for whom the pool is being formed. I just wanted to know whether it is only exclusively for the eminent scientists from outside and whether this specific figure of Rs. 350 mentioned was in relation to those scientists who are of great eminence and who may be employed outside, and for whom there are no specific jobs here but who are wanted to join here in the pool or whether it was intended for the engineering graduates passing out from the universities here who are not finding a job, so that in the meanwhile they could be taken on the rolls and paid something. That is the clarification which I seek. Was it Rs. 350, or else, what was the salary which was contemplated?

**Pandit G. B. Pant:** The engineers here will not remain unemployed, so

far as I am aware. But this pool is meant primarily for persons who are being trained outside and who possess special qualifications. But there will be room also for scientists or engineers of outstanding merit.

**Shri Harish Chandra Mathur:** That was not my question....

**Mr. Deputy-Speaker:** Perhaps, the hon. Member has in mind that in the National Development Council, perhaps, a suggestion was made that every engineering graduate would be given Rs. 350 till he was permanently employed. This is the suggestion that was made in the National Development Council. Now, the answer that has been given by the Home Minister is that highly qualified scientists and engineers would be put in the pool and they would have that advantage.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** I do not think I ever mentioned any figure or said anything about every engineer. What I had said was this. I was thinking chiefly of the newcomers who were coming here as also those who had recently passed through and were well qualified; they should be put on some kind of a roll; even though they might not get posts immediately, they can be kept employed in some way or the other. I was thinking rather more of the Indians in foreign countries who come back very well qualified and who for some time cannot get employed. So, they may immediately be given some assurance of employment; and till they get posts, they are nevertheless being used and paid something. But that applies to people here too, provided, as my hon. friend has said, they are of outstanding merit. But, as a matter of fact, by and large, engineers are employed; they are not among the unemployed in this country.

**Shri Harish Chandra Mathur:** May I know the nature of the scheme regarding the constitution of the pool

and what sort of salaries are contemplated?

**Pandit G. B. Pant:** Every person who is selected for the pool will be given an initial salary between Rs. 300 and Rs. 600 normally; it will depend on his merits and on his qualifications. In special cases, even persons who are already employed elsewhere may be selected for the pool on special terms.

**Shri Harish Chandra Mathur:** May I know what steps have already been taken to implement this scheme?

**Pandit G. B. Pant:** The register has been prepared, and selections will, I hope, be made in due course.

**Shri P. C. Bose:** There are different varieties of engineering. Apart from the ordinary mechanical, electrical and other engineers, there are also mining, chemical and even agricultural engineers. What is the preference that Government are proposing to give to all those categories?

**Pandit G. B. Pant:** There are engineers of various types. That is true.

**Shri Tyagi:** May I know the total estimated annual expenditure allotted for this purpose?

**Pandit G. B. Pant:** No allotment has as yet been made. We are in the initial preparatory stage now, and when the scheme has been finalised, that will be done.

**Shri Tyagi:** May I know whether before the Prime Minister committed himself to such a scheme, he did not consult Government and the Finance Minister or the exchequer as to whether they would be prepared to shoulder the burden?

**Mr. Deputy-Speaker:** There is no presumption here. The answer that has been given is that no commitment has been made.

**Shri Tyagi:** The scheme involves money, and this money is to be paid to persons who are not employed. I, therefore, want to know the estimate

which the Finance Ministry has sanctioned.

**Mr. Deputy-Speaker:** It has been said that it is still in the preliminary stages, and nothing has been decided and no budget sanction has been made.

**Shri Tyagi:** How could he commit then?

**Dr. Sushila Nayar:** May I know whether it is contemplated to give this facility to engineers only or other professional people also will be included in this scheme?

**Pandit G. B. Pant:** I think all experts possessing outstanding merits and qualifications will be admissible.

**Shri Dasappa rose—**

**Mr. Deputy-Speaker:** Enough has been said about it. Let us go to the next question now.

#### Defence Production Planning Committee

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 \*77. { **Shri D. C. Sharma:**  
**Shri Bhakt Darshan:**  
**Shri S. C. Samanta:**  
**Shri S. M. Banerjee:**  
**Shri Tangamani:**

Will the Minister of Defence be pleased to refer to the reply given to Starred Question No. 104 on the 13th February, 1958, and state:

(a) whether the Defence Production Planning Committee has since submitted its final report;

(b) if so, what are its recommendations;

(c) if not, the reasons for the delay; and

(d) the approximate date by which the report is expected?

**The Deputy Minister of Defence (Shri Raghuramiah):** (a) No.

(b) Does not arise.

(c) The preparation of the final report involves production of a three

year plan for indigenous production of various Armaments and equipments for the three Services, based on realistic requirements, production capacity available and the funds likely to be available, particularly foreign exchange. The matter being highly technical and complicated, requires very careful and detailed examination and will necessarily take some more time.

(d) The final report may be completed by the Committee by the end of this year.

**Shri D. C. Sharma:** May I know if some technical experts associated with our defence production work were associated with this Committee in an official or private capacity, and if so, what is their view with regard to the possibilities of defence production in this country?

**The Minister of Defence (Shri Krishna Menon):** I think there is some misunderstanding about this so-called Committee. This is really a Working Party inside the Ministry, a purely departmental affair. To a certain extent, production has gone far ahead of the report.

**Shri D. C. Sharma:** May I know if this Working Party is going to take into account some new lines of production also or it is going to confine itself to those lines which are already existing?

**Shri Raghuramalah:** The answer is obvious; of course, it will take into account new lines.

**Shri Bhakt Darshan:** I understand that sometime ago a preliminary report was submitted by this Committee. May I know what has happened to that report?

**Shri Raghuramalah:** The report is being acted upon by Government.

**Shri S. M. Banerjee:** May I know whether this Committee has also recommended manufacture of tractors in ordnance factories? If so, has any

final decision been taken by the Ministry?

**Shri Krishna Menon:** As I said, the so-called Committee is a Working Party in the ordinary departmental process. Because some publicity was given to it by some newspaper reporters, it was called a Committee. The tractor project is not included.

**Shri S. M. Banerjee:** My question is specifically whether it has been recommended that tractors should be manufactured in ordnance factories?

**Mr. Deputy-Speaker:** That will not be covered in this. It is not included.

**Shri S. M. Banerjee:** This was a Committee appointed to suggest ways of utilisation of the surplus manufacturing capacity of ordnance factories.

**Mr. Deputy-Speaker:** The tractor project is not included.

**Shri S. M. Banerjee:** The Committee had recommended that tractors should be manufactured in ordnance factories. I wanted to know if that is a fact.

**Shri Krishna Menon:** As I said, this was a Working Party of officials inside the Ministry plus such people as are required for specific purposes connected with ordnance factories, because the problem became so large. It is not in the nature of a parliamentary or governmental or any other Committee.

**Shri Tangamani:** In answer to starred question No. 104 on 13th February itself, it was said that the preliminary report was being acted upon. As a result of acting on the preliminary report, how far has production increased?

**Shri Raghuramalah:** It is very difficult to assess the increase in production in terms of figures which my hon. friend is seeking. Certainly there is increase.

**Shri Tyagi:** May I know if it is also within the purview of this Committee to make any recommendations with regard to the establishment of tank manufacture in India?

**Shri Krishna Menon:** I am afraid it is going further than the so-called Committee. It did not consider tank manufacture. This matter had been considered and Shri Tyagi, who was himself dealing with it at various stages, knows the position.

**Shri S. M. Banerjee:** May I know whether a copy of the report, when finalised, will be placed on the Table or whether there will be a discussion in the House on it?

**Shri Raghuramiah:** It is not considered in public interest to do so. It is purely a departmental body whose report will be utilised by the Ministry.

### Seizure of Smuggled Watches

\*78. { **Shri D. C. Sharma:**  
**Shrimati Ila Palchoudhuri:**  
**Sardar Iqbal Singh:**

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the Palam Airport Customs officials seized from a Swiss national a large number of watches on June 2, 1958; and

(b) if so, the details of the incident?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) Yes, Sir.

b) Mr. Charles Henri Sandoz, a Swiss national, arrived at the Palam Airport by a B.O.A.C. plane on 2nd June, 1958. On reasonable suspicion, he was subjected to a thorough search by the Customs Officers and 1150 watches valued at about Rs. 42,000 were recovered from him. The watches were seized and confiscated and a penalty of Rs. 1,00,000 was imposed on him.

**Shri D. C. Sharma:** May I know if there was any investigation as to the places where he was going and the persons whom he was meeting to dispose of these watches?

**Shri B. R. Bhagat:** It was investigated, but it could not be discovered

where he was going and whom he was meeting.

**Shri Prabhat Kar:** After the imposition of the restriction on the import of watches up till now, how many smuggled watches have been recovered?

**Shri B. R. Bhagat:** What is the period? Since the imposition of the ban? I would like separate notice.

**Shri Subbiah Ambalam:** What was the nature of his visit? Was he a businessman or tourist?

**Shri B. R. Bhagat:** The very fact that watches were recovered from him shows the nature of his visit.

श्री म० ला० द्विवेदः : क्या मंत्री जी को यह मालूम है कि केवल पालम हवाई अड्डे से ही नहीं बल्कि पूर्वी और पश्चिमी बंगाल से और गोआ से घड़ियां स्मगल हो कर बराबर हिन्दुस्तान में आ रही हैं और इस काम को रोकने के लिये क्या प्रबन्ध किया जा रहा है ?

**Mr. Deputy-Speaker:** That is a bigger question. Here the only question is whether something was found on his person.

**Shri M. L. Dwivedi:** May I know if some other articles were found in the possession of this person? If so, what has been done with them and what are those articles?

**Shri B. R. Bhagat:** In addition to watches, he had certain dollar currency with him. That was also confiscated.

**Shri M. L. Dwivedi:** What was the amount?

**Shri B. R. Bhagat:** \$12,001.

**Shri D. C. Sharma:** May I know if anything is being done to make smuggling of watches a non-profitable business in this country?

**Shri B. R. Bhagat:** At present, it is profitable. But we can only prevent its coming.

## Foreign Exchange Difficulties

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 { Shri Rameshwar Tantia:  
 Shri D. C. Sharma:  
 Shri Kumaran:  
 Shri Tangamani:  
 Shri Bibhuti Mishra:  
 \*79 { Sardar Iqbal Singh:  
 Shri Damani:  
 Pandit D. N. Tiwary:  
 Shri Jaganatha Rao:  
 Shrimati Renu Chakravartty:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that India still faces foreign exchange difficulties;

(b) if so, what is the present position of our sterling and dollar reserves; and

(c) what steps have been taken to meet these foreign exchange difficulties?

**The Minister of Finance (Shri Morarji Desai):** (a) Yes, Sir.

(b) India's foreign exchange reserves as represented by her gold and sterling reserves, stood at Rs. 117.8 crores and Rs. 192.7 crores, respectively, on the 1st August, 1958, making a total of Rs. 310.5 crores. As a member of the Sterling Area no separate dollar reserves are maintained, our dollar requirements being met from the Sterling Area's Central Reserves of gold and dollars.

(c) I would invite the attention of the Hon'ble Members to paras. 31 to 36 of the Economic Survey, 1957-58, presented along with the budget papers to the Parliament on the 28th February, 1958.

**Shri Rameshwar Tantia:** In 1950-51 when Britain was in dollar difficulties, India agreed to the constitution of a dollar pool in which her dollar earnings were pooled. Has Britain shown some reciprocal gesture when we are in dollar difficulties?

**Shri Morarji Desai:** I could not catch the question.

**Mr. Deputy-Speaker:** The first part may not be very important. The second part is whether Britain has done something to ease the situation.

**Shri Morarji Desai:** We are talking and discussing the problem with them.

**Shri Rameshwar Tantia:** Have we made by approach direct to the United States for dollars and if so, with what results?

**Shri Morarji Desai:** I am going to make a statement soon after the Question Hour on this problem of foreign exchange.

**Shri V. C. Shukla:** Some time back Government were encouraging deferred payment for the import of capital goods. Recently, they said they did not want to encourage any further deferred payment as far as the import of capital goods was concerned. What is the reason for this?

**Shri Morarji Desai:** Deferred payments for short-term increase our difficulties instead of diminishing them because we have to pay all at once in a few years again large sums of money. If deferred payments terms are available for longer periods, they would be welcome or if deferred payment terms are available which involve payments from the earnings of the plant itself, they would also be allowed.

**Shri Tangamani:** May I know whether Government propose to give more fresh allocations for imports during the months of October-December or whether only the first six months' allocation would be spread over? If so, may I know whether any re-allocation will be made for those firms which will be affected as a result of this restriction?

**Shri Morarji Desai:** There is a separate question on this, so far as I know; question No. 87.

**Shri Prabhat Kar:** May I know how the position at present compares with the position just a year ago?

**Shri Morarji Desai:** As I said, I am going to make a statement at the end of the Question Hour

**Mr. Deputy-Speaker:** A fuller statement is being made at the end of the Question Hour

**Shri Panigrahi:** May I know whether the foreign exchange budget of Rs 962 crores calculated for the projects has been fully assured to the Government of India in the meantime?

**Shri Morarji Desai:** Whatever has been assured has always been given out to the hon House before. And, as I said, I am making a statement on this which will give fuller details on the whole question

**Shri Damani:** May I know whether Government has prepared any short-term or long-term budget for foreign exchange, and, if so, by what time will our difficulties be solved?

**Shri Morarji Desai:** I am not a prophet

**Shrimati Renu Chakravartty:** Under clause (c), I would like to know what is the total amount which Government thinks we will be able to meet in foreign exchange as a result of export promotion?

**Shri Morarji Desai:** As I said, I am making a fuller statement on this question at the end of the Question Hour

**Some Hon. Members rose—**

**Mr. Deputy-Speaker:** Next question. If after hearing the statement, something is left, hon Members may put a fresh question

#### Indo-Pakistan Financial Issue

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- \*80. { **Sardar Iqbal Singh:**  
**Shri Ram Krishan:**  
**Shri Damani:**  
**Shri Daljit Singh:**

Will the Minister of Finance be pleased to refer to the reply given to

Unstarred Question No 629 on the 26th February, 1958 and state:

(a) whether any date for convening a meeting for solving the pending financial issues between India and Pakistan has been fixed, and

(b) if so, what is the date?

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

**Sardar Iqbal Singh:** May I know when the latest communication was received from the Pakistan Government in this regard?

**Shri Morarji Desai:** The latest communication was in December 1957 when they said they will fix date and let us know. We have not heard anything after that

**Sardar Iqbal Singh:** May I know the important items that remain unresolved between India and Pakistan from the financial aspect?

**Shri Morarji Desai:** I have not followed the question

**Mr Deputy-Speaker:** What are the other issues that remain to be settled so far as finance is concerned?

**Shri Morarji Desai:** A statement was made about this on 5th September 1957 in the House to which I would draw the attention of the hon Member

**Sardar Iqbal Singh:** May I know whether Pakistan has made any payment towards the loan which India had given to Pakistan at the time of partition?

**Shri Morarji Desai:** I do not think so

**Shri Damani:** May I know what are our total dues from Pakistan in all matters?

**Shri Morarji Desai:** I think the total sum might be of the order of about Rs 23 crores

**Shri Vajpayee:** May I know what concrete steps Government propose to take to recover these dues?



**Shri Morarji Desai:** Negotiations.

**Shri Vajpayee:** For how long?

**Shri Morarji Desai:** As long as they are not successful.

**Mr. Deputy-Speaker:** Next question.

**Engineering Contract for Messrs. Hochtief Gammon, Bombay**

\*81. **Shri Morarka:** Will the Minister of Steel, Mines and Fuel be pleased to refer to the reply given to Starred Question No. 1670 on the 15th April, 1958 and state:

(a) the actual terms and conditions of Rs. 7,77,94,000 contract given to Messrs Hochtief Gammon, Bombay;

(b) whether global tenders were invited; and

(c) where was this contract finalised, in India or in Germany?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) A statement is placed on the Table of the Lok Sabha [See Appendix I, annexure No. 74]

(b) Global tenders were not invited but likely foreign firms were invited to tender and two foreign firms, one from the U.K. and another from the U.S.A., had quoted.

(c) The contract was finalised in India.

**Shri Morarka:** From the statement it appears that out of a total sum of Rs. 7.78 crores, Rs. 2.72 crores are by way of supervision and equipment charges. May I know the basis on which these supervision fees of this huge amount were fixed?

**Sardar Swaran Singh:** That was a negotiated deal and it was as a result of the negotiations that these figures were accepted. I may add, as I have mentioned in the statement, that this is a target sum and there is an incentive for saving and there is an inhibition against exceeding the target.

**Shri Morarka:** The hon. Minister just now said that it was a negotiated deal.

Is it not a fact that the Government Advisers to the Steel Plant are themselves a major partner in this contract?

**Sardar Swaran Singh:** I do not really understand the import of the expression 'Government Advisers'. It is true that one of the foreign partners in this firm who have obtained the contract was originally in partnership with other firms who were consultants to Government on the technical aspect

**Shri Morarka:** Is it not a fact that one of the partners in this firm who was also a partner in another concern which had taken the work on contract in Kandla did not execute that work satisfactorily and the company was obliged to impose a penalty of Rs. 25 lakhs on that firm has been given this huge contract?

**Sardar Swaran Singh:** The hon. Member appears to be knowing quite a bit about this thing and he has referred to the conduct of that firm even in relation to some other contracts which, I must confess, I do not know. But, I will check up the information that he has supplied

**Shri Dasappa:** The sum given for site supervision and equipment amounts to Rs 157 lakhs. Could I have a break-up of that, how much for supervision and how much for equipment?

**Sardar Swaran Singh:** I am afraid that these matters of detail are not with me.

**Shri Nath Pai:** May I know whether the Ministry's approval was obtained before this contract was signed and whether any of the Directors of the Hindustan Steel (Private) Ltd. objected; and, if so, what was the nature of these objections?

We should have a few more questions on this. We wanted to have a debate on this but we have been told that the debate will not be taking place. We would be glad if you will allow a few more questions.



**Mr. Deputy-Speaker:** So long as the Question Hour can permit on a particular question

**Sardar Swaran Singh:** I think his apology for putting the question drowned the question itself. I would request him to repeat the substantive part of the question.

**Shri Nath Pai:** May I know whether the Ministry's approval was obtained before the contract was signed and whether any of the directors of the Hindustan Steel (Private) Ltd had raised any kind of objection to the signing of the contract and, if so, what was the nature of that objection?

**Sardar Swaran Singh:** The contract was entered into after obtaining Government approval. As to whether any particular director in the meeting of the Board of Directors objected to this or not I cannot say offhand because normally the recommendation of the Board is there. I do not know, as a matter of fact whether any particular director objected to it or not. But in a Board of Directors if a matter is decided by majority, that majority view will come to Government.

**Shri Narayanankutty Menon:** From the statement I find that a bonus equivalent of about Rs 2 lakhs for every month if the contract is completed before 30th September, 1960 is to be given to this particular firm. May I know why no provision was made for any penalty, supposing the firm delays the execution of the contract beyond 30th September, 1960?

**Mr. Deputy-Speaker:** The question may be put without suppositions.

**Shri Narayanankutty Menon:** In this statement it is said that Rs 2 lakhs are to be given as fees every month if the execution of the contract takes place before 30th September, 1960. Why was not a penalty clause included in this if this particular firm did not execute the contract by this particular time?

**Sardar Swaran Singh:** It might have been done. It is a matter for argu-

ment upon which opinions may differ.

**Mr. Deputy-Speaker:** He wants to know whether there is any penalty provided in case the work is not completed within that particular period. That is the question.

**Sardar Swaran Singh:** I would require separate notice for that.

**Shri Prabhat Kar:** Every contract contains a penalty clause (Interruptions)

**Mr. Deputy-Speaker:** There is no provision or he does not know at present.

**Shri Prabhat Kar:** Questions are being put by various Members and the hon Minister wants notice for them. The questions are very specific and relate to the terms and conditions.

**Mr. Deputy-Speaker:** If they are specific, that information is available.

**Shri Prabhat Kar:** He was asked about the terms and conditions. He has not got it. He was asked whether there was any objection by anybody. He has not got it. If these questions are specific, the Minister should be prepared for answering questions.

**Mr. Deputy-Speaker:** That would be a separate thing.

**Shri Prabhat Kar:** I would draw your attention to this fact and ask whether the hon Minister is replying properly to these questions.

**Mr. Deputy-Speaker:** I will take note of it.

**Shri Supakar:** How many categories of consultants and supervisors are supervising this type of contract?

**Sardar Swaran Singh:** I must confess I have not got the full import as to what the hon Member means by saying what are the categories of people who supervise the contract. Does he mean the execution of the work, which is the subject-matter of the contract?

**Shri Supakar:** How many supervisors and categories of supervisors and consultants are there in Rourkela to supervise and do the work of consultants in such types of contracts as these?

**Mr. Deputy-Speaker:** That would be a difficult thing for the Minister.

**Shri Nath Pai:** I should like to know as to what is the actual payment so far made to Messrs Hochtief Gammon and what is the sum expected to be paid before the contract is completed and also—we had already referred to it—who were the advisers to the Government before the contract was signed. We should ask for some more time.

**Mr. Deputy-Speaker:** The same question has been put and if there is an answer it would come.

**Sardar Swaran Singh:** Obviously, I cannot carry with me all the details of the actual payments that have been made up to a particular point; that is a matter of detail about which a lot of information will have to be collected. If any particular date is specified, I can certainly ask the Hindustan Steel to give me that information.

The second part is about the advisers. Does he mean advisers at the time of finalisation of the contract? There are various types of advisers.

**Mr. Deputy-Speaker:** Yes, at the time of entering into the contract.

**Shri Nath Pai:** Sir, I suggest that some more time may be given.  
(Interruptions)

**Mr. Deputy-Speaker:** Order, order. I have allowed sufficient time. I am not going to allow any further question. This is the last one that he is answering on this question.

**Shri Harish Chandra Mathur:** This side of the House may also be given a chance.

**Mr. Deputy-Speaker:** There may be other remedies; they can be re-

sorted to. One question cannot be allowed to take all the time.

**Shri Nath Pai:** I want to make this proposition.

**Mr. Deputy-Speaker:** That may be; the propositions can be made and they can be considered.

**Sardar Swaran Singh:** The General Manager and the technical advisers were both associated at the time when this contract was finalised.

**Shri Nath Pai:** I am not asking a question but I am making the proposition which you allowed me to make, it is very simple. I had appealed to the Speaker to allow a discussion on the Hindustan Steel (Private) Limited's report submitted to the House and I have been informed that as the matter was discussed during the voting of the Demands of that Ministry, there would not be time. We appeal to you now and what we want to say is this. In view of so many questions ..

**Mr. Deputy-Speaker:** Order, order. Whatever is included as a question here in this list is after all a question, it is not a discussion—half-an-hour or two hour discussion. I cannot permit this question to be pursued indefinitely. I have allowed sufficient time. The other remedies are open and so it can be discussed.

#### Kerala High Court Bench

\*82 **Shri Kumaran:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No 2103 on the 9th May, 1958 and state the position as it now stands regarding the establishment of a permanent Bench of the High Court of Kerala at Trivandrum about which a resolution was passed by the Kerala Legislative Assembly?

**The Minister of Home Affairs (Pandit G. B. Pant):** The matter is receiving consideration.

**Shri Kumaran:** At the time when the Home Minister answered my

previous question, a temporary High Court was in existence at Trivandrum. That Bench has also been abolished. May I know how long will the Government take to consider the establishment of the permanent Bench as requested by the Kerala Assembly?

**Pandit G. B. Pant:** There was a move for acquiring filing powers for the Bench that is located at Trivandrum and I understand that the High Court there has a different view. I was expecting that perhaps there may be some appeal from that order or leave to appeal to the Supreme Court. That was my expectation and I was of the view—I had indicated it to those who were interested in the problem—that after the matter had been judicially finalised, the other question would be considered. So, it remains at that stage and I would not like to say that we have ceased to consider it.

**Shri Kumaran:** That was not my question.

**Mr. Deputy-Speaker:** I will put it. He wants to know whether there is any rough idea as to how long it would take to complete it.

**Shri Kumaran:** No, Sir. The temporary Bench was established as per Section 51(3) of the States Reorganisation Act. The Kerala Assembly has demanded the establishment of a permanent High Court under Section 51(2) of that Act. I want to know what action Government propose to take.

**Mr. Deputy-Speaker:** That must also be under consideration.

**Shri Easwara Iyer:** In view of the fact that the matter relating to the institution powers of the Kerala High Court is not going to the Supreme Court as there has been a compromise between the parties—I have got the records with me—may I know what will happen regarding the establishment of a permanent Bench which has been recommended by the Kerala

Assembly and how long will the matter pend consideration by the Home Minister?

**Pandit G. B. Pant:** I think the same question has been put. It is ingenious no doubt. The Government has not received the opinion of the Kerala High Court and we felt that these matters could be considered along with the opinion of the High Court under the law itself. So, as I said I have been waiting for the other matter as to whether any judicial pronouncement can be made by the highest tribunal with regard to the filing powers. After that matter has been closed there, I propose to give further consideration to the suggestion that has been made here. I had expressed my views previously on the merits of the case and I need not repeat them now.

**Shri Easwara Iyer:** There appears to be a newspaper report that an ardent Congressman who had been performing satyagraha for this purpose in Trivandrum is threatening to shift his sphere of activity here to Delhi. Is it true?

**Mr. Deputy-Speaker:** Next question.

**Pandit G. B. Pant:** I did not catch him.

**Mr. Deputy-Speaker:** I have called the next question.

### "Other Backward Classes"

\*83. **Shri N. R. Munisamy:** Will the Minister of Home Affairs be pleased to refer to the reply given to Unstarred Question No. 2690 on 24th April, 1958 and state—

(a) whether it is not a fact that the Constitution has enjoined certain definite responsibilities and obligations on Governments in respect of "the other Backward Classes" besides Scheduled Castes and Scheduled Tribes;

(b) whether those obligations and responsibilities include *inter alia* the provision for award of scholarships to "Other Backward Classes";

(c) whether, therefore, the decisions not to enumerate castes in the next census except in the case of Scheduled Castes and Tribes will adversely affect the award of such scholarships to other Backward Classes students; and

(d) the exact and complete implications of the statements in answer to parts (b) and (c) of the Unstarred Question No. 2690 on 24-4-1958 i.e., "when it might be necessary for administrative reasons or to meet some statutory obligations"?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) Certain provisions about Backward Classes other than the Scheduled Castes and Scheduled Tribes have been made in the Constitution.

(b) Central Government and State Governments have been awarding such scholarships.

(c) Not necessarily.

(d) The statement is quite clear and its implications evident

**Shri N. R. Munisamy:** Does not the present decision to remove the caste in the next Census tantamount to an infringement of the Fundamental Rights embodied in article 15 (4) of the Constitution where it is stated that the State shall make provision for the advancement of any socially and educationally backward classes of citizens or for the Scheduled Castes and the Scheduled Tribes? What steps are being taken by the Government to see that they are provided?

**Shrimati Alva:** I have not followed the question.

**Mr. Deputy-Speaker:** Nor have I.

**Shri N. R. Munisamy:** The present decision tantamounts to an infringement of the Fundamental Rights embodied in article 15, sub-clause (4) of the Constitution. May I know what steps will be taken by Government to see that they are provided with all facilities as embodied in article 15, sub-clause (4) of the Constitution?

**Shrimati Alva:** There are constitutional provisions made for the Backward Classes. After the Backward Classes Commission Report was submitted, various surveys were made in Part C States by the Deputy Director General and that survey report has been submitted which is being scrutinised by the Home Ministry now. In the meanwhile, the Ministry of Education looks after the scholarships of the Other Backward Classes; they have the Board and they do the selection.

**Shri P. R. Patel:** May I know whether the Government is aware that there is a big Thakur community in Gujerat which is socially and economically more backward than the Harijans, and no scholarship or any other help is given to them?

**Mr. Deputy-Speaker:** There will be other opportunities for representing that case.

**Shrimati Renu Chakravartty:** In answer to sub-clause (c) of the question the hon. Deputy Minister stated that there must be no difficulty in awarding scholarships to the Backward Classes. In view of the fact that the castes will be obliterated for the Backward Classes would like to know what exactly is the method whereby Government is going to ensure that the students of those very castes will get the scholarships.

**Shrimati Alva:** The Ministry of Education has a Board in which the Commissioner of Scheduled Castes and Scheduled Tribes is a member. That Board makes the selection. It may be that there are some hardships and some may not get the scholarships, but the number is so very large that it is left to the Ministry of Education to do the selection

**Shrimati Renu Chakravartty:** Does it mean, therefore, that the Backward Classes students will have to compete with the other ordinary students who

are generally regarded as more forward, or will there be some sort of a guarantee that there will be a machinery to judge the merits of these students?

**The Minister of Home Affairs (Pandit G. B. Pant):** The amount for Backward Classes is earmarked. It is to be used only for the benefit of the Backward Classes, no part of that amount can be utilised for the benefit of other classes.

**Mr. Deputy-Speaker:** The fear expressed was, so far as I could make out, that if their classification from the census is obliterated, how could it be possible for the Government to award those scholarships to those students?

**Pandit G. B. Pant:** For the present, we have given directions that those who have been treated as backward in the past—there is a list maintained in the Education Ministry—should continue to receive these stipends and scholarships.

**Some Hon. Members rose—**

**Mr. Deputy-Speaker:** There are 41 questions on the list and we have covered only 12. We will go to the next question.

**Supply of Iron and Steel to Bihar**

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\*84. { Shri Jhulan Sinha.  
Pandit D. N. Tiwari.

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

(a) the total amount of iron and steel quota allotted to Bihar during the last two years and the total amount actually supplied to them during the said period, and

(b) the steps taken or proposed to be taken to increase the supply of iron and steel to Bihar?

**The Parliamentary Secretary to the Minister of Steel, Mines and Fuel (Shri Gajendra Prasad Sinha):** (a) The total quantity of steel allotted

to Bihar State was 24,804 tons in 1956-57 and 17,667 tons during 1957-58, against which 12,836 tons and 9,645 tons were despatched respectively.

(b) Steps have been taken to increase overall indigenous production in the country and subject to availability of foreign exchange, it is proposed to import steel to augment the indigenous supply.

**Shri Jhulan Sinha:** In view of the large shortfall between the quantity allotted and the quantity actually supplied, may I enquire whether Government has taken steps to ensure that such a large shortfall is not repeated in future?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** I agree with the hon. Member that the disparity between the actual allocation and supply is somewhat large, and I have already issued instructions that steps should be taken to step up the supplies as against allocations.

**Shri P. G. Sen:** From the answer to Starred Question No. 1746 dated 18-4-1958 I find that some States were given in excess of their quotas whereas Bihar has been supplied only 49.7 per cent. It is, therefore, established now that Bihar was unfairly treated by the Iron and Steel Controller. May I know how Government propose to compensate Bihar for this?

**Sardar Swaran Singh:** I am afraid I cannot agree with the complaint that the hon. Member has against the Iron and Steel Controller. The movement difficulties have been there, particularly movements north of Bihar on account of the bottleneck at Mokameh Bridge. I have looked into the matter and I have taken some steps to ensure that the movement difficulties may be tackled in consultation with the Railway Ministry.

**Shri Tridib Kumar Chaudhuri:** May I know whether the proposed amount of allotment of iron and steel men-

tioned in the answer is inclusive of the allotments made to the big industrial and engineering concerns, or do these firms have to obtain their quota separately?

**Sardar Swaran Singh:** The quantities that have been given in the answer include allocations under the following heads: non-agricultural quota, agricultural quota, small-scale industries and G. D. S.

#### Hospital Staff of State Collieries

+  
\*85. { **Shri Halder:**  
      **Shri H. N. Mukerjee:**

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

(a) whether the grievances of the hospital staff of Government collieries in respect of weekly rest and gazetted holiday have been examined; and

(b) if so, the decision taken in the matter?

**The Parliamentary Secretary to the Minister of Steel, Mines and Fuel (Shri Gajendra Prasad Sinha):** (a) Yes; by the National Coal Development Corporation (P) Ltd.—a Government Company, to which the management and ownership of Government Collieries were transferred with effect from 1-10-1956.

(b) The Company decided that there was no need to disturb the existing arrangements.

**Shri Halder:** May I know why the staff of Government collieries are denied certain facilities that are given to people similarly employed under the Railway Ministry, and why this anomaly should not be removed?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** That is a suggestion for action. We looked into it and we thought that for those people who have entered this service according to these terms, the existing terms should continue.

116 LSD.—2.

#### Oil India (Private) Ltd.

\*86. **Shrimati Mafda Ahmed:** Will Minister of Steel, Mines and Fuel be pleased to state:

(a) the total value of the assets of the Assam Oil Co. in the newly found oil area of Assam as estimated by the Assessment Committee for transfer to the Oil India (Private) Ltd.; and

(b) the date from which the Oil India (Private) Ltd. is expected to function?

**The Parliamentary Secretary to the Minister of Steel, Mines and Fuel (Shri Gajendra Prasad Sinha):** (a) The report of the Assessment Committee is still under consideration.

(b) Oil India (Private) Ltd. is already functioning under aegis of an ad hoc Board of Directors pending its formal incorporation.

**Shrimati Mafda Ahmed:** May I know, Sir, the basic of the agreement for the formation of the Oil India (Private) Limited?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** It has been already stated in this House, and if the hon. Member wishes I can pass on the general scheme of the agreement to her.

**Shri Narayanankutty Menon:** May I know whether there are any secret clauses in this agreement and, if there are any, whether the hon. Minister will place on the Table of the House the whole agreement with Assam Oil Company as well as with Oil India (Private) Limited?

**Shri K. D. Malaviya:** There are no secret clauses in the agreement, and the whole agreement can be placed on the Table of the House if the hon. Member so wishes.

**Shrimati Mafda Ahmed:** Is it not a fact, Sir, that the A.O.C., partner of

Oil India, while forwarding the International Petroleum Consultants Report to the Government, has strongly suggested to set up a unified refinery near the oil fields in Assam and lay a product pipe line to transport the refined products to the rest of the country; and, if so, may I know the Government's view on it?

**Shri K. D. Malaviya:** I am afraid, the supplementary is not very relevant to the question which has been put by the hon Member; if she wants, she can put a separate question and I am prepared to answer it.

#### Foreign Exchange Budget

- \* 87. { **Shri Panigrahi:**  
**Shrimati Reau Chakravartty:**  
**Sardar Iqbal Singh:**  
**Shri Tridib Kumar Chaudhuri:**

Will the Minister of Finance be pleased to state:

(a) whether it has been proposed to extend the foreign exchange budget for the first half of the current financial year by another three months; and

(b) whether any decline in India's export earnings during the current half year is anticipated?

**The Minister of Finance (Shri Morarji Desai):** (a) The House is generally aware of the difficult foreign exchange situation that we are facing which makes it necessary for us to stretch our existing resources to the utmost extent. It has been decided therefore that for many purposes we shall have to carry on for 9 months with the foreign exchange allocation made originally for 6 months. But the question to what extent and for what purposes we should, and we can afford to, make some supplementary allocations is a matter which will have to be decided in September in the light of all the circumstances.

(b) In view of the world economic situation affecting both the demand for and the prices of our principal exports,

it may be difficult to maintain our export earnings but we are trying by special promotional efforts to offset, if possible, the decline.

**Shri Panigrahi:** May I know the total amount of foreign exchange as calculated and to be made available from our export earnings during the last two years of the Plan and if we are not able to realise the target, to what extent that target is going to be reduced?

**Shri Morarji Desai:** We expected that we might go to Rs. 650 crores of exports, but as at present envisaged, we find it will be only Rs. 600 crores. Therefore, it is difficult to say what we will reach in these two years.

**Mr. Deputy-Speaker:** The hon. Finance Minister wanted to correct his reply.

**Shri Morarji Desai:** Yes; I gave a wrong impression in the matter of question No. 80 about the debt due to us from Pakistan about which negotiations are going on.

**Mr. Deputy-Speaker:** I was also surprised at the figure.

**Shri Morarji Desai:** I have said Rs. 23 crores. That was only one item. There are four major items: one is Rs. 50 crores; the second is Rs. 49 crores; the third is Rs. 23 crores and the fourth is Rs. 16.5 crores. And there are several minor items about which I cannot give an estimate.

**Shri Bimal Ghose:** And there is also Pakistan's demand on us.

#### WRITTEN ANSWERS TO QUESTIONS

##### Ex-Saurashtra Railway Corruption Case

\*74. **Shri T. B. Vittal Rao:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 338 on the 21st November, 1957 and state:

(a) the progress since made with regard to the prosecution launched

against certain officers of the ex-Saurashtra Railway for alleged criminal conspiracy to defraud Government; and

(b) whether it is a fact that one of the officers has since died?

**The Minister of Home Affairs (Pandit G. B. Pant):** (a) The case has ended in acquittal.

(b) Yes

### Untouchability

\*88. **Shri B. C. Mullick:** Will the Minister of Home Affairs be pleased to refer item No 12 page 14 of the Report of the Commissioner for Scheduled Castes and Scheduled Tribes, part I of 1956-57 and state

(a) whether Government have considered the desirability of entrusting the task of evaluating progress made in the removal of untouchability and other welfare matters to a Commission to be appointed by the President in accordance with the provisions of Article 339 of the Constitution, and

(b) if so decision taken thereon?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) A Commission to be appointed under Article 339 of the Constitution can report only on the administration of the Scheduled Areas and the welfare of the Scheduled Tribes in the States. It cannot be entrusted with the work of evaluating the progress made in the removal of untouchability

(b) Does not arise

### Production in Defence Establishments

\*89. { **Shri S. M. Banerjee:**  
**Shri Tangamani:**  
**Sardar Iqbal Singh:**  
**Shri Ram Krishan:**

Will the Minister of Defence be pleased to state:

(a) whether a conference was held in Delhi in May, 1958 to discuss production in Defence Establishments;

(b) if so, the decisions taken by the conference; and

(c) whether production of civilian goods in Ordnance Factories was also discussed?

**The Deputy Minister of Defence (Shri Raghuramiah):** (a) Yes

(b) This was a meeting of officers of Services and of Production and Research and Development. Organisations to exchange ideas, information and experience with a view to improve and accelerate production of Defence Stores. The conference was not called for taking any decisions

(c) Yes

अ. वा. : हिन्दू कोत

\*६० { श्री भक्त वरान :  
श्री म० च० सामन्त :

रमा दत्त-रमा मर्मा १५ अगस्त १९५८  
के ताराविन प्रश्न मन्त्र १८५ न० उत्तर  
के सम्बन्ध में यह बतान की गया कि  
कि ;

(क) आजाद हिन्द फौज के भूतपूर्व  
अफसरों व सैनिकों के सम्बन्ध में क्या इस  
बीच सब जानकारी एकत्र कर ली गई है ;

(ख) यदि हा, तो क्या इस सम्बन्ध  
में एक विस्तृत विवरण सभा-पटल पर रखा  
जायगा और

(ग) उनके उपयोग राजगार दिलाने  
के कार्य को आर अधिक तन्त्री में करने के  
लिये कान में विचार करम उठाया जा रहे है ?

प्रति-रक्ष; मंत्रा के ससदीय साचव (अ।  
फ० प्र० गायकब इ) (क) जम्मू-काश्मीर  
के सिवाय सभी में सितम्बर १९५५ तक की  
जानकारी इकट्ठी कर ली गई है ।

(ख) १५ अप्रैल १९५८ को ताराविन  
प्रश्न मन्त्र १८५ के उत्तर में जो यादवामन  
दिया गया था उसका पूरा करने के लिये  
ससदीय मामलों के मंत्री द्वारा १९ अगस्त  
१९५८ को एक विवरण लोकमभा के पटल  
पर रख दिया गया है ।



(ग) आप का ध्यान २६ नवम्बर, १९५३ को उत्तर दिये गये अतारांकित प्रश्न संख्या ६३२ के भाग (घ) के उत्तर की ओर दिलाया जाता है।

#### Central Zonal Council

\*91. { Shri Vajpayee:  
Shri D. C. Sharma:  
Sardar Iqbal Singh:

Will the Minister of Home Affairs be pleased to lay a statement showing:

(a) the subjects discussed at the third meeting of the Central Zonal Council; and

(b) the decisions taken thereon?

The Minister of Home Affairs (Pandit G B Pant): (a) A copy of the agenda of the meeting is placed on the Table of the Lok Sabha. (See Appendix I, Annexure No. 75)

(b) The proceedings of the meeting have not yet been finalised. A copy of the proceedings will be placed in the Parliament Library as soon as they are ready.

#### राष्ट्रीय अनुशासन योजना

\*92. { श्री सरजू पांडे :  
श्री घोषाल :  
श्री भक्त दर्शन :  
श्री दी० चं० अर्पा :

क्या शिक्ष मंत्री यह योजना की अपा करेंगे कि

(क) राष्ट्रीय अनुशासन योजना अब तक कितनी-कितनी राज्यों में लागू की जा चुकी है;

(ख) उन स्कूलों व छात्रों की कुल संख्या कितनी है जिनमें यह योजना लागू की गई है; और

(ग) केन्द्रीय सरकार ने इस योजना पर अब तक कुल कितना खर्च किया है ?

शिक्षा में ई (डा० क० सुखलाल शर्मा) :

(क) दिल्ली, पंजाब (फर्रूखपुरा), उत्तर

प्रदेश, बम्बई (मौराष्ट्र समेत), मध्य प्रदेश, जम्मू और काश्मीर, और पश्चिम बंगाल।

(ख) लगभग एक लाख।

(ग) लगभग १३.५० लाख रुपये।

(१३ ५० लाख रुपये पुनर्वासि मंत्रालय ने नवम्बर '५३ तक)

(२ ०० लाख रुपये शिक्षा मंत्रालय ने मार्च '५८ तक)

(२ ०० लाख रुपये शिक्षा मंत्रालय ने १९५८-५९ में)

#### Free Mid-day Meals to School Children

\*93. { Shri Kadiyan:  
Shri D. C. Sharma:  
Shri Kalika Singh:

Will the Minister of Education be pleased to state:

(a) whether the Central Government have given any financial aid to the State Governments for providing school children with free mid-day meals; and

(b) if so, the nature and extent of aid given?

