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**Wednesday, March 11, 1959**  
**Phalguna 20, 1880 (Saka)**

# **LOK SABHA DEBATES**

**(Seventh Session)**



*(Vol. XXVII contains Nos. 21—30)*

**LOK SABHA SECRETARIAT  
NEW DELHI**

**62 n.P. (INLAND)**

**THREE SHILLINGS (FOREIGN)**

## CONTENTS

### COLUMNS

#### Oral Answers to Questions—

*Starred Questions Nos. 1097 to 1105, 1107 to 1109 and 1112 to 1115 . . . . .	5475—5515
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#### Written Answers to Questions—

Starred Questions Nos. 1106, 1110, 1111, 1116 to 1125, 1127 to 1137 and 1139 to 1145 . . . . .	5516—34
Unstarred Questions Nos. 1707 to 1778 . . . . .	5534—76
Death of Dr. M. R. Jayakar . . . . .	5576—78
Re : Government Servants' Conduct Rules . . . . .	5578
Papers laid on the Table . . . . .	5579
Arrest of a Member . . . . .	5579—80
Conviction of a Member . . . . .	5580
Committee on Private Members' Bills and Resolutions—Thirty-seventh Report . . . . .	5580
Announcement re : Reports of Government Companies . . . . .	5581
Statement re : Firing on Assam Border . . . . .	5582—83
General Budget—General Discussion . . . . .	5584—5730
Shri Rameshwar Tantia . . . . .	5584—88
Dr. Ram Subhag Singh . . . . .	5588—99
Shri Asok* Mehta . . . . .	5599—5612
Shri Jaipal Singh . . . . .	5612—24
Shri Thirumala Rao . . . . .	5624—32
Shri Jamal Khwaja . . . . .	5632—41
Shri Thanu Pillai . . . . .	5641—49
Shri S. L. Saksena . . . . .	5649—64
Shri Siva Raj . . . . .	5664—70
Shrimati Ila Palchoudhuri . . . . .	5670—76
Shri Subbiah Ambalam . . . . .	5676—82
Shri Oza . . . . .	5682—89
Dr. Krishnaswami . . . . .	5689—99
Shri* Kamalnayan Bajaj . . . . .	5699—5706
Shri Morarka . . . . .	5706—17
Shri Nagi Reddy . . . . .	5718—27
Daily Digest . . . . .	5731—36

\* The sign + marked above a name indicates that the question was actually asked on the floor of the House by that Member.



## LOK SABHA DEBATES

5475

### LOK SABHA

Wednesday, March 11, 1959/Phalgun  
20, 1880 (Saka)

The Lok Sabha met at Eleven of the  
Clock.

[Mr. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Power-driven Pump Industry

\*1002. { Shri S. C. Samanta:  
Shri Subodh Hansda:

Will the Minister of Commerce  
and Industry be pleased to state:

(a) whether the targets for power-  
driven pump industry have been  
revised so that we could export them  
to the neighbouring countries;

(b) if so, whether standardisation  
has been introduced for the industry;  
and

(c) what are the sizes of pumps  
manufactured in the country?

The Minister of Industry (Shri  
Manubhai Shah): (a) The quanti-  
tative target for 1960-61 for power-  
driven pumps as laid down in the  
Second Five Year Plan is 86,000  
numbers per annum. The production  
in 1958 was 76,971 numbers and by  
1961, the target is expected to be  
more than exceeded. It is therefore  
considered not necessary to revise the  
target for this industry. In 1958  
power driven pumps of value of  
Rs. 2.5 lakhs have been exported.

360 L.S.D.—1.

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(b) The Indian Standards Institu-  
tion are working on the formulation  
of standards for pumps.

(c) The sizes of pumps being manu-  
factured in the country range from  
4" to 24" dia. Deepwell turbine  
pumps of as large a capacity as  
1 lakh gallons per hour and horizon-  
tal spindle pumps of as large a size  
as 24"x24" have been manufactured  
in the country.

Shri S. C. Samanta: May I know  
the number of units at present work-  
ing in the manufacture of pumps?

Shri Manubhai Shah: About 29  
units.

Shri S. C. Samanta: May I know  
whether there is any record demand  
for this and, if so, what facilities are  
being provided to the exporters?