The Minister of Education (Dr. K. L. Shrivastha): (a) Yes, Sir

(b) A statement is laid on the Table of the Lok Sabha (See Appendix I, annexure No 76)

#### Agreements on Avoidance of Double Taxation

{ Shrivastha Renu Chakravartty:  
Shri Vajpayee:  
Shri D. C. Sharma:  
\*94. { Shri Wodeyar:  
Dr. Ram Subhag Singh:  
Shri Shivananjanappa:  
Shri Raghunath Singh:  
Shri Sanganna:

Will the Minister of Finance be pleased to state:

(a) whether Government of India have finalised the terms of the agreement on avoidance of double taxation.

with the United Kindom and other countries of Europe; and

(b) if so, what are the terms of the agreements?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) and (b). A statement giving the position is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 77].

### Odissi Dance

\*95. { Shri Jaganatha Rao:  
Shri Sanganna:

Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question No. 1749 on the 18th April, 1958 and state:

(a) whether the attention of Government has been drawn to the Press statement issued by the Sangeet Natak Akadami that 'Odissi dance' is not recognised as one of the classical dances of India; and

(b) if so, the reaction of the Government thereto?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** (a) and (b). Yes, Sir, but the said Press note is not inconsistent with my reply. In my reply I had said that the Akadami has recognised the Odissi system of dance and made grants for its promotion and development, while the Press note drew attention to the fact that the Akadami has not yet recognised it as a classical dance form.

### Arrest of Customs Preventive Officer

\*96. **Shri Raghunath Singh:** Will the Minister of Finance be pleased to state whether it is a fact that a Customs Preventive Officer was arrested on the 4th July, 1958 in Bombay on a charge of helping a man to smuggle from a ship 97 bars of gold worth about Rs. 125,000?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** Yes, Sir. The facts are generally as stated by the Honourable Member except that the

quantity and value of gold were 99 bars and Rs. 1,74,240 respectively.

### Manufacture of Vitamin 'C' in India

\*97. **Shri Assar:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that the National Chemical Laboratory of Poona has worked out a new method of preparing Vitamin 'C' in India;

(b) if so, whether that Vitamin 'C' is as perfect as British and American productions;

(c) if so, whether Government are considering any scheme to produce Vitamin 'C' on a large scale by this method; and

(d) if so, the nature of the scheme?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** (a) The National Chemical Laboratory has worked out laboratory and chemical engineering details for the manufacture of Vitamin 'C' by a method based on a known process.

(b) Yes, Sir

(c) and (d) Offers received from firms interested in undertaking the commercial development of the process are under consideration of the National Research Development Corporation.

### कारतूस

\*९८ श्री मोहन स्वर्ण . क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि कारतूसों की कीमत १०० रुपये की सैकड़ा तक हो गयी है और इस पर भी ये काफी मात्रा में नहीं मिल रहे हैं; और

(ख) यदि हाँ, तो इस सम्बन्ध में क्या कार्यवाही की गई है ?

गृह-कार्य मंत्रालय में राज्य मंत्री (श्री वातावर) : (क) सरकार के पास इसकी कोई सूचना नहीं है ।

(ख) प्रश्न नहीं उठता ।

**Beggar Problem**

- \*99. { **Shri Harish Chandra Mathur:**  
**Sardar Iqbal Singh:**

Will the Minister of **Home Affairs** be pleased to state:

(a) whether any survey of beggar problem in the country particularly in the Centrally Administered Areas has been carried out;

(b) how many institutions are working for the rehabilitation of beggars in Delhi; and

(c) the number of beggars rehabilitated in Delhi during the last two years?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) After the 1951 census, no country-wide survey of beggars has been carried out in India. Small local surveys have, however, been made in the States of Andhra Pradesh, Uttar Pradesh, Madras, Madhya Pradesh and Bombay and the Union Territory of Delhi.

(b) One

(c) 31 persons were rehabilitated between 1-1-1956 and 14-7-1958.

**India Office Library**

\*100. **Shri D. C. Sharma:** Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state:

(a) whether any further progress has been made in negotiations with the United Kingdom regarding India Office Library; and

(b) what further action Government propose to take in the matter?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** (a) No further development has taken place in the matter since Starred Question No. 118 on the subject was answered in the Lok Sabha on 13th February, 1958.

(b) Further action will be considered in the light of the reply from the United Kingdom Government to our note sent to that Government on 10th February, 1956.

**Artificial Rain**

- \*101. { **Sardar Iqbal Singh:**  
**Shri Ram Krishan:**

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

(a) how far the experiments for making artificial rain through steam injection have proved successful; and

(b) whether these experiments can be carried out on a commercial basis and in a cheap manner?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** (a): On the basis of data available it cannot be said that the steam injection method of artificial rainfall has proved successful.

(b) Does not arise.

**Foreign Investments**

- \*102 { **Shri V. C. Shukla:**  
**Shrimati Bena Chakravartty:**

Will the Minister of **Finance** be pleased to state:

(a) whether any concrete measures have recently been taken by Government to bring about an appreciable increase in the present and potential foreign investments in India; and

(b) if so, the particulars thereof?

**The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha):** (a) and (b). The House is aware of the incentives that exist already in this country for the investment of foreign capital. Government are of the view that these incentives are generally attractive and such as to encourage further foreign investment in this country.

Recently, a team of Revenue officials had discussions with the Governments of several countries in Europe to devise suitable arrangements to avoid double taxation. When these negotiations are finalised and agreements are signed, these will constitute additional facilities for foreign investment.

#### Supply of Arms to Nagas

\*103. **Shri N. R. Munisamy:** Will the Minister of Defence be pleased to refer to the reply given to Starred Question No. 2112 on the 9th May, 1958 and state:

(a) the results of the examination of the proceedings of the Court of Inquiry which investigated the incident in which four army personnel were found involved in supplying arms to Naga hostiles;

(b) whether civilians were also involved in these incidents; and

(c) whether any arms and ammunitions were recovered from these Nagas?

**The Deputy Minister of Defence (Shri Raghuramalah):** (a) As a result of examination of the proceedings of the Court of Inquiry, suitable action is being taken against the Army personnel found responsible, either directly or indirectly, for the incident.

(b) Some civilians are also suspected of having been involved in the incident.

(c) The Government have no information about any arms and ammunition having been recovered from the Nagas which can be connected with this incident.

#### केन्द्रीय मद्य-निषेध समिति

\*१०४. { श्री भक्त वर्शन :  
श्री नवल प्रभाकर :

क्या गृह-कार्य मंत्री ३ मार्च १९५८ के तारांकित प्रश्न संख्या ६४० के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या इस बीच केन्द्रीय मद्य-निषेध समिति की स्थापना के बारे में अन्तिम निर्णय कर लिया गया है,

(ख) यदि हा, तो क्या उस समिति के सदस्यों, कार्यक्रम और अधिकार-क्षेत्र के बारे में एक विवरण सभा-पटल पर रखा जायेगा,

(ग) इस समिति का कार्य कब से प्रारम्भ हो जायेगा;

(घ) यदि उपरोक्त भाग (क) का उत्तर 'नहीं' में हो, तो देरी होने का क्या कारण है, और

(ङ) कब तक अन्तिम निर्णय हो जायेगा ?

**गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री दातार) :** (क) में (ङ) इस मामले पर अभी विचार किया जा रहा है ।

#### Purchase of Vessel, "M. V. Nicobar"

\*105. **Shri H. N. Mukerjee:** Will the Minister of Home Affairs be pleased to state:

(a) whether in 1956 a vessel now named "M. V. Nicobar" was purchased by Government;

(b) if so, the price paid for such purchase,

(c) whether in connection with the purchase, reports were received regarding corruption on the part of a high official of the Government of India;

(d) whether it is a fact that the Special Police Establishment have investigated the matter; and

(e) if so, the action taken in the matter?

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

(b) £240,000.

(c) to (e) Certain allegations of corruption were made against some

officers. The SPE which investigated the matter has recommended departmental action against the officers concerned. Their recommendation is under consideration.

**Indian Institute of Technology,  
Kharagpur**

\*106. **Shri Ajit Singh Sarhadi:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that the Research Laboratory of the Indian Institute of Technology, Kharagpur is conducting research in matters connected with shipping and naval technique and Radars,

(b) if so, whether steps have been taken to bring about co-operation and co-ordination between the Science department of Defence Organisation and the said Research Laboratory; and

(c) the nature of the steps taken?

**The Deputy Minister of Defence (Shri Raghuramaiah):** (a) Yes, Sir.

(b) Yes, Sir.

(c) Prof. S. C. Mitra, Head of the Department of Shipping and Naval Technique at the Indian Institute of Technology, Kharagpur, has been appointed a Member of the Naval Research Panel of the Defence Research and Development Advisory Committee, and he is also otherwise constituted.

Liaison visits by scientists and engineers of the Defence Research and Development Organisation to the Institute and vice versa are carried out. In addition, technical information is also exchanged.

**Punjab University (Camp) College,  
New Delhi**

{ **Shri D. C. Sharma:**  
\*107. { **Sardar Iqbal Singh:**  
      { **Shri Ram Krishan:**

Will the Minister of Education be pleased to state:

(a) the progress so far made for the

progressive transfer of Punjab University (Camp) College, New Delhi to the University of Delhi;

(b) the steps taken for the absorption of the staff of Punjab University (Camp) College, New Delhi;

(c) whether a number of representations have been received regarding the continuance of this college under the Punjab University; and

(d) if so, the action taken thereon?

**The Minister of Education (Dr. K. L. Shrimali):** (a) to (d). A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 78.]

**Loan from Export-Import Bank of  
the U.S.A.**

{ **Shri N. R. Munisamy:**  
      { **Shri D. C. Sharma:**  
      { **Shri Rameshwar Tantia:**  
      { **Shri Damani:**  
\*108. { **Shri Panigrahi:**  
      { **Shri Tyagi:**  
      { **Dr. Ram Subhag Singh:**  
      { **Shrimati Renu Chakravarty:**  
      { **Sardar Iqbal Singh:**

Will the Minister of Finance be pleased to state:

(a) the programmes and projects evolved for the utilisation of the 150 million dollars loan sanctioned recently by the Export-Import Bank of the United States;

(b) whether the allocations have been finalised for providing capital equipment to industries in public and private sectors from this credit; and

(c) how much of this credit will be set apart for the public and private sectors?

**The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha):** (a) A statement is placed on the Table of the Lok Sabha. [See Appendix I, annexure No. 79.]

(b) and (c). Yes, Sir: about Rs. 50 crores have been tentatively earmarked for public sector projects and about Rs. 21 crores for private sector projects. Detailed allocations for individual projects have not yet been finalised.

### Electrification of Kutab Minar

\*109. { Sardar Iqbal Singh:  
Shri Ram Krishan:

Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question No. 2032 on the 6th May, 1958 and state whether the electrification of Kutab Minar has since been completed?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): No, Sir. The top-most balcony is still to be electrified.

### अंग्रेजी-हिन्दी शब्दकोष

\*११०. { श्री भक्त दर्शन :  
श्री नवल प्रकाश :

क्या शिक्षा मंत्री २० मार्च, १९५८ के तारकित प्रश्न संख्या १५०३ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि अंग्रेजी-हिन्दी शब्दकोष के प्रकाशन में इस बीच क्या प्रगति हुई है ?

शिक्षा मंत्री (डा० कालूराय श्रीवाली) : शब्दकोष के प्रथम खंड (ए से एक तक के अक्षरों) की प्रेम कापी तैयार हो रही है। जी से एम तक के शब्द समन्वय समिति की सिफारिशों के अनुसार संशोधित होकर अग्री सोसाइटी में आने होंगे। एन से जैड तक के बाकी शब्द समन्वय समिति के पास विचार के लिये अभी तक नहीं आये हैं।

### Suppression of Immoral Traffic

\*11. { Shri Muhammed Elias:  
Shri H. N. Mukerjee:

Will the Minister of Home Affairs be pleased to lay a statement showing:

(a) the progress so far made in the

enforcement of the Suppression of Immoral Traffic in Women and Girls Act, 1956:

(b) how many protective homes or similar institutions have been set up in the Centrally administered territories as well as in the rest of the Union;

(c) what is the accommodation at present available in the said protective homes;

(d) the number of former prostitutes who have been rehabilitated since the 1st May, 1958; and

(e) whether a uniform policy is being pursued by the different States in regard to the enforcement of the Act?

The Deputy Minister of Home Affairs (Shri Alva): (a) to (e). A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 80.]

### Secondary Education

183. Shri Damani: Will the Minister of Education be pleased to lay on the Table a statement indicating the extent of utilisation by different States during the year 1957-58, of Central Grants for secondary education?

The Minister of Education (Dr. K. L. Shrinani): The information is being collected from the State Governments and will be placed on the Table of the Sabha in due course.

### Training of Indian Technicians for Steel Plants

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

(a) what are the contractual obligations of the various consultants for training Indian personnel;

(b) how far these obligations have been carried out; and

(c) what is being done to implement their obligations fully?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) to (c). A statement is laid on the Table of the Lok Sabha. [See Appendix I annexure No 81.]

#### Estimates for Steel Plants

185. { Shri Morarka:  
Shri D. C. Sharma:

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

(a) the latest estimates of cost of the different steel plants including estimates for mining equipment and materials, township, consultants and experts' fees, etc.;

(b) how they differ from the original ones; and

(c) the reasons for this difference?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) The Steel plants proper are estimated to cost—

Rourkela	— Rs. 170 crores
Bhilai	— Rs. 131 crores
Durgapur	— Rs. 138 crores

These estimates do not include the cost of townships, ore mines and quarries, land, prospecting and designing, development of source of water supply, power supply facilities upto the perimeter of the plant, personnel required for operation including cost of training, railway works outside the perimeter of the plant, personnel employed directly by the project, customs duty, office expenditure and such other ancillary expenditure

It is difficult to give at this stage any accurate estimates but with the experience we have had so far it would be reasonable to estimate that the other items would cost—

Three townships	Rs. 42 crores
Iron ore mines & limestone quarries	Rs. 20 "

Fees to Consultants .. Rs. 9.25 crores

Cost of Soviet staff .. Rs. 4.5 "

Water supply arrangements .. Rs. 4.5 "

Other expenditure on prospecting, electrical and railway works outside the perimeter of the plant, cost of project staff, training schemes, office expenditure and customs duty. .. Rs. 40 "

In none of these estimates has any provision been made for likely increases in cost on account of the 'escalation' clauses. These are difficult to determine particularly in the present context when after a series of increases, there is a tendency for some prices to fall.

(b) and (c) The estimates originally made were:—

Rourkela	Rs. 28 crores
Bhilai	.. Rs. 110 "
Durgapur	.. Rs. 115 "

These were for the steel plants proper and were based on the estimates given in:

- (i) the detailed project report for the Rourkela steel plant submitted by Indian Gemeinschaft in October-November 1955;
- (ii) the detailed project report for the Bhilai steel plant submitted by the Russians in December 1955;
- (iii) the preliminary specifications and summary of prices submitted by the Indian Steelworks Construction Co., in January 1956;

The difference in the original and revised estimates are primarily due to:—

- (a) Additions and improvements made to the project reports;

(b) Purchase abroad of structural steel work, referactories and such stores, which it was originally thought, could be procured from India. Prices abroad of these items are generally higher than in India;

(c) Under-estimation by the Consultants and increase of prices and wages in Europe between the time of estimation and the time when contracts were concluded. This applies mainly to Rourkela; and

(d) Under-estimation by the Indian Steelworks Construction Company of cost of civil engineering and erection charges in India

The significance of the original project estimates differ and is not the same in the case of three projects. The Russian project estimate for the Bhilai steel plant was virtually the suppliers quotation for such machinery and equipment as was proposed, in the report, for supply from the Soviet Union. The estimate of Indian costs was based on certain assumptions and was in no sense a quotation

In Durgapur, the initial estimate for plant and machinery to be imported from the United Kingdom was to be subject to an increase of not more than 5 per cent in certain sections, in the final quotation. The figure for erection, civil engineering, shipping and transportation given in the original estimates were the contractor's preliminary estimates and ISCON had said that it was not possible to estimate these costs, in detail, in the time available.

In the case of Rourkela, the estimate of expenditure both on plant and equipment and on civil engineering and erection costs was merely the Consultant's opinion of the likely costs and did not represent the offer of any suppliers.

### Durgapur Steel Works

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

(a) the total amount advanced by the British Banks and the U K. Government for Durgapur Steel Works so far;

(b) the approximate amount of the loan that will be drawn during the current financial year;

(c) the total interest due or paid to them so far; and

(d) the rate of interest payable to each?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) £500,000 sterling by the British Banks, U K. Government 'NIL'

(b) (i) Likely to draw £7 million sterling from the British Banks; and

(ii) £15 million sterling expected to be drawn from the U. K. Government credit.

(c) £2,98,76-14-2 paid for the period ended on 30-6-58

(d) for the loan from the syndicate of British Banks interest is payable at 1% above the Bank of England official discount rate ruling from time to time subject to a minimum of 4½%.

For the U. K. Government loan the rate of interest payable is interest at the rates applicable at the time of each drawing to loans for a comparable period from the Consolidated Fund under Section 3(2) of the Export Guarantee Act 1949 plus 1/8 of 1% per annum for administration charges.

### Durgapur Steel Works

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

(a) what are the services rendered by the International Construction Co.



Ltd. who have been appointed as Consultants to Durgapur Steel Works;

(b) what are the total fees paid to them so far; and

(c) whether they have carried out their obligations under the agreement?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) As laid down in the agreement with the Company for Durgapur Works they are to render the services detailed below:—

- (i) Plan the general layout of the Works at Durgapur complete in all respects.
- (ii) Plan the layout of each main and ancillary department with the requisite plant and machinery and details thereof.
- (iii) Prepare tender documents, issue enquiries, examine and scrutinise tenders and specifications received, and advise the Government as to their merits in fulfilling the production specified and give their opinion to the Government as to the suitability of the plant offered and as to the reasonableness of the prices submitted as compared with prices ruling at the time in the world market.
- (iv) Approve the design and supervise the manufacture of all plant and machinery ordered, progress and test and inspect the same, where required, before despatch to the site.
- (v) Supervise the co-ordination of manufacture and despatch to site using Indian shipping to the maximum extent where ships are available, of all imported materials, plant, machinery and equipment in accordance with the plan of progress for the construction of the Works, the necessary time schedule covering all stages of the work to be prepared as soon as possible.

(vi) Supervise the co-ordination of manufacture and despatch to site of such materials as are supplied from India in accordance with the plan of progress for the construction of the works.

(vii) Supervise the construction and erection at site and with a view to these being carried out in the order and at the speed required to complete the plant and put it in commission at the intended date.

(viii) Prepare and issue to the Government the appropriate certificates of satisfactory completion of each section of the Works, and of the Works as a whole and that the complete Iron and Steel Works is capable of achieving the output specified in this Agreement.

(ix) Advise generally and co-operate with the Government in arranging the services outside the boundary of the Works.

(x) Submit three-monthly reports to the Government on the progress of manufacture of all plant, machinery and equipment, ordered by the Government on the advice of the Consulting Engineers, and on work carried out at site, at the same time pointing out such items as appear likely to be late and take steps to remedy the position.

Interim reports will, in addition, be issued as and when justifiably required.

(xi) Scrutinise claims for progress payments, issue certificates for work done overseas and in India, and issue certificates for payments due on shipment and submit monthly statements of all certificates of payments issued upto-date.

(xii) In view of the importance of having a sufficient supply of adequately trained men

available to start up the Works the Consulting Engineers shall use their best endeavours to assist the Government in formulating suitable training schemes and to secure practical experience in works overseas for selected trainees.

It is understood that the work covered by this clause does not include the preparation of such design and detailed working drawings for manufacturing purposes as are usually provided by the manufacturers. These shall be provided by the Contractors appointed for the work in question to the satisfaction of the Consulting Engineers. The Consulting Engineers shall subject otherwise provided in the Agreement Act generally as the representatives of the Government during the construction of the Works as well as after completion thereof until the works shall be ready to commence operations on an efficient basis to the satisfaction of the Government (decision of the Government in this behalf being final and conclusive) for a period of six years from the 1st day of December, 1955.

(b) Rs 7,840,000

(c) Yes

#### **Durgapur Steel Works**

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

(a) whether Government have received any report from the International Construction Co. Ltd. under clause 3(j) of the agreement for Durgapur Steel Works, 1955;

(b) if so, how many and at what intervals; and

(c) what progress does the latest report indicate about the plant and machinery for Durgapur?

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

(b) Five Quarterly.

(c) Progress of manufacture on plant and equipment is said to be satisfactory and in step with dates for starting operation of the various departments of the plant.

#### **Payments to Consultants of Steel Plants**

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

(a) what is the total amount of technical fee paid to different consultants for the three steel plants;

(b) what is the amount remaining to be paid, and

(c) when is the balance amount payable?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) to (c) A statement is laid on the Table of the Lok Sabha [See Appendix, I annexure No 82]

#### **Hindustan Steel Limited**

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

(a) whether the German consultants to the Hindustan Steel Limited have submitted any report to the Government as required under clause 3(vii) of the Technical Consultant's Agreement dated 21st December, 1953, and

(b) if so, how many and at what intervals?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) and (b) Yes Sir, a report is submitted by the German Consultants at the close of each month to the Hindustan Steel Private Limited. Up to the end of June, 1958, thirty reports have been submitted.

#### **Manganese Ore**

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

(a) the total deposit of first grade manganese ore estimated in this country; and

(b) the annual requirement of first grade manganese ore within the

country and what quantity is exported annually?

**The Minister of Mines and oil (Shri K. D. Malaviya):** (a) The total reserves of manganese ore in the country are estimated at over 100 million tons. Grade-wise determination of the manganese ore in the country has not been carried out, but the reserve of high grade manganese ore are roughly estimated at 15 million tons.

(b) Grade-wise figures of manganese ore utilised in the country and the quantity exported are not recorded. The average annual consumption of manganese ore of all grades in the country for the last three years was 60 000 tons and the average quantity exported during the last three years was 1 345 000 tons per year.

#### Financial Assistance to U.P.

**192. Shri S. M. Banerjee:** Will the Minister of Finance be pleased to state the amount sanctioned to meet the scarcity condition in the districts of Eastern U.P. during the years 1957-58 and 1958-59 so far?

**The Minister of Finance (Shri Morarji Desai):** Assistance to States for scarcity conditions is given under the scheme of Central Assistance for natural calamities, which include, flood, drought, cyclone, earthquake, etc. The U.P. Government were sanctioned the following amounts in 1957-58 and 1958-59

	Grant	Loan
	(in lakhs of Rs.)	
1957-58	21.74	40
1958-59	Nil	70

Of these, only the loan of Rs. 40 lakhs in 1957-58 was sanctioned specifically for minor irrigation works, having regard to the scarcity conditions in the eastern districts of U.P. The other amounts were intended to assist the State Government towards their expenditure on relief operations both on account of flood and drought, without reference to any particular region.

#### Skilled Workers in Ordnance Factories

**193. Shri S. M. Banerjee:** Will the Minister of Defence be pleased to state the number of skilled workers employed in Ordnance Factories promoted to highly skilled grade during 1957-58?

**The Deputy Minister of Defence (Shri Raghuramaiah):** The number of skilled workers employed in Ordnance Factories promoted to highly skilled grade during the calendar years 1957 and 1958 is given below:—

During 1957	during 1958 (upto 23-7-58)
45	10

#### Capital Gains Tax

**194. Shri Morarka:** Will the Minister of Finance be pleased to state:

(a) what is the total amount of capital gains tax realised so far (year-wise) since its inception; and

(b) what is the total assessed amount pending realisation?

**The Minister of Finance (Shri Morarji Desai):** (a) The total amounts of capital gains tax realised upto 30th June, 1958 (year-wise) since its inception are as under:—

Year	Tax realised (Rs. in lakhs)
1947-48 (post-partition)	34.5
1948-49	119.9
1949-50	47.1
1950-51	36.3
1951-52	20.1
1952-53	82.6
1953-54	9.1
1954-55	8.8
1955-56	4.3
1956-57	6.9
1957-58	22.1
1958-59 (upto 30-6-58)	4.5
unverified with treasury.	

Capital gains were, for the first time, subjected to tax for the assessment year 1946-47. This tax was abolished with effect from 1st April, 1948 and re-introduced with effect from 1st April, 1957.

(b) The total assessed amount pending realisation as on the 30th June 1958 is Rs. 44.7 lakhs.

#### Export of Coal to Pakistan

195. **Shri Tridib Kumar Chaudhuri:** Will the Minister of Steel, Mines and Fuel be pleased to lay a statement on Table showing:

(a) the figures for the monthly despatches of coal to East Pakistan in 1958 so far under the trade agreement with Pakistan,

(b) whether our commitments have been met in full,

(c) how are payments for the coals obtained; and

(d) what authorities are charged with the despatch of coal to Pakistan?

The Minister of Steel, Mines and Fuel (**Sardar Swaran Singh**): (a) The monthly despatches of coal to East Pakistan are shown in the statement laid on the Table of the Lok Sabha [See Appendix I, annexure No 83]

(b) On the whole, Yes

(c) and (d) The exports are arranged through normal trade channels against letters of credit opened by the Government of Pakistan to cover the full value of the coal, including freight up to the border, cesses and taxes etc

#### Grants-in-aid to States during Plan Periods

196. **Shri Vajpayee:** Will the Minister of Finance be pleased to state whether financial assistance given to the States by way of grants-in-aid during the First Five Year Plan and the Second Five Year Plan so far has been fully utilised by them?

The Minister of Finance (**Shri Morarji Desai**): Grants to States fall into two categories, conditional and unconditional. The latter merge in the State revenue and no question of their utilisation arises. In the case of

conditional grants, which are mostly related to the actual expenditure on individual schemes, the unspent amounts are carried over to subsequent years and adjusted. Subject to this adjustment, the grants paid to the States during the First Five Year Plan and Second Five Year Plan Period so far may be considered as utilised

#### Income Tax Arrears

197. { **Shri Vajpayee:**  
**Sardar Iqbal Singh:**  
**Shri Biren Roy:**  
**Shri Rameshwar Tanti:**

Will the Minister of Finance be pleased to state

(a) the total amount of income-tax arrears, (State-wise) on the 30th June, 1958,

(b) the arrears for 1951-52 to 1957-58 (year-wise) out of the above amount, and

(c) the steps taken for its early realisation?

The Minister of Finance (**Shri Morarji Desai**): (a) and (b) The information is not readily available and is being collected. A statement giving the information will be laid on the Table of the House as early as possible

(c) A statement giving the information is laid on the Table of the Lok Sabha [See Appendix I, annexure No 84]

#### Pending Income-tax Appeals

198. **Shri Morarka:** Will the Minister of Finance be pleased to state.

(a) the number of income-tax appeals pending with the appellate Assistant Commissioners as on the 31st March, 1958,

(b) out of the above number, how many are pending for more than 2 years and how many for more than a year, and

(c) the reasons for the delay in disposing of these appeals?

**The Minister of Finance (Shri Morarji Desai):** (a) The number of appeals pending with the Appellate Assistant Commissioners on the 31st March, 1958 was 83,280

(b) Out of 83,280 appeals pending on the 31st March, 1958, 8,446 appeals are pending for more than two years and 13,111 appeals are pending for more than one year but less than two years.

(c) The reasons for their non-disposal are as under:—

(i) Appeals awaiting the decision of the Tribunal, High Court or Supreme Court in the same case or similar cases	1,651
(ii) Appeals awaiting the disposal by the Income-tax Officer of applications under section 27 of the Income-tax Act	1,683
(iii) Appeals awaiting remand reports	813
(iv) Appeals awaiting completion of penalty or prosecution proceedings	29
(v) Appeals kept pending at the request of the assessee	783
(vi) Appeals fixed up for hearing	6,298
(vii) Appeals pending for various other reasons	10,300
<b>TOTAL</b>	<b>21,557</b>

#### Central Social Welfare Board Grants

**199 Shri Vajpayee:** Will the Minister of Education be pleased to lay a statement on the Table showing the names of the public institutions and organisation in Uttar Pradesh which have been given grants by the Central Social Welfare Board during the years 1956-57 and 1957-58 and the amount of grants given to each of them?

**The Minister of Education (Dr. K. L. Shrivastava):** A statement giving the requisite information is laid on the Table of the Lok Sabha [See Appendix I, annexure No. 85.]

#### Secondary Education in Uttar Pradesh

**200. Shri Vajpayee:** Will the Minister of Education be pleased to state:

(a) the number of schemes that have been submitted by the State Government of Uttar Pradesh regarding reorganisation of Secondary Education during 1958-59;

(b) whether any of these schemes has been sanctioned; and

(c) if so, what amount has been given or is proposed to be given to Uttar Pradesh for this purpose?

**The Minister of Education (Dr. K. L. Shrivastava):** (a) Twenty.

(b) Yes, Sir

(c) Rs 32·968 lakhs proposed to be given

#### Expenditure Tax

**201 Shri Supakar:** Will the Minister of Finance be pleased to state the total number of assessee of expenditure tax ascertained or registered so far?

**The Minister of Finance (Shri Morarji Desai):** The total number of expenditure-tax assessee borne on the Registers of the Department, as on 30th June, 1958, is 6,957

#### Houses for Scheduled Castes and Scheduled Tribes

**202. Shri Pangarkar:** Will the Minister of Home Affairs be pleased to state whether the amounts allocated to Government of Bombay for construction of residential accommodation for Scheduled Castes and Scheduled Tribes during 1956-57 and 1957-58 have been spent accordingly on the proposed schemes?

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

### Output of Steel

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

(a) the total output of steel during 1957-58, State-wise; and

(b) the total quantity of steel exported to foreign countries, country-wise during the same period?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) and (b). A statement is laid on the Table of the Lok Sabha. [See Appendix I, Annexure No. 86.]

### Limestone

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

(a) the total output of limestone during 1957-58 State-wise; and

(b) the amount of limestone exported to foreign countries, country-wise during the same period?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) Returns for limestone are received calendar year-wise. Figures of State-wise production of limestone for the calendar year 1957 are as follows:—

States	Quantity (Tons)
Andhra Pradesh	483,462
Assam	74,802
Bengal	26,164
Bihar	1,498,653
Bombay	617,480
Madhya Pradesh	1,050,896
Madras	1,116,661
Mysore	913,138
Orissa	1,363,020
Punjab	518,809
Rajasthan	1,274,109
Uttar Pradesh	482,675

(b) The exports of limestone excluding building limestones to different countries during 1957-58 were as follows:—

Countries	1957-58
	Quantity (tons)
Pakistan East	92,730
Ceylon	198

116 LSD.—3.

### Strength of Government Servants of different pay grades

205. **Shri S. M. Banerjee:** Will the Minister of Home Affairs be pleased to state the total number of Central Government Employees (excluding service personnel) drawing on the 1st June, 1958:

(i) more than Rs. 250,- p.m. and above;

(ii) more than Rs. 100,- p.m. but less than 250/- p.m.; and

(iii) less than Rs. 100/- p.m.?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** The information is being collected and will be laid on the Table of the House when received

### Small Savings in Rajasthan

206. **Shri Karni Singhji:** Will the Minister of Finance be pleased to state the amount collected under the Small Savings Scheme, division-wise in Rajasthan during 1956 and 1957?

**The Minister of Finance (Shri Morarji Desai):** The information is being collected and will be laid on the Table of the House.

### Excise Duty on Cigars

207. **Shri Abdul Salam:** Will the Minister of Finance be pleased to state:

(a) the total revenue realised from excise duty on cigars in 1956-57 and 1957-58;

(b) the amount collected in Madras State; and

(c) whether it is a fact that cigar production has fallen in the last one year as a consequence of this duty?

**The Minister of Finance (Shri Morarji Desai):** (a) and (b) A statement is laid on the Table of the Lok Sabha [See Appendix I, Annexure No. 87.]

(c) Production of taxable cigars has slightly declined in the State of Madras but increased in the State of Andhra Pradesh during 1957-58. The

decline in Madras is not necessarily attributable to the operation of Central Excise duty.

#### Post-Basic Institutions

**208. Shri Subodh Hansda:** Will the Minister of Education be pleased to state:

(a) the number of proposals received since 1st January, 1957 from the various State Governments for establishing Post Basic Institutions in their States;

(b) whether all these proposals have been accepted by Government; and

(c) the steps taken to speed up the establishment of these Institutions?

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

(b) All proposals, except one which does not fit in with the scheme of Post-Basic education, are under consideration.

(c) The establishment of post-Basic institutions is primarily the responsibility of the State Governments. The Union Ministry of Education has, however, drawn up a scheme for financial assistance to the State Governments and Voluntary Organisations for this purpose.

#### Central Scheme for Expansion of Girls' Education and Training of Women Teachers

**209 Shri Subodh Hansda:** Will the Minister of Education be pleased to state:

(a) the number of proposals received from the various State Governments for the Central Scheme for Expansion of Girls' Education and the Training of Women Teachers up to-date since the inception of the Scheme; and

(b) whether these proposals have been finally considered and given effect to?

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

Year	No. of proposals received.
1957-58	4
1958-59	8

(b) (i) The four proposals received during 1957-58 were duly sanctioned.

(ii) The financial allocations made in favour of the States for the year 1958-59 have been communicated to the State Governments and they have been asked to go ahead with the implementation of the scheme. Proposals so far received are under consideration and formal administrative approvals will be issued in due course.

#### Humid Tropics Research Stations

**210. Shri Subodh Hansda:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) the number of Humid Tropics Research stations functioning in India at present and the places where they are functioning;

(b) the various aspects of research on Humid Tropics carried on at these stations; and

(c) whether any foreign assistance is asked for to carry on the research works?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** (a) The following 14 stations:—

- 1 Calcutta.
- 2 Madras.
- 3 Poona.
- 4 Bellary.
- 5 New Delhi.
- 6 Tockli (Assam).
- 7 Cuttack.
- 8 Patna.
- 9 Mysore.
- 10 Hazari Bagh
- 11 Ootacamund.
- 12 Cochin.
- 13 Dehra Dun.
- 14 Kanpur.

(b) The aspects of research carried on at these Station include Meteorology, Climatology, Agricultural meteorology, and Faunistic Surveys of animals found in all parts of India, including the humid tropical parts.

(c) Financial assistance has been requested from UNESCO for seven schemes.

#### **Indo-German Industrial Cooperation Scheme Scholarships**

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

(a) whether the final decision for selection of candidates for giving the unutilised scholarships for practical training in West German Industries in different branches of engineering and technology under Indo-German Industrial Cooperation Scheme 1956-57 has been taken;

(b) if so, the number of applications received; and

(c) number of candidates selected State-wise?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (c). A provisional selection has been made but the list has not yet been finalized. The selections are made on an All-India not State-wise basis.

(b) 232 applications were received.

#### **Central Acts**

**212. Shri Ram Krishan:** Will the Minister of Law be pleased to refer to the reply given to Starred Question No. 2872 on the 28th April, 1958 and state:

(a) whether the required information regarding Central Acts held void by different High Courts has been collected; and

(b) if so, the nature of information?

The Minister of Law (Shri A. K. Sen): (a) Yes.

(b) One Central Act in whole and fifteen Central Acts in part were held void by the various High Courts from the 26th January, 1950 to the 28th April, 1958.

#### **Vigyan Mandirs in Punjab**

**213. Shri Ram Krishan:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state the places where Vigyan mandirs are to be established during 1958-59 in the Punjab State?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): One Vigyan Mandir has already been established at Nilokheri in the Punjab State and a proposal to set up another five during this (financial) year is under consideration. The locations have not yet been finalised, as this will be done in consultation with the State Government.

#### **Mining Institute at Kothagudium**

**214. Shri T. B. Vittal Rao:** Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Unstarred Question No. 3078 on the 1st May, 1958 and state:

(a) the progress upto-date regarding the construction of the building to house the Mining Institute at Kothagudium, in Andhra Pradesh;

(b) the total amount spent so far on the building; and

(c) when is it likely to be completed?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) The State Government have informed that the tenders received for the construction of buildings are under consideration and the work will start as soon as the tenders have been settled.

(b) Nil.

(c) According to the State Government, the buildings will be completed within 12 months from the date of award of the contract.



### Indo-U.S. Technical Assistance Programme

**215 Shri Ajit Singh Sarhadi:** Will the Minister of Finance be pleased to state

(a) whether it is a fact that under the Indo-American Programme Agreements signed on the 27th May 1958 India will receive 285 555 dollars in technical assistance in the field of ground water exploration, live stock improvement etc

(b) if so whether Government have come to a decision as to how it is going to be allocated State wise and the machinery that is going to expend it and

(c) the nature of such decisions?

**The Minister of Finance (Shri Morarji Desai):** (a) to (c) Under the Indo American Technical Co-operation Programme eight project agreements were signed on 27th May 1958 providing for technical assistance worth \$2 85 355

This amount will not be received in cash and the question of its allocation State wise does not arise. The amount will be spent by the Government of the USA to meet the costs of technical assistance to be provided in the form of services of US technicians/Specialists with ancillary equipment and commodities and training facilities in USA for Indian nationals as specified in these project agreements copies of which are available in the Parliament Library

### Rockets for Jet Aircrafts

**216** { Shri D C Sharma  
Shri Ram Krishan  
Sardar Iqbal Singh

Will the Minister of Defence be pleased to state

(a) whether there is a proposal for the manufacture of rockets for Jet Aircrafts of the IAF in India

(b) if so, the nature of the proposal and

(c) the estimated expenditure on the project?

**The Deputy Minister of Defence (Shri Raghuramalah):** (a) Yes

(b) and (c) It will not be in the public interest to divulge the information on the floor of the Lok Sabha.

### Formation of a Hills-Ministry in Assam

**217 Shri D C Sharma:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No 245 on the 18th February, 1958 and state the decision taken on the memorandum submitted by a delegation led by Rev Nichols Roy demanding a Hills Ministry in Assam?

**The Minister of Home Affairs (Pandit G B Pant):** The representatives of the Hills Areas are represented in the Assam Cabinet, and the question of amendment of the Sixth Schedule of the Constitution is under consideration

### National Theatre

**218** { Shri D C Sharma  
Shri Bhakt Darshan.  
Shri Rameshwar Tantia

Will the Minister of Scientific Research and Cultural Affairs be pleased to state the progress so far made with regard to the construction of a National Theatre?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** The project is in abeyance for the present due to financial stringency

### Triple Benefit Scheme for Teachers

**219 Shri D C Sharma:** Will the Minister of Education be pleased to state the progress made so far with regard to the implementation of the recommendations of the Secondary Education Commission regarding Triple Benefit Scheme, free medical aid to the teachers and free school education to their children in Delhi?

**The Minister of Education (Dr. K. L. Shrimall):** These recommendations are still under consideration, but Government feel that they will be able to come to a final decision on them only in the light of the Pay Commission's recommendation.

#### Scientific Civil Service

220. { Shri D. C. Sharma:  
Shri Bhakt Darshan:  
Shri Rameshwar Tanti:

Will the Minister of Scientific Research and Cultural Affairs be pleased to state the progress made so far with regard to the creation of a Scientific Civil Service in the country?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** The Council of Scientific and Industrial Research is ascertaining the opinion of the State Governments regarding the formation of an All India Cadre of Scientific Service. Studies are also under way in regard to the structure, principles and terms and conditions of the Scientific Civil Service in the U.K. and scientists in Civil Service in U.S.A., U.S.S.R., and elsewhere.

#### Defence Services Employees

221. **Shri D. C. Sharma:** Will the Minister of Defence be pleased to state the steps taken so far to remove the disparity between the non-industrial and industrial civilian employees in Defence Services in the matter of leave and holidays?

**The Deputy Minister of Defence (Shri Raghuramiah):** The question of removing the disparity between the non-industrial and industrial civilian employees in Defence Services in the matter of leave and holidays is still under consideration of the *ad hoc* Committee, appointed by this Ministry for that purpose.

#### Hindi Encyclopaedia

222. { Shri Bhakt Darshan:  
Shri Naval Prabhakar:  
Shri D. C. Sharma:

Will the Minister of Education be pleased to refer to the reply given to Starred Question No. 497 on the 26th February, 1958, and state the further progress made in the preparation of Hindi Encyclopaedia by the Kashi Nagari Pracharn Sabha, Varanasi?

**The Minister of Education (Dr. K. L. Shrimall):** Out of the seventy thousand words which had been collected from published works of reference before the 26th February, 1958, when Starred Question No. 497 was answered, 40,000 have been selected for rendering into Hindi and for distribution amongst scholars for the preparation of material for the Encyclopaedia. The classification of subjects has been completed and about one fourth of the total number of entries have been rendered into Hindi.

2. A list of fifty Contributing Editors and about a thousand Contributors has been drawn up and approved by the Advisory Board. Several thousands of topics have been distributed amongst the Contributors on the approved list.

#### I.A.S. Cadre

223. **Shri Damani:** Will the Minister of Home Affairs be pleased to state:

(a) whether Government have increased the strength of the I.A.S. cadre, in view of the requirement of more administrative personnel under the Second Five Year Plan; and

(b) if so, the nature of the revision in the strength?

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

(b) The total authorised strength of the I.A.S. has expanded from 1539 to 1705.

### Arrest of Pakistan Armymen in Kashmir

224. { Sardar Iqbal Singh:  
Shri Ram Krishan:

Will the Minister of Home Affairs be pleased to state:

(a) the number of army men belonging to the Pakistan army arrested in Kashmir for anti-Indian activities during 1958 so far;

(b) whether the Government of India have sent any protest to Pakistan Government in this regard; and

(c) if so, with what result?

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

(b) No.

(c) Does not arise.

### Road Building Programme in Punjab

225. { Sardar Iqbal Singh:  
Shri Ram Krishan:

Will the Minister of Home Affairs be pleased to state:

(a) details of the road building programme for the scheduled areas of Spiti and Lahaul in Punjab; and

(b) the assistance given by the Central Government in this regard?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) and (b). A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 88.]

### Central Advisory Board of Anthropology

226. { Sardar Iqbal Singh:  
Shri Ram Krishan:

Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question No. 1509 on the 7th April, 1958 and state the decisions taken at

the Conference of the Central Advisory Board of Anthropology held at Calcutta?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): The recommendations made by the Board are under consideration.

### Voluntary cut in Salaries

227. { Sardar Iqbal Singh:  
Shri Ram Krishan:

Will the Minister of Finance be pleased to state:

(a) the number of officers and other servants of the Central Government in the different grades who have offered a voluntary cut in their salaries;

(b) the number of the officers and other servants in the different grades who have offered to deposit some amount of their salaries in the National Savings Schemes; and

(c) the total amount saved?

The Minister of Finance (Shri Morarji Desai): (a) No record has been maintained of the number of officers of the Central Government who have offered a voluntary cut in their salaries. Such offers which have been very few in number, have not been accepted by Government.

(b) and (c). The information asked for is not available, as Government servants are free to invest a portion of their salaries in any of the National Savings Schemes open to the public.

### State Homes in Punjab

228. { Sardar Iqbal Singh:  
Shri Ram Krishan:

Will the Minister of Home Affairs be pleased to state:

(a) whether any proposal to set up States Homes and District Shelters during the year 1958-59 has been received from the Punjab Government;

(b) if so, where these will be opened; and

(c) the total amount to be spent on this scheme in 1958-59?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) No such proposal has been received.

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

#### Professional Tax from Teachers

**229. Shri D. C. Sharma:** Will the Minister of Education be pleased to state:

(a) the amount of professional tax collected from the teachers working in the schools of the rural areas of Delhi during 1957-58; and

(b) how does it compare with 1956-57?

**The Minister of Education (Dr. K. L. Shrimall):** (a) Rs. 732.

(b) It is less than the amount collected in 1956-57 which came to Rs. 780.

#### Juvenile Delinquency

**230. Shri D. C. Sharma:** Will the Minister of Education be pleased to state the progress made so far with regard to the sample survey conducted to assess the extent and causes of juvenile delinquency in India?

**The Minister of Education (Dr. K. L. Shrimall):** To assess the extent and causes of juvenile delinquency, a sample survey limited to the slum areas of Madras City has been completed by the Madras School of Social Work, Madras. The Government of India has given a grant of Rs. 8,000 for the purpose to the institution. The institution has not so far submitted its final report to the Government of India.

#### Manufacture of Jerricans

**231. Shri D. C. Sharma:** Will the Minister of Defence be pleased to refer to the reply given to Starred Question No. 503 on the 26th February, 1958 and state the further progress made in regard to the proposal to

restart the manufacture of jerricans in Ordnance Factories?

**The Deputy Minister of Defence (Shri Raghuramalah):** Almost all items of plant and machinery required for the manufacture of jerricans have since been moved to Kanpur for complete overhaul and erection which are in hand. All other work such as procurement of the phosphating plant, repairs to equipment, modification to existing buildings, electrification and procurement of raw materials, etc. are being vigorously progressed with a view to restarting production of jerricans by the middle of 1959.

#### Ex-Hyderabad Money in a London Bank

**232. { Shri D. C. Sharma:  
Shri V. C. Shukla:  
Shri Rameshwar Tantia:  
Shri Bhogji Bhal:**

Will the Minister of Home Affairs be pleased to refer to the reply given to the Starred Question No. 614 on the 3rd March, 1958 and state the further steps taken by the Government of India to recover the sum of over one million sterling lying with the Westminster Bank in London, belonging to the erstwhile Hyderabad State?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** The position remains the same.

#### Indian Navy

**233. Shri D. C. Sharma:** Will the Minister of Defence be pleased to state the steps that have been taken to improve the Indian Navy during 1958-59 so far?

**The Minister of Defence (Shri Krishna Menon):** I.N.S. BRAHMA-PUTRA, an Anti-Aircraft Frigate is expected to join the Fleet. I.N.S. KUKRI was commissioned recently. She will join the Fleet after the necessary preliminary exercises known in the Navy as "working up". The Anti-Aircraft Frigate, I.N.S. TRISHUL was

launched last June and is being fitted

These ships are within the development programme of the Navy

2 A Vampire Jet Squadron for the Naval Air Arm is being formed and will commence functioning shortly A number of target towing Firefly aircraft are also expected to come into service shortly

3 The work on the scheme for the expansion of the Naval Dockyard in Bombay has suffered delays, but construction work to the extent possible is being carried on and efforts to deal with the delayed programmes are also in hand

4 All courses of training for officers and ratings with the exception of advanced technical courses are now being conducted in India In the Naval Aviation Branch the only course being undertaken abroad are those in connection with the Carrier Operations

More equipment for the technical schools in Cochin (INS VENDURUTHY), Lonavla (INS SHIVAJI) and Jamnagar (INS VALSURA) is being progressively installed

5 There has been progress in indigenous production of Naval Stores and towards the attainment of national self-sufficiency Every effort to effect saving in foreign exchange, both new items and repeat order items, is being made

#### I.A.F.

234. Shri D. C. Sharma: Will the Minister of Defence be pleased to state the steps that have been taken to improve the Indian Air Force during 1958-59 so far?

The Minister of Defence (Shri Krishna Menon): It is not in public interest to give the information asked for on the floor of the Lok Sabha.

#### Marble Deposits in Punjab

235. Shri D. C. Sharma: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that deposits of marble stone have been discovered in Kangra, Hoshiarpur and Gurdaspur districts of Punjab, and

(b) if so its commercial value?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) No, Sir

(b) Does not arise

#### Planning for Education

237. Shri D. C. Sharma: Will the Minister of Education be pleased to refer to the reply given to Starred Question No 998 on the 12th March, 1958 and state

(a) the nature of comments received from the remaining States on the note from Madras Government on perspective planning for the development of education, and

(b) the action taken in the matter?

The Minister of Education (Dr. K. L. Shrimali) (a) A statement giving the comments received from the States of Andhra Pradesh and Punjab is placed on the Table of the Lok Sabha [See Appendix I, annexure No 89] Information from the remaining States is still awaited

(b) Necessary action will be taken after views of all the State Governments are known

#### स्टेनलेस स्टील का आयात

२३८ श्री पद्म देव : क्या इस्पात, खान और ईंधन मंत्री यह बताने की कृपा करेंगे कि :

(क) १९५७-५८ में भारत में कुल कितने मूल्य के स्टेनलेस स्टील (बमकदार इस्पात) का आयात किया गया और वह किन-किन देशों से आयात किया गया; और

(ख) इस आयात को निर्यात में बदलने के लिये भारत ने क्या-क्या साधन अपनाये हैं ?

इस्यार्त, ज्ञान और ईंधन मंत्री [सरदार स्वर्ण सिंह] : (क) एक वक्तव्य मदन की मेज पर रख दिया गया है। [देखिये परिशिष्ट १ अनुबन्ध मध्या ६०]

(ख) इस समय निर्यात का प्रश्न ही नहीं उठता क्योंकि भारत में स्टेनलेस स्टील (बमकदार इस्पात) का उत्पादन नहीं होता है। स्टेनलेस स्टील के उत्पादन की एक योजना भारत सरकार के विचाराधीन है।

हिमाचल प्रदेश में निःशुल्क शिक्षा

२३६. श्री पद्म देव : क्या शिक्षा मंत्री ८ अगस्त १९५७ के अनागतिक प्रश्न मध्या ५६७ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि हिमाचल प्रदेश में अनुसूचित जाति और अनुसूचित आदिमजाति के छात्रों के अतिरिक्त अन्य छात्रों को दसवी कक्षा तक निःशुल्क शिक्षा कब तक दी जायेगी ?

शिक्षा मंत्री (डा० कान्ता० श्रीमाली) : इस प्रश्न पर विचार नहीं किया गया है, क्योंकि दूसरी पंचवर्षीय आयोजना में इस विषय में कोई व्यवस्था नहीं है।

Popularisation of Science

240. Shri V. P. Nayar: Will the Minister of Scientific Research and Cultural Affairs be pleased to state the positive steps, if any, taken or proposed to be taken to popularise science among the people?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): A statement showing the measures taken or proposed to be taken to popularise Science among the people is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 91.]

Tribal Students of Tripura

241. Shri Dasaratha Deb: Will the Minister of Education be pleased to state:

(a) how many tribal students in Tripura reading from seventh class to tenth class have been given aid for text books this year;

(b) the average amount that has been awarded per student;

(c) how many tribal girl students from the rural areas have been studying in the Secondary schools of Tripura situated in the urban areas; and

(d) what aid or facilities are being provided to those tribal girls for their stay in the towns?

The Minister of Education (Dr. K. L. Shrimali): (a) None so far

(b) Does not arise

(c) None

(d) Does not arise.

Committee on Electric Furnaces, Steel Foundaries and Steel Re-rolling Mills

242. Shri Jhulan Sinha: Will the Minister of Steel, Mines and Fuel be pleased to state the action taken on the various recommendations of the Committee on Electric Furnaces, Steel Foundaries and Steel Re-Rolling Mills?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): Recommendation (1): Government have decided to recognise 28 existing mills and are considering the applications of a few more for recognition.

Recommendations (1), (2) (3) and (6): As stated in the Government Resolution No. PLGB-55(33)/57, dated the 13th November, 1957, it would be necessary to carry out a detailed technical survey before adopting figures of capacity of individual re-rolling mills for allocation of raw materials. This technical survey will be undertaken in due course.

**Recommendations (4), (8) and (9):** The Government of India have decided to maintain the existing pattern of distribution of raw materials to re-rollers and to continue allotment of billets on the basis adopted hitherto subject to such modifications as may be necessary in the light of the availability of billets from time to time.

**Recommendation (5):** In view of the difficult foreign exchange position no increase in the imports of billets for re-rollers is contemplated.

**Recommendation (7):** The Government have approved the setting up of one new unit each in Assam, Andhra, Kerala and Bihar (North of the Ganges). One new unit for Assam and another for Andhra have already been sanctioned. The applications for Bihar and Kerala are under consideration.

**Recommendations (10), (11) and (12):** Applications for Steel Foundries, Steel Castings and for setting up Electric Furnaces are being considered in the light of these recommendations.

**Recommendation (13):** This recommendation will be considered by Government at the appropriate time.

#### Ujjain Finds

243. { Sardar Iqbal Singh:  
Shri Ram Krishan:

Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Unstarred Question No. 3350 on the 8th May, 1958 and state the result of analysis of the material found while carrying on excavations on a hillock near Ujjain?

The Minister of Scientific Research and Cultural Affairs (Shri Hamayun Kabir): A statement showing the result of the analysis is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 92.]

#### Reorganisation of New Delhi Municipal Committee

244. Shri D. C. Sharma: Will the Minister of Home Affairs be pleased to state:

(a) whether any decision has since been taken with regard to the reorganisation of the New Delhi Municipal Committee; and

(b) if so, the nature, thereof?

The Minister of Home Affairs (Pandit G. B. Pant): (a) and (b). It has been decided not to remodel the New Delhi Municipal Committee until the term of the present Committee expires in September, 1958. In view, however, of the fact that a goodly part of the area which was under the jurisdiction of the New Delhi Municipal Committee, has since been transferred to the Corporation and what is left is essentially the concern of Government and officers and officials serving under Government, six additions have been made to the existing Committee in order to include in it the officers who are closely connected with the administration of its civic affairs. It has also been decided that the Committee should have a whole-time official Chairman.

#### Evening Colleges in Delhi

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

Will the Minister of Education be pleased to state:

(a) the progress so far made in connection with the opening of evening colleges by the University of Delhi; and

(b) the number of students admitted during 1958?

The Minister of Education (Dr. K. L. Shrimani): (a) Four Evening Colleges have been started from the current academic session under the aegis of the University of Delhi.

(b) 668.

### Excavations near Vaisali

246. Shri D. C. Sharma: Will the Minister of Scientific Research and Cultural Affairs be pleased to refer to the reply given to Starred Question No. 1817 on the 24th April, 1958 and state the further progress made with regard to the excavations near Vaisali in Muzaffarpur district (Bihar)?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): The excavations have since been completed. Though it is not impossible that the excavated stupa may have enshrined the relics of the Buddha, the available evidence does not justify a clear and categorical answer.

### Teaching of Languages at Secondary Stage

247. Shri D. C. Sharma: Will the Minister of Education be pleased to refer to the reply given to Starred Question No 1947 on the 1st May, 1958 and state further progress made in implementation of the recommendations of the Central Advisory Board of Education for compulsory teaching of three languages at the secondary stage?

The Minister of Education (Dr. K. L. Shrimall): A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 93]

### Revision of Gazetteers

248. { Shri M. C. Jain:  
Dr. Ram Subhag Singh:

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

(a) the progress of the work of revision of the various Gazetteers in different States; and

(b) when the new scheme was finalized and by what time the work is expected to be finished?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (b). A statement is

placed on the Table of the Lok Sabha. [See Appendix I, annexure No. 94.]

### Limestone and Dolomites Deposits in Sundergarh

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

(a) whether it is a fact that large scale deposits of limestone and Dolomite ores have been discovered in Sundergarh district in Orissa; and

(b) whether any further survey is proposed to be conducted in this area?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) No new discoveries have been made. But large scale deposits of limestone and Dolomite ores are known to occur in several localities of Sundergarh district in Orissa.

(b) Not at present

### Secondary Education

250. Shri Bibhut Mishra: Will the Minister of Education be pleased to state the amount given to various States towards the uplift of secondary education during 1957-58 and 1958-59 so far?

The Minister of Education (Dr. K. L. Shrimall): 1957-58—

States	Amount granted
1. Andhra Pradesh	5,66,525
2. Assam	12,36,893
3. Bihar	5,75,000
4. Bombay	35,73,751
5. Kerala	13,73,272
6. Madhya Pradesh	16,33,250
7. Madras	33,42,900
8. Mysore	16,66,600
9. Orissa	5,55,478
10. Punjab	—
11. Rajasthan	14,94,435
12. Uttar Pradesh	22,79,909
13. West Bengal	73,89,540
14. Jammu and Kashmir	9,10,500

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2,66,07,063

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1958-59:

According to the new procedure, grants to State Governments for implementation of their schemes are given as "ways and means advances" by the Ministry of Finance Three-fourths of the total amount is to be released in this way in nine equal monthly instalments beginning from May, 1958. The final sanction is to be issued in February, 1959.

#### Examination Systems

251. { Shri D. C. Sharma:  
Sardar Iqbal Singh:  
Shri Ram Krishan:  
Pandit D. N. Tiwary:  
Shri Balmiki:

Will the Minister of Education be pleased to state

(a) whether it is a fact that a probe will be conducted into the existing examination system at the University level and the secondary education stage with the assistance of a foreign authority on examination reform,

(b) if so, the foreign authority who has been invited by the Council of Secondary Education; and

(c) when the probe is likely to be completed?

The Minister of Education (Dr. K. L. Shrimall): (a) Yes, Sir

(b) Dr Benjamin S Bloom, Head of the Board of Examiners, Chicago University

(c) It is anticipated at present that the work will be completed in about three years

#### Adult Schools in Delhi

252. Shri Radha Raman: Will the Minister of Education be pleased to state:

(a) the number of adult schools that exist in Delhi and the amount of grant paid to them during 1956 to 1958 so far;

(b) the number of students studying in these schools and the standard obtained by them;

(c) whether their number is going to be increased in future; and

(d) if so, to what extent?

The Minister of Education (Dr. K. L. Shrimall): (a) to (d) A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No 95.]

#### Fire in Offices of Scholarships Division at Daryaganj, Delhi

253. { Shri D. C. Sharma:  
Shri Balmiki:  
Shrimati Mafida Ahmed:  
Shri Shivananappa:

Will the Minister of Education be pleased to state:

(a) whether it is a fact that a fire broke out in the offices of the Scholarships Division at Daryaganj, Delhi on the 12th June, 1958;

(b) if so, the extent of damage to Government properties and the nature of records destroyed,

(c) the causes of the fire,

(d) whether any enquiry committee was appointed to ascertain the causes of the fire; and

(e) the action taken to reconstruct the destroyed files?

The Minister of Education (Dr. K. L. Shrimall): (a) to (e) A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 96.]

#### Neyveli Lignite Project

254. { Shri N. R. Munisamy:  
Shri Oza:  
Shri Damani:  
Shri Tangamani:  
Dr. Ram Subhag Singh:

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

(a) whether it is a fact that the progress of the Thermal Plant, Fertiliser Project and mining work of the

Integrated Neyveli Lignite Project is not according to schedule;

(b) if so, the reasons therefor,

(c) the steps taken to prevent any further delay,

(d) whether any changes in the estimates and phasing of the Project are contemplated, and

(e) if so, the details thereof?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) to (c) The position is as follows —

According to the original time-schedule, lignite was expected to be exposed for mining by the middle of 1960 and full production (35 million tons per annum) achieved by December 1960. This schedule however, got somewhat retarded as a result of the postponement of the dates of delivery quoted at the time of preliminary enquiries by the suppliers in Germany for certain items of specialised mining machinery. Besides, these suppliers also found that the underground strata at Neyveli were harder than those met with in lignite mines elsewhere and they had, therefore, to redesign the specialised mining equipment particularly Bucket Wheel Excavators. In order to offset the effect of the delay at least partially, additional conventional mining machinery has been put into operation for the removal of overburden.

Another reason for the retardation of the original time schedule is the delay that has crept in unavoidably with regard to the estimated dates of completion of the consumer units of the Integrated Project. Under the original schedule for the thermal power station, orders for equipment were to have been placed in July, 1957, and the power station commissioned by December, 1960. It was decided subsequently, in view of the foreign exchange difficulties, to set up the thermal power station under the Soviet 500 million rouble credit. According to the revised target date, production of thermal power will

commence between January and March, 1961 and full production achieved by December, 1961.

The Government of India sanctioned the fertilizer scheme at Neyveli, at an estimated cost of Rs 21 crores, subject to adequate foreign credit being available in respect of its foreign exchange requirements. According to the earlier time-schedule, tenders for the machinery required were to have been issued in July, 1957. In view of the decision to produce only Urea instead of double-salt, and since the scheme was dependent on the availability of foreign credit and suitable credit terms had to be determined for incorporation in the tender notice, the notice could be issued only in May, 1958. According to the present schedule, production of Urea is to commence by December, 1961.

In view of the above considerations and the overriding factor that the mining scheme must synchronise with the completion of the consuming units—lignite being of a spontaneously combustible nature—a revised time-schedule has been drawn up for the mining scheme, providing for full production to be reached by December, 1961. The progress of work on the project with reference to the revised time schedule is satisfactory.

(d) and (e) The changes in the phasing of the Project viz the time-schedule and the reasons therefor have been explained in the foregoing paras.

With regard to the changes in the estimates it may be stated that the estimated cost of the mining scheme is likely to increase owing to the general increase in steel prices as also labour costs in the countries manufacturing the specialised and conventional types of mining equipment required for this scheme and for the following additional reasons.

The original estimate was formulated on the basis of preliminary information obtained from various manufacturers of the specialised mining equipment. As, however, the dates of

delivery actually quoted by the suppliers of the specialised mining machinery got extended, additional mining equipment of the conventional type had to be put into operation in order partially to offset the delay. Additional expenditure also had to be incurred on account of preparation of the ground and use of explosives to carry out blasting operations before that equipment could effectively be used. In order to tackle the hard strata at Neyveli, the specialised mining machinery had to be redesigned. The exact cost of the equipment for ground water control is also not yet known, as the tests for determining the best method of drilling to be adopted for ground water control have not been completed. The cost of providing quarters for mining personnel has also increased. These factors will affect the overall cost of the mining scheme. The exact increase in the cost is being worked out.

Any increase or otherwise in the cost of the thermal plant and the fertilizer scheme will be known only after the Russians have given their project report in the former case, and the world suppliers have tendered in the case of the latter.

A decision regarding the Briquetting and Carbonising scheme will be taken after the successful completion of the tests on the Neyveli lignite currently being conducted at Neyveli, with the help of the Pilot Briquetting and Carbonising Plant procured under T.C.M. Aid. The exact cost of the scheme will be known only when the project report is drawn up after the completion of these tests.

The general increase in the cost of material and labour will also result in enhancing the individual costs of the thermal power, the fertilizer and the briquetting and carbonising schemes.

### Central Advisory Board for Harijans

**255. Shri B. C. Mallick:** Will the Minister of Home Affairs be pleased to state:

(a) whether the Central Advisory Board for Harijans has been reconstituted for the year 1958-59; and

(b) if so, who are the members of the Board State-wise?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) Yes, Sir.

(b) A copy of the Resolution issued in this connection is placed on the Table of the Lok Sabha [See Appendix I, annexure No 97]

### Scheduled Tribes in Machkund Area

**256. Shri Sanganna:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that a scheme for the colonization of the scheduled tribes in the Machkund area of the Koraput District (Orissa) has been sanctioned by the Government of India;

(b) if so, the estimated cost of the scheme, and

(c) when the scheme will be completed?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) to (c). There is no scheme for the colonisation of Scheduled Tribes in Machkund area. A combined resettlement and welfare scheme has, however, been sanctioned by the State Government for the colonisation of displaced persons of the Machkund Hydro Electric Project elsewhere. The estimated cost of the scheme is as follows:—

1956-57	Rs. 5,11,945
1957-58	Rs. 10,75,000
1958-59	Rs. 40,000

**Gold Deposits in Santhal Parganas**

257. { Shri Subodh Hansda:  
Shri S. C. Samanta:  
Sardar Iqbal Singh:

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

(a) whether it is a fact that Gold particles are found in Santhal Parganas, Bihar;

(b) if so, whether any investigation has been made to confirm the existence of gold particles in that area; and

(c) the result of the investigation?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) No occurrence of gold of any importance is reported from Santhal Parganas, Bihar

(b) and (c) Does not arise

**Mica and Gold Deposits in Gorakhpur**

258. { Shri Anirudh Sinha:  
Pandit D. N. Tiwary:  
Dr. Ram Subhag Singh:

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

(a) whether it is a fact that deposits believed to contain mica and gold have been found at a place in Maharajganj sub-division in the Gorakhpur District, U.P.;

(b) if so, the details thereof. and

(c) what steps are being taken to exploit the same?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) No, Sir

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

**Income Tax Appellate Tribunal Patna Bench**

259. Shri Anirudh Sinha: Will the Minister of Law be pleased to state:

(a) the number of cases pending decision at the time of shifting of the Patna Bench of the Income Tax Appellate Tribunal from Patna;

(b) the number of cases filed there-after upto 30th June, 1958;

(c) the number of cases heard and disposed of since the date of shifting upto 30th June, 1958; and

(d) whether the cases heard and disposed of were at the head quarters or at the circuit court?

The Minister of Law (Shri A. K. Sen): (a) 469

(b) 762

(c) 51

(d) The cases were heard and disposed of at the head quarters at Allahabad and Calcutta, according as the areas to which the cases related were under the jurisdiction of the Allahabad Bench or the Calcutta Bench of the Tribunal

**Manipur Fire Service**

260. Shri L. Achaw Singh: Will the Minister of Home Affairs be pleased to state:

(a) whether uniforms for Manipur Fire Service personnel are not being supplied; and

(b) if so, the reasons therefor?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) The Fire Service personnel of Manipur are provided with uniforms

(b) Does not arise

दिल्ली में चलचित्रों पर मनोरंजन कर

२६१. श्री बाजपेयी : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि १९५७ में दिल्ली में कितने चलचित्रों को मनोरंजन कर से मुक्त किया गया ?

गृह-कार्य मंत्री (५० गो० ब० पन्ना) : मनोरंजन कर से किसी भी चित्र को मुक्त नहीं किया गया लेकिन विभिन्न सांस्कृतिक और शैक्षणिक संस्थाओं द्वारा दान देने के वास्ते धन इकट्ठा करने के लिये जो फिल्म

दिखाये गये उन्हें और नई दिल्ली की बिल्डरन फिल्म सोसाइटी द्वारा बच्चों के लिये दिखाई गई फिल्मों का मनोरंजन कर में मुक्त किया गया था।

### Scheduled Tribes Students

**262. Shri Bangshi Thakur:** Will the Minister of Education be pleased to state:

(a) whether there is any reservation of seats for the Scheduled Tribes students in schools namely UK Academy, Bodhjung High School and Maharani Tulsibati Girls' High School and other Government Schools including Senior and Junior Basic and Aided Schools of Agartala, Tripura and also of Abhoynagar,

(b) if so, what is the number of seats reserved in each Government school separately,

(c) what is the total number of students in each Government school separately and

(d) if the answer to part (a) be in the negative, the reason therefor?

**The Minister of Education (Dr K. L. Shrimali):** (a) to (d) A statement is laid on the Table of the Lok Sabha [See Appendix I annexure No 98]

### Naga Hostiles

**263. Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to state

(a) whether it is a fact that armed Naga hostiles infiltrated into Manipur territories and plundered the office of the Assam PWD at Bolkot on the 20th June, 1958, and

(b) if so, the extent of loss?

**The Minister of Home Affairs (Pandit G. B. Pant):** (a) and (b) While no such incident took place on the 20th June, 1958, some Naga hostiles looted the office of the Assam PWD at Bolkot on the night of 16/17th June. The value of the property reported to have been looted is estimated at Rs 3,000

### Manufacture of 'Gnat' Jet Fighters

**264.** { **Shri D. C. Sharma:**  
**Shri S. M. Banerjee:**  
**Shri Wodeyar:**  
**Dr. Ram Subhag Singh:**  
**Shri Shivananjappa:**

Will the Minister of Defence be pleased to state the progress made so far in the manufacture of "GNAT" transonic Jet Fighters by the Hindustan Aircraft (Private) Ltd?

**The Minister of Defence (Shri Krishna Menon):** The project for the manufacture of Gnat aircraft at H.A.L. is progressing satisfactorily. It is not, however, in the public interest to disclose further facts and details

### Indian Bureau of Mines

**265. Shri Ghosal.** Will the Minister of Steel, Mines and Fuel be pleased to state

(a) whether any special benefits have been given to the staff of the offices of the Indian Bureau of Mines, Calcutta which is being shifted to Nagpur, and

(b) if so, the nature thereof?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) No special benefits have been given to the staff of the offices of the Indian Bureau of Mines in Calcutta but they have been allowed the same concessions and facilities which have been allowed to the staff of the Indian Bureau of Mines in Delhi which is also being shifted to Nagpur

(b) The concessions and facilities relate to

(i) advance of two months pay in addition to usual advance of travelling allowance to non-gazetted staff,

(ii) Special compensatory allowance for one year to non-gazetted staff at 12½ per cent. of pay subject to a maximum of Rs. 25 per month.

(iii) Permission to retain Government accommodation at former headquarters on payment of normal rent for 6 months or till accommodation is secured in Nagpur, whichever is earlier.

(iv) Admittance of claim for travelling allowance in full in respect of journeys performed by families of officers and staff of the Indian Bureau of Mines and for carriage of personal effects upto 12 months from the date of transfer.

The grant of the following further concessions is under consideration:—

(i) Advance of 2 months pay to gazetted staff.

(ii) Grant of house rent allowance to officers not in occupation of Government accommodation in former headquarters at the rates admissible to them at their former headquarters if their families continue to reside at that place for lack of family accommodation for six months from date of joining at Nagpur or such time as these officers are not actually assigned or have not been able to secure family accommodation at Nagpur whichever is earlier.

(iii) Grant of additional compensatory allowance of 10 per cent. of pay subject to a maximum of Rs. 15 per month to those who are provided and avail of transit accommodation at Nagpur while their families are left behind in their old headquarters for the period they reside in transit accommodation upto a maximum period of six months.

#### Deaf Mutes

266. Dr. Sushila Nayar: Will the Minister of Education be pleased to state:

(a) whether Government have any estimate of the number of deaf mutes

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in the country in the different States; and

(b) what are the facilities available for the education, training and rehabilitation of such people State-wise and to what extent they fall short of the need?

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

(b) A statement giving the requisite information is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 99.]

#### Form of Numerals

267. Shri Ramam: Will the Minister of Education be pleased to state:

(a) the form of numerals being used in the Government Hindi documents; and

(b) whether the policy of the Government of India in the matter of using Arabic numerals is being followed in the States?

The Minister of Education (Dr. K. L. Shrimall): (a) In the Hindi documents of the Ministry of Education, the international form of Indian numerals is being used. Information with regard to other Ministries, in this regard, has been called for and will be laid on the Table of the House in due course.

(b) So far as the official purposes of the State Governments themselves are concerned, the choice has been left to them. But they have been asked to use only the International form of Indian numerals in all their accounts, statistics, statements etc., furnished to the Government of India and in all correspondence with the Government of India.

#### Violation of Foreigners Registration Act

268. { Shri Wodeyar:  
Shri Shivananjappa:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that numerous Pakistani Nationals have violated

Foreigners Registration Act in India recently; and

(b) if so, how many of them have been prosecuted or turned out of India during 1958, State-wise?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** (a) and (b). The provisions of the Registration of Foreigners Act, 1939 and the Registration of Foreigners Rules, 1939 made thereunder are not applicable to Pakistani nationals. The question of taking action against them under the provisions of this Act, etc. does not, therefore, arise.

#### **Income Tax Arrears in Himachal Pradesh**

**269. Shri Daljit Singh:** Will the Minister of Finance be pleased to state:

(a) the total amount of income-tax arrears in Himachal Pradesh as on the 30th June, 1958; and

(b) the steps taken to realise the same?

**The Minister of Finance (Shri Morarji Desai):** (a) Rs. 2,94,000.

(b) A statement showing the steps taken by Government to realise arrears of income-tax is laid on the Table of the Lok Sabha [See Appendix I, annexure No. 100.]

#### **Grants to Private Educational Institutions of Punjab**

**270. Sardar Iqbal Singh:** Will the Minister of Education be pleased to state:

(a) the names of the private educational institutions of Punjab which applied for non-recurring grants to the Central Government during 1958 so far;

(b) the amount sanctioned to each institution separately;

(c) the number of such cases pending at present; and

(d) the reasons therefor?

**The Minister of Education (Dr. K. L. Shrivastava):** (a) to (d). A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 101.]

#### **Camping Grounds in Punjab**

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

(a) the number of camping grounds under the Defence Ministry in Punjab;

(b) the area, location with tehsil and district of each; and

(c) the annual income from these separately?

**The Minister of Defence (Shri Krishna Menon):** (a) 78.

(b) and (c). A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 102.]

#### **Officers' Bungalows in Ferozepur**

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

(a) the number of bungalows hired for officers at Ferozepore and total rent per month that is being paid by Government for these bungalows;

(b) the steps Government have taken or are taking to construct more quarters for the Officers at Ferozepore;

(c) the details of this scheme; and

(d) the number of new bungalows to be constructed?

**The Minister of Defence (Shri Krishna Menon):** (a) (i) 22.

(ii) Rs. 1,893'36 per month.

(b) Initial steps have been taken to set up the necessary Boards according to rules.

(c) and (d). This information will become available only after the present investigations are completed.

### Income-Tax Collections

**273. Shri Siren Roy:** Will the Minister of Finance be pleased to state:

(a) the total income-tax collection during the financial year ending the 31st March, 1958 State-wise; and

(b) how much of this realisation represents the arrear collections for the previous years in different States?

**The Minister of Finance (Shri Morarji Desai):** (a) The statistics of income-tax collections are not maintained State-wise. However, the total Income-tax collections in the charge of each Commissioner of Income-tax are given in a statement laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 103.]

(b) The information in respect of the charge of each Commissioner of Income-tax is given in annexure 'B'.

### Class IV Employees in Delhi Schools

**274. Shri Kunhan:** Will the Minister of Education be pleased to refer to the reply given to Unstarred Question No. 3748 on the 9th May, 1958 and state the steps taken to redress the grievances of Class IV employees in the Government aided schools in Delhi?

**The Minister of Education (Dr. K. L. Shrimall):** The required information has already been laid on the Table of the Lok Sabha with reference to Unstarred Question No. 3748 replied to on 9-5-1958.

### Delhi State Schools Class IV Employees Union

**275. Shri Kunhan:** Will the Minister of Education be pleased to refer to the reply given to Unstarred Question No. 3736 on the 9th May, 1958 and state:

(a) whether the demands of the Delhi State Schools Class IV Employees Union have since been considered; and

(b) if so, the decisions taken thereon?

**The Minister of Education (Dr. K. L. Shrimall):** (a) and (b). A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 104.]

### Sindhi Language

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

(a) whether it is a fact that Government have received representations from the Sindhi displaced persons and their association for recognising Sindhi as an Indian Language; and

(b) if so, action taken thereon?

**The Minister of Home Affairs (Pandit G. B. Pant):** (a) Representations have been received for the inclusion of Sindhi language in the Eighth Schedule of the Constitution.

(b) Sindhi is already recognised as an Indian language.

### Teaching of Hindi to Central Government Servants

**277. Shri R. C. Majhi:** Will the Minister of Home Affairs be pleased to state the progress so far achieved in teaching Hindi to the Central Government servants?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 105.]

### Central Excise Collectorates, Madras and Hyderabad

**278. Shrimati Parvathi Krishnan:** Will the Minister of Finance be pleased to state whether Government have implemented the decision to condone the break in service of the war service personnel appointed against "de-reserved" vacancies for purposes of seniority in the Central Excise Collectorates of Madras and Hyderabad?

**The Minister of Finance (Shri Morarji Desai):** The Government of



India issued instructions to the Collectors of Central Excise, Madras, Hyderabad and Mysore that the break in service of the war service candidates appointed to 'de-reserved' vacancies should be condoned and their seniority refixed. All the three Collectors of Central Excise have reported that in a majority of the cases seniority has been refixed. A few cases are still pending mainly for want of requisite particulars regarding their war service. These are awaited from the officers themselves or the appropriate Defence authorities.

#### Western Zonal Council

279. **Shri Pangarkar:** Will the Minister of Home Affairs be pleased to state:

(a) the number of meetings of Western Zonal Council held during 1958-59 so far;

(b) the problems discussed in the meetings; and

(c) any meeting proposed to be held during the remaining part of 1958-59?

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

(b) Does not arise.

(c) Yes.

#### Lok Sahayak Sena Camps

280. **Shri Hem Raj:** Will the Minister of Defence be pleased to state:

(a) the number of Lok Sahayak Sena Camps held in the country, State-wise during 1958 so far;

(b) the average attendance in each one of them;

(c) whether any literature has been prepared for public information; and

(d) if so, the cost incurred thereon?

**The Minister of Defence (Shri Krishna Menon):** (a) and (b). A statement is placed on the Table of the Lok Sabha. [See Appendix I, annexure No. 106].

(c) Detailed information about the aims, terms and conditions etc. of Lok Sahayak Sena is conveyed to the public through posters, folders, cinema slides, etc. in English, Hindi and all regional languages.

(d) Since the inception of the scheme in 1955, about Rs. 56,000 have been spent on publicity.

#### Regional Seminars on Elementary Education

281. **Shri Hem Raj:** Will the Minister of Education be pleased to state:

(a) the number of regional seminars held so far during 1958 for the reorientation of the elementary education to the basic pattern;

(b) the decisions arrived at each one of them; and

(c) the steps taken by the Government to implement them?

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

(b) A gist of the main recommendations of the Regional Seminars is laid on the Table of the Lok Sabha [See Appendix I, annexure No. 107.]

(c) The recommendations of the Seminars are being forwarded to the State Governments who are concerned with their implementation.

#### Clerks Examination

282. **Shri Maniyangadan:** Will the Minister of Home Affairs be pleased to state:

(a) how many centres have been selected by the Union Public Service Commission for conducting examination for the selection of Lower Division Clerks of the Central Secretariat Clerical Service;

(b) the names of the States in which there will not be any such centre; and

(c) the reasons for excluding these States?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** (a) The Examination will be held at 14 Centres in India besides the centres at the Indian Missions abroad. A statement showing these 14 Centres is laid on the Table of the Lok Sabha [See Appendix I, annexure No 108.]

(b) Madhya Pradesh, Rajasthan and Kerala.

(c) Under the Constitution, it is the duty of the Commission to conduct the Examination. It is the responsibility of the Commission to make all arrangements for the conduct of the examination and fixing centres is part of such arrangement. The Commission decide this in their discretion taking into account all relevant factors including the number of candidates.

#### Rare Manuscripts

283. { Shri Vasudevan Nair:  
Shri Warior:

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

(a) whether Government have launched a drive to acquire documents and rare manuscripts in private custody;

(b) if so, the details thereof;

(c) the details of documents acquired in 1957-58 in each State; and

(d) the amount spent for this purpose during the above period?

**The Minister of Scientific Research and Cultural Affairs (Shri Humayan Kabir):** (a) and (b). Government have issued an Appeal, a copy of which is laid on the Table of the Lok Sabha [See Appendix I, annexure No. 109.]

(c) As far as the Government of India are aware, no documents etc. have been acquired during 1957-58 in any State under this Appeal.

(d) Does not arise.

#### Liquidation of Non-Scheduled Banks

284. **Shri N. R. Munisamy:** Will the Minister of Finance be pleased to state:

(a) the number of non-scheduled Banks which went into liquidation or were ordered to be wound up during 1957 and till 31st July, 1958 in the country, State-wise;

(b) the chief causes of such liquidation; and

(c) what steps the Reserve Bank took to intervene at the early stages of unsatisfactory working of these non-scheduled banks to prevent such developments later on?

**The Minister of Finance (Shri Morarji Desai):** (a) A statement showing the necessary particulars is placed on the Table of the Lok Sabha. [See Appendix I, annexure No. 110.]

(b) The main reasons why the banks had to be taken into liquidation were inadequate control by the managements over the affairs of the banks, a preponderance of unsecured advances and advances against real estate, and in a few stray cases fraud or embezzlement.

(c) The banks in question were in a moribund condition long before the system of regular inspections was instituted by the Reserve Bank, and their total deposits, when they were taken into liquidation were not substantial. The advice and direction which are now given by the Reserve Bank, as a result of periodical inspections, have already arrested a further deterioration in the affairs of banking companies the position of which were or have been unsatisfactory.

### Political Sufferers

**285. Shri Subbiah Ambalam:** Will the Minister of Home Affairs be pleased to state:

(a) the number of applications received during 1957-58 and 1958-59 so far for aid from political sufferers in Madras State;

(b) how many of them have been granted aid and how many rejected; and

(c) how many of them are pending consideration?

**The Minister of Home Affairs (Pandit G. B. Pant):** (a) to (c). A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 111.]

### Untouchability propaganda in Kerala

**286. Shri I. Eacharan:** Will the Minister of Home Affairs be pleased to state:

(a) the amount allotted by the Central Government for untouchability propaganda in Kerala for 1958-59;

(b) whether the Kerala Government has submitted any schemes for the purpose; and

(c) if so, the nature of the schemes on which the amount is proposed to be spent?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) to (c): A statement is laid on the Table of the Lok Sabha. [See Appendix I, annexure No. 112.]

12.03 hrs.

### MOTIONS FOR ADJOURNMENT

#### SITUATION IN AHMEDABAD

**Mr. Deputy-Speaker:** I have received notices of several adjournment motions. There are ten of them. Mostly they relate only to one instance. It may be very grave and unfortunate. I would have withheld my permission

and declared that they cannot be discussed and rejected them, but, as the matter is very important and must have agitated every Indian, I am going to refer to them. Otherwise, it was not necessary at all because it is a matter of law and order.

One adjournment motion is from Shri Goray and Shri Jadhav: "The state of extreme tension prevailing in Ahmedabad and other parts of Gujarat and the use of tear-gas, lathi charges and firing accompanied by wide-scale destruction of property".

**Shri Goray (Poona):** There is one more clause in it.

**Mr. Deputy-Speaker:** "The unfortunate situation..." I think there was no need to read it. "The unfortunate situation which is the direct result of peoples' resistance to accept the bilingual State of Bombay." It cannot be relevant for this adjournment motion.

**Shri Nath Pal (Rajapur):** Then only the first paragraph makes some meaning

**Mr. Deputy-Speaker:** The second is by Shri S. A. Dange: "The grave situation arising out of the unwarranted and brutal firing and lathi charge on an unarmed crowd on 12th August at Ahmedabad and the sense of insecurity caused to the citizens of Ahmedabad... the attack on civil liberties by the Government in prohibiting peaceful demonstrations..."

Then there is the motion of Shri S. M. Banerjee, Shri Tangamani and Shrimati Renu Chakravarty: "The grave situation arising out of the unwarranted and brutal firing and lathi charge on the unarmed crowd at Ahmedabad and other towns on 12-8-1958 and the sense of insecurity by the population of Ahmedabad and other towns as a consequence of the behaviour of the administration. Attack on civil liberties by the Government in Ahmedabad and other towns in prohibiting peaceful demonstration..."

**Shri S. M. Banerjee (Kanpur):** It refers to the hunger strike by one

of the Members of the Lok Sabha, Shri Yajnik.

**Mr. Deputy-Speaker:** Yes. "...in prohibiting peaceful demonstration in memory of the martyrs of the firing. Hunger strike by Shri Indulal Yajnik, M.P. against these actions of the Government". This would not make it more relevant. Of course, it is only unfortunate. I am only giving the gist of the motions, not reading the whole thing.

Then there is the motion of Shri Naushir Bharucha. Though it appears quite different, in substance, it is just the same. "Failure of the Union Government to intervene and avert breakdown of the Constitution" (*Laughter*).

**Shri Naushir Bharucha** (East Khandesh): That is under article 355 of the Constitution.

**Mr. Deputy-Speaker:** I was reading the motion as it is worded. "(b) Failure of the Government to prevent violation by the State Government of the fundamental rights....(c) Failure of the Union Government to prevent widespread feeling of insecurity of life.. (d) Failure of the Union Government to discharge the constitutional obligation imposed on it, under article 355 of the Constitution to ensure that the Government of the Bombay State was carried on in accordance with the provisions of the Constitution."

Then there is another motion: "Failure of the Union Government to give directive under clause 257 of the Constitution of India to Bombay State not to create provocation by removing the martyrs memorials....."

Then there is a motion by Shri Parmar: "The great tension and commotion..."

Then there is a motion by Shri Khadilkar: "Very serious disturbances in Ahmedabad, Baroda, Nadiad and several other places in Maharashtra

have taken place resulting in arson, looting and firing causing injuries to seven persons. These serious developments are a consequence of the decision taken by the House..."

Then there is the motion of Shri Assar: "Failure of this Government to respect the feelings towards martyrs of Gujarat by not giving directives to Bombay State not to remove martyrs' memorials....."

Then Raja Mahendra Pratap has sent in a different one. I might refer to that also:

"(1) Riots at Ahmedabad and police firing.

(2) Strike of motor rickshaws at Delhi.

(3) The Jaipur agitation is also serious. House should kindly discuss..."