Shri Manubhai Shah: Yes, there is  
an increasing demand. The House  
will be glad to know that whereas in  
1956 the production was 48,000 pumps,  
in two years it has gone up to 76,971  
pumps. There is a great demand from  
the export market also. In the  
year 1958, as I have mentioned in the  
statement, we have exported Rs. 2.5  
lakhs worth of pumps. We give  
encouragement by drawback of duties  
of a certain amount and various other  
facilities.

Shri Tangamani: We find that the  
production in 1958 is 76,971 pumps.  
May I know the number of pumps  
that have been exported and the  
pumps that have been supplied for  
local demand and also the demand  
for the year 1959?

**Shri Manubhai Shah:** There cannot be any assessment of the demand for 1959 from the foreign countries or the local demand. But the exports in 1958, as I have already indicated, are of the value of 2½ lakhs

**Shri Subodh Hansda:** May I know whether any relief is given to the agriculturists for the purchase of pumps?

**Shri Manubhai Shah:** No Sir Some of the States do have in the agricultural sector a taccavi scheme for giving loans to the agriculturists But neither the Central Government nor the manufacturers give any rebate

सेठ गोबिन्द दास : यह हमारे पम्प जो बाहर जा रहे हैं, ये इसी वर्ष गये हैं या इस के पहले भी जा रहे थे, और क्या इन में वृद्धि हो रही है, और किन किन देशों को ये जा रहे हैं ?

श्री मनुभाई शाह : सन् १९५६ में ५३,००० के पम्प बाहर गये, सन् १९५७ में १,१७,००० के और सन् १९५८ में ढाई लाख के पम्प बाहर गये। तो इन के जाने में वृद्धि तो स्पष्ट दिखाई देती है। ये पम्प ज्यादातर मिडिल ईस्ट और अफ्रीकन कंट्रीज को जा रहे हैं।

**Shri Harish Chandra Mathur:** May I know the proportion of pumps that are manufactured by the small-scale industries?

**Shri Manubhai Shah:** The figures that I have given are for the large-scale industries. The figures for small-scale industries would be over and above this.

**Shri Sonavane:** What arrangements are being made to see that quality goods are exported and no complaints are received about them?

**Shri Manubhai Shah:** As I have mentioned in answer to part (b) of the question, the Indian Standards In-

stitution are working on the formulation of standards for pumps. Once the formulation of standard is evolved it will be enforced first on exports and then on pumps for local use.

**Shri Warior:** May I know whether the export is made after assessing the demand within the country? Because, there are so many complaints from the Development Councils that pumps are not available

**Shri Manubhai Shah:** That is not perhaps fully correct, because we are increasing the production very rapidly. As a matter of fact, the Second Five Year Plan target for pumps has already been exceeded in the current year itself. But the real point is that export promotion has got to be done even, if necessary, by reducing consumption in the country. Therefore, our efforts are, on the one hand to increase indigenous production and, on the other, to promote exports as much as possible.

**Shri Tangamani:** Out of 77,000 odd pumps which were manufactured in 1958 how many pumps have been earmarked for local demand? May we also know the assessment or at least estimate of demand for the year 1959?

**Shri Manubhai Shah:** We can only say that in 1959 it will be increasing. It is very difficult to give exact figures. The target for the Second Five Year Plan was 86,000 pumps. That was the estimate at the beginning of the Second Plan. As I have informed the House, we have already reached this target and the industry is still expanding to meet both the indigenous demand for next year and the coming years and also for exports.

**Shri S. C. Samanta:** May I know whether any complaint has been received from any country about the standard of the pumps we have supplied?

**Shri Manubhai Shah:** On the whole, on this particular item we have got very satisfactory response from the different countries. It is true that on some of the engineering items other than pumps sometimes complaints do come and, therefore, we are insisting on our exporters to have after-care service in the countries of export.

#### Wool Production

+  
\*1896. { **Shri Subodh Hansda:**  
          **Shri S. C. Samanta:**  
          **Shri R. C. Majhi:**

Will the Minister of Commerce and Industry be pleased to state—

(a) what is the total quantity of wool produced annually in the country,

(b) how much of it is consumed in the country and in what way,

(c) what steps Government have taken to step up the production of superior wool, and

(d) whether there was any machinery for superior wool production previously?

**The Minister of Industry (Shri Manubhai Shah):** (a) 65 million pounds

(b) The total consumption in this country is estimated at 25 million pounds per annum in the following manner

Organised mill sector	7 million lbs
Carpet sector	9 million lbs.
Cottage sector	9 million lbs.