Because all the three are put, conjoined, together, it is rejected simply on that ground. Only one matter can be discussed. I have no difficulty in coming to a decision—

**Raja Mehendra Pratap** (Mathura): The All-Gujarat—

**Mr. Deputy-Speaker:** Order, order. The House can discuss only one subject or one point in an adjournment motion at one and the same time. Different matters cannot be joined together in one adjournment motion. Therefore, that motion is ruled out on that score.

I have no difficulty so far as these adjournment motions are concerned. If rules are to be applied. The matter is very urgent, of course. It is of recent happening also. But the House would agree that it is a matter of law and order, however unfortunate it might be and however much we might be concerned about it. But, if the hon. Minister in charge wants to make a statement in order to enlighten the public and the country at large as to what has really happened, if he is in possession of certain facts, perhaps I

[Mr. Deputy-Speaker]

would request him to make it, so that certain facts might be known.

**Shri Nath Pal:** The Members who have given notices of the adjournment motions may be allowed to make their submission.

**Mr. Deputy-Speaker:** I do not think so. If I had any doubt, then perhaps I certainly would have requested the hon Members who are the movers of these motions to first make certain remarks

**Shri Nath Pal:** There is one point which perhaps has not emerged very clearly in the submissions we have made to you. We think this Parliament is seized of the issue, of what is happening in Ahmedabad, because that has arisen by an Act of Parliament to which the people are putting up their resistance. It is under this that certain things are taking place and things are happening there, and where they are responsible. And as such you should give us your ruling.

**Mr. Deputy-Speaker:** If it is in consequence of an act done by this Parliament, then there cannot be any adjournment motion on that. Unless this Parliament takes another decision, that Act must stand and we must abide, all of us must abide, by that.

**Shri S. A. Dange** (Bombay City—Central): There is one point here which I may submit before the hon. Home Minister replies. The thing has happened in a province like Gujarat and especially in a city like Ahmedabad about which everybody knows very well—the home of non-violence. There the Government is forced to do such things.

The second point I would like to draw attention to is that the right of worshipping certain martyrs was attacked here. There was firing last year and people have started worshipping the martyrs. Thousands of men and women lay down flowers there and offer worship and this is sought to be

removed. It is an attack on a fundamental right and civil liberty and creates insecurity in a State like Bombay. It is not a small thing; it is such a big thing. It happens in a State governed by a very nice Congress Ministry which had the fortune of having the Finance Minister as Chief Minister and which is now having Mr. Chavan ....

**Mr. Deputy-Speaker:** He is going to other things.

**Shri S. A. Dange:** Therefore, the position is rather serious and requires the attention of the Central Cabinet very much; and, this subject should be debated here.

**Mr. Deputy-Speaker:** If I allowed this to continue, certainly that would be a discussion on the adjournment motion. Why should I allow that?

**Shri Khadilkar** (Ahmednagar): When there is a demand from all sides of this House ...

Some Hon. Members: No.

Some Hon. Members: Yes.

**Mr. Deputy-Speaker:** I would request the hon. Members to hold themselves in patience. When I require their assistance, certainly I would ask for that. But for the present I do not need it. I may answer this question in the beginning that even if there is a demand from all sides, then too I am entrusted with certain duties by this very House and I have to apply those rules for the present. I do not say I can over-ride the wishes of the House; it may do whatever it likes. But so far as this question is concerned, there are set rules approved by the House and it is my duty to apply them.

**Shri Khadilkar:** I am only suggesting when there was a demand to remove the memorials erected during the foreign regime, that demand had

not been acted upon by the Government. On the contrary, certain people were shot dead just in front of the Congress House and a memorial was erected. More than a million people every day worship that place. It is a fact. Why was there any necessity at the dead of night to remove that memorial?

**Shri P. R. Patel (Mehsana):** My submission is that it is not an ordinary question of law and order. When a grave situation arises in the country, it would be the concern of the House and of the country. Here there is firing; there is a 24-hour curfew, lathi-charge and all those things. Whatever happens in any part of the country, would it not be the concern of this House and of the country? I submit we are entitled to discuss any situation prevailing in any part of the country.

**The Minister of Home Affairs (Pandit G. B. Pant):** I am sorry that these unfortunate incidents should have happened in Ahmedabad. As you rightly observed, Ahmedabad has always been the centre of non-violence. . . . (Interruptions).

**Mr. Deputy-Speaker:** Order, order; now at least let there be non-violence.

**Pandit G.-B. Pant:** Ahmedabad has had its police and also along with that its non-violence in the past. The police is still there, but certain sections have been, I think, possessed by the spirit of violence, with the result that law and rules do not matter; human life has little value; public property need not be respected.

In this case two martyrs' memorials are said to have been put up on the thoroughfare . . . (Interruptions) I cannot vouch for it, how far they are from the read, but I am told that they are on the traffic island. If that is wrong . . . (Interruptions).

**Mr. Deputy-Speaker:** Shall we decide that first, whether they are on

the island or on private property? Sometimes we may differ on facts. Then too we have to listen patiently. Hon. Members may not agree with what is believed by the hon. Home Minister, because his information may be based on the information that he receives from his source, which he thinks is reliable. So, we should wait.

**Shri S. M. Banerjee:** He is making a factual statement that it is situated on the traffic island.

**Mr. Deputy-Speaker:** Facts also may differ according to different persons, because their knowledge might be derived from different sources. What is the wonder there?

**Pandit G. B. Pant:** The memorials were, according to my information, constructed on the traffic island or nearby against and in defiance of the orders of the municipal board and the request—I do not use the word 'warning'—of the police. Then, these were removed later.

**An Hon. Member:** No.

**Shri P. R. Patel:** But has the municipality passed a resolution?

**Pandit G. B. Pant:** The municipality, according to my information, did not permit the construction of these memorials.

**Mr. Deputy-Speaker:** Could there be a cross-examination as in a court? I shall have to ask the hon. Member to desist from this temptation.

**Pandit G. B. Pant:** The memorials were removed later on the night of the 11th.

**An Hon. Member:** Why in the night?

**Pandit G. B. Pant:** I am sorry that on the next day there were scenes of hooliganism and rowdism. About 8 police chaukies were attacked and burnt. 3 post offices were burnt and 3 damaged. 2 municipal buildings were burnt and the Khadi Mandir burnt and looted. 6 municipal transport buses

[Pandit G. B. Pant].

were attacked and damaged. Several cases of stone throwing, etc., were reported. Several cases of damage to lamp posts, removal of bus stands, sheds, etc., have been reported.

This was the report which was received here of the happenings up to 11.40 yesterday. The police had been forced to use tear gas and they had acted, so far as one can see, with great restraint. There were other incidents thereafter, of which I cannot give the exact number. The papers say that shops were also burnt. There were many cases of vandalism. The number, according to one paper, came to 140. Someone told me that property worth lakhs of rupees had been destroyed.

It is a matter of deep regret to me that such wanton disregard for public property should have been shown. After all, all these post offices, police posts, buses, etc., belong to the public. Even those who set fire to them have a share in them as citizens of this country. It is regrettable that this resort to violence should have been there.

I do not refer to other matters, but so far as we are concerned, we can only hope that now Ahmedabad will return to normal. It is a matter of deep regret to me that not a word of criticism or condemnation, directly or indirectly, has been uttered in the sheaf of adjournment motions that have been sent by various hon. Members. I can only hope that better sense will prevail and there will be no outburst of violence. After all, in this country we have a democratic system and it is open to everyone to seek redress of the grievances in a constitutional manner. But if we take to means of violence then there will be anarchy; no right, civil or other; no fundamental right; and then nothing which can lead to progress or advancement will be achievable in the country. So, I appeal to all to look at these things from a correct angle, with

the right sense of perspective and not to encourage those who are misled and who are, perhaps, themselves habituated to the use of force and violence, but to see that peace is maintained, peaceful conditions are observed, and wherever there is any demand for anything to be done or undone, then only constitutional and peaceful methods should be followed.

**Mr. Deputy-Speaker:** I will now permit Shri P. R. Patel to ask one question.

**Shri P. R. Patel:** May I know from the hon. Home Minister whether it is a fact that on the 8th more than two lakhs people collected and erected the memorial and held memorial meetings there and there was peace everywhere in the Ahmedabad city and outside also and it was only after the removal of the memorials there was disorder? If so, has this disorder not been created by the Government? Furthermore, I want to know whether the Ahmedabad Municipality has passed a resolution requesting the Government to remove the memorial.

**Pandit G. B. Pant:** Well, the question that really arises in this case is whether the administration of law and enforcement of lawful orders should or should not be done.

**Shri Nath Pal:** It was removed in the night.

**Mr. Deputy-Speaker:** Order, order. I allowed only one question to Mr. Patel. He has put it. Now let us hear the Minister.

**Shri Nath Pal:** But he is addressing all of us.

**Pandit G. B. Pant:** If the law is violated then what will be the consequence?

**Shri Nath Pal:** Law should not function like a thief. The memorial was removed in the night.

**Shri S. A. Dange:** I have to make a proposition or seek a clarification from the Home Minister, arising from his statement. If the memorial was on a traffic island how does it interrupt traffic? Because the island itself is meant to regulate traffic, an interruption by itself. The second question that I wish to ask is whether you will consider the proposition of an impartial probe by the Parliament into the state of affairs of this State arising from this incident.

**Pandit G. B. Pant:** Many more serious things have happened elsewhere.

**Shri S. A. Dange:** Many more troops will be called.

**Mr. Deputy-Speaker:** Now perhaps the hon. Member is trying to seek something else that he has in mind. Now I suppose the hon. Members will allow me my turn.

It is very unfortunate that such a thing should have happened. All of us would deplore this violence. I am not discussing anything or giving my opinion about the facts that might be there. But we are, first of all, interested in upholding democracy and if such things go on, certainly democracy cannot advance and what we have undertaken to perform, that would be cut in the middle. Therefore, I hope that everyone of us would try in that direction.

So far as these incidents are concerned, one hon. Member asked: can we be impervious to all these things when they are happening? No. I do not say that the Cabinet would be impervious. The cabinet shall have to take notice of it. Even members would be interested in it. But if something wrong has been done, whatever it may be—as I said, one side must be wrong—if that wrong has been done there by somebody, then certainly we should not reply wrong remedies here also. So far as these adjournment motions are concerned, they are not the proper method to have a discussion on them.

**श्री जयराव (मालेगांव):** इसकी जो जड़ है वह खत्म करनी चाहिए।

**उपाध्यक्ष महोदय:** हां जी, वह आप जानते हैं कि किस तरह से हो सकता है। इस तरह से तो नहीं हो सकता कि एडजर्नमेंट मोशन लाये जायें। क्या इससे जड़ खली जायेगी?

**श्री जयराव:** हां।

**Mr. Deputy-Speaker:** I was just putting it to the House that this is not the correct method. Therefore, so far as these adjournment motions are concerned, I am clear in my mind that they pertain to law and order and they cannot be discussed here in this form. Therefore, I refuse to give my consent, so far as these adjournment motions are concerned. (*Interruptions*)

**Raja Mahendra Pratap:** There was mismanagement.

**Mr. Deputy-Speaker:** Now, the hon. Member should not add to that mismanagement.

**Shri S. A. Dange:** My sympathies go to the victims of the firing and my tributes to the martyrs. To express that sorrow I would like to withdraw from the House.

(*Shri Dange and some other hon. Members then left the House*)

12.27 hrs.

#### PAPERS LAID ON THE TABLE

ANNUAL REPORT OF NATIONAL COAL DEVELOPMENT CORPORATION (P) LTD.

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** I beg to lay on the Table a copy of each of the following papers:—

- (1) First Annual Report of the National Coal Development Corporation (Private) Ltd., for the period 5th September,



1956 to 31st March, 1957 along with the Audited Accounts of the Corporation, under sub-section (1) of Section 639 of the Companies Act, 1956.

- (2) Review by Government of the Report.

[Placed in Library, See No. LT-773/58.]

#### DELHI TERMINAL TAX RULES

The Minister of State in the Ministry of Home Affairs (Shri Datar): I beg to re-lay on the Table, under sub-section 2 of section 479 of the Delhi Municipal Corporation Act, 1957, a copy of the Delhi Terminal Tax Rules, 1958, published in Notification No. 8/58-D. M. Cor., dated the 7th April 1958.

[Placed in Library, See No. LT-774/58.]

#### DELHI MUNICIPAL CORPORATION (ALLOWANCES OF COUNCILLORS AND ALDERMEN) RULES

Shri Datar: I beg to lay on the Table, under sub-section 2 of section 479 of the Delhi Municipal Corporation Act, 1957, a copy of the Delhi Municipal Corporation (Allowances of Councillors and Aldermen) Rules, 1958, published in Notification No. F. 20/52/58-SR(R), dated the 12th May, 1958.

[Placed in Library, See No. LT-775/58.]

#### NOTIFICATIONS ISSUED UNDER ALL INDIA SERVICE ACT

Shri Datar: I beg to relay on the Table, under sub-section (2) of Section 3 of the All India Services Act, 1951, a copy of each of the following Notifications:—

- (1) G.S.R. No. 250, dated the 19th April, 1958 making certain amendment to the Indian Administrative Service (Regulation of Seniority) Rules, 1954.

- (2) G.S.R. No. 251, dated the 19th April, 1958, making certain amendment to the Indian Police Service (Regulation of Seniority) Rules, 1954.

- (3) G.S.R. No. 270, dated the 26th April, 1958, making certain amendment to the All India Services (Leave) Rules, 1955.

[Placed in Library, See No. LT-776/58.]

#### NOTIFICATIONS UNDER ALL INDIA SERVICES ACT

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 each of the following Notifications:—

- (1) G.S.R. No. 376, dated the 17th May, 1958 making certain amendment to Schedule III to the Indian Police (Pay) Rules, 1954.
- (2) G.S.R. No. 401, dated the 24th May, 1958 making certain amendments to the All India Services (Provident Fund) Rules, 1955.
- (3) G.S.R. No. 402, dated the 24th May, 1958 making certain amendments to the Secretary of States' Services (General Provident Fund) Rules.
- (4) G.S.R. No. 418, dated the 31st May, 1958 making certain amendment to the All India Services (Conduct) Rules, 1954.
- (5) G. S. R. No. 447, dated the 7th June, 1958, making certain amendments to the All India Services (Provident Fund) Rules, 1955.
- (6) G.S.R. No. 448, dated the 7th June, 1958 making certain amendments to the

**Indian Civil Services Provident Fund Rules, 1942.**

- (7) G.S.R. No. 449 dated the 7th June, 1958, making certain amendments to the Indian Civil Services (Non-European Members) Provident Funds Rules, 1943.
- (8) G.S.R. No. 450, dated the 7th June, 1958, making certain amendments to the Secretary of States' Services (General Provident Fund) Rules, 1943.
- (9) G.S.R. No. 489, dated the 21st June, 1958, making certain amendments to Schedule III to the Indian Administrative Service (Pay) Rules, 1954.
- (10) G.S.R. No. 542, dated the 5th June, 1958, making certain amendments to the Schedule III to the Indian Administrative Service (Pay) Rules, 1954.
- (11) G.S.R. No. 545, dated the 5th July, 1958, making certain amendments to Schedule III to the Indian Administrative Service (Pay) Rules, 1954.
- (12) G.S.R. No. 546, dated the 5th July, 1958, making certain amendments to Schedule III to the Indian Police Service (Pay) Rules, 1954.
- (13) G.S.R. No. 548, dated the 5th July, 1958, making certain amendment to Schedule III to the Indian Administrative Service (Pay) Rules, 1954.
- (14) G.S.R. No. 549, dated the 5th July, 1958, making certain

**amendments to the All India Services (Provident Fund) Rules, 1955.**

- (15) G.S.R. No. 550, dated the 5th July, 1958, containing the All India Services (Remittances into and Payments from Provident and Family Pension Funds) Rules, 1958.
- (16) G.S.R. No. 551, dated the 5th July, 1958, making certain amendments to Schedule III to the Indian Police Services (Pay) Rules, 1954.
- (17) G.S.R. No. 662, dated the 9th August, 1958, making certain amendments to the Indian Administrative Service (Recruitment) Rules, 1954.
- (18) G.S.R. No. 663, dated the 9th August, 1958, making certain amendment to the Indian Police Service (Recruitment) Rules, 1954.
- (19) G.S.R. No. 668, dated the 9th August, 1958, making certain amendment to Schedule III to the Indian Police Service (Pay) Rules, 1954.
- (20) G.S.R. No. 671, dated the 9th August, 1958, making certain amendment to Schedule III to the Indian Administrative Service (Pay) Rules, 1954.

[Placed in Library, See No. LT-777/58.]

**AMENDMENT TO COPYRIGHT RULES**

**The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):** I beg to re-lay on the Table under sub-section (3) of section 78 of the Copyright Act, 1957, a copy of Notification No. GSR 267, dated the 22nd April, 1957, making certain amendment to the Copyright Rules, 1958.

[Placed in Library, See No. LT-778/58.]

## GIFT-TAX RULES

**The Deputy Minister of Finance (Shri B. R. Bhagat):** I beg to lay on the Table, under sub-section (4) of section 46 of the Gift-tax Act, 1958, a copy of the Gift-tax Rules, 1958, published in Notification No. GSR 430, dated the 31st May, 1958.

[Placed in Library, See No. LT-779/58.]

## AMENDMENT TO EXPENDITURE-TAX RULES

**Shri B. R. Bhagat:** I beg to lay on the Table, under sub-section (3) of section 41 of the Expenditure-tax Act, 1957, a copy of Notification No. G.S.R. 414, dated the 20th May, 1958, making certain amendments to the Expenditure-tax Rules, 1958.

[Placed in Library, See No. LT-780/58.]

## AMENDMENTS TO MEDICINAL AND TOILET PREPARATIONS (EXCISE DUTIES) RULES

**Shri B. R. Bhagat:** I beg to lay on the Table, under sub-section (4) of section 19 of the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, a copy of each of the following Notifications, making certain further amendments to the Medicinal and Toilet Preparations (Excise Duties) Rules, 1958:—

- (1) G.S.R. No. 294, dated the 3rd May, 1958.
- (2) G.S.R. No. 383, dated the 17th May, 1958.
- (3) G.S.R. No. 522, dated the 28th June, 1958.
- (4) G.S.R. No. 552, dated the 5th July, 1958.

[Placed in Library, See No. LT-781/58.]

## REPORT OF THE REHABILITATION FINANCE ADMINISTRATION

**Shri B. R. Bhagat:** I beg to lay on the Table, under sub-section (2) of

Section 18 of the Rehabilitation Finance Administration Act, 1948, a copy of the Report of the Rehabilitation Finance Administration for the half-year ended the 31st December, 1957.

[Placed in Library, See No. LT-782/58.]

## PROGRESS OF ACTION TAKEN UNDER SECTION (1A) OF INDIAN INCOME-TAX ACT

**Shri B. R. Bhagat:** I beg to lay on the Table a copy of the statement showing progress of action in cases dealt with under Section 34(1A) of the Indian Income-tax Act, 1922 upto 31st May, 1958.

[Placed in Library, See No. LT-783/58.]

## NOTIFICATIONS ISSUED UNDER SEA CUSTOMS ACT AND CENTRAL EXCISES AND SALT ACT

**Shri B. R. Bhagat:** Sir, I beg to lay on the Table, under sub-section (4) of Section 43B of the Sea Customs Act, 1878 and Section 38 of the Central Excises and Salt Act, 1944, a copy of each of the following Notifications:—

- (1) G.S.R. No. 303, dated the 30th April, 1958, making certain amendments to the Customs and Excise Duties Drawback (Linoleum) Rules, 1958.
- (2) G.S.R. No. 311 dated the 6th May, 1958 containing the Customs and Central Excise Duties Drawback (Coffee) Rules, 1958.
- (3) G.S.R. No. 424, dated the 31st May, 1958, making certain amendment to the Customs and Excise Duties Drawback (Art Silk) Rules, 1957.
- (4) G.S.R. No. 425, dated the 31st May, 1958, containing the Customs and Central

Excise Duties Refund (Fatty Acids) Rules, 1958.

- (5) G.S.R. No. 444, dated the 3rd June, 1958, making certain amendments to the Customs and Excise Duties Drawback (Crown Cork) Rules, 1958.
- (6) G.S.R. No. 438 dated the 16th June, 1958, containing Customs and Central Excise Duties Drawback (Hurricane Lanterns) Rules, 1958.
- (7) G.S.R. No. 677, dated the 7th July, 1958, containing the Customs and Central Excise Duties Drawback (Paints) Rules, 1958.
- (8) G.S.R. No. 578, dated the 7th July, 1958, containing the Customs and Central Excise Duties Drawback (Sparking Plugs) Rules, 1958.
- (9) G.S.R. No. 580, dated the 7th July, 1958, containing the Customs and Central Excise Duties Drawback (Footwear) Rules, 1958.
- (10) G.S.R. No. 581, dated the 8th July, 1958, containing the Customs and Central Excise Duties Drawback (Electric Fans) Rules, 1958.
- (11) G.S.R. No. 607, dated the 12th July, 1958 containing the Customs and Central Excise (Confectionery) Rules, 1958.

[Placed in Library, See No. LT-784/58.]

#### NOTIFICATIONS ISSUED UNDER SEA CUSTOMS ACT

**Shri B. R. Bhagat:** Sir, I beg to lay on the Table, under sub-section (4) of Section 43B of the Sea Customs Act, 1878, a copy of each of the following Notifications:—

- (1) G.S.R. No. 310, dated the 6th May, 1958.

(2) G.S.R. No. 421, dated the 31st May, 1958.

- (3) G.S.R. No. 422, dated the 31st May, 1958, containing the Customs Duties Drawback (Disinfectants and Antiseptics) Rules, 1958.
- (4) G.S.R. No. 423, dated the 31st May, 1958.
- (5) G.S.R. No. 455, dated the 7th June, 1958, making certain further amendments to the Customs Duties Drawback (Embroidered Goods) Rules, 1954.
- (6) G.S.R. No. 466, dated the 7th June, 1958.
- (7) G.S.R. No. 467, dated the 7th June, 1958, containing the Customs Duties Drawback (Copper Dusting Preparations) Rules, 1958.
- (8) G.S.R. No. 478, dated the 14th June, 1958, making certain amendment to the Customs Duties Drawback (Roofing Felt) Rules, 1957.
- (9) G.S.R. No. 485, dated the 16th June, 1958.
- (10) G.S.R. No. 573 dated the 7th July, 1958.
- (11) G.S.R. No. 574 dated the 7th July, 1958 containing the Customs Duties Drawback (Cultured Pearls) Rules, 1958.
- (12) G.S.R. No. 575 dated the 7th July, 1958.
- (13) G.S.R. No. 576, dated the 7th July, 1958.
- (14) G.S.R. No. 579 dated the 7th July, 1958.
- (15) G.S.R. No. 606 dated the 12th July, 1958.

[Placed in Library, See No. LT-785/58.]

AMENDMENTS TO CENTRAL EXCISE  
RULES

Shri B. R. Bhagat: Sir, I beg to lay on the Table, under Section 38 of the Central Excises and Salt Act, 1944, a copy of each of the following Notifications, making certain further amendments to the Central Excise Rules, 1944:—

- (1) G.S.R. No 321, dated the 10th May, 1958.
- (2) G.S.R. No. 322, dated the 10th May, 1958
- (3) G.S.R. No 612, dated the 19th July, 1958

[Placed in Library, See No. LT-786/58]

CORRECTION OF ANSWER TO  
STARRED QUESTION No. 1754

The Deputy Minister of Home Affairs (Shrimati Alva): Sir, I beg to lay on the Table a copy of the statement correcting the reply given on the 18th April, 1958 to a supplementary by Shri T. Sanganna on Starred Question No 1754 regarding All India Tribal Conference. [Placed in Library. See No LT-787/58]

12.31 hrs.

CALLING ATTENTION TO MATTER  
OF URGENT PUBLIC IMPORTANCE

BREAK-DOWN OF KOTLA POWER STATION

Shri Naushir Bharucha (East Khanded): Sir, under Rule 197 of the Rules of Procedure and Conduct of Business in Lok Sabha I beg to call the attention of the Minister of Irrigation and Power to the following matter of

urgent public importance and request that he make a statement thereon:—

Break-down of Kotla Power Station resulting in curtailment of power supply to Delhi.

The Minister of Irrigation and Power (Hafiz Mohammad Ibrahim): Sir, there are two generating units at the Kotla Power House; each of these units is connected to a transformer. On the 19th May, 1958, one of the transformers developed some fault and went out of order. It was found that the fault lay in the insulation inside the transformer and that the rest of the equipment in the Power House such as generators, turbines, switch-gear, cables etc. were in perfect working condition. The transformer was immediately isolated from the rest of the system and tests were carried out to locate the defect in the insulation. It was discovered that one of the windings of the transformer had been damaged. Repairs were taken in hand immediately and completed by the 8th August, 1958.

The supply of power to Delhi was curtailed on this account from 20,000/22,000 KW to 15,000/16,000 K.W. Normal supply was resorted on the 7th August, 1958.

Despite the short supply of power from Nangal, the Delhi Electric Supply Board maintained full supply to its consumers by pressing into service all its generating units, including the stand-by plant.

12.33 hrs.

CORRECTION OF ANSWER TO  
STARRED QUESTION No. 2099

The Minister of State in the Ministry of Home Affairs (Shri Datar): Sir, in reply to the supplementary question arising out of Starred Question No. 2099 on the 9th May, 1958, regarding the Jail Manual Committee, I had stated inter alia that the mem-

bers of the Committee had met as many as ten times. The correct position is that they had met five times, each meeting lasting for a duration of three or four days. I am now making the necessary correction.

**CORRECTION OF ANSWER TO  
STARRED QUESTION Nos 1298 and  
1315**

The Minister of State in the Ministry of Home Affairs (Shri Datar) (On behalf of the Minister of Education). Sir, on behalf of Dr Shrimali I am making the following statement:

"I had stated that in 1957-58 we gave assistance to the State Governments towards the appointment of Hindi teachers in non-Hindi speaking areas at 66 per cent of the total approved expenditure. Actually the rate of Central assistance was 60 per cent during that year"

12.34 hrs.

**CORRECTION OF ANSWER TO  
STARRED QUESTION No 1486**

The Minister of State in the Ministry of Home Affairs (Shri Datar) (On behalf of the Minister of Education): Sir, on behalf of Dr Shrimali I am making the following statement:

"In reply to a supplementary question to Starred Question No. 1486 by Shri Naval Prabhakar regarding the construction of school buildings, I replied as follows:

In 1957-58, 46 buildings were proposed for construction. 24 buildings of a permanent type and 15 buildings which included children's homes are under construction.

The second sentence of the reply may kindly be amended to read as follows:—

15 buildings of a permanent type including children's homes and 14 of temporary type are under construction."

**STATEMENT RE. FOREIGN  
EXCHANGE POSITION**

The Minister of Finance (Shri Morarji Desai): I thank you, Sir, for giving me this opportunity to report to the House on recent developments relating to our foreign exchange situation. The keen interest that hon. Members have taken in this somewhat complex aspect of our economy is of great value since it serves to keep constantly before the public eye what is one of the important determinants of our economic future.

The factors that have led to the continued heavy drawing on our foreign exchange reserves during the Second Plan period have been discussed in the House on several occasions in the recent past and are set forth in some detail in the Planning Commission's paper on the fall in the foreign exchange reserves that was laid on the Table of the Lok Sabha by the Prime Minister on the 20th March, 1958.

Hon Members are aware of the remedial steps taken by Government; as soon as it became apparent that there was likely to be a large deficit in our balance of payments, prompt measures were taken to centralise fully the whole system of foreign exchange control, to re-introduce the system of foreign exchange budgeting and to take all possible measures to restrict imports by a system of foreign exchange allocations for different purposes determined—on what has been an austerity basis—in consultation with the Planning Commission. Apart from the restrictions on imports, foreign exchange facilities for tourist travel abroad were totally stopped and exchange was released on a restricted basis only for business travel or for travel justified on medical grounds or for attending certain educational and technical training courses. Side by side with such restrictions, emphasis was placed on the need to take positive steps to earn more foreign exchange by promotion of exports.

[Shri Morarji Desai]

These measures have had some effect. Speaking in the House on this subject on the 18th of March, the Prime Minister referred to the temporary improvement that had taken place in the first quarter of the year but cautioned Members against drawing the inference that we had turned the corner. He explained that the summer months constituted the season during which our exports were always at a lower rate. Notwithstanding this and notwithstanding the fact that the shadow of economic recession in foreign countries has affected and depressed commodity prices and our external markets, I think it necessary to point out that we have been able to bring down the average weekly drawal on our sterling balances to Rs. 4.09 crores in the first seven months of 1958 as compared with the average drawal of Rs. 7.2 crores in the corresponding period of 1957.

Taking the period April to July 1958, our foreign exchange reserves at the end of March 1958 comprised, in addition to a gold holding of Rs. 118 crores, sterling reserves of Rs. 267 crores. As against this, our sterling reserves dropped to Rs. 193 crores at the end of July 1958, notwithstanding a payment by the U.K. Government of Rs. 22 crores early in April 1958, which included an advance repayment of three instalments under the excess pension repayment agreement. The net fall has thus been approximately Rs. 74 crores in the four months April to July inclusive.

These are the statistics. What do they mean? And what do they mean particularly for the Plan? Even more than how they react on the Plan is the question of how the Plan should react to them. Hon. Members are aware that the Plan is no ossified or petrified structure. The Indian concept of a Plan is that we seek therein to strike a balance from time to time between various operative factors both internal and external and both social and economic and that while so doing we seek to impart and maintain the momentum necessary to push forward

the nation towards accepted goals. Thus the Plan as a whole is, and has to be, constantly under review. The restrictive methods we have imposed since January 1957 have naturally led to certain difficulties both in the private and public sectors of our economy. By and large, however, an all-out effort is being made to go ahead with what we have defined as the core of the Plan, to complete other Projects which are well-advanced and at the same time—to maintain the economy at the existing level of production. In certain fields there has been a tendency for internal prices to rise owing to the relative shortfall in the availability of imported goods but this tendency has not developed to any embarrassing extent. On the contrary, I feel that a strong filip has been given to indigenous industries which have awakened to the new demands that are now being made upon them to replace imported goods. Special consideration is also being accorded to imports of plant and machinery for the installation of factories which will produce the goods and commodities that are at present being imported. Such imports are being allowed on deferred payment terms on the basis that they will be financed out of the savings that will accrue when the plants go into production.

There is no room, however for complacency. During the current year large payments are falling due on the orders which were placed earlier for capital goods for our important projects. It has been estimated that such commitments in the public and private sectors together, yet to be paid for, amounted to Rs. 887 crores approximately as on the 1st of April 1958, the bulk of this representing capital goods. Added to this, we have suffered in recent weeks a fall in exports as already referred to, on account of the recessionary trend in foreign markets.

In the Planning Commission's paper on "Appraisal and Prospects of the Second Five Year Plan", it has been estimated that for the period April

1958 to March 1961, the gap in our foreign exchange balance-sheet might approximate to Rs. 500 crores. The latest estimate prepared in this behalf taking account of the current unfavourable trend in exports has shown that for the last three years of the current Plan, our requirements of foreign exchange will be of the order of Rs 560 crores. This is on the assumption that any food imports found to be necessary in addition to our normal marketing obligations in respect of wheat and our agreement for importing Burma rice, would be found under P. L. 480 arrangements. The basis for the estimate is that the core of the Plan which, including existing commitments, requires a further expenditure of Rs. 619 crores for completion, will be completed and that needs for the maintenance of the economy and for security will be provided. It also assumes that the sterling reserves will stand at Rs. 200 crores at the end of the Plan period. This does not, however, mean that the reserves would not fall below Rs. 200 crores at any time. As a matter of fact, they are below Rs. 200 crores today. It is considered necessary, however, that we should begin the Third Plan with a reserve of not less than Rs. 200 crores, rebuilding it up to this level, if it is possible to do so. In estimating the deficit at Rs 560 crores, as on the 1st April 1958, the foreign aid already promised, which amounts to about Rs. 513 crores, was fully taken into account. Since then, a further loan of Rs. 12 crores has been authorised by the International Bank for Reconstruction and Development in July 1958 for the D. V. C. Project.

We are making constant endeavours to bridge the gap which remains. Our efforts in the direction of increasing our exports may be mentioned in some detail. The House is already aware of the setting up by the Ministry of Commerce and Industry of the Foreign Trade Board and the Directorate of Export Promotion, which are helping to implement the Cabinet's directive

to give the highest priority to matters having a bearing on export earnings. Steps are being taken to augment production of the Indian products in demand in foreign countries. In the field of agriculture, commercial crops, notably oilseeds, have attracted special attention. Larger quantities of coal and ores are expected to be made available for export. A special effort is being made to improve the competitive capacity of the products of our new industries: arrangements for the supply of basic raw materials, such as iron and steel, have been made more effective; permission for importing finished accessories and other material required for being incorporated in the goods intended for export is being readily granted; and preference is accorded to the import requirements of industrial units participating in the export promotion effort. The tastes and requirements of consumers in foreign markets are being studied and measures designed to control quality are receiving special attention. Exports have been freed from hampering fiscal imports; export duties have been abolished or reduced over a very wide field, and procedures for refund of import and excise duties have been simplified. In the field of transport, the Railway Board are taking special steps to encourage export traffic and we are hoping that likewise the international shipping lines will in mutual interest lend a helping hand. The sugar industry has been helped to organise the export of sugar surpluses, and the State Trading Corporation is, with the help of its business associates, contributing to the promotional endeavour by organising export of commodities like cement and shoes. The Export Risks Insurance Corporation has also made a modest beginning in its effort to help exporters by covering risks not normally covered by other insurance companies.

The measures that have been taken and that are contemplated to be taken will, I have no doubt, help to develop the country's export potential. But in



[Shri Morarji Desai]

the face of the recession in international trade and the dullness of the outlook for exports, the task of securing a significant improvement in our export earnings during the current year is likely to encounter great difficulties.

We have been keeping international institutions and friendly foreign countries fully informed regarding our current situation and it will be our endeavour to secure further foreign assistance, in an appropriate way. The House, I am sure, will understand and appreciate that it would be premature, and likely to cause embarrassment in our efforts—to deal with details; but I think it is an opportune moment to say that the International Bank for Reconstruction and Development which has contributed so vitally to our development and is fully apprised of our plans, our potential and our needs, has decided to consult with its member-countries that have interested themselves in India and has therefore convened a Conference to meet in Washington late this month to discuss the Indian situation in respect of foreign exchange and the manner in which India can be helped. The Governments of the United States, the U. K., West Germany and Japan have agreed to participate. The International Monetary Fund will also be represented at the Conference. We shall ourselves not participate but will be prepared to give all factual data necessary for an appraisal of our position. We naturally cannot expect that the results of the Conference will be announced immediately it is over: the Governments concerned will have to take appropriate decisions. We can only at this stage express our sincere appreciation of the interest that is being taken in our economic betterment by the World Bank and by friendly Governments and institutions.

With a view to ensuring full and proper exchange of information and expediting negotiations with inter-

national institutions and interested foreign Governments, we have decided to strengthen our economic representation abroad by the appointment of a special officer of the Department of Economic Affairs who will be based in Washington and by enlarging the functions of our Economic Minister in the United Kingdom.

It is hardly necessary for me to point out to the House that every credit that we secure, while no doubt helping us to tide over the needs of development in the immediate and in the future, does at the same time represent a liability over the long term, more particularly so when the repayment is in foreign exchange. I need hardly add that whatever success we may have in securing foreign assistance or credit only underlines our responsibility to see that we so manage our affairs and our finances that we maintain and improve our credit worthiness. As on 1-4-1958, foreign exchange liabilities already contracted amounted to about Rs. 750 crores, of which about Rs. 110 crores will be repayable during the rest of the Second Plan period, about Rs. 340 crores in the Third Five Year Plan period and the rest at a later date thereafter. The servicing of these debts will have to be the first charge on our resources in the future—a serious task indeed, but a task not impossible if we continue to conserve and to direct these credits and our other resources into the most productive channels, a task certainly not beyond a country and people to whom personal self-denial for the public good should be no mere occasional virtue but a principle of life itself.

12.49 hrs.

#### ELECTION TO COMMITTEE

CENTRAL ADVISORY COMMITTEE FOR  
NATIONAL CADET CORPS

The Deputy Minister of Defence  
(Bardar Majithia): Sir, on behalf of

the Minister of Defence I beg to move:

12.50 hrs.

# SUGAR EXPORT PROMOTION BILL\*

"That in pursuance of clause (i) of sub-Section (1) of Section 12 of the National Cadet Corps Act, 1948 as amended by the National Cadet Corps (Amendment) Act, 1952, the members of Lok Sabha do proceed to elect, in such manner as the Speaker may direct, two members from amongst themselves to serve as members of the Central Advisory Committee for the National Cadet Corps for a term of one year from the dates of their election subject to the other provisions of the said Act and of the National Cadet Corps Rules."

Mr. Deputy-Speaker: The question is:

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): I beg to move for leave to introduce a Bill to provide for the export of sugar in the public interest and for the levy and collection in certain circumstances of an additional duty of excise on sugar produced in India.

Mr. Deputy-Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the export of sugar in the public interest and for the levy and collection in certain circumstances of an additional duty of excise on sugar produced in India."

*The motion was adopted.*

Shri A. M. Thomas: I introduce the Bill.

12.51 hrs.

## STATEMENT REGARDING THE SUGAR EXPORT PROMOTION OR- DINANCE, 1958

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): I lay on the Table a copy of the explanatory statement giving reasons for immediate legislation by the Sugar Export Promotion Ordinance, 1958 as required by Rule 71(1) of the Rules of Procedure and Conduct of Business in Lok Sabha.

*The motion was adopted.*

\*Published in the Gazette of India Extraordinary Part II—Section 3 dated 13-8-58.

†Introduced with the recommendation of the President.

12.52 hrs.

**STATUTORY RESOLUTION RE  
MINERAL OILS (ADDITIONAL  
DUTIES OF EXCISE AND CUS-  
TOMS) ORDINANCE  
And  
MINERAL OILS (ADDITIONAL  
DUTIES OF EXCISE AND CUS-  
TOMS) BILL**

**Mr. Deputy-Speaker:** The House will now take up discussion on Shri Naushir Bharucha's resolution regarding disapproval of Mineral Oils (Additional Duties of Excise and Customs) Ordinance, 1958 and the Mineral Oils (Additional Duties of Excise and Customs) Bill, 1958

The resolution and motion for consideration of the Bill will be discussed together after which the resolution will be put to the vote of the House first and, if negatived, the motion for consideration of the Bill will be put to the House

As the House is aware, four hours have been allotted for both the items

**Shri Naushir Bharucha (East Khadesh):** Mr. Deputy-Speaker, I beg to move

"This House disapproves of the Mineral Oils (Additional Duties of Excise and Customs) Ordinance 1958 (Ordinance No 6 of 1958) promulgated by the President on the 30th June, 1958"

In this connection, I desire to invite the attention of the House to this fact it is an unfortunate practice, particularly in questions of such great importance, that Ordinances are issued first and the House is presented with a *fait accompli*. It becomes exceedingly difficult for the House later on to change the decisions on which the Ordinance has been promulgated, with the result that virtually the House

has to accept executive action in matters which are purely fiscal and of vast interest to the people of the country. Therefore, my first protest against the Ordinance is that it has been promulgated so as to make it virtually impossible for this House to change the contents of the Ordinance as that virtually amounts to a censure on the Government. If, instead of promulgating an Ordinance, ordinarily the prices of petroleum products had been reduced to the extent that concession had been obtained from the Oil companies, and if an ordinary Bill had been presented to this House and the House had taken a decision on it, I am sure heavens would not have fallen

The question of oil and petroleum products is of very great importance to the country. Apart from the question of defence requirements, the industrial requirements of a fast developing economy make it obligatory on us to proceed with great care and caution in this matter. The question of domestic consumption is also there. This country consumes roughly oil and petroleum products to the extent of 5½ million tons which, in terms of money on the basis of landed cost, comes to Rs 95 crores. In terms of foreign exchange, it imposes a very severe demand which may well exceed Rs 100 crores. It is this situation against the background of which we have got to judge the implications of the agreement which this Government have arrived at with the Oil companies on 20th May—its implication and how it will affect the consumers

We are fully at one with the policy of the Government in the matter of oil exploration, the intention being to tap indigenous resources in West Bengal, Assam, Punjab, and Rajasthan. I do not think any hon. Member in this House will differ from the point

of view which the Government has, namely, exploitation of the country's oil resources at the earliest possible moment. Side by side, it became inevitable, having regard to our historical association and our connection with the oil companies, to carry on negotiation with them which has finally fructified in the agreement of 20th of May. This is the background against which we have got to judge the contents of the Ordinance and the policy which the Government has adopted of mopping up the reduction in oil prices instead of passing them on to the consumer.

Before coming to the Ordinance proper, if I may divert for a moment to the question of the pattern of consumption of the major petroleum products, it will help us to understand the precise implication, to which I shall refer later on, of the imposition of certain duties, particularly on motor spirits. As I have said, our total consumption is 5½ million tons. India's resources currently estimated are 2½ million tons plus 40 to 50 million cubic feet of gas per day which is equivalent roughly to 6 lakh tons of fuel. As against this demand of 5½ million tons, the four oil refineries are producing a little over 4 million tons. We have to import crude for the three coastal oil refineries. In addition to that, we have to import huge quantities of kerosene and high speed diesel oil. Side by side, we have also to remember that India's demand for oil consumption increases at the rate of nearly 9 per cent per annum.

Also when we consider the pattern of consumption, we may as well divert our attention for a moment to our pattern of production. In the matter of production, it may surprise some hon. Members that we are surplus in the matter of producing motor spirits and to smaller extent in the matter of

production of furnace oil. The significance of this also I shall bring out in the latter part of my speech.

Our dependence abroad for these products naturally lays a heavy burden not only on our foreign exchange, but the prices which the consumer has to pay.