(c) and (d) With a view to step up production of superior wool, steps have been taken since 1936 to instal Research stations in the different parts of the country. There are 10 sheep breeding Research stations and fleece testing laboratories already in operation. 4 more are proposed to be set up.

**Shri Subodh Hansda:** From the statement I find that our annual production is 65 million pounds out of which 25 million pounds are consumed in our country. May I know

whether the rest of the wool is exported to foreign countries and, if so, what is the total amount of foreign exchange earned?

**Shri Manubhai Shah:** Our export of wool has increased considerably in recent years. Whereas in 1953-54 20.7 million pounds of wool were being exported, the House will be glad to know that it has continuously increased and during the year 1957-58 36.48 million pounds of wool were exported.

**Shri Subodh Hansda:** From the statement I find that steps have been taken since 1936 to step up production of superior wool. May I know how much superior wool is at present produced in our country and whether it is sufficient to meet our demands?

**Shri Manubhai Shah:** Our efforts are to raise production of superior wool and the figure is continuously rising in each State. So far as grading is concerned, I would not be able to say exactly what varieties of superior wool out of these are being produced.

**Shri S. C. Samanta:** Is it not a fact that we had to export large quantities of wool to USSR last year and thereby our export to U.S.A. went down and the prices in our country rose high? What is the Government going to do in the present year so that wool is supplied to both countries?

**Shri Manubhai Shah:** There is no inter-linking between them as such. It is true that we had entered into a contract for supply of wool to USSR. But that was not the reason for the corresponding fall in the supply of wool to U.S.A. In the U.S.A. there was recession and so there was not so much of demand for wool as in the previous years. That was the only reason.

**Shri R. C. Majhi:** May I know whether any superior wool is imported into our country and, if so, to what extent?

**Shri Manubhai Shah:** Yes, Sir. We are importing wool tops from Australia and superior wool from different countries of the world for the manufacture of worsted wool and the imports come to Rs. 9 crores to Rs. 10 crores per year.

**Shri Jaipal Singh:** Is the hon. Minister in a position to give us the break-up to indicate the quantity of camel wool?

**Shri Manubhai Shah:** That is not separately listed as such. But if the hon. Member is interested in any particular area, we will try to collect the figure. The whole trouble is, as the House will appreciate, it is very difficult to classify and grade agricultural commodity, much less animal-wise again.

**Shrimati Ha Palchoudhuri:** Is it not a fact that wool-making used to be a cottage industry in many parts of India, particularly in Bengal, and now because there is no place to graze the sheep the industry is going down? If so, what does the Government propose to do to improve this industry?

**Shri Manubhai Shah:** Wool is more or less a cottage industry even now. As the hon. lady Member is aware, we are trying to encourage more and more production of wool and it is borne out by the continuously increasing production. It will not be true to say that the sheep-grazers and sheep-breeders are suffering any serious hardship. As far as agricultural land for grazing is concerned it is the concern of the State Governments and so those persons should approach them.

**Shri Joachim Alva:** Out of 25 million pounds of wool used in this country, 18 millions are utilised by coir and the village sectors. What facilities are the Government giving to the village sectors in the sense of better methods and other facilities?

**Shri Manubhai Shah:** Indian wool is principally as the hon. Member rightly remarked, being used for cottage and small-scale industry. It

is really 25 million pounds and not tons, out of which 18 million are used by the small-scale sector. It is our endeavour to open institutes in different parts of the country. In Madras we have opened one institute. We are thinking of a branch in Badhol. Various types of other extension centres are being established in order to promote better weaving and production of wool.

श्री श्री० मु० तारिक : पशमीना शालों काश्मीर की बहुत बड़ी इंडस्ट्री है और यहाँ से शाल हिन्दुस्तान में और हिन्दुस्तान से बाहर भेजे जाते हैं। पिछले चन्द सालों से काश्मीर और हिमालय प्रदेश में पशमीने ऊन की बहुत कमी पाई गई है और इस सम्बन्ध में हुकूमत काश्मीर ने भारत सरकार की कई दफे तबज्जह दिलाई है, मैं यह जानना चाहता हूँ कि पशमीने वूल की कमी दूर करने और इस की इंडस्ट्री की तरक्की करने के लिये क्या कदम उठाये गये हैं ?