This brings me to the question of an analysis of the price structure. How the prices of oil or petroleum products sold to the consumer are calculated, nobody knows; not even the Government. That has been a secret with the oil companies. The prices are not statutorily controlled; but they are fixed in accordance with what is known as the Valued Stock Account procedure formula. This was agreed to by the Government as far back as 1950. This formula includes the f.o.b. prices, ocean freight, post-c.i.f. charges and remuneration at a fixed percentage of certain charges. This, in reality, means nothing. Though we speak of f.o.b. prices, we do not know actually what constituents have gone into making the f.o.b. price at a particular port. If anything, the so-called Valued Stock Account procedure is that the accounts are maintained by the Burmah Shell Oil company and the other companies follow suit. Not only we do not know what these accounts are, but up till now we did not have any access to them whatsoever, and I doubt, notwithstanding the agreement of 20th May, 1958, to what extent we shall have any insight into these accounts. These accounts are audited by the company's auditors and the other oil companies adopt them because they know that these accounts retain a very large percentage of profit. Also, Sir, if we analyse further it will be found that the landed cost of our annual requirements of 5½ million tons is round about Rs. 95 crores. But what the consumer actually pays is round about Rs. 190

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crores, that is to say on the landed cost we actually pay as much as Rs. 95 crores more. Of this additional Rs. 95 crores Rs. 45 crores are made up of income-tax, Central excise duty, etc., and the remaining Rs. 50 crores include what I believe an extraordinarily top-heavy expenditure in the matter of distribution of oil by the companies and the huge profits of these companies.

As I said, there is absolutely no indication as to how the prices are calculated. What we have so far been given to understand is that these prices are regulated according to what is known as international price parity which is a totally meaningless phrase. Ordinarily it would mean c.i.f. ex-Abadan. Even then it has got no meaning, because we do not know what this c.i.f. price includes. Therefore we are told that the prices which the consumer in India has to pay for his kerosene and other petroleum requirements are not related to the cost of production, but are related to certain international parity, having regard to the prices prevailing in the world markets. Therefore, we are actually paying a great deal more than what was necessary for us to pay.

It is rather significant that in fixing this so-called international parity price, discrimination of a most glaring character has been made against India. Take for instance the prices of motor spirit in Karachi and take them in any place in India, Delhi or Bombay. So far as motor spirit is concerned, there is a difference of one anna per gallon. Pakistan is getting it at one anna cheaper than India. In the matter of aviation spirit, Pakistan is getting ten and a half annas cheaper than India. It is a very important thing, because this discrimination in itself runs into crores of rupees.

Now coming to the agreement of 20th May 1958, if the oil companies have so far been excessively secretive, I am afraid our own Government is not less so. Our Government is observing excessive secrecy. The agreement was concluded on the 20th May 1958, but so far I have never seen anywhere the text of the agreement. In fact, I wrote to the hon. Minister in charge of the Oil Division to let me have a text of the agreement. So far the text is not available. We do not know what the contents of the agreement are. But there are certain broad features on which I should like to make comments because it is on that agreement the ordinance has been based.

This agreement, in the first place, provides for an *ad hoc* reduction in prices by 10 per cent, c.i.f. prices, of the total petroleum products consumed by India. Ten per cent. reduction means a difference of Rs. 10 crores. What is more, the Burmah-Shell Oil Storage and Distribution Company has agreed to write off a deficit in their account, a deficit which they could have recovered legitimately under the agreement. The still more important part of the agreement is that the Valued Stock Account formula is scrapped, and now it has been agreed that our government cost accountant will examine the accounts and then there will be some different formula evolved.

The main point to be noted is that under the ordinance, the Rs. 10 crores reduction which normally should have been passed on to the consumer is not being passed on, but has been mopped up by Government in the form of levy of additional excise duties as has been mentioned in the ordinance. The ordinance provides for levy of maximum duties for certain categories of petroleum products but there has been

a notification issued levying actual duties to which I shall presently refer.

Now, Sir, with regard to the implications of the agreement, or such parts of it as the public is permitted to know by this Government, it will be seen that it is too early yet to pronounce whether that it is a victory for the Government or whether it would be a flop, as much will depend upon the extent to which our cost accountants are permitted an insight into the peculiarities of accounts of the petroleum companies. I am not one of those who would grudge to the various oil companies their legitimate profits. They are certainly entitled to a measure of reasonable profits; what we are worried about is the excessive prices of kerosene, motor spirit, diesel oil, etc., which the consumer in his domestic consumption and for industrial requirements, has been paying year after year. That drain and the heavy incidence of taxation on the consumer has got to be eased.

As I said, much will depend upon the fact whether after scrapping the so-called Valued Stock Account formula we are capable of replacing it with anything better and what that thing will be. I am glad the hon. Minister in charge of the Oil Division has at least condescended to come even at this belated stage

**Shri Narayanakutty Menon** (Mukundapuram): He has abdicated already.

**Shri Nanshir Bharucha:** May I also point out this fact that it is no use telling us, representatives of the people, in this House, that we are going to evolve some new formula. What is that formula? Is it going to be cost plus reasonable margin of profit? Even if that formula is evolved, it would be nothing, because we do not know what ingredients would go

to make up cost or what would be the reasonable margin of profit. What I feel is that Government in the matter of fixing prices or fixing formulae is observing an attitude not only of secrecy but of aloofness and ignoring the consumers. The consumers' interests are never consulted, and the time has come now that the consumer must be represented or associated with the Government in evolving a price policy or any particular formula.

Sir, the consumer has been paying, in addition to the landed cost of the oil, as much as Rs. 95 crores and surely that is one of the reasons why I claim now that this Rs. 10 crores should not be mopped up by the Government, but should be passed on to the consumer. So far as the ordinance is concerned, it imposes a maximum duty on kerosene of 12 naye paise, on motor spirit of 25 naye paise, on refined diesel oil 15 naye paise, on diesel oil not otherwise specified Rs. 20 per ton and furnace oil Rs. 20 per ton. In this connection the notification issued imposes a duty of 6 naye paise per gallon on kerosene, and 14 naye paise on motor spirit. Probably Government have this in view that later on when as a result of negotiations or as a result of fall in prices of petroleum products in the world markets more benefits are passed on to them, they need not come to this House to raise the limit of the schedule in the ordinance. They can easily step them up by means of another notification and deprive the consumer of the additional benefit to which he would be otherwise entitled. Under the ordinance the higher limits of excise duties on petroleum products are fixed. At the moment, by a notification, a lower limit is fixed, and then we are told that the advantage that we are getting now is so meagre that it is not worth while passing it on to the country. Later on something more will be added and

[Shri Naushir Bharucha]

again it will be said that this also is not worth while passing it on to the consumer.

Take this case of the imposition of a duty of 14 naye paise on motor spirit. That would require us to look into the price of a gallon of motor spirit, how it has been made up. In Bombay the ex-pump delivery costs Rs. 2.95. Out of that, the Central excise duty comes to Rs. 1.39 plus 37 naye paise for sales tax. In other words, 60 per cent is the Government's share out of each gallon of petrol price. I am not making any distinction between the Centre and the States, because, after all, whosoever gets the money, the consumer pays. Sixty per cent of the petrol price today is made of Government levies. The hon. Minister says in his Statement of Objects and Reasons that it is not worth while passing on to the consumer this petty amount. Let us take the case of diesel oil. The BEST, for instance, on which I served for six years, consumes round about 8,000 gallons of diesel oil per day. The estimated benefit to a concern like that would run into lakhs. This concern today is fighting whether one anna rate should now be five naye paise or seven naye paise. Surely, if reliefs like that come, then the consumer does benefit. The drain of several lakhs per annum, with a prospective further drain as a result of declining world prices, is not to be treated as not substantially benefitting the consumer.

Take similarly another case, motor spirit. Fourteen naye paise is being imposed. It is a very bad imposition for another reason. As I have mentioned earlier in my speech, we are in surplus with our production in motor spirit. If we have got surplus, the obvious course is to export, but we

cannot export because the world position in motor spirit is in surplus. Therefore, the wiser course would be to reduce the price of motor spirit, so that there will be greater consumption and offtake. Instead of that, the Government imposes an extra levy and increases the consumer's resistance to the consumption of motor spirit. In other words, in a commodity where you have got a surplus, instead of lowering the price and encouraging consumption, the Government increases the price and lowers consumption.

It is not as if—in the case of petroleum products it is not so—the refineries can switch on from one commodity to another. It cannot be done, because the crude that you obtain, out of which you manufacture either motor spirit or any other petroleum product, is of a particular quality. The machinery constructed is of a particular nature and design which will feed only on that particular quality, and therefore if your imbalance, as I may call it, in the matter of refining is that you are in surplus in motor spirits, you will continue to remain in surplus. Therefore, the wise course would have been to give concession in the matter of motor spirit so that there will be greater take off. On the contrary, the ordinance imposes 14 naye paise a gallon and then the Government say it is a small benefit which the consumer may not even feel. It is not so.

In the matter of motor spirit, may I point out that it has been calculated that it is consumed to the extent of something like 73 per cent by public transport and 27 per cent by private transport. Out of the 73 per cent, of course, taxis are there, the trucks are there, the buses are there. Is it contended that when motor spirit consumption is of such a high order, the

various transport companies which run on petrol will not appreciate the benefit? What is this argument which underlies the Government's ordinance that they are mopping up this reduction in price for their benefit and not passing it on because it is not worth while passing on? Ten crores not worth while passing on? I should like to know which consumer would turn his face against it. The ordinance is merely an excuse for withholding from the consumer the reduction in price which he badly needs, and in certain categories of petroleum products it is wise for the Government. That is not being done. That is my major objection to this ordinance.

I may incidentally refer further to another point. It may be contended that motor spirit is used for pleasure driving. Actually that percentage is less than seven as it has been calculated. Therefore to penalise 95 per cent of the consumers and in the bargain to have excessive surplus of motor spirit is not a wise policy at all.

When I plead for this reduction to be passed on to the consumer I am not alone in this respect. I have got cuttings from papers here. Each and every paper, even those which are absolutely pro-Congress, has criticised this ordinance, rather the idea of the Government taking away this Rs. 10 crores.

The Hindustan Standard of 25th May, 1958 says:

"That the saving is not being passed on to the consumer will surprise few. The consumer has forgotten when anything was done for his benefit last by producers or the Government."

The Statesman says:

"There is also prospect of further saving if world prices conti-

nue to fall. Less reassuring, however, is a reported tendency in Delhi to regard this as purely governmental windfall and a reluctance to pass on any benefit to the consumer."

The Statesman further says:

"Some reduction in the price of diesel fuel might mean the difference between profit and loss to several State transport undertakings"

The Hindustan Times of 26th May says:

"Having benefited by this, the Government will now find it hard to convince the consumer about his exclusion from the purview of the price advantage, especially because the estimated annual saving is about Rs 10 crores."

Then, the Indian Express which by no means can be regarded as anti-Government, says:

"The temptation which the Government might feel to merge the amount in general revenues may be as strong as the claim of the consumer to relief, considering the fact that motorist and industrial users of petroleum products have so long been a handy victim of impesunious Finance Ministers."

They also say:

"But, whatever may be done ultimately, the Centre should be on guard against looking on the money as a windfall for itself."

The Times of India says:

"So far as the consumer is concerned, it is to be hoped that he



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will not for long be denied the benefits of the agreement. New Delhi should lose no time in relieving him of the heavy burden of high prices of petrol and other oil products by an appropriate allocation of the Rs. 10 crores that have been saved."

The Hindu of 22nd May 1958 says:

"Except for any temporary advantage that the authorities may seek to derive, it should be agreed that the benefit of a readjustment in selling prices, on the basis of any formula that may be evolved, should be passed on to the consumer."

I have given extracts from the editorials of various newspapers because they reflect public opinion. Not a single newspaper has said that the Government acted wisely in mopping up this money—not a single newspaper. I would ask the hon. Minister to point out to me any one, apart from any Government publication.

That brings me to the final part of my speech, namely, what is going to be done.

**Mr. Deputy-Speaker:** The final part will not be very long, I suppose, because already about half an hour has been taken.

**Shri Naushir Bharucha:** It will be only three or four minutes.

In this case, while we are at one with the Government, that every effort must be made to secure further reduction in price and to replace the so-called Valued Stock Account procedure with a new formula, it is very necessary that the House and the public must be taken into confidence at all stages. It is highly desirable, in

the first place, that the imposition of these additional excise duties should be scrapped altogether, and the benefit of these Rs. 10 crores must go to the consumer straightway.

It has been stated that the consumption of motor spirit has remained stationary because of numerous Central levies. I do not know whether Government want to do something which will virtually reduce this consumption.

I would, therefore, suggest that the ordinance must be scrapped altogether, and the consumer must have not only these Rs. 10 crores but an increasing share, if as a result of fall in world prices we get more benefit or if a result of the replacement of this formula, this country becomes entitled to petroleum products at lower cost.

I hope the Minister will answer the various points which I have made.

**Mr. Deputy-Speaker:** Resolution moved:

"This House disapproves of the Mineral Oils (Additional Duties of Excise and Customs) Ordinance, 1958 (Ordinance No. 6 of 1958) promulgated by the President on the 30th June, 1958."

Now, the hon. Minister may make the motion for consideration.

13-21 hrs.

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

"That the Bill to provide for the levy and collection of additional duties of excise and customs on certain mineral oils be taken into consideration."

**Mr. Deputy-Speaker:** He may make his speech also.

**Shri Morarji Desai:** This Bill seeks to replace the Ordinance that was promulgated on 30th June, 1958 for levying certain additional duties of Central excise and customs on mineral oil products with effect from the 20th May, 1958.

For some time past, Government have been having discussions with the private companies distributing mineral oil products in India for a reduction in the prices of petroleum products. As a result, the companies agreed to a reduction of prices in respect of certain categories of mineral oils effective from 20th May, 1958. These reductions are different for different items of petroleum products, and vary from 15 nP per gallon in the case of aviation spirit to 6 nP per gallon in the case of kerosene.

The important point about these reductions is that they are at the moment provisional. The companies have agreed to an examination being made of their cost structure, and dependent on the results of this examination these reductions now made will have to be re-negotiated and finalised.

The reductions now given should no doubt have been passed on to the consumers, as has been argued by the hon. Member Shri Naushir Bharucha. There were, however, several considerations against such action. Firstly, these are at the moment only provisional, and if, as a result of the cost examination, adjustments have to be made upwards for certain items and downwards in others, there would be no means of recovering the excess payments due in the case of those items in which there might be upward adjustments. Secondly, the price reductions are not of a magnitude which even if passed on to the consumer would be reflected to any significant extent in the consumer prices.

To make the point clearer, we can take the example of kerosene. The reduction agreed to is 6 nP per gallon, which works out to 1 nP per bottle. Thus, in terms of the retail units in which this oil is ordinarily bought by the bulk of the consumers, the effect of the price reduction is almost negligible. Indeed, considering the large number of middlemen and retail dealers through which kerosene passes before it reaches the actual consumer, it is doubtful whether even the small benefit of the reductions would, in fact, have been passed on wholly to the consumers, especially when they have already been accustomed to the prices prevailing at present.

Any arrangement with the companies to transfer to the Government sums to the extent of the price reductions might have created legal difficulties in computing their business income for the purposes of income-tax. It might have also been open to objection on the ground that the amount paid was in effect a tax, and, therefore, required a law to support it. It was, therefore, decided that the amount should be collected in the form of additional duties of customs and excise. At the time of the original negotiations with the oil companies it had been agreed that the price reductions would be re-examined in the light of the report of the cost accountant who has to go into the price structure. As this would be a convenient time for review and readjustment, certain procedural and other points which arose at the time of finalising the Ordinance were also held over for settlement at the time of dealing with the cost accountant's report. Since it had already been agreed that the price reductions would be effective from 20th May, 1958, it was felt that it will not be desirable to defer any longer the accrual to Government of the financial benefit of the reductions, and as Parliament was

(Shri Morarji Desai)

not in session, the legislation necessary for the purpose could be achieved only by means of an Ordinance. The Ordinance was accordingly promulgated by the President on 30th June, 1958.

For the interregnum between 20th May, 1958 and the date of promulgation of the Ordinance, an alternative system of adjustment by compounding was considered necessary for administrative reasons, as direct levies of excise and customs were not free from practical difficulties in respect of the quantities already cleared during this period; provision for this has, therefore, been made in the Ordinance and in the Bill. Ceiling rates for the additional excise duties have also been prescribed, again for administrative convenience, as minor adjustments in prices, implicit in the agreement with the oil companies could be made without having to take the time of Parliament every time such adjustment was necessary. The operative rates of duties which would suffice to mop up the price reductions would, however, be fixed by notifications issued under clause 3 of the Bill which seeks to replace clause 3 of the Ordinance. In the case of all categories of oil, except kerosene, affected by the Ordinance and the Bill, the Indian Tariff Act, which already provides for the levy of countervailing duties equivalent to the excise duties for the time being in force, is sufficient authority for the levy of countervailing customs duties equal to the additional excise duties imposed by this Bill. In the case of kerosene, provision has been specifically made in the Bill for the levy, as an additional countervailing customs duty, of the additional excise duty, levied on this article by this Bill. At present, the additional duties have been fixed at about the same level as the price reductions, minor adjustments being made in the rates on ATF

and aviation spirit for administrative reasons, to equate them to the rates on kerosene and motor spirit respectively.

There is only one other point on which I want to say a word, and that is how much Government expect to accrue to the exchequer from these additional duties. It is not easy to make a correct estimate in view of the possible readjustments consequent on the cost accountant's report to which I alluded earlier. On a rough basis, assuming that the present price reductions agreed to by the companies will not call for any substantial readjustment, we hope to realise about Rs. 8 to 9 crores in a full year. In the current year, we expect to get about Rs. 6½ to Rs. 7½ crores.

I hope that in view of what I have stated, hon. Members will have no hesitation in accepting this measure.

Mr. Deputy-Speaker: Motion moved:

"That the Bill to provide for the levy and collection of additional duties of excise and customs on certain mineral oils be taken into consideration."

Both the resolution and the motion are before the House for discussion. They will be discussed together.

Shri M. R. Masani (Ranchi-East): I would like to support the resolution moved by the hon. Member Shri Naushir Bharucha. I listened to the Honourable Minister's reasons for the action that has been taken, and I must confess that they appear to me to be altogether too technical and not adequate in the general light of the considerations that should apply in a situation of this kind.

It is obvious that when a price reduction is brought about by Government negotiations with the Companies concerned, there is only one genuine or real beneficiary and that should be the man who paid the price. A very strong case would need to be made out to divert the benefit of the price reduction from the pocket of the consumer to the exchequer of Government, and I do not think that the reasons given by the Hon Minister make out such a case.

The plea that the relief would be too minimal and can be ignored is not altogether a fair one. The example of kerosene given by the Minister is not perhaps altogether a representative one but, even so, to suggest that over a period of a year or so a reduction of one *naya paisa* per bottle is something that the poorest people in our villages need not benefit by is not, I think, something that the House can accept. Shri Naushir Bharucha was quite right in giving better examples because, in the case of many other consumers of motor spirit and otherwise, the amount of benefit would be quite sizeable, and the fact remains that Government are diverting to their own pockets Rs. 8 or Rs. 9 or Rs. 10 crores which really belongs to those who have been paying a rather high price all these years, and also a price a great deal of which, as Shri Bharucha pointed out, is based on taxation and not on what goes to the seller.

The reasons given in the Statement of Objects and Reasons of the Bill refer to the need to fulfil Plan targets. I do not know which targets are being referred to. But I can think of one target which needs to be fulfilled from the revenues of oil taxation or oil prices more than any other, and that is the development of our road system and of road transport. If for some reason Government did not

want the common people of the country who are our consumers to benefit from this relief, I could have perhaps understood their diverting the money, provided it had been earmarked for that source which is heavily mulcted by over-taxation—excessive taxation—of mineral and oil products. It has been stated that the taxation on road transport in this country, of which petroleum and oil duties are a very major component, exceeds per ton mile the entire cost of operations and price charged by the railway for carrying materials—the taxes on road transport exceed the entire cost of transportation by railways. That shows the inequitous burden of taxation that road users have had to endure for many years now. Therefore, if anyone was to benefit, if anyone should have been given relief, it was either the consumer of these materials, who is largely the road operator, or alternatively, the development of our road system which is starved of funds.

13.33 hrs.

[SHRI BARMAN in the Chair]

A report which appeared earlier, which I am glad now does not form part of the Bill, was that these funds were to be earmarked for another purpose for stimulating the exploration of oil under the auspices of the State. I hope that that report is untrue and that these funds are not going to be utilised for that purpose, because if they were, I would suggest to the Finance Minister that there would be an additional objection to what is contemplated. That is the adverse psychological effect on existing and potential foreign investors in our country. It would really amount to taking away money from the existing foreign investors in our country by reduction of oil prices.

**The Minister of Mines and Oil**  
(**Shri K. D. Malaviya**): It is the  
consumers' money.

**Shri M. R. Masani**: What is the effect? If it went to the consumer, I would be happy and I would congratulate Government on benefitting the consumer. But if the benefit were to be transferred elsewhere, if the money were to be utilised for investment in the State sector for exploration of oil, then it amounts to a clear transfer from the free sector to the State sector of funds available for investment . . . .

**Shri K. D. Malaviya**: It is a most strange type of argument

**Shri M. R. Masani**: After allowing for a reasonable margin of profit, it is on record—and I think the Hon Minister would not deny it—that these oil Companies have been reinvesting these funds to a very large extent in this country. There funds have been reinvested for the development of the services which they are performing. And if you take away from the man who is in the field, the entrepreneur, funds which he is reinvesting for the expansion of the business for the service of the community, and invest them for exploration under State auspices in the same field of enterprise, I suggest that that is not an operation which potential investors in this country, to whom we look for co-operation, can at all appreciate.

We all wish the Finance Minister every success in the mission on which he is soon to launch when he leaves our shores for countries overseas, but I do not think that an operation of this kind would make his task easier. And that seems to be—apart from what **Shri Naushir Bharucha** has urged very cogently and with a wealth of detail—an additional reason why we should be

careful in undertaking such a transaction.

Finally, I support the Resolution because, as I have said on a previous occasion, I think the practice of legislating by Ordinance on routine matters of an economic nature like this is highly objectionable. Ordinances are meant for emergencies and for national situations that cannot otherwise be dealt with until Parliament convenes. I see no ground why Parliament should not have been allowed to discuss this matter with an open mind. When an Ordinance is promulgated, Government face the House with an accomplished fact and nothing short of a vote of no-confidence would be involved before such a Bill could be rejected.

Therefore, I think in the interests of the processes of democracy, it is not good that every session we should have to come here and protest against Parliament being committed in advance by Government through the process of Ordinance making which was never intended for routine economic decisions and legislation of this kind.

**Shri Narayanankutty Menon** (Mukandapuram): Mr. Chairman, Sir, the hon. Member, **Shri Naushir Bharucha**, moved his Resolution on the admitted ground that the advantage that we have received from the oil companies was not passed back to the consumer. We were a bit doubtful about the reposition made in the Resolution, but when we heard the hon. Member **Shri M. R. Masani** speaking in support of the Resolution, we were all the more convinced that the way in which Government have treated this matter in disposing of the amount that we have got from the oil companies is a correct one.

The primary objection taken by both the hon. Mover of the Resolution and also the supporter of it to the promulgation of the Ordinance was that it was not a step taken in the interest of democratic principles, that at no time should the President exercise the extraordinary powers vested in him in promulgating an Ordinance. When an Ordinance is promulgated, on the face of it, it looks as an undemocratic action, but when it is referred back to us in the form of a Bill for our approval, hon. Members of this House are at liberty to scrutinise the objections to the Ordinance and see whether the Ordinance in any way made any advance commitments on behalf of this House, whether it took away any of the rights either of the people or of the Members of this House

If you look into the substance of the Ordinance, it did not commit us in any way and no rights of the people have been taken away, but it has been used by the President for a very good purpose, a purpose for which this House has been agitating during the last two sessions. Therefore, the primary objection taken that it was wrong to promulgate the Ordinance does not stand.

Regarding the other question, whether this amount of about Rs. 10 crores—now it has been given out as Rs. 8 or Rs. 9 crores—that they have got from the oil companies, a small part of the price the consumers are paying, should be given back to the consumers, it is a most important question as far as the Resolution is concerned. As the hon. Finance Minister has said, ultimately even when the question of kerosene is considered, the relief that the consumers get is one naya paisa. But Shri M. R. Masani has said that if ever allocation of this benefit that we are getting is going to be made for exploration

of oil, that itself is highly objectionable. That is a strange type of argument especially when we are considering the question of oil. The Government have previously announced that the policy by and large is that we should ourselves invest to explore oil and find out sufficient oil so that our country can stand against the oil companies and say that now we can behave as we choose. I do hope that the Government, even if they are not determined on the subject, will now decide that whatever they have got from the oil companies would be utilised for the exploration of oil.

**Shri Naushir Bharucha:** They cannot spend the budgeted amount even.

**Shri Narayanankutty Menon:** I may disagree with the Government that there may be some troubles as far as the exploration of oil is concerned. I was specifically referring to the proposition made by my hon. friend, Shri Masani, that it will drive away foreign capital and make foreign investment shy if India invests this amount in the exploration of oil. If because of that fact alone that this country wants to become self-sufficient as far as oil is concerned—the most vital raw material as far as the Plan, our industry and our advance is concerned—foreign investment becomes automatically shy, we on our part will declare, 'let foreign capital become shy because it is a question of our very existence'. If just because this money is going to be utilised for the exploration of oil, the proposed mission of the Finance Minister is going to be a failure to some extent, we all will feel very glad of that because we are only asserting our right to allocate the money that we are getting as taxation.

My hon. friend admitted that it is not the purchaser of half a bottle of oil that is going to be benefited by

[Shri Narayanankutty Menon]

the shunting back of this amount to the private sector but the private sector would be getting a large amount of relief which they want you to put into their pockets. The only objection is that instead of the private sector making that capital by the relief and investing it back the State will be taking it and investing it back. That is curious logic. Every hon. Member in this House will agree that there is genuine difficulty as far as investment of capital is concerned for the Second Five Year Plan, and that the consumer will have to make a bit more sacrifice. We support that proposition and we are in entire agreement with Government in the allocation of these moneys to the Consolidated Fund of India and later on for the exploration of oil.

I come to the second question which is the most important question as far as this Bill is concerned. During the last two Budget sessions of this House I had placed before the House an elaborate idea about the basis on which the oil companies did the pricing system. The hon. Minister mentioned that some cost accountants went into the whole question and arrived at some propositions and it was as a result of that the Government decided to have this agreement.

But I have got to ask one question of the hon. Finance Minister. When the cost accountants went into the so-called accounts of the company, did they get all the accounts of the companies, because it is a notorious fact that these companies do not keep proper accounts in India and their original accounts are in London? Secondly, I ask, when the cost accountants went into the cost accounting, did they really go into that part of the cost accountancy that has really contributed to the c.i.f. price? I am quite sure that however powerful and intelligent and trained they may

be, they would not have gone into what contributed to the c.i.f. price of the imported oil; they might have simply gone and calculated the c.i.f. price as an accomplished fact from the accounts given by the company. I say they could not have gone into the real cost accounting and found out the profits at all.

I told this House last time that the Government of India themselves are in possession of certain figures as far as the exorbitant profits made by these oil companies are concerned. There are certain reports with the Government of India. I do not know what decision has been taken. But these reports were substantiated by facts also. Certain recommendations were also made to the Government of India in the year 1956. A very important recommendation was that our Government should give to the oil companies at least six months' notice to do away with the present accounting system.

Even taking into consideration the international prices and also the prices prevailing in the Far East and countries like Pakistan and Ceylon, we could have got from these oil companies relief to the extent of at least Rs. 25 to Rs. 35 crores. These were the figures arrived at that time. It was found out and recommended that at the prevailing prices in those countries we could get Rs. 25 to Rs. 35 crores. After that, in 1957, there was a reduction in the international price. Quoting the price in the United Kingdom itself, there was a reduction of 4½d. per gallon of motor spirit. Quite logically, we could have added that reduction also; and when we take into consideration India's average consumption of 774.5 million gallons of petroleum products and calculating the relief of 4½d. at the exchange rate of Rs. 13-8-0 we could have got another Rs. 50 crores a year. On these

admitted facts, these oil companies are making Rs. 50 crores a year over and above the normal profits that they are making in Pakistan, Ceylon and Burma. All these admitted facts are there.

When during the last Budget session of Parliament, every side of the House, every hon. Member without any dissentient voice has given support to Government and when the hon Minister had declared on the floor of this House that Government is going to pursue its attempts for the reduction of the prices of petroleum products, under what circumstances did we surrender to the oil companies by signing this agreement which gives only a relief of Rs. 8 to Rs 9 crores? The net result of this surrender—and I would call it a deliberate surrender—is that we have not got these Rs. 50 crores which are the profits they could easily have made over and above the profits which they are making in the neighbouring countries of Pakistan and Ceylon. What was the provocation for Government, what were the circumstances under which Government had to surrender to the oil companies? According to us—and according to everyone—there is no reasonable explanation at all. It was a time when we had made out a very good case; it was a time when in the international market there was a tremendous recession in the oil prices and our case was more strong and we could have had whatever we demanded. Did the Government feel that our case was weak? There was no reason why the Government should have been weak in this matter because the country was behind the Government. I once again characterise this agreement signed with the oil companies by which we have got only a small relief of Rs. 8 or Rs. 9 crores when we could have had at least Rs. 50 crores as a deliberate surrender made by Government. The Government is answerable

to this House and to the people of India. What is the basis on which these Rs. 8 crores or Rs. 9 crores have been arrived at? Is the Government not convinced about the fact that these Rs. 8 or Rs. 9 crores a year constitute only a small margin of the extra profit that these companies are making? I deliberately say that the hon. Minister will agree with me that Government is not convinced that it is a reasonable reduction that the people of India have got.

These oil companies are making history somewhere else. In the Middle East virtually all these oil companies have been already taken over from these foreign companies. In these years, 1956, 1957 and 1958 small countries have actually got hold of these companies and they have told these oil companies to get out of their countries and get out also of their politics. When these small countries could stand up to face those companies which were virtually ruling over them and tell them either to get out or to sign agreements which were in consonance with the sovereignty of their countries and the interests of those countries, could not this Government of our great Republic tell the oil companies to take only a reasonable price for the petroleum products that they are selling us and fix a ceiling as far as the margin of profit is concerned? Last time I pointed out certain latest agreements signed by the Government of Iran and also the Government of Saudi Arabia with certain international petroleum companies. Those companies are now competing in the international oil market with the oil monopolies of the world, SVOC and BOC. These new companies floated by Japan entered the market in Saudi Arabia and Japan for exploration and refining of oil. Even the Iranian Shah who lived by the subsidy of the Anglo-Iranian Oil Company and the Saudi Arabian monarch



[Shri Narayanankutty Menon]

went to these companies and signed an agreement in competition with the other companies. The terms of those agreements were better than those of the present Indian agreement. The two principle features of the agreement signed by the Iranian Government are that fifty per cent of the total net profit is to be handed over to the Iranian Government. The rest of the profits are to be shared between the ENI Company and National Iranian Oil Company, completely owned by the Government of Iran. Thus 75 per cent of the total net profit is handed over to the Iranian Government. The agreement signed by the Japanese Company with the Saudi Arabian Government gives 56 per cent of the net income to the Government. There is also a guaranteed minimum royalty of 2.5 million dollars a year and the selling prices of products are to be fixed by the Saudi Arabian Government. On the marketing side, the Saudi Government is to be consulted and the accounts are open to Government inspection. There are other equally favourable conditions relating to incidental matters and also to the manufacture of petro-chemicals.

I am giving these details only to show this. Governments which had been completely subservient to oil companies show such vitality today and they enter into competitive agreements with companies in preference to the oil monopolies. Then why not the Government of our great Republic at least show that much vitality? They are not showing us the accounts; the hon. Minister was telling the House that all the accounts were not available. But the admitted figures are here. We may say: do not make extra profits; take only as much as you are taking by way of profits from Pakistan, Ceylon or Burma. We have not done that and it is a serious failure.

The signing of this agreement and the Bill before us should not be the end of the negotiations. This shall only be the beginning of the negotiation with these companies and we should be able to get more concessions from these companies.

The companies were making fabulous profits. Then the Government was seized of the matter. With these fabulous profits these oil monopolies are conducting anti-national and anti-social activities on an international plane. The Government now says: we are satisfied with Rs. 8 or Rs. 9 crores. I have got a pertinent question to ask. How are they treating these oil workers? It is a pity that the Government of India did not consider the most vital component part of the industry. The oil workers are neglected. Is it a mere commercial proposition that you arrive at a settlement with them and get only about Rs. 8-9 crores? We cannot just say: we are now satisfied and we will go away with this money. For full two years, the whole country and the oil workers stood behind you solidly in your demand that the oil companies should do some justice to the Indian economy. What you really did was that you were satisfied with Rs. 8-9 crores and sign an agreement and say that the whole thing has been closed. It is a case where the Government has betrayed

How are the companies treating their workers? I will close by putting a few more points on this issue. In every country these oil companies go, they are establishing their own law. In the Middle-East countries, we have found what the position is. It is just like the barbarians who feel that the customs of their tribe are the law of the land. We have said in this country that the investment of foreign capital should be on our own

reasonable terms and that we would not surrender our own rights and sovereignty. The Government knew very well the way in which the oil companies were treating the workers. The Government deliberately failed in conducting negotiations to ensure minimum and basic living conditions to the workers in the industry.

Just a year back, the petroleum workers in India gave their demands. There are certain industrial laws in this country to which the Government, the Ministries and all the employers are parties. When the All India Petroleum Workers Federation approached these oil companies with certain demands, these oil companies have refused even to recognise the Federation though it represents 75 per cent. of the workers in the industry.

**Shri Achar (Mangalore):** Sir, on a point of order. We are concerned with the Bill and the Resolution. We are not questioning the attitude of the oil companies or discussing some thing else which should have been done. Somehow, we have got Rs. 8-9 crores. What he speaks of is neither the subject-matter of the Bill or the Resolution and I do not know how it is relevant.

**Mr. Chairman:** There was an agreement between the Government and the oil companies. The hon. Member is just mentioning that while deciding upon the terms, the condition of the workers also could have been made better by the Government. It is not irrelevant.

**Shri Narayanankutty Menon:** For the information of the hon. Member I will make it plain. There is such a provision invariably in all the agreements that the companies are making with the various Governments.

**Shri Achar:** My point of order was that we were not concerned with the agreements or the terms under which we settled certain matters. All we are now concerned is about the Bill before us.

**Mr. Chairman:** I have already given my ruling. It is incidental but it is not irrelevant.

**Shri Narayanankutty Menon:** These duties and this Bill are as a consequence of the series of negotiations the Government of India had with these companies.

Certain conventions had been established as far as the industrial and labour matters were concerned. A code has been agreed upon. The Government is very particular that the code should be adhered to. These oil companies are participants of the code. For five years, however, they refuse to negotiate with the Federation and give a fair deal to the workers. What has this Government done?

I know the hon. Minister will plead ignorance because he will say his ministry has nothing to do with labour. But we are legitimately entitled to press this matter before this House as this sort of behaviour by the oil companies will have to be stopped. Some hon. Members felt righteous anger and expressed it before this House that we should not be satisfied with these agreements. We have placed a memorandum of our demands. I have myself seen the Labour Minister many times and I wanted that the whole question should be referred to a national tribunal so that this injustice may be put an end to. But the oil companies are trying to avoid adjudication and with these fabulous profits are trying in this court and that court and finally in the Supreme Court to harm their interests and the workers can do nothing. On this

[Shri Narayanankutty Menon]

occasion, I press the demands of the All India Petroleum Workers Federation and I would suggest that this Ministry also try to settle the hitch so that the whole question of the demands of the Federation would be placed before a national tribunal.

14 hrs.

What is the counterblast these companies are giving now? The Government got Rs. 8 crores to Rs. 9 crores. The Finance Minister, Shri Morarji Desai, is happy over it. The hon. Minister for Mines and Oil, Shri K. D. Malviya, is happy, because at last we have been able to get something out of the oil companies. They are happy because they got something. But, who is unhappy?

Shri K. D. Malviya: Are you unhappy?

Shri Narayanankutty Menon: I am not unhappy because Government has got the money. I am very happy. When the Government gets one more pie from the oil companies, I will be the first man to feel happy about it.

But, what is the net result? The poor workmen have been left to face the music. They are telling us on our face: "Because you supported the Government, because you people demanded a reduction in the rates, because the Government got Rs. 8 crores to Rs. 9 crores, we have to retrench people." What is the answer that the hon. Minister has to this? These companies say that because the Government got Rs. 8 crores to Rs. 9 crores and the workmen are parties to that, they have to face retrenchment. Certainly, Government will have to go to their rescue. We feel that because the Labour Ministry refused to intervene in the matter when representations were made repeatedly, because the Labour Ministry refused to take action even when it was

pointed out that the code of conduct and discipline has been violated by the oil companies after agreeing to it at Naini Tal and in Delhi....

Mr. Chairman: I think, Shri Menon, you are labouring that point too much.

Shri Narayanankutty Menon: This is the direct argument, Sir, that is used by the oil companies to defeat the demands of the Federation. Therefore, when these people are violating whatever they have agreed to, certainly Government will have to come to our rescue. I hope that at least in this situation, when the workers are faced with this music,—I am pointing out this to you now because you have taken Rs. 8 crores to Rs. 9 crores—the Government of India will come to our rescue, and the decision that we have taken today to protest against the oil companies' action and also the Government's refusal to intervene by a country-wide strike on the 5th of September, it will not be necessary to be given effect to. We seriously hope that, before that date, the Government will consider the injustice done to us both by the oil companies and the Government of India, and by that time we will not be dragged to resort to strike, so that we can say, along with the Government, that we have fought for a price reduction and the workers were also protected.

Shri Mohammed Imam (Chitaldrug): Mr. Chairman, Sir, I support the resolution moved by Shri Naushir Bharucha. I need not make a long speech, since the case for the disapproval of the Ordinance has been ably put by the previous speakers. I only want to bring to the notice of the Government that these oil companies, as was pointed out by the Mover, have been making very huge

profits which go outside the country, and the Government have not made any serious effort to reduce the price of this commodity which is quite essential for the use of the country.

Sir, I am deeply concerned with the increasing number of Ordinances that have been recently promulgated by the President, obviously, on the advice of the Government. It is true, sometimes the Government should have recourse to the passing of Ordinances. Ordinances are passed in emergent times, when their aid is invoked to protect the society, or to save the country from some danger, or in some extraordinary circumstances. But to invoke the aid of Ordinance in a fiscal measure like this is a thing that surpasses my imagination. I do not think in any other country where there is full democracy a fresh tax is levied or a tax is enhanced through an Ordinance. This is a very highly undemocratic measure, this is a measure which will keep this House and the Members of this House, especially the Members of the ruling party, in a very awkward position. Also, it is a very bad and unhealthy precedent, a precedent which can be adopted in future also. This may be a minor measure; perhaps, this Bill may not involve an intensive taxation, but this may be taken as a precedent and in future the Finance Minister may go on imposing taxes, fresh taxes, without consulting this House, being sure that he is backed by a majority and being sure that whatever he does will not be seriously controverted by the Members of their own party.

An Ordinance will always deprive this House of its legitimate right. Levy of a tax is an important measure and it is a very serious responsibility that is devolved on the Members of this House. Before a tax is imposed on the people, before a taxation measure is adopted, it is the solemn

and sacred duty of the Members of this House that they discuss it threadbare in this House and find out what effect it will have on the economy of the State before coming to an agreed solution or decision. But, here, these Ordinances make us only "yes-men", because they are sure that their dictatorial measures will be countenanced. Such a measure, on this ground alone, ought to be disapproved, and this Ordinance ought to be disapproved.

This is an era of taxation. This is an era not merely of taxation, but of inflation and frustration also. Every year brings on us some fresh measure of taxation. I think since the dawn of independence people have been loaded with taxes after taxes, and now I can say they are groaning and suffering under the appalling weight of taxes. People are now looking to a time when some relief may be given to them, but I think that time is still very far off.

Along with taxation, as I pointed out, there is inflation also and, in my opinion, the major cause for the present inflation is this over-taxation. We have been complaining, the people have been complaining that there has been a good deal of inflation. People have been complaining that the prices of foodstuffs and other essential commodities have been soaring high. The Government also profess that they have been taking anti-inflationary measures. But this taxation, especially a taxation of this kind, will hardly conduce to bring down inflation; on the other hand, it will make the prices of all essential commodities, including the food-stuffs, soar high, with the result that humanity will suffer.

Sir, the rise in the prices of food-stuffs and also all other commodities are closely inter-related, inter-linked. If the price of one commodity goes

[Shri Mohammed Imam]

up, it is bound to reflect on the prices of other commodities. And, that is the case here. Mineral oil or motor spirit can no longer be considered as a luxury. It is an essential commodity needed by the society; without it the society cannot get on. But, unfortunately, mineral oils are taxed from the very beginning; they are very heavily taxed. Shri Bharucha has given a break-up of how the prices of mineral oils have gone up. He has pointed out that more than 60 per cent goes to the Government by way of taxation and 40 per cent, to the companies. We pay not merely customs duty and excise duty, the State also has a share in claiming its taxes. They levy sales-tax. So much so that the price of this motor spirit which was once, on an average, Rs. 2 or even much less than that, has gone up by more than 100 per cent. Now, the Government did bargain with the oil companies and they succeeded in effecting a certain reduction. I do not know with what object the Government bargained with the companies for the reduction of prices. Was it with a view to mop up the difference, as pointed out by Shri Naushir Bharucha, or was it to give relief to the consumer?

The previous speaker pointed out that it is very difficult to know the cost of production of mineral oils by the companies. The Government itself is in doubt. For such an essential commodity I must point out that the Government should fix a basic price. I remember the excise duty levied on gold in the Kolar Gold Fields which I mentioned last time. That company was making huge profits. There was a chance of making very huge profits especially during the war, but the Government stepped in, fixed a basic price, and said, "You will get only so much of whatever profit you get and whatever you get

above that must be shared both by the Government and by the company". That was the principle, and here also, mineral oil is something like gold. Its price affects the entire country and the public. Here also—it is only a suggestion that I make—I think the Government should fix a basic price and any price that is derived by the company above that, must be shared by the Government and by the companies. This is a suggestion which may be examined by the Government. I think that if that kind of principle is adopted, it will not only bring some relief to the public but would bring a substantial revenue for the Government. But anyhow, I must point out there is great need to bring down the price of the mineral oil.

As I have said, during the last ten years the price of mineral oils has gone up by leaps and bounds, and whatever may be the difference and whatever may be the reduction that has been arrived at ought to benefit the consumers. The Minister of Finance quoted just now that there will be a reduction of six naye paise per one gallon of kerosene. But what about the person who purchases one tin of kerosene? Many people purchase not by bottles but by tins, and if a person who purchases one tin gets a relief of four annas it will be a substantial relief. What about petrol? It is proposed to enhance the duty by 25 per cent.