(یشمیلہ شال کشمیر کی بہت بڑی انڈسٹری ہے اور یہاں سے شال ہندوستان میں اور ہندوستان سے باہر بھیجے جاتے ہیں - پچھلے چند سالوں سے کشمیر اور ہماچل پردیش میں یشمیلہ اون کی بہت کمی پائی گئی ہے اور اس سبب سے حکومت کشمیر نے بھارت سرکار کی کئی دفعہ توجہ دینی ہے - میں یہ جاننا چاہتا ہوں کہ یشمیلہ وول کی کمی دور کرنے اور اس کی انڈسٹری کی ترقی کرنے کے لیے کیا قدم اٹھائے گئے ہیں -)

श्री मनुभाई शाह : इस मामले में बहुत दफे प्रश्न उठे हैं। काश्मीर गवर्नमेंट खुद ही यह तय करती है कि कितना पशमीना जो तिब्बत और अन्य इलाकों से आता है उस

को बाहर भेजा जाय। यह कोई बात नहीं है कि वहाँ पशुधन की कमी है और इस वजह से वहाँ की कोई इंडस्ट्री सफर कर रही है। उस का हमें पूरा ख्याल है और बरोसा है कि काश्मीर गवर्नमेंट उस पर ज्यादा से ज्यादा खर्च कर रही है।

**Shri Manaan:** May I know whether the Government are aware that a large percentage of wool produced in the country, which is exported to foreign countries, comes back in the form of yarn? Also, the hon. Minister said just now that efforts are being made to raise sheep farms in the country. May I know whether it is a fact that in Kalimpong effort is made to have a sheep-rearing farm without a single sheep?

**Shri Manubhai Shah:** There are various aspects which are already covered. It will not be right to say that on the one hand we are exporting wool and on the other we are importing the same wool re-spun in other countries. The varieties are distinctly different. Wool is not a matter of mere choice that one can produce it anywhere. It is a matter principally of climate. There are certain countries in the world where the climate is cold and salubrious, where sheep will grow faster and better than in India. That is why superior varieties have to be imported in the form of worsted wool tops. We are exporting raw wool which we produce in this country.

**Shri Manaan:** Is Darjeeling not suited for that purposes?

**Shri Dasappa:** May I know whether a larger portion of the wool that we export is not utilised for the manufacture of pile carpets? Why should we not undertake the manufacture of these carpets which are suited to foreign countries?

**Shri Manubhai Shah:** We are making druggets, durries and pile carpets in this country. The Development Council gives attention to the promo-

tion of the manufacture of carpets and druggets in this country out of raw wool. If these carpet manufacturers require any imported wool of superior variety, that also we are supplying.

**सेठ गोविन्द दास :** क्या यह बात सही है कि राजस्थान में जैसलमेर और बीकानेर में बहुत ऊन का उत्पादन होता है और क्या वहाँ पर कोई ऐसी योजना बनाई जा रही है जिस से कि वहाँ पर कोई गृह उद्योग या कोई बड़ा कारखाना बना कर वहाँ के ऊन का उपयोग उन में किया जाय ?

**श्री मनुभाई शाह :** इस छोटे से सवाल के बहुत सारे सतर्क, चतुर, चतुर, चतुर, चतुर, इंडस्ट्री के सम्बन्ध में पूछे जा रहे हैं। अगर कोई मानरेबल मेम्बर साहब किसी विशेष एजेंसी की वूल इंडस्ट्री की बाबत इंटरस्टेड हों और उस के बारे में पूरी जानकारी चाहते हों तो वह उस के लिये अलग से सवाल भेज सकते हैं और उन को उस का पूरा जवाब दे दिया जायगा।

**Shri C. D. Pande:** May I know whether a considerable portion of superior wool used to be imported from Tibet and since the advent of the Chinese Communist Government there, they have banned all export of wool from Tibet into India? Is it a fact that superior quality of wool is in shortage and therefore the industry in Kumayun, Kashmir and Himachal Pradesh is suffering?

**Shri Manubhai Shah:** That is not so. We are getting something from Tibet even now. Whether the quantity is adequate or comparatively less or not, it will be a different question. But I can assure the hon. Member that most of the Tibetan wool which even today is coming into India is surplus and we have every year again to allow re-export of the superior wool after meeting local demands.

**Shri S. M. Banerjee:** May I know whether it is a fact that the production of wool in Kanpur woolen mills

which is known as Lalimbi has considerably gone down due to mismanagement and if so, what steps are taken by the Government and whether the Government is taking over that mill?