Shri K. D. Malaviya: I thought you were concerned with those who purchase in bottles, the poorer people, as the spokesmen of the poorer people. That is what I thought.

Shri Tyagi (Dehra Dun): He is not concerned with bottles. He is a teetotaler.

**Shri Mohammed Imam:** I never thought that prohibition will find a place here. That is a different matter. I said any relief will be welcome especially in motor spirit. Supposing there is a reduction of ten per cent., what a great relief it will be to the motorists? At one time it was argued that the owning of a motor or to travel in a motor was a great luxury. That is no longer the case. Motor spirit is an essential commodity which is needed by the public. Its price has gone up very high. If, therefore, the relief had been given at least to the extent of four annas, I think, the consumer will thank the Government.

Secondly, I must point out one thing. I do not know but I think I am correct in presuming that the company agreed for the reduction of the price on two grounds. Firstly, they wanted to give some relief to the public, and secondly, they wanted to increase the sale of petrol by giving a substantial reduction in prices. It was pointed out by Shri Naushir Bharucha just now that we are surplus in motor spirit and that we are not able to sell the motor spirit we manufacture. So, if prices were reduced, there would have been a great demand for motor spirit and the public would have been benefited and the companies also perhaps could have effected a greater sale. Now, if the companies realise that even if they show some concession to the public by the reduction of prices, that reduction is taken advantage of by the Government and does no good for the public, then, I think in future they may not agree to the reduction of the prices at all.

Similarly, occasions may arise in the case of other commodities also. Perhaps this may be used as a precedent. Supposing there is a reduction of price of some other commo-

dity, then also the Government will use their extraordinary power of ordinance and may mop up the difference for their own benefit, and there may be a reluctance on the part of other companies or similar concerns similarly placed to bring down the price. So, the net result will be that the price will remain as it is, or, on the other hand the prices may still go up, and the Government, instead of helping the public and the consumer, will do untold harm to the public.

As I pointed out before, these are days of inflation. In all these taxation measures, if there is such an attempt to mop up the revenue, it will result only in inflationary pressure. The prices will go up. It is true the Finance Minister does all this in the name of the Plan but we are not sure whether all this will go to implement the various schemes under the Plan. I say so because of our previous experience. When his predecessor, Shri T. T. Krishnamachari, was in office in the year 1957, in the budget session he introduced extraordinary measures of taxation both in intensity and in quantity, and the Government during that period and by those measures alone derived an extra additional revenue of about more than Rs. 80 crores. All those taxes were imposed and all that revenue was derived in the name of the second Five Year Plan and for the sake of the Plan. But what did we find in a subsequent budget? We found that the civil estimates have increased considerably. The defence expenditure was put up considerably so much so that there was an increase of expenditure to the extent of about Rs. 120 crores or more than that. All this increased expenditure consumed all the extra revenue that was derived by the additional taxes, and the Plan remains where it was.

[Shri Mohammed Imam]

The Plan has been suffering from chronic deficit. It has been suffering from want of foreign exchange, and for want of resources and the rest. So, I may submit to the Finance Minister one thing. I know he has just taken up his office and we are conscious that every Finance Minister who has preceded him has brought in his quota of taxation. Finance Ministers have come and gone. Our Finance Minister has commenced his innings and he has scored his first run through this measure. I do not know how many taxes we have to face. But I submit to him that perhaps there are limits and it is our duty to bowl and it is the duty of the Minister to score. We must submit that the entire economic atmosphere is saturated with this taxation. I think the time has come when you have to play or apply the reverse gear. The time has come when you have to give substantial relief. The time has come when you have to take necessary measures to combat inflation and combat the frustration that has been created in the minds of the community.

So, on these grounds, I support the resolution ably moved by Shri Naushir Bharucha.

Shri K. D. Malaviya: Mr. Chairman, with your permission, I would like to intervene in this debate with a view to clarifying certain facts which concern the whole process of negotiation regarding the price reduction and also to remove some confusion that has been created by the two sections of opinion expressed by the opposition, one supporting the idea of the Government and the other supporting the transference of the amount to the consumers. I do not wish to deal with the more important aspects and the propriety of the ordinance—the

legal and constitutional aspect—because I am sure that will be dealt with by my senior colleague, the Finance Minister.

What are the facts in connection with these reductions that have been achieved by the Government? Firstly, it is an *ad hoc* arrangement. As the House remembers, the Ministry of Steel, Mines and Fuel have been trying to get some reduction in the price of petroleum products for sometime, because they were convinced that the price structure that obtained in this country at that time was somewhat excessive. As a result of some negotiations with the companies—I want to emphasise the distributing companies—they were good enough to concede the point to a certain extent and agreed to a certain quantum of reduction in the various prices of petroleum products.

On a certain date, the agreement was effected. If it was 20th May. Obviously the House will agree with me that the money should have been transferred to the Government accounts in some way. As the House knows, it has to be done constitutionally. It cannot be a gift from a body to the Government. Even if it were so, there would have been some complication on the other side. Therefore, I feel the introduction of an ordinance was necessary, because it was a measure of co-operation with the distributing companies, which willingly agreed to a reduction in prices.

As the Finance Minister has said in his speech, this is an interim and *ad hoc* arrangement. The cost examination is still going on and the arrangement was that after the cost examination is completed, readjustments will have to be made this way

or that way. If after the examination, it is found that they owe us something as a result of their agreement, then we will get more. Or, if it is the other way about, the position will be examined from that point of view. Therefore, to criticise the inadequacy of this quantum is premature.

My hon. friend, Mr. Menon, who is not present here in the House, thinks that the profits made by the foreign distributing companies amount to Rs 50 crore. After the examination of accounts, if his figures come to be true, I will not be sorry for that. The House will be happy, because when we are faced with such a big amount of profits, obviously we are sure to get some greater share than what we have so far obtained. I do not know whether the profits will reach that big figure. It may be higher, but this has all got to be agreed between the two parties and I am happy that we are getting all the co-operation from the companies

I should say that there is an exaggerated notion of the inadequacy of this quantum that has been put forward in the Bill. This agreement of price reduction has been effected between the Government of India and the distributing companies only. It has nothing to do with the C.I.F. price of petroleum products. The value of all the petroleum products that we are consuming in this country will be roughly Rs. 200 crores. Again speaking very roughly, about 50 per cent. of it goes into the C.I.F. prices. In that amount of Rs. 100 crores, I have included the central and provincial taxes, excise duties, profits and all that and also the cost of distribution. It is for the Government and the distributing companies to agree as to what is the distributing cost, what is the profit and what are the other factors which go to swell up this

amount of distribution cost to the figure of Rs. 100 crores. As I said, the whole thing is being examined. Even presuming that about 60 per cent. of these Rs. 100 crores go to the central and provincial taxes, Rs. 40 crores remain, out of which further examinations have to be made. Therefore, to say that the sum of Rs. 10 crores is inadequate is perhaps making a premature statement. The actual figure may be much more or much less than what we have now.

With regard to the point raised by my friend, Shri Bharucha, that the reduction should have been passed on to the consumer—I am only taking the basic points raised by him—I am not sure that he has given enough thought to the questions involved in this. Let us take, our instance, kerosene. My friend knows that we are consuming much more kerosene than what we are producing. Suppose we were to introduce a substantial reduction in the price of kerosene...

**Shri Naushir Bharucha:** I did not say substantial reduction.

**Shri K. D. Malaviya:** In order to make my position quite clear to the House, I am starting with a substantial reduction, say about an anna a bottle. We are consuming perhaps three times more kerosene than what we are producing in the country. Any substantial reduction or even a moderate reduction, which will mainly reach the bottle consumer and not the canister consumer, is bound to create an incentive for more and more of consumption of kerosene. If we consume more kerosene as a result of reduction of price, obviously a lot of foreign exchange is involved and today we are just not in a position to commit ourselves to an increase in the purchase of kerosene oil from abroad. We cannot and must not do



[Shri K. D. Malaviya]

it. In the totality of circumstances, what we have to do is to discourage the consumption of kerosene in a way that will not really affect the minimum convenience of the people.

Therefore, it is not very desirable for us to transfer a lot of this money that we have got to a thing which is mostly consumed by the general people. That is why I put before the House the illustration of kerosene oil. Now we should not encourage the use of kerosene. That is precisely why I said some time back in this House that our Government are actively considering a substitute for kerosene. We want to produce some sort of lantern which will burn with something other than kerosene which is produced here in this country. Therefore, the entire question of reduction and transference of this money that we have got to the consumers is a big subject which, among other things, has not yet received that consideration which is due to it. Let us take the question of motor spirit. What is the implication of its reduction? It is not 14nP but only 6 nP per gallon, which will mean about an anna.

Shri Naushir Bharucha. 14 nP

Shri K. D. Malaviya: That is the maximum.

Shri Naushir Bharucha: That is not so. I have got before me a notification dated the 30th June saying that the additional duty is 14 nP. The maximum is 25 nP.

Shri K. D. Malaviya: Well, we started with 6 nP, even though it is 14 nP. I will come to that. I am considering the implication of this reduction which is going to be made in connection with motor spirit. This is obviously going to affect the motor

users in the country. We are consuming about 700,000 to 800,000 tons of motor spirit, and there is no scarcity of motor spirit in the country. If we pass this on to the consumer, only that class of consumer will be affected which will not substantially feel this levy. It will be only one anna or an anna and a half

So far as BEST in Bombay are concerned, they are mostly using H. S. D. H. S. D. also is imported in great bulk in this country and any substantial reduction in H. S. D. is also likely to create an incentive for higher production. These small reductions may have given a sense of little relief to some of us. But now the whole thing is being mopped up and utilized by the Government for beneficial purposes

Shri Naushir Bharucha: What beneficial purposes?

Shri K. D. Malaviya: So many beneficial purposes, which include even road development, oil exploration, health, education, everything. It goes to the pool. I strongly felt that when once the whole money goes to the Government, it should properly go to the general pool, because then Government in its totality are in a position to say to which side this money should go. Then there is nothing to prevent me from asking my Finance Minister to give me Rs. 20 crores for oil exploration and if the Government in their judgment think that Rs. 20 crores is indeed fair, of course, I will get Rs. 20 crores, though my humble contribution may be only Rs. 10 crores to the Exchequer. Therefore, the proper place for this money to go is the general pool.

Now, my hon. friend, Shri Masani, produced a very strange argument on behalf of foreign companies. I have

never heard such an argument. During the course of the negotiations our friends who represent the foreign concerns never for once produced an argument which was produced by my friend, Mr. Masani. For the first time, it was a discovery to me that he is the first in this race to impress upon the Government that the interest of the cartel was really being affected; they would object to any sum that goes from the consumers for being utilized for oil exploration. He, in principle, is objecting to this sum being utilized for oil exploration purposes, because it will be in competition with these people who are supplying crude oil to us. I do not think any one, including the foreign interests, will grudge the amount of work that the Government of India have done with a view to search for oil and produce more crude oil. We are getting money and if this money goes to the general pool, I suppose in principle there should be no serious objection, excepting the one lightly made by my friend, Shri Masani.

I have nothing more to say except on those two points about the adequacy of the *ad hoc* arrangements that we have made. I would ask the House to wait till we have really completed the examination of accounts. My friend, Shri Menon, said that the accounts were examined. They are still being examined. To say that we will not get an opportunity to examine all the accounts, as he said, is not a correct assessment of the position.

So far as the C.I.F. accounts are concerned, they certainly fall within the agreement that we have made in connection with the price reduction. It is only with a view to examine the distribution cost that we have entered into the agreement with these people. So far as the distribution accounts are concerned, we will have

access to all the papers and they will be brought before us. As soon as the examination is completed, a true picture of the savings or the reductions that we might get will emerge and the House will know about it. That is all what I wish to say at this stage.

Shri A. C. Guha (Barasat): Mr. Chairman, it is with a mixed feeling that I have received this Bill. Some months ago we raised our protest in this House against the high prices that are being charged by the foreign companies, and those foreign monopolist companies have now yielded some ground and made some reduction in the price of oil supplied to India. To that extent we are happy. We are glad to find that our friend, Shri K. D. Malaviya has been pursuing the matter for a long time and he has been able to achieve some success. But I hope he will continue pursuing the matter further and will please see that only a fair price is charged by the companies. He has assured this House that the prices fixed in this *ad hoc* arrangement are not final and he will be trying even now to get further reduction in the prices.

On the other hand, I am not quite happy with the way in which Government have been handling this matter after the reductions have been effected. I expected a new approach from the present Finance Minister and I thought he would take a more realistic view of the situation. Here I would like to draw your attention to two sentences mentioned in the Statement of Objects and Reasons, as also in the note circulated about the reasons for issuing the Ordinance. The first sentence reads:

"The price reduction were not of a magnitude which, even if passed on to the consuming public

[Shri A. C. Guha.]

would be reflected to any significant extent in the consumer prices"

The following sentence reads:

"Besides, all available resources have to be mobilised for fulfilling the plan targets"

My friend, Shri Malaviya, has tried to prove that the price concession yielded, particularly for kerosene which would affect the poorer sections of the people, would be so negligible that it might be grabbed between the Government and the consumer by the traders. It will be about one naya Paisa per bottle. But, I think, by this Bill the Government would get about Rs. 9 crores annually. At least they should have made some gesture in some of the items put in the first page—there are five items on which this new excise duty is being put—at least they should have shown some gesture in some items and I should say kerosene deserved to be treated first. Out of this Rs. 9 crores that would accrue out of this Bill, if they would have surrendered even a small amount to give relief to the poor consumers of kerosene, I think that would have been somewhat graceful on the part of the Government.

Shri K. D. Malaviya: We have to purchase kerosene from outside.

Shri A. C. Guha: That argument of my hon. friend—that if we reduce the price there will be more consumption and so we will have to get more from outside—if logically carried, will lead us to all sorts of anomalies and economic fallacies. So, that argument does not carry much weight; then in all cases we should put our prices almost beyond the reach of the ordinary man so that consumption may go down.

As for other items also, motor spirit, diesel oil and all these have a bearing on the cost of production of consumer goods. I think it is more or less agreed that our taxation policy has reached a point of diminishing returns. The more taxes we put, the more administrative expenditure goes up and the increased revenue is neutralised by the increase in expenditure. We have raised by new taxes during these two or three years, I think, near about Rs. 300 crores and our expenditure on Plan and administrative matters also has gone up by more than that amount. It has formed a vicious circle and we are moving around it.

14 13 hrs.

[MR DEPUTY SPEAKER in the Chair]

That is why I expected that Morarji Bhai would take a realistic view and would make a review of the entire taxation policy at least on an occasion like this. He may say that this is not a new tax proposal and that it is only a continuation of the prices in another form—in the form of a part of the present prices being converted into an excise duty or customs duty; but anyhow the load will be there and that load has grown to be somewhat heavy on the consumer and on the cost of production. In this way even our export is being hampered. Our articles cannot compete in the foreign market due to high cost of production and that is why I urge that he may review the entire policy and see how the cost of production can be reduced.

Just a few days ago there was a report—I mean the Textiles Inquiry Committee's Report. That Committee also has pointed out that our taxation policy, particularly the heavy excise duty put in September 1956, has adversely affected the textile industry as also our export trade. That Committee has also suggested that some relief in regard to income tax should

be given to the manufacturers for the quota that may be exported from each mill. It is a review of the entire taxation policy which is necessary even according to the Textile Inquiry Committee's Report for the promotion of our exports.

Then, I think, the Tariff Commission in reviewing the fair price of cement has also made some reference to the interests of the consumer. It seems that there is none to look after the interests of the consumer. The consumer is being made to pay any tax. There may be somebody to fight on behalf of labour. There may be somebody to fight on behalf of the industrialists and the businessmen. But the consumer goes totally undefended. I would like to draw the attention of the hon. Finance Minister to this remark that "all available resources have to be mobilised". In the ultimate analysis I hope he will agree that all available resources lie with the consumer, with the general public. If the consumer is crushed under an unbearable burden, his resources will dry up immediately. So, he should have taken some care to see that the consumer may be able to bear the tax burden which at present has become almost unbearable for him.

Then I have further objection to the policy enunciated, i.e., that all available sources have to be tapped for fulfilling the targets. About two years ago or a little over two years ago the State Trading Corporation started dealing in cement and immediately the price of cement went up by about Rs. 15 to Rs. 16 per ton. When this was pointed out, i.e., that this is an indirect sort of excise duty and the State Trading Corporation should not have charged anything like this, the Government conceded that point and converted that surcharge into a sort of excise duty. So,

the price of cement remained at the same level on which the State Trading Corporation suddenly raised it. That is the so-called Equalisation Fund for cement though import was only of a few hundred thousand tons and there is no cement to be imported at present. Yet, they have converted what was previously the Equalisation Fund into an excise duty. This is not a fair deal to the consumer.

They are still continuing an Equalisation Fund for steel. I do not think there is hardly any justification for that. In this way if the Government goes on with the policy that all available sources have to be tapped, then it will ultimately recoil on the Government in the sense that their own expenditure will increase, the cost of production will increase, the cost of administration will increase and the cost of the Plan also would increase. So, we will be moving in the same circle and not making any further progress.

As for the Bill itself, I do not know why the Government took near about five weeks from the 20th May to the 29th June to issue the Ordinance. I do not object to the issue of the Ordinance. That is quite justifiable and that has been allowed by the Constitution. But when it was decided that this reduction would not be allowed to be passed on to the consumer, then they should have issued the Ordinance immediately or if they could have waited for five weeks, I do not see that there was any harm if they could wait for another six weeks and wait for this House to pass an Act without the necessity of enacting an Ordinance. Either they should have acted immediately, or they should have waited for the meeting of this House to pass the Act without having an Ordinance before it.

Coming to the last line of sub-clause (4) of clause 3, the Government is

[Shri A. C. Guha]

not sure about the standard on which this duty is to be levied during that interregnum period between the 20th May and the 29th June. So they have taken an *ad hoc*, sweeping power. Whatever may appear to Government proper in the circumstances will be considered to be the duty leviable. It may be that a certain Inspector will go somewhere and he will say that "this is the quantity of motor spirit or kerosene that may have passed through that concern" and the duty will be levied on that basis. It is a dangerous procedure, dangerous in the sense that an officer may commit some error, and also in the sense that it will be exposing an officer to some temptation which he may not be able to resist. I think that Government should not have put in a clause like this.

With these words I would like, again, to remind the hon. the Finance Minister that he might take a realistic view of the entire taxation proposal. If he blindly goes on with this dictum that all available sources would be tapped for fulfilling the Plan targets irrespective of the consequences on the consumer, I think he may not be able to achieve any great success. He has the reputation of being a man of realism, and I hope he will see that the entire taxation policy of the Government may be reviewed and put on a realistic basis, so that the Plan may really be helped. At present we have been taxing the people and yet we have not been able to make any progress towards the fulfilment of the Plan. From the "core" we have come down to the "hard core". I am glad he has not used the words "hard core" in his statement today; he has still used the word "core". Previously we were hearing of "clinging to the Plan, sink or swim". Then we heard that the core would be implemented. And

subsequent to that, we came to hear that the hard core would be implemented. Today he has not used the phrase "hard core" and I hope he will stick to the core of the Plan which is really essential for the development of the country

Shri Tridib Kumar Chaudhuri (Berhampore): I rise to support the resolution of my hon. friend Shri Nausshir Bharucha. I listened very carefully to the speech that was made when the Minister in charge of the Oil Division intervened in the debate; and I tried to recollect what he had said on this subject during the last Budget debate. He said then—I am quoting from the last Budget debate—

"Then I wish to come to the question of prices over which I feel somewhat perturbed. It is my unpleasant duty to report to the House that we are not proceeding as satisfactorily in the negotiations with the connected oil companies so far as the desire of the Government to effect a satisfactory reduction of the petroleum prices is concerned."

I need not quote the other strong expressions that were used by the hon. Minister at that time. But he said then, and this I cannot refrain from quoting, that "there is a very strong ground for an immediate reduction in the prices of petroleum products".

I might remind the House, and the House also very well knows, that these negotiations are going on for the past two years, and now that the Government has just succeeded in getting a pittance from the oil distributing companies, the Hon'ble Minister comes and tells the House that the oil distributing companies have been very much co-operative

and kind. He actually used the term "kind", and said that as a token of their kindness they have presented us with Rs. 7 or 8 crores. We are not sure that we are going to realise those Rs. 7 or 8 crores this year. As the hon. the Finance Minister said, the year's yield from the duty might be no more than Rs. 6 crores.

Shri Morarji Desai: Rs. 6½ to 7½ crores, up to 7½ crores.

Shri Tridib Kumar Chaudhuri: In this connection, I want to refer to a very peculiar feature in Government's dealings with what the hon. Minister has called, oil distribution companies. We know that we are not dealing with oil producing companies. We do not have much oil in our country up till now, and so far as oil distribution is concerned we have to deal with the distributing companies concerned. But in May last year, when these companies approached the Government for an increase in prices, an increase in prices was readily granted. And here, in the Report of the Ministry of Steel, Mines and Fuel for 1957-58 which was presented to us on the eve of the Budget discussions, we have been given the rates of the increases allowed on 23rd May, 1957. I would ask the House to consider and I would also ask the hon. the Finance Minister to tell us what was the total amount that was granted to the companies in terms of these increases in prices. I have not been able to calculate this thing myself. I am not in a position to do so, but roughly it seems the total amount would come to something like three to four crores of rupees. That means that of the Rs. 7½ crores that we are going to realise from these companies, fifty per cent really represents the increase that we granted to them last year. As a matter of fact we are not getting very much.

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Shri Nanshir Bharucha: It was passed on to the consumers.

Shri Tridib Kumar Chaudhuri: And that increase was passed on to the consumers.

15 hrs.

Now, about the over-all arithmetic of the whole thing, everybody is going by rough figures, and so it would not do much harm if I also go by those rough figures. Roughly speaking, the distribution charges and profits of these companies come to about Rs. 50 crores, and the landed c.i.f. cost of the oil brought here, which is distributed in the country, is about Rs. 95 to 100 crores. That means, for every Rs. 10, we have to pay Rs. 5 for distribution charges and profits to these companies. I would ask the House to just think over this fact very carefully. When the companies come and say that consequent on the Suez crisis, there have been increases in freight and other things, we readily grant them an increase in price. We were told at that time that we are bound by some agreement and till that agreement is replaced by a new agreement, we are compelled to grant such increases in prices whenever that might be demanded by the companies. This is an aspect of the matter which must be taken into very serious consideration by the House as to how we are going to deal with these oil companies. The Burmah Shells, the Standard and Caltex control about 92 per cent of the oil distributed here. That means they are almost in a monopolistic position though the strongest position is that of the Burmah Shells with which we have the agreement known as the Valued stock account, which the Government now promises is going to be examined and the price structure recast on the basis of the results of

[Shri Tridib Kumar Chaudhuri]

that re-examination This matter has been under examination for the last two years. If our friend Shri Narayanankutty Menon is correct—he has not been contradicted—the Government has already its own report prepared by one of the competent officers of the department about the price structure of the oil that we get here and that is distributed here. In spite of that, the Hon'ble Minister comes and says that he does not know what is the actual cost position, that the companies have just very 'kindly' agreed to assist in the examination of their cost accounts with our own Cost Accountant and that we do not know yet what the results of that examination are going to be. It is this aspect of the matter against which the House must record its very strong protest. Of course, I am fully aware of the fact that we do not have any oil deposits and we cannot stand up in the same way as some of the oil producing countries can do to these oil companies. Perhaps, we are also in need of their assistance in view of the precarious foreign exchange position in which we have been landed. Even then, the sort of concessions and the extent of concessions that we are granting to these companies and the very feeble way in which we stand up to their demands or the way in which we press our just and legitimate demands leaves much to be desired.

With these words, I support the motion of our hon friend Shri Naushir Bharucha disapproving of the Ordinance.

**Dr. Melkote (Raichur):** Mr. Deputy-Speaker, I stand to support the motion made by the hon Finance Minister. I was surprised today by the arguments adduced by some of the Members of the Opposition. But, before saying anything further, let me say that as a

result of public opinion, as a result of voicing our feelings in this House and the efforts made by the Government, we have succeeded in adding to our treasury to the tune of nearly Rs. 9 to 10 crores. Though this amount falls far short of our expectations and though we cannot, therefore, wholeheartedly congratulate the Government for these efforts, it should be said that we appreciate the efforts made by the Government in getting this sum from the companies. During the debate, the Minister for Mines and Oil intervened and quoted various figures to satisfy us that the best efforts have been made in getting this amount from the companies. We in this House felt that, India being a vast country and it being known commercially that the greater the amount of purchase one makes, the lesser the cost of that particular commodity would be, whilst Pakistan and Ceylon are getting this commodity at a lower price than the price we pay, we should have now expected a price far less than what Pakistan or Ceylon is paying. Instead of that, he has not even made it clear to us whether the present price structure is at least at the level of that obtaining either in Pakistan or Ceylon. Possibly it is a bit higher. We would like the hon. Finance Minister to explain to us as to why we have not been able to bring down this price structure, if not lower than that of Pakistan or Ceylon, to at least their level.

Apart from this, there are only two points which need to be discussed here today: one is the quantum of money that we should get and the second is how the Government has to hold this money or how it has to be distributed back to the consumer. It stands to reason, and normally that was the expectation of the country as a whole, that the primary consumer should

have received the benefit of this money that the Government is going to obtain back from the company. But, the Finance Minister has very ably argued out his case and told us that if this paltry sum of Rs. 9 crores is to be distributed back to the primary consumer it would come to fractions of pies and that it would be very difficult to arrange to pay this back so as to make it reach the consumer and that incidentally it is not the primary consumer that would benefit by this rebate, but it would be the middlemen that would profit by. This is not the first instance when these things have occurred. Government in the larger interests of the primary consumers has tried its very best both in the Centre and in several States to pay back what is normally due to the primary consumer. But, in the ultimate analysis, it is the primary consumer who has always been cheated and it is the middleman that has made a profit in these transactions. It is hence that I took exception to the observation made by one of the Opposition Members that in spite of this rebate not reaching back to the primary consumer, he said that it still stood to reason that this money should be paid back to the middlemen who made the profit. I cannot understand this logic. The Government has two ways of paying back to the primary consumer. One is directly and the other is indirectly by taking up various welfare schemes to the benefit of the primary consumer. It is here that I support the hon. Finance Minister's remark that this amount, since it cannot flow back to the primary consumer, can still be made to flow back to him in an indirect manner. In this, naturally, the primary consumer would have expected that some relief of an immediate nature would be made to flow back to him. But a long-range view has been taken by the hon. Finance Minister, that if he should tap the oil resources of the country, the ultimate price structure would go down to the benefit of the

common consumer. The common consumer naturally in his poverty expected a relief of an immediate nature, and though he may be sore to some extent at the fact that immediate relief has not been given to him, he would certainly still not feel sorry if that relief came to him even in this indirect manner. On the other hand, he would certainly feel sorry, and we on this side I am sure would have opposed it, if this money, instead of flowing to the primary consumer, was made to flow into the hands of the middlemen.

It took my breath away to hear the argument that foreign people would not be helpful when the hon. Finance Minister went out of this country when they saw that out of the moneys that flow back from them we tap our own natural resources and build our own oil refineries here. I cannot see any logic in this argument. We have been doing this in every sector of our public activity, and so far as I am aware, though the foreigners may feel that to an extent their own export to our country is dwindling, they have not taken any objection, and they cannot take any objection for the simple reason that in their own country they have got to adopt similar measures. Possibly Hon. Member Shri Masani has made this argument on behalf of those people who expect some kind of aid from these foreign capitalists, but the country would not welcome it because it is a very retrograde step if we accepted that argument and implemented it. Therefore, it is my opinion that this House should support the hon. Finance Minister in the Bill that he has moved this morning. I may however request him that instead of utilising every pie of this money for tapping resources for more oil, at least part of it may be utilised in constructing approach roads to the villages. To that extent the people would appreciate such a gesture and support the



[Dr. Melkote]

measure that the Government has brought forward today.

**Shri N. E. Munisamy (Vellore):** I am unable to find any valid or justifiable grounds for the issue of an ordinance of this type. The ordinance was issued on the 30th June 1958. The Government could have waited for some more time, and come before the House with a Bill. Instead of that, the ordinance was issued precipitately and without giving proper thought to it, for which I do not find any cogent reason.

Ordinarily, I should not oppose an ordinance being issued, because there is provision for it under the Constitution, but we have to see whether there are justifiable reasons for resorting to the promulgation of an ordinance. Unless there are grounds and there is some emergency, there is no reason to resort to the issue of an ordinance for dealing with ordinary routine business.

This is not a fiscal Bill. This is only a Bill which seeks to mop up the profit which would otherwise go to the consumers. On a perusal of the Bill I am convinced that the object could have been achieved by bringing forward a Bill giving proper time to the House to consider and pass it. But when an ordinance has been promulgated there are some difficulties since, in substituting it by legislation, we are not to go beyond what has been stated in the ordinance. So, we have to follow it in a way and we are doing it. I do not quarrel with that, but only with the method adopted by the Minister in realising his object.

From the financial memorandum

submitted here I find that for a period of one month and nine days, from 20th May 1958 to 29th June 1958, there is an expenditure involved in assessing the proper amount payable by any person by way of additional excise duties and customs which comes to about Rs. 50,000. Data has been given here that appraiser, head clerk, upper division clerk, lower division clerk etc., have to be recruited. For this short period I think the existing staff could have been asked to cope with this extra work. I do not find any justification to spend this sum of Rs. 50,000. There is no need for the extra staff unless it be there is some special reason to have the appraiser. I think appraisers are only required for customs, and not for excise. I hope this refers to customs. I think it is too much to spend this sum on the additional staff during this short period.

I am not able to understand the real implication of clause 5. It looks as though it provides some protection to the purchasers in that they are not liable to pay or be sued in respect of the whole or any part of the additional duties of excise leviable under this Bill, or the whole or any part of the additional duties of customs leviable under section 4 or under the Indian Tariff Act, 1934, to the extent to which such duties have become leviable by reason of this Bill. The purpose of this clause evidently is that the manufacturers, after entering into a contract or having sold the mineral oil, cannot force the purchasers to pay also the additional duties by adding them to the contract price. It is to safeguard the purchasers and protect them from suits, but I would like to know what is the amount involved, the amount that will be given away by this provision. The purchasers they have in view are evidently not the purchasers of the ordinary type

or consumers; the big distributors also seem to be regarded as purchasers. Mostly, these companies have got their own distributors all over India, and the oil is distributed only through these agents. These agents, after getting the mineral oil, are to be exonerated from paying the additional duties and protected. Ultimately I am sure this will go to the manufacturers. In view of this I wish to know from the hon. Minister the amount likely to be derived from this; if ultimately the purchasers are not to pay and the manufacturers have to pay, how much we will be able to get from the manufacturers under this clause. The hon. Minister has not given this data which is required for a proper consideration of the measure.

The other consideration which exercises my mind is with regard to the ultimate benefit that will go to the consumers. We have been hearing so much from the previous speakers that the consumers must stand to gain. The excise duty, on principle, must go to the benefit of the consumers. But we find that the consumers are not going to get the benefit, but only Government are going to be the real beneficiaries. Sir, the Finance Minister is a democrat and he is a man of integrity, and I do not like personally that this amount of about Rs. 8 crores should be appropriated by him in this fashion. What he ought to have done, in the absence of giving any proper reason, is that he should have given us an idea of how he is going to utilise this amount, or whether the persons who are entitled to the benefit but who have not been given the benefit will be given that benefit later on; and he should also have told us whether he has any scheme before him not only to fulfil the Plan targets but also to see how the consumers will ultimately be benefited. I am sure the Finance Minister must be having

some such scheme in his mind to see that the persons who are now otherwise entitled to have this benefit but who have been denied that benefit by means of this Bill are given that benefit later on. I wish that the Finance Minister apprises us of the real position in regard to the schemes that he has in mind to benefit the consumers in the long run, instead of putting this in the whole amount and then diluting the entire benefit to the entire nation instead of to the persons who are really entitled to have it.

With these observations, I am opposing this resolution. Though some of my observations might tend to support it, yet on the whole, I am not in favour of the resolution moved by Shri Naushir Bharucha; instead, I support this Bill with the hope that the Finance Minister will apprise this House as regards the disposal of this amount ultimately.

**Shri Harish Chandra Mathur (Pali):** We do appreciate the efforts made by the Minister in charge of Mines and Oil in this matter. When he spoke last in this House, he spoke with determination, and we did expect that in a foreseeable time he would be able to come to some successful negotiations. We also appreciate the attitude taken by the oil companies, whether it be yielding to the strong public opinion or seeing reason and responding to what is reasonable.

Having said that, when I come to the real substantial issue, it becomes very difficult to reconcile the arguments advanced by the Minister in charge of Mines and Oil on the one hand, and those advanced by the Minister of Finance on the other. The main burden, as I listened to the speech of the Minister of Mines and Oil, was that if the benefit were passed on to the

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consumer, it would create certain difficulties. The difficulty which he pointed out was that particularly in respect of kerosene, the passing on the benefit to the consumer would mean increased demand for petrol and that would mean greater need for foreign exchange. Just the opposite of it is maintained by the Finance Minister who says that if we passed this benefit to the consumer, it would hardly reach him, and it is too insignificant to produce any result. To reconcile the two arguments is a little bit difficult. That is why they do not carry any conviction to us. I think it would be more honest and correct to say that Government at present need every pie on which they could lay their hands, to augment their revenues, to implement the Plan and to fill the gap that is already there. If they had said so I could have appreciated it, and I could have understood it, because it is no use trotting out arguments which carry no conviction.

While the Minister was speaking in respect of the prices for kerosene, he very conveniently chose only one of the items but he did not touch any of the other three items to which this argument would not apply. He did not say a word about them in justification of mopping up the profit which is now accruing, particularly about petrol and crude oil, he would not say a word. That is why I say, let us be clear in our minds, and let us know where we stand and what the position is.

The reason why I thought it necessary to intervene in this debate was that on both the substantial points, we have not got any sufficient data on which to come to a mature conclusion. We do not know whether the agreement which has been arrived at is satisfactory. I shall not say that it is satisfactory judging from the figures

and facts which are available to us. But I would not dilate on this point, because this is only an ad hoc arrangement, and I hope the Ministry will go into the accounts which have been thrown open to them by the companies and then we hope proper information and facts and figures will be placed before us to see whether a just agreement has been arrived at or not and whether some better arrangement could possibly be made. So, it would not be correct at this stage to make any criticism on that ground. We just think that the thin end of the wedge is there and that we have somehow been able to persuade these people to come to a basic agreement that these accounts can be examined, and in the light of the facts which emerge out of that examination the prices could be fixed. I appreciate the success achieved in regard to this basic approach not in regard to what we have been able to get by means of these negotiations.

The important issue before this House is whether the advantage which accrues from this negotiation should be passed on to the consumer or should stay with Government. I would certainly like to support Government in making all reasonable efforts to augment their resources. We are all anxious that the Plan should be fulfilled. It is no use telling Government that they should not talk of the core or the hard core of the Plan but that they should fulfil the whole Plan if when they come forward with any measures designed to augment their resources and to enable them to fulfil the Plan, we argue the other way round, that would not be fair. But before we give our approval, we are certainly entitled to know whether these taxes are justified or not.

I wanted to collect certain information from the Parliament Library. I

asked them to furnish me with that information, as regards the quantum of taxation which the Central Government, the State Governments and the local bodies are imposing on petroleum products, and how they compare with those in other countries. We have always been talking about the high prices here and the disadvantages which accrue in our developing economy. And the Minister has made a strong argument out of it. But let us know how our tax levies compare with those in other countries in order that we may be able to justify that these prices are high not because of other reasons but because of these reasons. This information was not available in the Parliament Library, and they told me that they have asked the Ministries to supply this information direct to me, but it has not come so far. So, I am not at present in a position to say how our tax measure is justified or not.

There is, however, one point about which my mind is absolutely clear, and it is this, that we should not by these taxes so artificially raise the cost of operation that it obstructs our development plans. I would like to point out that the Air India International actually lose about Rs. 80 lakhs because of the unduly high taxation on petrol products, that is, aviation fuel. We want that these corporations should run as autonomous bodies and that they should make profits. But if we make conditions impossible for them, then how are those bodies to run efficiently? We have to convince the people that the level of our taxation is not high. On the one hand, two Corporations, which are almost government bodies—both the Air India International and the Indian Airlines Corporation—tell us that they cannot run economically, they cannot bring down their cost of operation to a reasonable level because taxation on fuel is too high. I think it is the same Government which is responsible for

both, for the efficient running of both the organisations.

So let us know where we stand, whether their arguments and demands have any force or not, whether it is not reasonable and proper to pass on this benefit which is given to us to the consumers, among whom these Corporations are also included. I will show how this obstructs development. They work according to the cost of operation. The cost of operation is such and such, so this line should be cut; we cannot operate it. Bhopal must go off the map of civil aviation because by having this route we cannot meet the expenses which we have to incur. Jodhpur is struck off the air map simply because the cost of operation is too high. So this artificial rise in the cost of operation through these taxation measures obstructs our own developmental schemes very directly. Therefore, we have to examine and be satisfied whether this sort of obstruction to our developmental schemes, plans and programmes is not the result which flows from such heavy taxation on this side. It will be a very bad economy because we attach more importance to our developmental schemes. If the cost of our developmental schemes is artificially raised by taxation measures which are not justified, then it would be very wrong. I hope the hon Minister will throw light on at least these two points, how our taxation measures affect our developmental schemes and how he justifies them in the light of the difficulties genuinely felt by highly efficient corporations.

We have been giving all credit to our Air India International, but in spite of all efficiency, it is faced with losses. Is it not because of the wrong policy which we follow at this end? These things have to be considered. We have got to look at it as an integrated whole. If it does not obstruct

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our developmental schemes, if these measures are reasonable, I would certainly welcome any measures which go to help Government in the implementation of their schemes and plans.

As we know, at present road transport is becoming exceedingly important. Railways cannot lift all the offerings. Road transport is very important and it depends very much on the cost of fuel. If road transport has to come to our aid in these developmental plans, if it is to take the offerings which are about 30 lakh tons—it is hardly lifting a small fraction of it now—we should examine it from all these aspects, from a wider angle, and then come to some decision.

**Shri Achar:** I wish to make some observations only with regard to one item which I consider is very essential subject from the point of view of the villages—I mean kerosene and the incidence of taxation on it. Before I do so, I would like to say a word about the Ordinance. Objection has been raised that there was no need for an Ordinance and the Finance Minister could have waited till Parliament met. To me the reason for the Ordinance seems to be almost obvious. If I may say so, a windfall came when Parliament was not sitting and probably with the intention of having a system of taxation which is continuous and because they thought that this amount might be utilised, rightly, for the purpose of developmental schemes or for prospecting oil, they came to the conclusion that for this short period of one or two months no change was needed. From that point of view, the Ordinance was promulgated. I feel there is nothing objectionable in that

The point was raised that on a question of purely economics or finance,

there was no need for any Ordinance. I only submit that the reason is obvious and I do not think there is any need for any further argument on that question.

I was just mentioning about the incidence of taxation on kerosene oil. This is one of the most essential items which villagers use. It is not even like petrol. That is why I am requesting the Minister and appealing to him to see whether he could not give some relief with regard to kerosene oil which is used by our ryots and villagers. Those who are acquainted with village conditions know very well that the ordinary tenants and labouring classes in villages, who form a good proportion of the population, are not able to purchase kerosene oil sufficient for their consumption. In fact, we know of instances where they take their food even before sunset because they are not able to find enough money to purchase even ordinary kerosene oil. In such instances, is it not necessary that we should consider whether any relief could not be given to these people?

One of the hon. Members remarked that the Finance Minister comes with proposals to tax more and more. May I appeal to the Finance Minister: here is a very good opportunity for him to give some relief while he is getting more money which was not expected earlier.

**Shri Jadhav (Malegaon):** The moon is there in the sky!

**Shri Achar:** My point is this. So far as Government are concerned, on account of negotiations with the companies, they are going to get about Rs. 8–10 crores per year. If at all, by giving some relief to the consumers of kerosene oil, it may be only reduced by a very small amount. In fact, a

special pleading was made by the Minister of Mines and Oil that if there was a reduction in the taxation on kerosene, people might consume more kerosene oil. I would say it is a very ingenious argument. Let alone the economic pundits, even if we look at it from the common point of view, is it necessary that the very poor people should be disallowed the use of such a necessary article as kerosene oil?

We remember the argument advanced with regard to the tax on salt. One of the main arguments in the earlier days was that salt should not be taxed because our country was poor and people were not able to purchase enough salt, such an essential commodity for the life of man. In fact, the earlier financiers admitted and even an ordinary book on economics would say that the greater the tax on salt the lesser would become its consumption in the country. It would have a very bad effect on the health of the people. That was the reason a tax on salt was opposed.

I would put kerosene on the same footing. It is an essential substance in the villages and I think the Finance Minister would not also be losing probably much on account of this relief. While retaining the main portion, the Finance Minister, in his very first Bill will not be losing much but will be doing a very good turn to the villagers and giving them relief which will give him credit, especially when it is his first taxation Bill.

I remember this—of course, he may not remember it. Some years ago, when he came to North Kanara, the question of land reforms was being discussed. Land reforms had been introduced in the Bombay State and some of the bigger land-holders in North Kanara district approached the then Chief Minister and asked for some relief. I remember the answer

he gave. The reasoning was that it would be giving relief to a large number of people in the villages and that there may be 10 or 15 landlords who may be suffering. I do not know whether he remembers it or not. Anyhow I remember it. So, if a few landlords would be suffering a good number of villagers would be benefiting by that legislation. I put kerosene also on the same footing.

Kerosene is an essential commodity in the villages. I know the conditions in the interior of the villages. The people are not able to purchase kerosene enough even to light a lamp. I come from an area which is a very thinly populated but a hilly one. As I said already—and it is worth repeating—they take their food before sunset and they never see a light. We have got excellent electric lights and everything here.

It is such an essential matter that I would appeal once again to the Finance Minister to see whether he cannot give some relief to these villagers by reducing the price. Probably, it is not a question of reducing the price; it is only a relief to the extent he is getting by this windfall. I hope my appeal would not go in vain. I support the Bill just as I oppose the resolution of the hon. Member Shri Bharucha.

**Shri Morarji Desai:** I have listened with great attention to the debate on this Bill and also on the promulgation of the Ordinance. I am thankful for the arguments given in favour; and I also considered very carefully the arguments which have been given against. I cannot say that there is no validity in the arguments which have been given against; and, yet, I must say that there is less validity in them than in the arguments given by me. I will certainly try to explain why I am saying so.

[Shri Morarji Desai]

I will first take the argument that an Ordinance should not have been promulgated in this case. What was the position in the matter which is under consideration? Government had been negotiating with the companies for reduction in the prices of oil and succeeded in getting a reduction

I may say at the outset, in reply to a question which was asked whether the prices now compare favourably with Karachi that they do compare favourably with Karachi now. And, that was one of the arguments why we wanted the prices to be reduced. But, at that time, if we did not promulgate an Ordinance the question would have resolved itself into giving or passing on this reduction to the consumers, as it is argued that it should have been done.

It was argued that we have taken a wrong example first, of kerosene, and we have not taken the other items, that is motor spirit, refined diesel oil and industrial fuel oil. An appeal has been made to me that I should consider giving relief to many in the villages by passing on the benefit to all those who use kerosene. If it had been possible to pass on this benefit to the villagers and if it had really passed on to them we should have been very happy. But the reduction was only one nP per bottle. One bottle costs at present 28nP as I understand. This one nP would not have reached the consumer even if we had said that we are not going to mop up this price reduction. It would have gone only to the middlemen. If it goes to the consumers, certainly, it benefits the State also because the State benefits in other taxes also if the consumers benefit. But where the consumers do not benefit and where the intermediaries only—a few of them—benefit, I think, it is a very legitimate reason for Government to appropriate

that advantage passing on to only a few people. And, that is what is being done in this case.

If we look at the other item, motor spirit, the extent of reduction would be 14nP per imperial gallon. That would mean 14 nP per mile. Now, motor spirit is used by those who are private car owners, that is, people who use their own cars. But more of it is used in trucks and buses. And, if we go to trucks and buses, the reduction would have come to a motor cycle, .14nP per mile, .56nP per mile to a taxi and .14nP per passenger per mile if it carried 4 passengers in a taxi. It comes to one nP per mile in the matter of buses and if a bus carried 40 passengers, it comes to .025 nP per passenger per mile. In the matter of trucks it would come to about 1.17 nP per mile and if it carried 80 bags of wheat weighing 200 maunds, it would come to about .006 nP per Bengal maund per mile. In the matter of refined diesel oil, it would have given a relief of 7 nP per imperial gallon and when it is considered in terms of per mile consumption, it would have given .35 nP per mile. If the bus carried 40 passengers, it comes to .009 nP per passenger per mile. For a truck, it would give .41 nP per mile and when it carried eighty bags of wheat, it would be .002 nP per Bengal maund. In the case of industrial fuel oils, when it is judged in the context of the large value of goods produced it would work out to a very microscopic figure in the matter of cost. How was this to be passed to consumer? I do not know. It is, therefore, an argument which has no validity if you say that it would have benefited the consumers if the Government had not mopped up this reduction.

I agree that there should not be taxation by Ordinance. I would be very reluctant to do so at any time.

As a matter of fact, I would not like to do it. This is no doubt taxation by Ordinance but not ordinary taxation at all. There is nothing actually taken away from the people from what they are getting at present. It is taken away as it is not passed on. I do not say that it is not taken away from the people, from the consumer as such but it is not a taxation or levy where we have got to recover from the people something immediately. We have got to recover it from the companies.

**Shri Jadhav (Malegaon):** Indirectly it is from the consumer.

**Shri Morarji Desai:** I have said so; I have not denied it. But it is not a taxation measure in the ordinary sense of the term. If we had not done it, we could not have taken it up. If we had waited for bringing in a measure in the House, at that time what were we to do for the interim period? Could we have allowed it to be passed on to the consumers for two months and then levy it again? It would have been real taxation in the middle of the year. But that is not so in this particular case. More so because, as I have said earlier in my speech, this is an *ad hoc* reduction. The condition of the agreement is that if, after examination by the cost accountants, it is found that what we have taken is not justified by costs, we will have to give them a rebate. If we find at the end that their costs are still less, we will be entitled to a greater reduction. If we are entitled to greater reduction, it would not have caused any harm but if we had to return anything, then it would have been very difficult to return it if it had been passed on to consumers because in that case we would have to give a rebate. The rebate would have been given by getting something more from future consumers and the present consumers would have got all the advantages and I do not think that it would have been a fair proposition.

It is, therefore, that after a great deal of deliberation we decided to do this. The question was asked as to why we took so much time from the 20th of May to 30th of June to promulgate that Ordinance. That shows that we did not do it lightly and we gave great thought to it. We examined all the sides of the question before we came to that conclusion. We do not want at any time to take resort to Ordinance for any purpose or to levy taxes. An Ordinance is deliberately provided for in the Constitution and nobody objects to it. No Government would be possible if there were not such a provision. It is, therefore, there for use. Whether the use is justified or not is the main question. Was there an emergency or not—emergency of the type supposed when this article was introduced in the Constitution? In view of the circumstances which I have explained, I feel that the Government would have failed in its duty if it did not promulgate that Ordinance and mop up this profit which would, otherwise, have been frittered away and the consumers would not have been benefited. It is, therefore, that this Ordinance is fully justified and as we have come to the House with the Bill, there could be no argument that we are trying to get it away from the House and that we have not all the respect for the House which we should have. That argument therefore does not hold at all.

As I said in the course of the same argument, there is no question of a large number of consumers losing anything in this particular matter, because really speaking, the consumers would not have been benefited if we had not mopped up this reduction. The price reduction would have been very little.

Some of those who are owners of cars and use them for their own purposes would have certainly benefited to some extent but these people can



[Shri Morarji Desai]

afford to forego this benefit in the larger interests of the country. The larger number of people would not have benefited at all. It is only a few people who would have accelerated their profits. Is that the intention of the House that more profits should go to people even where they did not expect more profits? They could not have reduced the prices or the rates of tickets. Therefore, it was considered necessary and appropriate that this reduction should not be passed on.

I was intrigued by the argument advanced by my hon. friend, Shri Masani. He has said that if this extra amount that has come to the Government is earmarked for exploration of oil, it would be some injustice done to the oil companies and it would perhaps hamper my work when I am going outside. I do not know whether it is a suggestion thrown out and I do not think that the oil companies would be so unreasonable as to make a grievance of a factor about which no grievance can be made. The oil companies have agreed to this reduction because they find that the arguments advanced by the Government are such that they cannot be denied and that they have to be accepted. We have also accepted, therefore, that if after examination by the cost accountants we are not correct in our assumptions, we will give a rebate to them but if on the contrary the reduction is justified and more reduction also is justified, then we will be entitled to more reductions. There could be nothing fairer than that.

Moreover, there is no question of earmarking this for any purpose. Government revenues are not taken for earmarking them for a particular purpose. Exploration does not require any particular earmarking of funds. Everybody says that exploration is necessary and important and that the greatest priority should be given to it. Money has to be found for it from the general revenues and that is what will

be done. Where is the necessity of earmarking funds for exploration of oil only? If this money had not come, is it the presumption that the exploration of oil would not have gone on? It would have gone on and I do not see how oil companies can take objection to the exploration of oil by this country. On the contrary, everybody says that we should explore for oil at a faster rate than we are trying to do and more money should be spent on it. Therefore, Sir, this argument, to my mind, is brought in only to strengthen a weak case which could not be strengthened otherwise.

16 hrs.

Sir, I was also unhappy to hear the allegation against the companies that the cost accountants will not get all accounts. I do not agree with that assumption. There are prejudices everywhere, may be justified to some extent in some cases, but in this particular matter the cost accountants are not finding any particular resistance. We are finding that we have no cause for grievance, at any rate, so far, and Government have all the authority to see that the accounts are properly examined. We do not want to do anything more than that, we want to have a fair appraisal, and I do not think that the companies are not willing to have a fair appraisal.

One argument against the increased revenue that comes to Government was that increased revenue will be neutralised by increased expenditure, just as it had been done in the past. That also is not a very fair treatment of Government. It is true that increased revenue from enhanced taxes has been used for expenditure; but it is meant for that purpose, and it is not meant only for what is in the Plan. After all, the Plan is in addition to the every day general expenditure or committed expenditure of the State, and if the every day expenditure is not to be met also from the

general revenues, then from where is it to be met. The only thing to be seen is whether the increased expenditure is proper or not, whether it benefits the people or not. That is the only standard by which it ought to be judged. It has been admitted even before that there may be several items in which we can have less expenditure, a retrenchment of expenditure or a reduction of expenditure. We are paying as much attention as we can in the matter of reducing all unnecessary expenditure. Yet, we will have to go on expanding our expenditure, to some extent, in all directions, if we are going to go further and if we are going to make this country more efficient, more prosperous and stronger than what it is today. But I may assure my hon. friends here that there is no question of merely having expenditure simply because there is increased revenue. That will not be allowed. We will see to it that that is not done. But increased revenue will be necessary if we are going to go further and further in all the schemes that we are taking up for the welfare of the people, and therefore we will have to go on doing it.

I am sorry, Sir, that I am not able to give comparative taxes on oil in different countries just at present. We will try to find out what is the position, and then I may be able to give the figures at some future time, on an appropriate occasion. Today I do not possess them, and therefore I cannot give them. But I may make one remark in this connection, that we should not compare our taxes only in one item with other countries. All countries have different patterns of taxation. In this country also we should have our own pattern of taxation. The only criterion should be that the taxation should not be such as dries up the source of taxation in future, because taxation should be such that it goes on increasing the source of taxation and goes on giving

an increased income every year rather than a decreased income every year. That is the criterion on which a taxation could be considered healthy. There can also be some other arguments, but this should be a fundamental basis for every taxation, as will be agreed to by everybody, and we are trying to see that our taxation does not cancel itself, or does not become a ruinous taxation so that it impoverishes the sources of taxation and, ultimately, the country too.

Before I end, Sir, I should like to give one little information about a question asked regarding the staff of three appraisers, which is going to be appointed, and some clerks. These appraisers are necessary because the books of the companies have got to be examined for the purpose of arriving at the figure of compounded levy to be made for the period 20th May, 1958 to 30th June, 1958 under clause 3(4) of this Bill. The few clerks that are to be engaged will also have to be there for routine work in this very connection. The staff required will only be there for a temporary period, and will not be there as soon as the work is finished. It is only for this limited purpose and for no other thing.

I hope, Sir, my hon. friend will be satisfied with the view that I have given as regards the justification of the Bill before the hon. House.

**Shri Naushir Bharucha:** Sir, I am far from satisfied.

**Shri Morarji Desai:** I know that.

**Shri Naushir Bharucha:** With regard to the point that the Ordinance became an immediate necessity, the date on which the Ordinance was issued and the date on which the necessity arose contradicts the arguments of the hon. Finance Minister. The agreement was completed on 20th May, 1958, and the Ordinance was promul-

[Shri Naushir Bharucha]

gated on 30th June, 1958 Therefore, one month and ten days elapsed The hon. Finance Minister argued, if we were not to pass the Ordinance what could we do If we could do without it for one month and ten days, if we had waited for another one month and ten days we could have had the Parliament Session by that time What are we going to do during the period, he asked What did you do during the period from 20th May to 30th June? You could have done the same thing for another one month and ten days. There is a provision in clause 5 about compounding of certain excise duties. The same thing could have applied, instead of one month and ten days, to two months and 20 days. Therefore, that argument does not prevail.

The only argument that has been advanced by the hon Finance Minister is that if these reductions were passed on to the consumers they would never reach the consumers. What is the authority for that? There is no authority for that excepting his own inference

Shri Morarji Desai: Yes.

Shri Naushir Bharucha: As the economic law stands, on account of internal competition part of the benefit must pass to the consumer. No economist is born who can precisely say how the incidence of a particular law will be diffused

Shri Morarji Desai: I am not an economist

Shri Naushir Bharucha: That is exactly my difficulty.

Shri Morarji Desai: Nor are you.

Shri Naushir Bharucha: No, I beg your pardon; I am an M.A. with Economics

Sir, the point that I am making is that the hon. Minister denies this benefit to the consumer on an assumption that those reductions will not percolate to the consumers, but that they will be swallowed by the middle-man. That is an assumption, and it is wrong to deprive the consumer of the benefits merely on this Then, he was arguing, even if the benefits reached the consumers, what is the negligible proportion of benefit. And here, the Finance Minister, as was pointed out by my friend, Shri Mathur, contradicts the hon. Minister, Shri Malaviya Shri Malaviya says that if you pass on the benefit in respect of kerosene, the benefit will reach the consumer, the price of kerosene will be reduced and demand will increase, whereas the hon. Finance Minister says that it will never reach the consumer. My reply to Shri Malaviya will be that, since the hon. Finance Minister says that the benefit will not reach the consumers, there is no danger of increased demand, and my reply to the hon Finance Minister will be that, since Shri Malaviya says that the benefits will percolate to the consumers, let the benefit percolate, why should we object The Ministers are contradicting each other. The reason is that they do not know where the benefit will reach The hon. Finance Minister asks what is the benefit that will accrue He says that in the case of kerosene it is only one naya paisa per bottle. But surely when it comes to the question of furnace oil, people do not purchase furnace oil by the bottle. Industries do not purchase their requirements by the bottle. The hon Finance Minister does not reply to that, that the industries will be saddled to a certain extent or not.

Let us take the case of motor spirit and the transport industry. He asks, what is going to be the benefit to a bus It will be one naya paisa per

milie. It would be so because the bus runs 14 miles to a gallon. If it is one naya paisa per mile, he forgets that a bus runs for 150 miles per day. Therefore, the benefit comes to Rs. 1-8-0 a day or Rs. 45 a month. That is not a negligible thing.

**Shri Morarji Desai:** To the owner of the bus.

**Shri Naushir Bharucha:** Whoever it is, it has percolated to the consumer in not a small quantity. I say it from his own showing. If one naya paisa per mile is the benefit to the bus, and if a bus travels 150 miles a day, it would be Rs. 1-8-0 a day or Rs. 45 a month. That is not a small benefit.

He has not replied to other arguments. I stated that it is precisely because fuel constitutes a very major part of the transport cost. That is exactly why we feel the pinch of it. It is no use arguing that this is a small benefit of one naya paisa per mile, because every mile counts. It is no use trying to show it by the terms of per capita or per passenger mile. That is no argument at all, because the cost of services is computed by the transport owner. Therefore, the benefit to him is the benefit which should be taken into consideration.

The hon. Finance Minister has said that six naya paise on kerosene oil is a very small reduction. May I point out to him one thing? If he turns to page 6 of the Bill, he will find in the annexure an extract from the Indian Tariff Act, 1934 showing what is the standard rate of duty on kerosene oil. It is 18.75 naye paise per imperial gallon. Therefore, six naye paise constitute 33 per cent. of the standard rate. That is not a negligible quantity. I am surprised to learn from the hon. Finance Minister that 33 per cent. of the standard rate of kerosene under the Indian Tariff Act is regarded as negligible. The hon. Finance Minister

has left me absolutely unconvinced on this point, that it is a negligible benefit and therefore it will not pass on to the consumer.

There is only one more point and I shall have finished. I feel the time has come when consumers' interests must be associated with anything that the Government does in the matter of fixing the price of oil or in the matter of fixing any parity with regard to oil. I may invite the attention of the House to the 22nd report of the Estimates Committee on oil division. At page 70 of the report, the following suggestion has been made:

"The Committee feel that besides the above standing committee,—

that is, the standing committee on oil,—

"it might be desirable to form a consumer council to protect the consumers' interest in various petroleum products. They, therefore, recommend that this question be expeditiously examined."

Even the Estimates Committee has found the necessity, and said that consumers' interests are going by default. This ordinance and the Bill are an outstanding example of that. I would, therefore, appeal to the Government that at least they should associate the consumers by forming some consumers' council or something so that the consumer might have a say in the price of oil. After all, he is footing the bill in regard to oil to the extent of Rs. 190 crores per annum. This is a suggestion which the hon. Finance Minister should bear in mind.

It is very strange that all these arguments and statistics are advanced when the advantage is to be passed on to the consumer. But, as my hon. friend Shri Tridip Kumar Chaudhuri pointed out, when at the stroke of the

[Shri Naushir Bharucha]

pen last year the oil companies were given an increase in price, nobody talked or said that the price as increased was negligible. Straight-away it was passed on to the consumer. At that time all these arguments were not patent. I submit it is a very unfair treatment meted out to the consumer, and I still appeal to the House to throw out the Bill.

**Shri Narayanankutty Menon:** The hon. Minister said that by means of this measure, the total revenue will be Rs 8 crores to Rs 9 crores. May we know one thing. Because this amount of Rs 8 crores or so comes in the higher income bracket of these companies, how far will the companies get a corresponding tax relief and what will be the real revenue income of the Government? We have not got any account of the companies. Only the Government say they have got

**Shri Morarji Desai:** I do not know if this comes out of the taxes. Of course, all profits are made up. They are also taxed. Therefore, if this had increased, their profits should have also been taxed. And yet, it does come to Government in this form or that form. If it had gone, then, only half would have come. If the whole has come, then the whole is a revenue to Government. Therefore, even examined from that point of view, I do not know what point is sought to be made out. I do not understand what it is.

**Shri Narayanankutty Menon:** My point was this, because—

**Mr. Deputy-Speaker:** I thought it was not a Question Hour!

**Shri Narayanankutty Menon:** Just a clarification. My point was that because this is in the form of excise duty, this duty will be exempt from income-tax and the actual amount

comes from the top income-tax bracket. Therefore, what will be the corresponding relief that the company gets out of this? I do not know whether the Finance Minister had not understood this.

**Mr. Deputy-Speaker:** He had answered that if it had come in that form perhaps it might have been a part of it. Now, the whole is coming. Was that the answer given?

**Shri Morarji Desai:** Yes.

सेठ अचल सिंह (ग्रामगं) मैं जानना चाहता हूँ कि इस बिल के जर्जिये में गवर्नमेंट की मानाना ग्रामदनी क्या हो जायेगी और दूसरे यह कि यह टैक्स प्राविजन गवर्नमेंट्स लगायेगी या स्टेट्स का उन का हिस्सा मिल जायेगा।

**उपाध्यक्ष महोदय:** पहली बात का जवाब तो मिनिस्टर माहब दे चुके हैं कि कितनी ग्रामदनी होगी। वह स्टेट का नहीं जायेगी बल्कि कमालिडेटेड फण्ड में जमा होगी। अफसोस की बात यह है कि मम्बर माहब शायद उस वक़्त मौजूद नहीं थे।

Now, I shall put the resolution to the vote of the House. The question is:

"That this House disapproves of the Mineral Oils (Additional Duties of Excise and Customs) Ordinance, 1958 (Ordinance No. 6 of 1958) promulgated by the President on the 30th June, 1958"

The resolution was negatived

**Mr. Deputy-Speaker:** I shall now put the motion to the vote. The question is.

"That the Bill to provide for the levy and collection of additional duties of excise and

customs on certain mineral oils be taken into consideration".

*The motion was adopted.*

**Mr. Deputy-Speaker:** There are no amendments to the Bill. The question is:

"That clauses 1 to 6, the Enacting Formula and the Title stand part of the Bill".

*The motion was adopted.*

*Clauses 1 to 6, the Enacting Formula and the Title were added to the Bill.*

**Shri Morarji Desai:** I beg to move:

"That the Bill be passed".

**Mr. Deputy-Speaker:** The question is:

"That the Bill be passed."

**Shri Narayankutty Menon:** I want to speak on a point of clarification. The hon. Finance Minister has said in his reply that this is only a tentative arrangement with the companies, and subsequently cost accountants will go into the accounts of the companies and if, on examination of the accounts, there is reasonable ground for demanding more cut in the prices, that will be asked for, and if, in the alternative, the cut already given by the companies is not reasonable, then the companies will have to be given a relief with retrospective effect. This is the first time the Government says that there is reasonable doubt on the part of Government that this tentative arrangement may, upon proper examination of the accounts of the companies, prove otherwise also. During all the debates previously upon this question, Government Ministers have announced that the Government is convinced that the oil companies are taking very unreasonable prices and they are making

unreasonable profits also. The Ministers have also admitted that compared to the international price of oil, the oil sold in India costs more and therefore, obviously and reasonably, oil companies are making more profits.

But now we come to understand that the Government has given another rope to these companies in the alternative form that if on an examination of the accounts, the Government come to the conclusion that whatever price reduction we have asked for is unreasonable, we have to give back to the companies this relief. When I made a reference to the accounts of the companies, I spoke not in an irresponsible way, because it has been the subject-matter of discussion on the floor of the House and once the hon. Speaker had to pull a Minister to bring forward the accounts of a particular company, which the Minister said were not available. Before many courts, the companies had filed affidavits saying that the entire accounts of the companies are not kept in India, but are kept in London, and so, it is not possible for these companies to bring forward all those accounts. Therefore, the hon. Finance Minister said, "accounts kept by these companies on the distribution wing of this industry". So, in that account, we will find the cost of petroleum as it comes to the ports of Bombay, Cochin and Calcutta, their expenses in distribution and whatever remains is the surplus in India. I submit that the Government should reconsider this position. By accounts, it is meant not the accounts kept by the company in India with the CIF prices alone, but also the additional expenses shown by the company in various terms which are not ordinarily allowed in accounts—various items of expenditure on entertainment and so many other things.

You will find that the total amount of business done by these companies

[Shri Narayanankutty Menon]

in India and actually the cost of distribution have risen in recent years to a very exorbitant level. Therefore, when the Government come forward to examine the accounts of these companies, they should examine not the accounts kept in India for the distribution wing of the industry alone, but a reasonable explanation should be sought from the oil companies regarding the break-down. The Government should not be satisfied by checking on the expenditure items shown by the companies, by giving large amounts of money as bonus to foreign personnel completely out of proportion to the salaries drawn every month and also entertainment allowance. Government should take care to see that only reasonable items of expenditure in consonance with the nature and total volume of business in India should be allowed. If these accounts are examined, just as the Government used to be convinced six months or a year before, I am quite sure that the original information the Government had in their possession about the profits made and the right of the Government and the people of India to get a reasonable return as far as the prices are concerned, will prevail.

I beseech the Government that immediate steps be taken, so that this matter should not be delayed. Last year, after giving an assurance on the floor of the House that we are pressing the oil companies for a price reduction, two months afterwards, through another Ministry, the Government granted a price increase simultaneously. No explanation was given to the House for giving that price increase. Government should not in future do this sort of double-talking. On the one side they say that they are convinced that the prices are high, but through another Ministry they give a price increase without consulting this House and

without our having an opportunity to discuss that subject. Government should confine themselves to this point that the prices are unreasonable and they should look into the accounts and properly check them. In the meantime at least the status quo about the ad hoc arrangement will have to be maintained and thereafter, after consulting this House, Government should take a final decision regarding the price reduction.

I do hope that the Government will not repeat what they have done last year by granting ad hoc increments in prices, and that they will, after proper examination of accounts, come before this House again and do what is just as far as the price of oil is concerned.

Shri Morarji Desai: I can assure the hon. Member that Government will benefit by his suggestion—so far as it is possible and reasonable to do so.

Mr. Deputy-Speaker: The question is:

"That the Bill be passed".

The motion was adopted.

16.25 hrs.

RESOLUTION, RE: BANARAS  
 HINDU UNIVERSITY (AMEND-  
 MENT). ORDINANCE AND  
 BANARAS HINDU UNIVERSITY  
 (AMENDMENT) BILL

Mr. Deputy-Speaker: The House will now take up discussion on Shri Braj Raj Singh's resolution regarding disapproval of the Banaras Hindu University (Amendment) Ordinance, 1958 and the Banaras Hindu University (Amendment) Bill, 1958.

The resolution and motion for consideration of the Bill will be discussed

(Amendment) Ordinance and  
Banaras Hindu University  
(Amendment) Bill

together after which the resolution will be put to the vote of the House first and, if negatived, the motion for consideration of the Bill will be put to the House.

As the House is aware, 6 hours have been allotted for both the items.

श्री ब्रजराज सिंह (फिरोजाबाद) :

उपाध्यक्ष महोदय, मैं निम्न लिखित सकल्प प्रस्तावित करता हूँ :

"यह सभा राष्ट्रपति द्वारा १४ जून, १९५८ को प्रख्यापित बनारस हिन्दू विश्वविद्यालय (मशोधन) अध्यादेश, १९५८ (१९५८ का अध्यादेश संख्या ४) को नामजूर करती है।"

यह मेरा दुःखद कर्तव्य है कि मैं देश के किसी विश्वविद्यालय के सम्बन्ध में यहाँ पर विस्तृत चर्चा करूँ। यह अध्यादेश पास करते समय सरकार ने एक वक्तव्य दिया जो कि सदन की मेज पर रखा गया है। उस वक्तव्य में कहा गया है :

"The report received by the Government of India regarding the Banaras Hindu University showed that the state of affairs of the University was so serious that it was necessary for the Government to intervene. Consequently in July, 1957 the President, as Visitor of the University, appointed a committee to enquire into the state of affairs of the University. The committee commenced its sittings on 31st July, 1957 and submitted its report in April, 1958."

यह अध्यादेश पास किया गया। इस संदर्भ में यह जान लेना आवश्यक है कि लोक सभा का पिछला सत्र ६ मई को खत्म हुआ था। इस कमेटी ने, जो कि मूल में महालिबर

कमेटी के नाम से मसहूर हुई थीर जिसने राष्ट्रपति ने बिजिटर की हैसियत से जुलाई, १९५७ में नियुक्त किया था, अपनी रिपोर्ट बिजिटर को—और बिजिटर का भ्रम हमें केन्द्रीय सरकार लेना चाहिये, और केन्द्रीय सरकार का भ्रम हमें शिक्षा मंत्रालय लेना चाहिये—अप्रैल, १९५८ में दे दी थी।

प्रश्न यह है कि जब प्रेजिडेंट को ओ आर्डिनेन्स लागू करने की पावर है उसका इस्तेमाल किया गया तो जो रिपोर्ट अप्रैल, १९५८ में आ गई थी सरकार के पास, उसे लोक सभा के सामने क्यों नहीं रखा गया। और यदि बनारस विश्वविद्यालय में कोई ऐसी परिस्थिति पैदा हो गई थी जिन के कारण शिक्षा क्षेत्र का प्रबन्ध होना असम्भव हो गया था तो उन परिस्थितियों को लोक सभा के सामने क्यों नहीं रखा गया? इस सदर्भ में मैं चाहूँगा कि प्रेजिडेंट की आर्डिनेन्स मैकिंग की जो पावर है उस की तरफ सदन एक बार पुनः ध्यान दे।

"If at any time, except when both Houses of Parliament are in session, the President is satisfied that circumstances exist which render it necessary for him to take immediate action, he may promulgate such Ordinances as the circumstances appear to him to require."

इस सम्बन्ध में मेरा निवेदन है कि बनारस यूनिवर्सिटी के सम्बन्ध में राष्ट्रपति को जो ज्ञान हुआ वह जिस वक्त लोक सभा का पिछला सत्र खत्म रहा था उस के बीच में ही हो गया था। अगर लोक सभा के सत्र के खत्म होने के बाद राष्ट्रपति को उसका ज्ञान हुआ होता तथा उस के बाद सरकार को ज्ञान हुआ होता, उस के बाद वह कोई आर्डिनेन्स



[श्री बृजराज सिंह]

पास करती, तो मैं समझ सकता था कि उसके लिये कोई प्रीविलेज था। परन्तु जो मुदालियर कमेटी की रिपोर्ट, बनारस यूनिवर्सिटी के सम्बन्ध में, सरकार को अप्रैल में ही मिल गई हो, उस के सम्बन्ध में ६ मई, १९५८ तक, जब तक कि लोक-सभा का पिछला सत्र चला, कोई जिक्र न किया जाये और जब लोक सभा का सत्र उठ जाये, लोक सभा का अधिवेशन खत्म हो जाये, उस के बाद सरकार हमारे सामने एक ब्राडिनेन्स को ले कर आये, यह कहा तक ठीक है? मैं निवेदन करना चाहता हूँ कि शिक्षा क्षेत्र के भलावा किसी और चीज के सम्बन्ध में ब्राडिनेन्स बनाया गया होता, जैसे कि अभी एक ब्राडिनेन्स के सम्बन्ध में हमारे योग्य मित्र श्री भरूचा के प्रस्ताव पर चर्चा हो रही थी, तो उस का कोई प्रीविलेज भी हो सकता था। लेकिन एक ब्राडिनेन्स पास कर एक यूनिवर्सिटी का शासन प्रबन्ध अपने हाथ में लेने पर हमारे देश में ही नहीं, दुनिया में, जिसे विश्वविद्यालयों की भटानमी या स्वतन्त्रता कहा जाता है, उस के लिये बहुत बड़ा अभिमान माना जाता है।

सास तौर से इस मुल्क में जहाँ पर हमने अपनी आजादी हासिल करने के लिये बड़ी कुर्बानियाँ की हैं और उस जमाने में जबकि हिन्दुस्तान आजाद नहीं था और अंग्रेजों का शासन यहाँ पर था तब भी हमने विश्वविद्यालयों की स्वतन्त्रता का अपहरण नहीं होने दिया, ऐसे सन्दर्भ में बनारस हिन्दू विश्वविद्यालय की स्वतन्त्रता का अपहरण करने के लिए मुदालियर कमेटी की रिपोर्ट अप्रैल, सन् १९५८ में आने के बाद जोकि लोक सभा और राज्य सभा की बैठकें होती रही, ६ मई तक लोक सभा का सेशन होता रहा लेकिन तब उस रिपोर्ट को सदन के सामने न रख कर

१४ मई को उसके सम्बन्ध में एक ब्राडिनेन्स लागू किया जाता है। इस सम्बन्ध में मैं यह निवेदन करना चाहता हूँ कि उस परिस्थिति में ब्राडिनेन्स जारी करने के लिए कोई कारण नहीं था। यदि सरकार को यह विश्वास हो गया था और विजिटर को अपना राष्ट्रपति को यह विश्वास हो गया था कि बगैर ब्राडिनेन्स लागू किये हुए बनारस हिन्दू यूनिवर्सिटी का शासन प्रबन्ध और उसकी शिक्षा व्यवस्था ठीक से नहीं चल सकती तो मैं निवेदन करना चाहता हूँ कि जैसे ही सरकार को और राष्ट्रपति को मुदालियर कमेटी की रिपोर्ट मिली उसके तुरन्त बाद ही वह रिपोर्ट लोकसभा में विचारार्थ पेश होनी चाहिये थी और सरकार को चाहिये था कि वह उसके लिए कोई बिल लाती और लोक सभा में उस पर विचार होता और उस बिल पर लोक सभा की स्वीकृति की मुहर लगवाती लेकिन ऐसा नहीं किया गया। सरकार से मैं पूछना चाहता हूँ कि ऐसा क्यों नहीं किया गया?

बनारस हिन्दू यूनिवर्सिटी की स्वतन्त्रता का इस तरह से सरकार द्वारा अपहरण किया गया है, बनारस हिन्दू यूनिवर्सिटी इस देश में ही नहीं अपितु विश्वविख्यात यूनिवर्सिटी है और वह दुनिया की उन चन्द एक यूनिवर्सिटियों में से एक है जिनका कि नाम बड़े आदर के साथ लिया जाता है और जिसके लिए उसके संस्थापक पूज्य महामना मासबीय जी ने सन् १९१६ से पहले यह कहा था कि वे चाहते हैं कि हिन्दुस्तान में नालन्दा और तक्षशिला के समान विश्वविद्यालय कायम हों जहाँ कि १०००० विद्यार्थी पढ़ सकें और वहाँ पर रह सकें। पंडित मदन मोहन मालवीय ने यह शब्द उस समय कहे थे जब हिन्दुस्तान की

आजादी की लड़ाई को लड़ने के लिए भारतवर्ष में महात्मा गांधी का पदार्पण दक्षिण अफ्रीका से नहीं हुआ था। सन् १९१६ में जब उन्होंने इस यूनिवर्सिटी को कायम किया और इसकी शुद्धता की तो इस उद्देश्य को लेकर शुरू किया कि वे उसको नालन्दा और तक्षशिला के समान बनायेंगे जहाँ पर कि १०,००० विद्यार्थी पढ़ सकें वहाँ पर रह सकें और उच्च शिक्षा उनको दी जा सके।

सन् १९२१ में जब कि भारत की स्वाधीनता प्राप्ति के लिए आन्दोलन किया गया, सन् १९३१ में जब आजादी के लिए भारतवासियों द्वारा नमक सत्याग्रह चलाया गया और भागे चल कर सन् १९४२ में जब भारतवासियों ने अपने को विदेशी दासता से मुक्त करने के लिए प्रयत्न किया और अंग्रेजी सरकार को "भारत छोड़ो" कहा उस समय भी कभी भी विदेशी सरकार बनारस हिन्दू यूनिवर्सिटी की स्वतन्त्रता का अपहरण नहीं कर सकी। सन् १९३१ में जब महामना मालवीय जी बनारस हिन्दू यूनिवर्सिटी के उपकुलपति थे तो ऐसा मौका आया जब सरकार ने सन् १९३१ में उनको गिरफ्तार किया, गिरफ्तार होने के बावजूद वह जेल में रहते हुए एक डेढ़ महीने तक जेल के अन्दर से यूनिवर्सिटी का शासन प्रबन्ध चलाते रहे। उस वक्त की विदेशी सरकार की जो कि हमारी किसी भी बात को सहन नहीं कर सकती थी, उसकी हिम्मत नहीं पड़ी कि वह बनारस हिन्दू यूनिवर्सिटी की स्वतन्त्रता का अपहरण करती और कोई आर्डिनेन्स पास करती उसका शासन प्रबन्ध अपने हाथ में लेती। सन् १९४२ में जब बनारस यूनिवर्सिटी देश की आजादी के लिए लड़ने वालों का एक पूरा गढ़ बन गई थी, यूनिवर्सिटी कैम्पस में विद्यार्थियों के पास जाने की पुलिस या मिलेटरी की दस दिन तक हिम्मत नहीं पड़ी, उस जमाने में भी ब्रिटिश

सरकार की, जिसके कि विरुद्ध हम आजादी की लड़ाई लड़ रहे थे, हमन उसको यह कह दिया था कि हम तुम्हें इस देश में भ्रम नहीं रहने देंगे, यह हमारा मुल्क है और हम भारतवासी यहां पर अपना शासन चलायेंगे, उस वक्त भी उस ब्रिटिश सरकार की हिम्मत नहीं पड़ी कि उस यूनिवर्सिटी को अपने हाथ में लेती लेकिन उन लोगों ने जो महात्मा गांधी के पदचिन्हों पर चलने की बात कहते हैं, उन लोगों ने जो महामना मालवीय जी के पदचिन्हों पर चलने का नाम लेते हैं जिन मालवीय जी ने हिन्दुस्तान की आजादी के हेतु कम कुर्बानियां नहीं कीं, उनके शिष्य बनने की कोशिश करते हैं, ऐसे लोगों ने १४ जून सन् १९५८ को उस बनारस हिन्दू विश्वविद्यालय की आजादी का अपहरण किया।

यहां पर यह सवाल उठाया जा सकता है कि क्या किसी भी दशा में कोई आर्डिनेन्स पास ही नहीं किया जाना चाहिए। मेरी विचारधारा को भंगर माना जाय तो मैं तो कहूंगा कि कभी भी कोई आर्डिनेन्स पास नहीं किया जाना चाहिए जब कि हमारे यहां पर दो सदन अर्थात् राज्य सभा और लोकसभा हैं और लोकसभा जनता द्वारा चुनी जाती है। भंगर कोई ऐसी परिस्थिति सरकार के सामने आती है जिसमें कि वह यह महसूस करती है कि जो मौजूदा कानून हैं उससे ठीक तरह सरकार का शासन प्रबन्ध नहीं चल सकता है तो उसके लिए राष्ट्रपति से यह प्रार्थना की जानी चाहिए कि वे लोक सभा और राज्य सभा का अधिवेशन बुलायें और सदन द्वारा उस पर विचार किया जाये, जो जनता के चुन हुए प्रतिनिधि हैं उनको उस पर अपने विचार प्रकट करने का मौका मिले और यदि कोई परिवर्तन करने अथवा कानून बनाने की जरूरत महसूस की जाये तो वह किया जाये। लोकतन्त्र में सरकार द्वारा शिक्षा के क्षेत्र में

### [श्री प्रजराज सिंह]

इस तरह से यूनिवर्सिटी की स्वतन्त्रता का धार्मिक जादी करके, अपहरण किया जाना भी किसी भी दसा में उचित नहीं है। बनारस हिन्दू यूनिवर्सिटी की स्वतन्त्रता का अपहरण किन परिस्थितियों में सरकार द्वारा किया गया है यह ध्यान में रखने वाली बात है। सन् १९५८ में अप्रैल मास में जब मुदालियर कमेटी की रिपोर्ट सरकार को मिल गई थी उस वक्त और उसके बाद ६ मई तक लोकसभा का अधिवेशन चलता रहा था। मेरे पास ठीक तारीख नहीं है जब कि शिक्षा मंत्रालय को मुदालियर कमेटी की रिपोर्ट मिल गई थी। इसमें यह नहीं दिया गया है कि कौनसी तारीख को उन्हें यह रिपोर्ट मिली लेकिन मैं माने लेता हूँ कि मुदालियर कमेटी की रिपोर्ट सरकार के पास आखिर अप्रैल में ही आई। तो भी सरकार के पास १२ दिन थे जिसमें कि सरकार अगर चाहती तो जल्दी से जल्दी विचार करके सदन के सामने रख सकती थी और कानून बनवा सकती थी लेकिन सरकार ने ऐसा करना आवश्यक नहीं समझा। मैं जानना चाहता हूँ कि उसने ऐसा क्यों किया? मैं जानना चाहता हूँ कि जब लोकसभा चल रही हो और राज्य सभा चल रही हो, दोनों सदन चल रहे हो तब सरकार ने यह क्यों नहीं चाहा कि मुदालियर कमेटी की रिपोर्ट सदन में रखी जाये और उस पर विचार किया जाये और सरकार अगर उचित रखे तो उसके लिये ससद् से कानून पास जाये? ऐसा करना सरकार ने क्यों उचित नहीं समझा इसके पीछे कुछ दूसरी बातें हैं जिनकी कि तरफ श्रीमन् मैं आपकी अनुमति से सदन का ध्यान आकर्षित करना चाहता हूँ, सदन के जरिए मैं पूरे राष्ट्र का ध्यान आकर्षित करना चाहता हूँ। जुलाई सन् १९५७ में तत्कालीन मुदालियर कमेटी बैठी थी। वह कमेटी किसके लिए बैठी थी और क्यों बैठी थी जिसके कि लिए यह कहा गया था कि

बनारस यूनिवर्सिटी में कुछ इस तरीके की परिस्थितियाँ पैदा हो गई हैं जिनकी कि जांच करनी आवश्यक है और इसलिए उसकी जांच करवाई जाय लेकिन उस जांच को करने से पहले जो बनारस हिन्दू यूनिवर्सिटी का सन् १९५१ का ऐक्ट था उसको सरकार ने खत्म कर दिया। उस ऐक्ट की धारा ५ की उपधारा ३ को कतई लागू नहीं के साथ तोड़ा गया उसका कोई ध्यान नहीं रखा गया। उस उपधारा में यह कहा गया है

"The visitor shall, in every case, give notice through the University of his intention to cause an inspection or enquiry to be made, and the University shall be entitled to appoint a representative, who shall have the right to be present at the time of inspection and enquiry"

मैं निवेदन करना चाहता हूँ कि इस उपधारा के होते हुए भी सरकार ने बनारस हिन्दू विश्वविद्यालय को कोई नोटिस नहीं दिया कि हम आपके यहां कोई इन्स्पेक्शन करना चाहते हैं, कोई जांच पड़ताल करना चाहते हैं और कोई कमेटी मुकर्रर करना चाहते हैं इसके लिए कोई नोटिस नहीं दिया। इस सम्बन्ध में यह बात ध्यान देने योग्य है कि पिछले वर्ष जब कि यह कमेटी मुकर्रर हुई थी तो एक प्रश्न यहाँ पर पूछा गया था उस समय शिक्षा मंत्रालय की ओर से यह कहा गया था कि इस सम्बन्ध में नोटिस और ऐक्शन दोनों एक साथ शुरू होंगे। यह भी मजबूत तमामासा है कि नोटिस और कार्यवाही एक साथ शुरू कर दी जाती है। उचित तो यह था कि पहले नोटिस दिया जाना चाहिये था कि हम आपके विश्वविद्यालय के सम्बन्ध में जांच पड़ताल

करना चाहते हैं और सम्बन्धित मामलों का निरीक्षण करने और इसके बाद वह कमेटी जांच करने के लिए बैठानी चाहिए थी लेकिन ऐसा कोई नोटिस यूनिवर्सिटी को नहीं दिया गया। मैं इससे यह नहीं सिद्ध करना चाहता कि विचिटर् प्रभार राष्ट्रपति की यूनिवर्सिटी के मामलों में दखल देने का कोई अधिकार नहीं है। विषयविद्यालय के कानून में ऐसा नहीं लिखा है कि राष्ट्रपति को दखल देने का अधिकार नहीं है, वे उबर जांच पड़ताल कर सकते हैं और करवा सकते हैं लेकिन जांच करने से पहले उन्हें विषयविद्यालय के अधिकारियों को इसके लिए नोटिस देना चाहिए था कि हम उनकी जांच करना चाहते हैं और हम उसके लिए एक कमेटी मुकर्रर करना चाहते हैं। तो बिना कोई नोटिस दिये हुये उन्होंने एक कमेटी मुकर्रर कर दी। उस कमेटी के सदस्य थे डा० ए० एन० मुदालियर, श्री एम० सी० महाजन, डा० पी० सुबबरायन, श्रीमती सुचेता कृपलानी, तथा श्री नवरोजी जे० वाडिया। उसकी टर्म्स प्राव रेफरेस ये थी। मैं इनको इसलिए पढ़ रहा हूँ कि मुझे यह दिखाना होगा कि मुदालियर कमेटी की जो टर्म्स प्राव रेफरेस थी उसके बाहर जाकर रिपोर्ट दी गयी और सरकार ने उस पर कार्रवाई की। वे टर्म्स प्राव रेफरेस इस प्रकार हैं :

- (1) To examine the general state of discipline in the University, keeping in view the recent disturbances in some of the Institutions;
- (2) To enquire into the adequacy and effectiveness of the existing rules and procedure for ensuring proper conduct and discipline amongst the employees of the University;
- (3) To examine the working of the Act, the Statutes and the

Ordinances of the University in general and with particular reference to:—

- (a) The composition of the Authorities of the University;
- (b) The institution of the Principals and their ex-officio appointment as Chief Wardens; and
- (c) The powers of the Vice-Chancellor vis-a-vis the administrative and the teaching personnel of the University;
- (4) To suggest such remedies and measures as are necessary in respect of matters specified in item (1) to (3) above; and
- (5) To suggest such other measures of reform as are necessary for the betterment of the academic life and efficient functioning of the University.