**Shri Manubhai Shah:** This question does not arise out of the question

**Mr. Speaker:** Next question

Some Hon. Members rose—

**Shri Hem Barua:** Assam?

**Mr. Speaker:** There are many other things produced in Shillong I will come to them

**Shri Harish Chandra Mathur.** Seventy-five percent of the entire wool is produced by Rajasthan

**Mr. Speaker:** Seth Govind Das has put that question on behalf of Shri Harish Chandra Mathur I would request hon. Members, in such matters as this, to lay emphasis upon their own needs, in relation to their own constituency I would have given opportunity to Shri Harish Chandra Mathur This question was put by Seth Govind Das I thought he was asking whether in Jubbalpur sheep are reared Next question

#### Show Room in Saudi Arabia

\*1099. **Shri R. C. Majhi:** Will the Minister of Commerce and Industry be pleased to state—

(a) whether a show-room in Saudi Arabia has been organised, and

(b) what are the goods that are expected to be sold in that country?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):**

(a) Yes, Sir

(b) A statement is given below —

#### Statement

List of goods which are expected to have good demand in Saudi Arabia

- 1 Cuttlery
2. Nails, screws, rivets and washers
- 3 Pipes and fittings

- 4 Sheets and Plates
- 5 Iron and Steel trunks
- 6 Musical instruments
- 7 Surgical instruments
8. Electric fans and other electrical goods
- 9 Photographic equipment
- 10 Tobacco
- 11 Food products and biscuits
- 12 Machinery and Engineering Stores
- 13 Textile Manufactures
- 14 Combustion Engines
- 15 Iron & Steel manufactures
- 16 Plastic products
- 17 Chemicals and pharmaceuticals

**Shri R. C. Majhi:** May I know how much foreign exchange is expected to be earned from this country?

**Shri Satish Chandra:** It is difficult to give a precise figure It all depends upon the active flow of trade Efforts are being made to sell consumer goods in Saudi Arabia

**Shri Joachim Alva.** You have given a list of 17 articles to be exported to Saudi Arabia Government of India, as a true welfare State, is helping 12,000 Haj pilgrims every year to go to Arabia May I know whether through Urdu literature you have familiarised these pilgrims with the item of these articles which are being exported so that these pilgrims could be good ambassadors of our trade abroad?

**Mr. Speaker:** They must be presented all these articles so that they may take them, when they go

**Shri Joachim Alva.** We must exploit every channel We are sending 12,000 pilgrims every year Through Urdu literature, these articles could be made familiar to them The hon. Minister has got up to say something Please

**Mr. Speaker:** The hon. Minister.

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** I am sorry, this idea did not strike me. It is indeed a novel idea. We will bear that in mind next year when Haj Pilgrims go there.

**Shri Nagi Reddy:** What is the total amount of expenditure incurred so far for this show room and the number of personnel employed in the show room?

**Shri Satish Chandra:** The expenditure incurred up to the end of February was about Rs 87,000. I could not give the number of people employed in the show room. Most of them have been employed locally there.

**Shri Warier:** In the statement a few items are shown as exhibited in the show room. May I know whether a survey has been done before sending these goods to ascertain the existing pattern of trade with Saudi Arabia, so that the traditional goods sent to Saudi Arabia are exhibited there. Some items are missing as spices, cor and wooden goods.

**Shri Satish Chandra:** All the goods about which we have a possibility of finding a market in Saudi Arabia are being exhibited in the show room. Cor goods are also displayed in the show room.

**Shri Warier:** It is not in the statement.

**Shri Satish Chandra:** The statement does not give all the goods exhibited in the show room, but the goods for which we may find a substantial market in the country.

**Shri Sonavane:** May I know with what results this show room is working, whether it has succeeded or its object has been defeated and whether the result has been an increase or decrease in the trade?

**Mr. Speaker:** Defeated by whom?

**Shri Sonavane:** As a result of the show room.

**Mr. Speaker:** Show room defeats the objects? No, no. I do not know with what purpose questions are put.

**Shri Satish Chandra:** This show room has been started hardly five months ago, and it is too early to judge how far it has been successful or is likely to be successful.

#### Manganese Ore Trade

**\*1100 Shri Vidya Charan Shukla:** Will the Minister of Commerce and Industry be pleased to state whether a trade delegation is proposed to be sent abroad to recapture India's traditional markets for Manganese Ore?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):** The matter is under consideration.

**Shri Vidya Charan Shukla:** Will the hon. Minister tell us which were the countries where we have been the biggest suppliers of manganese ore, and which are the countries where at present we are the biggest suppliers of manganese ore?

**Shri Satish Chandra:** We have been the biggest suppliers of manganese ore to USA, and even now, with our reduced exports, that country continues to be the biggest importer of Indian manganese ore.

**Mr. Speaker:** Are not these things available in the *Seaborne Trade of India*?

**Shri Satish Chandra:** They are.

**Mr. Speaker:** Then, hon. Minister need not reply.

**Shri Vidya Charan Shukla:** The figures are not available in the Export Controller's Report. These are the latest figures. I want.

**Mr. Speaker:** It may not be in the report. The *Seaborne Trade of India* gives every particular—what are the articles that are supplied, the direction of trade inward and outward, all these are there. Hon. Members will kindly spend some more time in the Library. I will not.

allow questions on whatever is available in the Library.

**Shri Vidya Charan Shukla:** It was reported some time back that we had lost our traditional market and we were sending a delegation in order to regain those markets, and the Minister just now said that they were contemplating to send a delegation.

**Mr. Speaker:** I am not talking of that I am only referring to the latest supplementary that he put, to what country so much is sent and so on—that will be available in the *Seaborne Trade*.

**Shri Jaipal Singh:** In view of the fact that the Commodity Trade Credit Corporation of the USA will be supplying Indian iron ore, I believe to Japan, I want to know what impact the recent American wheat barter deal will have on this export environment.

**Mr. Speaker:** This is a question relating to manganese ore, not iron ore at all.

**Shri Jaipal Singh:** In that case I want to know the impact on this particular problem.

**Mr. Speaker:** The hon Minister is not able to answer that question off-hand.

**Shri Vidya Charan Shukla:** I just wanted to know which were the countries where we were the No 1 suppliers till recently, and which are the countries at present where we are still No 1 suppliers in the world at present.

**Shri Satish Chandra:** I have said the USA in both the cases.

**Shri Vidya Charan Shukla:** And not the UK?

**Shri Satish Chandra:** No.

**Shri Dasappa:** May I know whether this is going to be an official delegation, or whether we are going to include some non-officials also, and whether it is not a fact there are some non-officials who are able to find a

better market for manganese ore than this STC?

**Shri Satish Chandra:** The STC is contemplating to send a delegation. A recommendation has been made to the Government. Nothing has been decided so far, but if and when such a delegation is sent, it is proposed to include the representatives of the mine-owners as well as the established exporters.

**Shri Panigrahi:** May I know whether there is any possibility of exporting manganese ore to the USSR and other East European countries, whether those markets have been explored?

**Shri Satish Chandra:** The USSR, for the hon Member's information, are the biggest producers of manganese ore and one of the biggest exporters to other countries, and our main competitors also.

**Mr. Speaker:** He wants the hon. Minister to beard the lion in its own den.

**Shri Panigrahi:** I also included the East European countries in respect of which there are also negotiations for export of manganese ore.

**Shri Satish Chandra:** Most of the East European Countries are importing manganese ore from the USSR. The USSR is also capturing market in UK and France and is also supplying chrome ore, the alloys of which can be a substitute for manganese alloys, to the USA.

**Shri Tridib Kumar Chaudhuri:** May I know if it is a fact that we have been facing hard competition in the USA from Brazil recently, in the last few years?

**Shri Satish Chandra:** That is true. The United States steel industry has been trying to develop, with the help of the Brazil Government, the mines in Brazil where there are large deposits, and the supply of ore from that source has increased about four-fold during the last two years. They



have some freight advantage and consider it better to get that commodity from Brazil.

**Shri Vidya Charan Shukla:** Is it not a fact that because the manganese ore export price is going up in our country, our main buyers have developed competitive sources of supply like Brazil; if so what efforts are Government making to see that the export prices of our manganese ore become competitive in the world market?

**Mr. Speaker:** This relates to the delegation.

**Shri Vidya Charan Shukla:** This delegation is going to sell manganese ore at competitive prices in the world market.

**Mr. Speaker:** Everything relating to manganese ore cannot be brought here.

**Shri Joachim Alva:** Just one question.

**Mr. Speaker:** No.

**Shri Joachim Alva:** I stood up half a dozen times. This affects my constituency. I may please be allowed to put the question.