इन टर्म्स प्राव रेफरेस के साथ मुदालियर कमेटी मुकर्रर की गयी। मुदालियर कमेटी एक दो महीने नहीं बल्कि दस महीने तक बैठी। लेकिन १४ जून सन् १९५८ को ही हिन्दुस्तान की सरकार को यह पता चला कि वहाँ की परिस्थितिया खराब हो गयी हैं और वहाँ पर शिक्षा का काम चलाया नहीं जा सकता। जो काम मुदालियर कमेटी को सौंपा गया था उसको पूरा करने में उसने दस महीने का समय लिया और दस महीने जांच पड़ताल करने के बाद अपनी रिपोर्ट पेश की। लेकिन श्रीमन् मुझे बड़े दुःख के साथ आपके सम्मुख, इस सदन के सम्मुख और राष्ट्र के हित के लिए यह कहना पड़ता है कि मुदालियर कमेटी की रिपोर्ट सदन की मेज पर नहीं रखी गयी।

[श्री ब्रजराज सिंह]

16-42 hrs.

[Mr. SPEAKER in the Chair]

मुद्रालय कमेटी के सामने जो साक्षी दी गयी, उस कमेटी को जो स्मृतिपत्र दिये गये उनका कोई संकलन सदन की मेज पर नहीं रखा गया। जिसका परिणाम यह है कि लोकसभा के किसी मेम्बर को, राष्ट्र के किसी नागरिक को, विश्वविद्यालय के किसी व्यक्ति को यह मालूम नहीं है कि जो साक्षी दी गयी वह क्या थी या जो स्मृतिपत्र दिये गये उनमें क्या लिखा था हमारे सामने सिर्फ एक रिपोर्ट पेश की जाती है। इस रिपोर्ट के सम्बन्ध में भी देश में बड़ी बड़ी चर्चाएँ रही। जब रिपोर्ट पेश हुई उसके बाद मैं स्वयं बनारस वहाँ की परिस्थिति देखने गया। वहाँ पर मुझे पता लगा कि पूरे बनारस शहर में रिपोर्ट की छपी हुई कापियाँ जो बंट गयी थीं उन्हें वापस ले लिया गया है और उसका पब्लिकेशन बन्द कर दिया गया है। मुझे पता नहीं कि यह कानूनी तरीके से किया गया या नहीं। लेकिन वस्तुस्थिति यह थी कि बनारस में कोई छपी हुई कापियाँ उपलब्ध नहीं थीं। हो सकता है कि टाइप की हुई कापियाँ मिल सकती हों। लेकिन जो साक्षी इस कमेटी के सामने दी गयी या जो स्मृति पत्र इस कमेटी को दिये गये वे जनता के या लोकसभा के सामने नहीं आये। न वे बनारस विश्वविद्यालय के किसी व्यक्ति के सामने आये। जो रिपोर्ट सरकार को दी गयी वह भी बनारस विश्वविद्यालय के लोगों को नहीं मिल पायी। अगर राजपूत कालिज के प्रिंसिपल मेरे मित्र डा० भार० के० सिंह ने मुझे बतलाया कि उनको इस रिपोर्ट की कापी नहीं मिल सकी है और उन्होंने मुझ से कह कि अगर आपके पास इसकी कापी हो

तो पढ़ने के लिये दीजिये। तब उन्होंने मुझ से लेकर वह रिपोर्ट पढ़ी। तो यह व्यवस्था है।

मैं निवेदन करना चाहता हूँ कि कौनसी परिस्थितियाँ ऐसी थीं कि जिनकी वजह से सरकार को इस रिपोर्ट के मिलने के बाद १४ जन तक रुकना पड़ा, जबकि सरकार ने इस प्राइनेन्स को पास किया। इस संदर्भ में मैं आपका ध्यान बनारस हिन्दू यूनिवर्सिटी के पिछले प्रबंध की ओर दिलाना चाहूँगा। महामना पंडित मदन मोहन मालवीय बीस साल तक बनारस यूनिवर्सिटी के वाइस चांसलर रहे, उनके बाद हमारे आज के माननीय उपराष्ट्रपति डा० एस० राधाकृष्णन ६ साल तक उस विश्वविद्यालय के वाइस चांसलर रहे, उनके बाद इसी सदन के एक माननीय सदस्य श्री गोविन्द मालवीय उस विश्वविद्यालय के वाइस चांसलर रहे, उनके बाद प्रातः स्मरणीय श्री नरेन्द्र देव जी उस विश्वविद्यालय के वाइस चांसलर रहे, उनके बाद डा० सी० पी० रामस्वामी वाइस चांसलर रहे जो कि इससे पहले प्रन्सामलाये विश्वविद्यालय के वाइस चांसलर रह चुके थे। मैं यह दिखाना चाहता हूँ कि शुरू से बनारस विश्वविद्यालय में जो वाइस चांसलर रहे वे शिक्षा के क्षेत्र में या सार्वजनिक जीवन में प्रमुख स्थान रखते थे या कालिज और यूनिवर्सिटी की शिक्षा में उनको महत्वपूर्ण स्थान प्राप्त था जिसके आधार पर वे वाइस चांसलर बनाये गये। लेकिन मैं निवेदन करना चाहता हूँ कि हमारे जो आज के वाइस चांसलर हैं, मैं उनका नाम नहीं लूँगा, उनका भूत क्या है। मुझे बताया गया है कि अपने पूरे जीवन में चार पांच महीने से अधिक उन्होंने कोई लिखाई पढ़ाई के विषय में काम नहीं किया है। वह इंस्पेक्टर भाव स्कूल्स रहे, कहीं डिप्टी डाइरेक्टर भाव एजुकेशन रहे, पब्लिक सचिव

कमीशन के मेम्बर रहे। लेकिन जहाँ तक शिक्षा क्षेत्र का सवाल है या जहाँ तक सार्वजनिक जीवन का सवाल है, उसमें उनका कोई महत्व का स्थान नहीं था। जब डा० सी० पी० रामस्वामी अय्यर ने ७६ साल की उम्र में यह कहा कि मेरी बहुत उम्र हो गयी है और मैं चाहता हूँ कि इस घरसे मैं मैंने जो अनुभव प्राप्त किया है उसको लिख जाऊँ और यह कह कर उन्होंने जब इस्तीफा दिया तो इन सज्जन को बाइस चांसलर के पद पर नियुक्त किया गया। जब श्री अय्यर ने इस्तीफा दिया तो यह बात हुई कि दूसरा बाइस चांसलर ढूँढा जाये और बनारस यूनीवर्सिटी के कोर्ट को कहा गया कि आप नामों की सिफारिश कीजिये। वहाँ से नामों की सिफारिश की गयी। चार नाम भेजे गये। मैं उन सब नामों को नहीं सेना चाहता लेकिन मैं इतना बता देना चाहता हूँ कि जो आज के बाइस चांसलर हैं और जिनको केन्द्रीय सरकार की सिफारिश पर बिजिटर ने बाइस चांसलर नियुक्त किया है उनको केवल चार वोट ही मिले थे। उनसे ज्यादा वोट श्री एम० सी० विजावत को मिले थे, उसके बाद वोट श्री धार० एस० त्रिपाठी को मिले थे जिनका २५ या ३० साल का शिक्षा का अनुभव था, उनके बाद एक और सज्जन थे उनको भी आज के बाइस चांसलर से ज्यादा वोट मिले थे। वह सज्जन हमारे आज के राजस्थान के गवर्नर सरदार गुरुमुख निहाल सिंह हैं। लेकिन जो आज के बाइस चांसलर हैं उनको सिर्फ चार वोट ही मिले थे। ये नाम बिजिटर के पास आये और उनमें से उन्होंने इनको बाइस चांसलर नियुक्त किया। बिजिटर साहब ने श्री एम० सी० विजावत को नियुक्त नहीं किया जिनको १२ वोट मिले थे, श्री धार० एस० त्रिपाठी को नियुक्त नहीं किया जिनको ११ वोट मिले थे, और श्री गुरुमुख निहाल सिंह को नियुक्त नहीं किया जिनको ७ वोट मिले थे। उन्होंने ऐसे व्यक्ति को नियुक्त किया जिसका शिक्षा के बारे में

चार पांच महीने का अनुभव था। और जिसको केवल चार वोट मिले थे। मेरा मंशा किसी व्यक्ति विशेष पर आरोप करने का नहीं है। मैं यह केवल यह दिखाने के लिए कह रहा हूँ कि किस प्रकार नियुक्ति की गयी।

कहा जाता है कि वर्तमान बाइस चांसलर के आने के बाद बनारस विश्वविद्यालय में अव्यवस्था फैली और अनुशासनहीनता बढ़ गयी। शिक्षा का काम अच्छी तरह से नहीं चल रहा था और ऐसी स्थिति पैदा हो गयी कि बिजिटर को यह आवश्यकता महसूस हुई कि बनारस यूनीवर्सिटी ऐक्ट की धारा ५ उपधारा ३ के मुताबिक जांच पड़ताल करायें और यह देखें कि इसमें क्या संशोधन करने की जरूरत है।

हमारे वर्तमान बाइस चांसलर को वहाँ नियुक्त हुए दो साल हो गये। हमारा जो बनारस यूनिवर्सिटी ऐक्ट है उसमें बिजिटर को यह अधिकार दिया हुआ है कि अगर एम्प्लीक्युटिव काउंसिल या कोर्ट कोई ऐसी कार्रवाई करें कि जो ऐक्ट के स्टेट्यूट्स के या यूनिवर्सिटी के आर्डिनंस की भावनाओं और विचार के खिलाफ हो तो उसको बिजिटर एनल या खत्म कर सकता है। मैं शिक्षा मंत्रालय से पूछना चाहता हूँ कि इस कमेटी के बिठाने के पहले क्या एक दफा भी ऐसा अवसर हुआ कि वहाँ के किसी प्रोसीडिंग को खत्म या एनल किया गया हो। मेरी सूचना है कि ऐसा कभी नहीं हुआ। तो मैं पूछना चाहता हूँ कि ऐसी कौनसी बात हो गयी.....

Mr. Speaker: I would like to inform the hon. Member that he has been given half an hour. In all six hours have been allotted both for the Resolution and the Bill. There are some amendments also. He started at 4:30 and now it is nearing 4:50.

**Shri Braj Raj Singh:** Sir, this matter is very important.

**Mr. Speaker:** I am giving him half an hour.

**Shri Braj Raj Singh:** I had submitted to you very humbly that I would require one hour or 45 minutes and you were pleased to say that you will give me freedom to speak. So, I want only some more time.

**Mr. Speaker:** I have given the hon. Member half an hour. As the House willing to sit for 15 minutes more?

**Shri Braj Raj Singh:** We will continue tomorrow.

**Mr. Speaker:** Six hours have been allotted for both the Resolution and the Bill

**Shri Braj Raj Singh:** Your discretion is always there. It shall always be used whenever required.

मैं यह निवेदन कर रहा था कि ऐसी परिस्थितियों में हमारे वर्तमान वाइस-चांसलर की नियुक्ति हुई। उन की नियुक्ति के बाद ही यूनिवर्सिटी में अनुशासनहीनता की बात बड़ी और वहाँ पर होने वाले झगड़ों की बात चली और ऐसी परिस्थितियाँ पैदा हुईं, जिन में कहा जाने लगा कि वहाँ ऐसी अव्यवस्था फैलती जा रही है, जिस को हम कंट्रोल नहीं कर पा रहे हैं। मैं इस बात से सहमत हूँ कि उस यूनिवर्सिटी में कुछ गड़बड़ियाँ हो सकती हैं, वहाँ के प्रबन्ध में कुछ खराबी हो सकती है, लेकिन इस के साथ ही मैं यह जानना चाहता हूँ कि क्या कभी इस बात की जांच करने का प्रयत्न किया गया है कि वहाँ पर क्या खराबी पैदा हो गई है और वर्तमान प्रबन्ध में गड़बड़ क्यों है और वहाँ क्यों अव्यवस्था फैल रही है। इस सम्बन्ध में मैं यह निवेदन करना चाहता हूँ कि एग्जे-

क्टिव कौंसिल के २१ सदस्यों में से पांच चुने हुए सदस्य हैं। उन पांच सदस्यों में से एक सदस्य हमारी केन्द्रीय सरकार के एक सदस्य हैं—मेरा तात्पर्य माननीय एडि्ट गोविन्द बल्लभ पंत से है—जो इतने व्यस्त रहते हैं कि दो दो टर्म के लिये चुने जाने पर भी सन्तुलित कमी बनारस यूनिवर्सिटी जाने की कृपा नहीं की, कभी मीटिंग में उपस्थित होने की कृपा नहीं की। इस प्रकार उन २१ सदस्यों में चार प्राध्यापक ऐसे रह जाते हैं, जो चुने हुए हैं और जो तथाकथित पूर्वी यू० पी० के हैं। प्रश्न यह है कि अन्य लोगों के बहुमत में होते हुए यह कैसे सम्भव हुआ कि अध्यक्ष के लोग वहाँ अपनी सत्ता कायम किये हुए थे। मैं यह कहना चाहता हूँ कि अगर वहाँ पर कोई खराबी थी, तो आप विभिन्न उपायों से उसे दूर करने का प्रयत्न करते। अगर वहाँ की एग्जेक्टिव कौंसिल नाकारा थी, तो हमें यह भी देखना पड़ेगा कि जो व्यक्ति एग्जेक्टिव कौंसिल को प्रिजाइड करता है—वाइस-चांसलर—उस ने इस सम्बन्ध में कोई कोशिश की। जो आर्डिनेंस लागू किया गया, उस के अधीन एक स्कीमिंग कमेटी बनाई गई, जिस के तीन सदस्य हैं, जिन में से एक तो हाई कोर्ट के जज या रिटायर्ड जज होंगे और एक वाइस-चांसलर होंगे एक्स आफिशियो। इस का मतलब यह है कि जब तक यह आर्डिनेंस रहता है, तब तक बनारस यूनिवर्सिटी के वाइस-चांसलर स्कीमिंग कमेटी के मेम्बर रहेंगे। अभी प्रसंगिकता में यह समाचार छपवाया गया है कि वाइस-चांसलर ने इस्तीफा दे दिया है और स्कीमिंग कमेटी में काम करने से अपनी असमर्थता प्रकट की है। लेकिन मेरा कहना यह है कि जब तक आर्डिनेंस मौजूद है, तब तक वाइस-चांसलर स्कीमिंग कमेटी से इस्तीफा नहीं दे सकते हैं। अगर वह वाइस-चांसलर के पद से भी इस्तीफा दे दें, तभी वह उस कमेटी से इस्तीफा दे सकते हैं। श्रीमान,

आप की भाषा से मैं आर्डिनेंस की सम्बन्ध  
बारा पढ़ना चाहता हूँ :—

Paragraph 30 of the Ordinance  
says:

"There shall be a Screening  
Committee consisting of the following  
persons, namely:

(a) a person who is or has been a  
Judge of a High Court, nominated by  
the Central Government, who shall be  
the Chairman of the Committee;

(b) the Vice-Chancellor *ex-officio*,  
etc."

हम ने इस बारे में यह शिकायत की थी  
कि यह बात कहां तक उचित है कि जिस व्यक्ति  
का उन सब मामलों से निकट सम्बन्ध रहा हो,  
जिस पर आरोप लगाये गये हों, वही जज बन  
कर बैठे और वही सजा दे। शायद उसी  
सम्बन्ध में इस तरह के समाचार छपवाये गये  
हैं। मैं यह निवेदन करना चाहता हूँ कि इस  
आर्डिनेंस के रहते हुए जो व्यक्ति वाइस-  
चांसलर के पद पर है, वह स्क्रीनिंग कमेटी से  
हटा नहीं सकता है। केन्द्रीय सरकार को बाद  
में अवश्य भ्रमल भाई है और उस ने वर्तमान बिल  
में स्क्रीनिंग कमेटी में वाइस-चांसलर का नाम  
नहीं रखा है। हो सकता है कि इसी लिये  
स्क्रीनिंग कमेटी में से वाइस-चांसलर को हटा  
दिया गया है, लेकिन आर्डिनेंस के अधीन  
स्क्रीनिंग कमेटी में से वाइस-चांसलर के हटने  
का कोई सवाल नहीं है।

मेरा यह स्पष्ट मत है कि आजकल ऐसी  
कोई स्थिति नहीं थी, जिस में कि इस आर्डि-  
नेंस की उद्भूत थी और ज्ञास तौर से इस  
अवस्था में जब कि एग्जिक्यूटिव काउंसिल के  
२१ सदस्यों में नामिनेटिड लोगों की संख्या

ज्यादा थी, जिन को वाइस-चांसलर, चांसलर  
और मिनिस्टर नामिनेट करते थे, जो चार  
पीठ व्यक्ति बने हुए थे, जिन को ईस्टन यू०  
पी० या यू० पी० कहा जाता है, वे कोई नक्सलान  
नहीं पढ़ना सकते थे और अगर वे नक्सलान  
पढ़ना सकते थे, तो क्या हिन्दुस्तान की  
सरकार के शिक्षा मंत्रालय ने यह कोशिश की  
कि उन से बात-चीत की जाय और उन को  
कहा कि तुम्हारी वजह से इस यूनिवर्सिटी के  
नाम पर धब्बा लग रहा है। मैं पूछना चाहता  
हूँ कि क्या श्री का० ला० श्रीमाली ने—  
अंग्रेजी के के० एल० को हिन्दी में का० ला०  
कहते हैं—इस बात की कोशिश की कि उन  
लोगों को बताया जाय कि तुम्हारी वजह  
से इस यूनिवर्सिटी के नाम पर "काला" धब्बा  
लग रहा है, इसलिये आप इस्तीफा दे दीजिये।  
मैं यह निवेदन करना चाहता हूँ कि इस सम्बन्ध  
में कोई कोशिश नहीं की गई कि जिन व्यक्तियों  
की वजह से वहां पर गड़बड़ हो रही थी, उन से  
बात की जाती या उन को हटने के लिये कहा  
जाता। जहां तक ईस्टन यू० पी० के तथा-  
कथित गुट का सवाल है, मैं सब से पहला  
व्यक्ति हूंगा, जो यह कहेगा कि बनारस  
यूनिवर्सिटी के कार्य-संचालन में इस तरह की  
भावना नहीं रहनी चाहिये। अगर ईस्टन  
यू० पी० या वैस्टर्न यू० पी० या यू० पी०  
की भी बात आती है, तो मैं कहूंगा कि वहां पर  
आवश्यक कार्यवाही की जानी चाहिये। लेकिन  
वह कार्यवाही करने का यह तरीका नहीं है,  
जो कि अपनाया गया है, उस का दूसरा तरीका  
है। मैं यह बात साबित करूंगा कि यूनिवर्सिटी  
में कोई इस तरह की भावना नहीं है कि वहां  
पर ईस्टन यू० पी० बनाम हिन्दुस्तान का सवाल  
उठाया जाता हो। जो तथ्य हैं, जो फैक्ट्स हैं,  
वे इस बात को साबित करेंगे कि इस वक्त  
यूनिवर्सिटी का कैरेक्टर—उस का चरित्र—  
बिल्कुल प्रखिल-भारतीय बना हुआ है।  
इस समय यूनिवर्सिटी के ५७५ टीचर्स में से  
३६४ अभी तक यू० पी० से बाहर के हैं, १२२



[श्री बृजराज सिंह]

वैसट यू० पी० के हैं और केवल ८६ ईस्ट्रन यू० पी० के हैं। दूसरे शब्दों में ६३.३ परसेंट यू० पी० के बाहर के हैं, १८.६ परसेंट वैसट यू० पी० के हैं और १५.५ परसेंट ईस्ट्रन यू० पी० के हैं। यही अवस्था प्रिंसिपलज की है। चौदह प्रिंसिपलज में से ईस्ट्रन यू० पी० के सिर्फ दो प्रिंसिपलज हैं। विद्यार्थियों का भी यही हाल है और ईस्ट्रन यू० पी० के विद्यार्थियों का वहां पर बहुत कम हिस्सा है। जहां तक उन कालेजों का सवाल है, जिन में टेक्निकल शिक्षा दी जाती है, उन में साफ़ तौर पर अखिल भारतीय स्तर पर हरेक सूबे के लिये कोटा निर्धारित है और अगर किसी सूबे से निर्धारित संख्या में विद्यार्थियों का प्रवेश नहीं होता है, तो ईस्ट्रन या वैसट्रन यू० पी० के विद्यार्थी नहीं रखे जा सकते हैं। मैं यह निवेदन करना चाहता हूं कि मुदालियार कमेटी की रिपोर्ट में बहुत सी ऐसी बातें कही गई हैं, जिन का कोई आधार नहीं है, जिन को साफ़ तौर पर झूठ कहा जा सकता था। मेरे पास पूरी एविडेंस नहीं है, सब स्मृतिपत्र नहीं हैं, जिन के आधार पर यह कहा जा सके कि उन्होंने जो बात कही है, वह झूठी है, लेकिन फिर भी मैं कह सकता हूं कि उन्होंने कुछ बातें ऐसी कही हैं, जो कि ग्रान दि फ़ेस आफ़ इट झूठी हैं, जिन में कोई तथ्य नहीं है। इस कमेटी की रिपोर्ट में बार बार कहा गया है “इज सैड टु बी, इज स्टेटिड टु बी”। यह नहीं कहा गया है कि यह बात है, बल्कि यही कहा गया है कि “इज सैड टु बी” “इज स्टेटिड टु बी”, जिससे शका भी रहे, सही बात भी सामने न आने पाये और मुल्क के लोगों पर यह प्रभाव भी पड़ जाये कि बनारस यूनिवर्सिटी में बहुत गड़बड़ी है और साथ ही कानून के दायरे में भी न बंधने पायें। इस रिपोर्ट में यह कहा गया है कि इस यूनिवर्सिटी के २३ अध्यापक ऐसे हैं, जिन के यूनिवर्सिटी के साथ मुकदमे चल रहे

ह—जो या तो उन्होंने चलाये हुए हैं या यूनिवर्सिटी ने चलाये हुए हैं। मैं यह निवेदन करना चाहता हूं कि जिन २३ आदमियों की लिस्ट दी गई है, उन में से १३ आदमी इस तरह के हैं, जिन के खिलाफ़ न तो यूनिवर्सिटी की तरफ़ से कोई मुकदमा चल रहा है और न उन्होंने यूनिवर्सिटी के खिलाफ़ कोई मुकदमा चलाया हुआ है। यह एक बिल्कुल झूठ बात कह दी गई है। डा० राजबलि पांडे के खिलाफ़ यूनिवर्सिटी ने कोई मुकदमा नहीं चलाया हुआ है और न उन्होंने यूनिवर्सिटी के खिलाफ़ मुकदमा चलाया हुआ है। यही हालत बाटेनी डिपार्टमेंट, सेल आफ़ भोल्ड न्यूजपेपर्स, कालेज आफ़ माइनिंग एंड मेटालर्जी वगैरह की है। उन के सम्बन्ध में कोई मुकदमा नहीं चल रहा है। इसी तरह से डा० प्रार० एस० शोभा और पंडित धनेश्वर पांडे के खिलाफ़ भी कोई मुकदमा नहीं चल रहा है और न उन्होंने ही कोई मुकदमा चलाया हुआ है। एक बात यह भी कह दी गई है कि किसी प्रोफ़ेसर के खिलाफ़ अननैचुरल आफ़ेन्स का मुकदमा चल रहा है। कहा गया है—

“.....a case of unnatural offence involving a Professor is stated to be before a court of law.”

मैं निवेदन करना चाहता हूं कि यह साफ़ तौर से एक झूठ बात कही गई है। मैं कहना चाहता हूं कि किसी अदालत में कोई मुकदमा यूनिवर्सिटी के किसी प्रोफ़ेसर के खिलाफ़ अननैचुरल आफ़ेन्स के बारे में नहीं चल रहा है। न जाने कमेटी को यह विश्वास कैसे हो गया कि ऐसी घटना हुई है। मैं यह भी बताना चाहता हूं कि वहां पर दस हजार विद्यार्थी पढ़ते हैं, ६०० टीचर रहते हैं और उस यूनिवर्सिटी का कैम्पस तेरह सौ एकड़ जमीन पर

कैला हुआ है। इतनी बड़ी संस्था में अगर कोई एक भाषा ऐसी बटना हो जाती है, तो क्या उस को ले कर सारी यूनिवर्सिटी को बदनाम करना और इस तरह स्वर्गीय महामना मालवीय जी की आत्मा को ठेस पहुँचाना किसी तरह भी उचित है ? मैं यह निवेदन करना चाहता हूँ कि इस तरह की रिपोर्ट का कोई भाषार नहीं था, लेकिन इस तरह की रिपोर्ट फिर भी लिखी गई और जान बूझ कर लिखी गई। हमारे देश में अब भी कुछ ऐसे लोग हैं, जो पुरानी ब्रिटिश परम्परा को कायम रखना चाहते हैं, जो यह चाहते हैं कि हिन्दुस्तान में शिक्षा का प्रसार न हो, लोग भयङ्कर रहें और इस देश में एक विदेशी भाषा का प्रयोग होता रहे, जिस के बल पर केवल एक क्रोसदी लोग सारे हिन्दुस्तान पर शासन करते रहें। वे लोग खास तौर पर यह चाहते हैं कि इस देश में उच्च शिक्षा का प्रसार न हो। उस में कहा गया है कि चूँकि यूनिवर्सिटी में दस हजार विद्यार्थियों के लिये रेजीडेंशियल एकापोजेशन नहीं है, इस लिए वहाँ विद्यार्थियों की संख्या पाँच हजार कर दी जानी चाहिए। मैं यह कहना चाहता हूँ कि १९१६ में मालवीय जी ने १३०० एकड़ जमीन हस्तगत कर के यह कोशिश की कि इस यूनिवर्सिटी में दस हजार विद्यार्थी हों और नालंदा विश्वविद्यालय की तरह यह यूनिवर्सिटी बड़े। आज जब १३०० एकड़ जमीन इस यूनिवर्सिटी के पास

है सब मुदालियर कमेटी कहती है कि सरकार विद्यार्थियों का प्रवेश कम करने पर विचार करे।

17 hrs.

सरकार कहती है कि उसके सामने इस रिपोर्ट को मानने के बलावा कोई चारा नहीं था क्योंकि यह एक हार्ड पावर्ड कमेटी थी। यह कितनी हार्ड पावर्ड कमेटी थी, इसके सम्बन्ध में मैं दो एक शब्द निवेदन करना चाहता हूँ। इसके एक सदस्य बनारस यूनिवर्सिटी के पहले लैक्चरार थे। जब वह वहाँ लैक्चरार थे उस वक्त महामना मालवीय जी थे एक दूसरे लैक्चरार को उस यूनिवर्सिटी का वाइस-प्रिंसिपल मुकदर कर दिया और इनको मुकदर नहीं किया.....

Mr. Speaker: How many minutes more would the hon. Member like to take?

Shri Braj Raj Singh: Fifteen to twenty minutes.

Mr. Speaker: He will have 15 minutes tomorrow.

17.1 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday the 14th August, 1958.

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MOTION FOR ADJOURN-  
MENT

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- (1) The Deputy Speaker with-  
held his consent to the mov-  
ing of nine adjournment  
motions given notice of by  
the following members re-  
garding the situation arising  
out of the police firing in  
Ahmedabad on the 12th  
August, 1958 :

Sarvashri Narayan Ganesh  
Goray, Nath Pai, Yadav  
Narayan Jadhav, Shripad  
Amrit Dange, S. M. Baner-  
jee, K. T. K. Tangamani,  
Naushir Bharucha, Puru-  
shotomdas R. Patel, Karsan-  
das Parmar, R. K. Khadil-

Subject Columns  
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*contd.*

kar and Premji R. Aasar and  
Thakor Shri Patesinhji  
Ghodassar and Shrimati Renu  
Chakravartty.

- (2) The Deputy Speaker also  
ruled out of order one ad-  
journment motion given  
notice of by Raja Mahendra  
Pratap relating to police  
firing in Ahmedabad on  
the 12th August, 1958 and  
to other members . 616—25

PAPERS LAID ON THE  
TABLE

The following papers were  
laid on the Table :—

- (1) A copy of each of the  
following papers :—

(i) First Annual Report of  
the National Coal Deve-  
lopment Corporation  
(Private) Limited for  
the period 5th Septem-  
ber, 1956 to 31st March,  
1957 along with the Au-  
dited Accounts of the  
Corporation, under Sub-  
section (1) of Section  
630 of the Companies  
Act, 1956

(ii) Review by Govern-  
ment of the Report .

- (2) A copy of the Delhi  
Terminal Tax Rules, 1958,  
published in Notification  
No. 8/58-D.M.Cor., dated  
the 7th April, 1958, under  
sub-section 2 of section  
479 of the Delhi Municipi-  
pal Corporation Act,  
1957.

- (3) A copy of the Delhi  
Municipal Corporation  
(Allowances of Council-  
lors and Aldermen) Rules,  
1958, published in Noti-  
fication No. F.20/52/58-  
SR(R), dated the 12th  
May, 1958, under sub-  
section 2 of section 479  
of the Delhi Municipal  
Corporation Act, 1957.

- (4) A copy of each of the  
following Notifications,  
under sub-section (2) of  
Section 3 of the All India  
Services Act, 1951 :—

- (i) G.S.R. No. 250, dated  
the 19th April, 1958,  
making certain amend-  
ment to the Indian

PAPERS LAID ON THE  
TABLE—*contd.*

## COLUMNS

- Administrative Service (Regulation of Seniority) Rules, 1954
- (ii) G.S.R. No. 251, dated the 19th April, 1958 making certain amendment to the Indian Police Service (Regulation of Seniority) Rules, 1954
- (iii) G.S.R. No. 270, dated the 26th April, 1958, making certain amendment to the All India Services (Leave) Rules, 1955.
- (5) A copy of each of the following Notifications, under sub-section 2 of Section 3 of the All India Services Act, 1951 :—
- (i) G.S.R. No. 376, dated the 17th May, 1958, making certain amendment to Schedule III to the Indian Police Service (Pay) Rules, 1954
- (ii) G.S.R. No. 401, dated the 24th May, 1958 making certain amendments to the All India Services (Provident Fund) Rules, 1955
- (iii) G.S.R. No. 402, dated the 24th May, 1958 making certain amendments to the Secretary of State's Services (General Provident Fund) Rules
- (iv) G.S.R. No. 418, dated the 31st May, 1958 making certain amendment to the All India Service (Conduct) Rules, 1954
- (v) G.S.R. No. 447, dated the 7th June, 1958 making certain amendments to the All India Services (Provident Fund) Rules, 1955
- (vi) G.S.R. No. 448, dated the 7th June, 1958 making certain amendments to the Indian Civil Services Provident Fund Rules, 1942

PAPERS LAID ON THE  
TABLE—*contd.*

## COLUMN-

- (vii) G.S.R. No. 449, dated the 7th June, 1958 making certain amendments to the Indian Civil Services (Non-Financial Members) Provident Fund Rules, 1943.
- (viii) G.S.R. No. 450, dated the 7th June, 1958 making certain amendments to the Secretary of States Services (General Provident Fund) Rules, 1943.
- (ix) G.S.R. No. 489, dated the 21st June, 1958 making certain amendments to Schedule III to the Indian Administrative Service (Pay) Rules, 1954
- (x) G.S.R. No. 542, dated the 5th July, 1958 making certain amendments to the Schedule III to the Indian Administrative Service (Pay) Rules, 1954
- (xi) G.S.R. No. 545, dated the 5th July, 1958 making certain amendments to Schedule III to the Indian Administrative Service (Pay) Rules, 1954
- (xii) G.S.R. No. 546, dated the 5th July, 1958 making certain amendments to Schedule III to the Indian Police Service (Pay) Rules, 1954
- (xiii) G.S.R. No. 548 dated the 5th July, 1958 making certain amendment to Schedule III to the Indian Administrative Service (Pay) Rules, 1954
- (xiv) G.S.R. No. 549, dated the 5th July, 1958 making certain amendments to the All India Services (Provident Fund) Rules, 1955
- (xv) G.S.R. No. 550, dated the 5th July, 1958 containing the All India Services (Remittances into and Payments from Provident and Family Pension Funds) Rules, 1958

PAPERS LAID ON THE TABLE—*contd*

COLUMN 6

(xvi) G.S.R. No 551, dated the 5th July, 1958 making certain amendments to Schedule III to the Indian Police Service (Pay) Rules, 1954

(xvii) G.S.R. No 662, dated the 9th August, 1958 making certain amendments to the Indian Administrative Service (Recruitment) Rules, 1954

(xviii) G.S.R. No 663, dated the 9th August, 1958 making certain amendment to the Indian Police Service (Recruitment) Rules, 1954

(xix) G.S.R. No 668, dated the 9th August, 1958 making certain amendment to Schedule III to the Indian Police Service (Pay) Rules, 1954

(xx) G.S.R. No 671, dated the 9th August, 1958 making certain amendment to Schedule III to the Indian Administrative Service (Pay) Rules, 1954

(6) A copy of Notification No G.S.R. 267, dated the 22nd April, 1957, under sub-section (3) of Section 78 of the Copyright Act, 1957, making certain amendment to the Copyright Rules, 1957

(7) A copy of the Gift-tax Rules, 1958, published in Notification No G.S.R. 430, dated the 31st May, 1958, under sub-section (4) of Section 46 of the Gift-tax Act, 1958?

(8) A copy of Notification No G.S.R. 414, dated the 20th May, 1958, under sub-section (3) of Section 41 of the Expenditure-tax Act, 1957, making certain amendments to the Expenditure-tax Rules, 1958

(9) A copy of each of the following Notifications, under sub-section (4) of Section 19 of the Medical and Toilet Preparations

PAPERS LAID ON THE TABLE—*contd*

(Excise Duties) Act, 1955, making certain further amendments to the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956 :—

(i) G.S.R. No 294, dated the 3rd May, 1958

(ii) G.S.R. No 383, dated the 17th May, 1958

(iii) G.S.R. No 522, dated the 28th June, 1958

(iv) G.S.R. No. 552, dated the 5th July, 1958

(10) A copy of the Report of the Rehabilitation Finance Administration for the half-year ended the 31st December, 1957, under sub-section (2) of Section 18 of the Rehabilitation Finance Administration Act, 1948

(11) A copy of the statement showing progress of action in cases dealt with under Section 34(IA) of the Indian Income-tax Act, 1922 upto 31st May, 1958

(12) A copy of each of the following Notifications, under sub-section (4) of Section 43B of the Sea Customs Act, 1878 and Section 38 of the Central Excises and Salt Act, 1944—

(i) G.S.R. No 303, dated the 30th April, 1958 making certain amendments to the Customs and Excise Duties Drawback (Lampoleum) Rules, 1958?

(ii) G.S.R. No. 311 dated the 6th May, 1958 containing the Customs and Central Excise Duties Drawback (Coffee) Rules, 1958.

(iii) G.S.R. No. 424, dated the 31st May, 1958, making certain amendment to the Customs and Excise Duties Drawback (Art Silk) Rules, 1957

(iv) G.S.R. No. 425, dated the 31st May, 1958,

PAPERS LAID ON THE COLUMNS  
TABLE—*contd.*

- containing the Customs and Central Excise Duties Refund (Fatty Acids) Rules, 1958
- (v) G.S.R. No. 444, dated the 3rd June, 1958, making certain amendments to the Customs and Excise Duties Drawback (Crown Cork) Rules, 1958
- (vi) G.S.R. No. 436, dated the 16th June, 1958 containing Customs and Central Excise Duties Drawback (Hurricane Lanterns) Rules, 1958
- (vii) G.S.R. No. 577, dated the 7th July, 1958 containing the Customs and Central Excise Duties Drawback (Paints) Rules, 1958
- (viii) G.S.R. No. 578, dated the 7th July, 1958 containing the Customs and Central Excise Duties Drawback (Sparking Plugs) Rules, 1958
- (ix) G.S.R. No. 580, dated the 7th July, 1958 containing the Customs and Central Excise Duties Drawback (Footwear) Rules, 1958
- (x) G.S.R. No. 581, dated the 8th July, 1958 containing the Customs and Central Excise Duties Drawback (Electric Fans) Rules, 1958
- (xi) G.S.R. No. 607, dated the 12th July, 1958 containing the Customs and Central Excise (Confectionery) Rules, 1958
- 13) A copy of each of the following Notifications, under sub-section (4) of Section 43B of the Sea Customs Act, 1878 :—
- (i) G.S.R. No. 310, dated the 6th May, 1958.
- (ii) G.S.R. No. 421, dated the 31st May, 1958
- (iii) G.S.R. No. 422, dated the 31st May, 1958, containing the Customs Duties Drawback (Disinfectants and Antiseptics) Rules, 1958

PAPERS LAID ON THE COLUMNS  
TABLE—*contd.*

- (iv) G.S.R. No. 423, dated the 31st May, 1958
- (v) G.S.R. No. 455, dated the 7th June, 1958, making certain further amendments to the Customs Duties Drawback (Embroidered Goods) Rules, 1954
- (vi) G.S.R. No. 466, dated the 7th June, 1958
- (vii) G.S.R. No. 467, dated the 7th June, 1958, containing the Customs Duties Drawback (Copper Dusting Preparations) Rules, 1958
- (viii) G.S.R. No. 478, dated the 14th June, 1958, making certain amendment to the Customs Duties Drawback (Roofing Felt) Rules, 1957.
- (ix) G.S.R. No. 485, dated the 16th June, 1958
- (x) G.S.R. No. 573, dated the 7th July, 1958
- (xi) G.S.R. No. 574, dated the 7th July, 1958 containing the Customs Duties Drawback (Cultured Pearls) Rules, 1958
- (xii) G.S.R. No. 575, dated the 7th July, 1958
- (xiii) G.S.R. No. 576, dated the 7th July, 1958
- (xiv) G.S.R. No. 579, dated the 7th July, 1958
- (xv) G.S.R. No. 606, dated the 12th July, 1958.
- 14) A copy of each of the following Notification, under Section 38 of the Central Excises and Salt Act, 1944 making certain further amendments to the Central Excise Rules, 1944 :—
- (i) G.S.R. No. 321, dated the 10th May, 1958



## COLUMNS

## COLUMNS

PAPERS LAID ON THE TABLE—*contd.*

(ii) G.S.R. No. 322, dated the 10th May, 1958

(iii) G.S.R. No. 612, dated the 19th July, 1958.

(15) A copy of the statement correcting the reply given on the 18th April, 1958 to a supplementary by Shri T. Sanganna on Starred Question No. 1754 regarding All India Tribal Conference

## CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

625-26

Shri Naushir Bharucha called the attention of the Minister of Irrigation and Power to the breakdown of Kotla Power Station resulting in curtailment of power supply to Delhi

The Minister of Irrigation and Power (Hafiz Mohammed Ibrahim) made a statement in regard thereto

## STATEMENTS BY MINISTERS

626-34

(1) The Minister of State in the Ministry of Home Affairs (Shri Datar) made a statement correcting the reply given on the 9th May, 1958 to a supplementary by Shri Diwan Chand Sharma on Starred Question No. 2099 regarding the Jail Manual Committee

(2) On behalf of the Minister of Education, the Minister of State in the Ministry of Home Affairs (Shri Datar) made the following statements:

(i) correcting the reply given on the 28th March, 1958 to a supplementary by Pandit Dwarka Nath Tiwari on Starred Questions Nos. 1298 and 1315 regarding Central Assistance towards the appointment of Hindi Teachers.

(ii) correcting the reply given on the 7th April, 1958, to a supplementary

STATEMENT BY MINISTERS—*contd.*

by Shri Naval Prabhakar on Starred Question No. 1486 regarding construction of school buildings

(3) The Minister of Finance (Shri Morarji Desai) made a statement on the latest foreign exchange position vis-a-vis the requirements of the Second Five Year Plan

## ELECTION TO COMMITTEE 634-35

The Deputy Minister of Defence (Sardar Majithia) moved for the election of members from among the members of Lok Sabha, to be members of the Central Advisory Committee for National Cadet Corps. The motion was adopted.

## BILL INTRODUCED

636

The Sugar Export Promotion Bill

## STATEMENT RE ORDINANCE—LAID ON THE TABLE

636

Statement explaining the circumstances which necessitated immediate legislation by the Sugar Export Promotion Ordinance, 1958 was laid on the Table under Rule 71(1) of the Rules of Procedure and Conduct of Business in Lok Sabha]

## STATUTORY RESOLUTION NEGATIVED

637-726

Shri Naushir Barucha moved the Resolution *re*, disapproval of the Mineral Oils (Additional Duties of Excise and Customs) Ordinance, promulgated by the President on the 30th June, 1958. After discussion the Resolution was negatived

## BILL PASSED . . . 637-726

The Minister of Finance (Shri Morarji Desai) moved for the consideration of the Mineral Oils (Additional Duties of Excise and Customs) Bill. After the clause-by-clause consideration, the Bill was passed.

# STATUTORY RESOLUTION UNDER CONSIDERATION

COLUMNS

726-48

Shri Braj Raj Singh moved the Resolution *re.* disapproval of the Banaras Hindu University (Amendment) Ordinance, promulgated by the President on the 14th June, 1958

# AGENDA FOR THURSDAY, 14TH AUGUST, 1958—

COLUMNS

Further discussion on the Statutory Resolution *re.* disapproval of Banaras Hindu University (Amendment) Ordinance and amendment thereto and also consideration and passing of the Banaras Hindu University (Amendment) Bill