**Mr. Speaker:** Yes.

**Shri Joachim Alva:** The hon. Minister is aware that from my constituency, North Kanara and Belgaum, a large amount of manganese ore is being exported. It is an undeveloped area, and it has been hit by the State Trading Corporation's activity. May I know if the Minister is going to include in the delegation some members from my constituency?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** May I say a word? We would be prepared to consider his suggestion provided he withdraws the remarks that the STC has damaged the export of manganese ore from that area?

**Shri Joachim Alva:** I withdraw.

**Shri D. C. Sharma:** In view of the fact that the hon. Member has withdrawn his allegation against the STC, he should be included in the delegation.

**Shri Joachim Alva:** It is not my inclusion, but representation for mine-owners.

**Mr. Speaker:** I am sure the hon. Minister will send the representative or representatives?

**Construction of Samadhi of Mahatma Gandhi**

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\*1101. { **Shri Ram Krishan Gupta:**  
          **Shri Bhakt Darshan:**  
          **Shri D. C. Sharma:**

Will the Minister of Works, Housing and Supply be pleased to refer to the reply given to Unstarred Question No. 172 on the 20th November, 1958 and state:

(a) whether Government have since received the detailed plans for the construction of the Samadhi of Mahatma Gandhi;

(b) whether Government have examined the plans; and

(c) if so, the details of the approved plans?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) and (b). A few preliminary plans only have been received from the architect. Having regard to the national importance of the Samadhi the C.P.W.D. carried out detailed site investigations like trial pits and deep borings. These have showed the necessity for pile foundations. Accordingly, the architect has been asked to prepare the detailed plans on the basis of pile foundations.

(c) Does not arise.

**Shri Ram Krishan Gupta:** In reply to a previous question the hon. Deputy Minister stated that the plans would be received by February, 1959. May I know the reasons for the delay?

**Shri Anil K. Chanda:** As I indicated in my answer, preliminary plans have been received, most of them, but in the meantime our technical officers consider that pile foundations, which were not envisaged earlier would be needed, and therefore, the architect has to prepare his detailed plans on the basis of this need

श्री अनील चण्डा: श्रीमान्, क्या शासन के ध्यान में गांधीजी की प्रसिद्ध शिष्या मीरा-बेन की यह सम्मति आई है कि गांधीजी के आदर्शों के अनुकूल समाधिस्थल को इसी तरह सादगीपूर्ण रहने दिया जाये और क्या इस सम्बन्ध में विचार किया गया है ?

**Shri Anil K. Chanda:** We have seen the remarks made by Shrimati Mira Behn, but I would like to suggest that in a matter like this opinions are bound to differ. Many other very important disciples of Mahatmaji have enthusiastically approved of this plan

**Shri D. C. Sharma:** May I know if any non-officials are associated with this architect for the approval of this plan, and if so, who are they?

**Shri Anil K. Chanda:** The architect himself is a non-official. There was open competition, over a hundred plans were submitted. There was a technical committee which went into all these plans. They made their recommendation, and the recommendation was accepted by the Government

**Shrimati Sucheta Kripalani:** Who were the members of the committee who were associated with Gandhiji or Gandhiji's ideas who could give some opinion about this?

**Shri Anil K. Chanda:** This committee was a technical committee which scrutinised the plans. The past history of this matter is well known to the Members of this House. From the earliest times there have been, I believe, two or three committees which had gone into this question.

**Shrimati Sucheta Kripalani:** May I know, Sir ....

**Mr Speaker:** There have been a number of questions; almost every session this is coming up

### Indianisation of Foreign Firms in India

\*1102 **Shri Rameshwar Tania:** Will the Minister of Commerce and Industry be pleased to state—

(a) the number of non-Indians and Indians who are working in foreign-owned Plantations and allied companies on salaries of Rs 1000 and above per month, and

(b) what action Government is taking to induce these firms to Indianise their staff?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b) The Indianisation programme for foreign owned/controller firms was taken up in 1952 and the position is reviewed every year. The present position is that in the pay groups not exceeding Rs 1,000 p.m. almost all posts—whether in the Plantation and allied industries or others—are manned by Indians. In the higher pay Groups also the progress has been satisfactory. In the year 1952 the Plantation and allied industries had 79 Indians representing 67 per cent of the total number employed in those industries (1103 being Non-Indians). In the year 1958, this figure of 79 rose to 370 Indians representing about 25 per cent of the total.

The over all employment position in the foreign owned/controlled industrial and commercial concerns in the salary groups of Rs 1000 from and above is as indicated below

	Indians		Non-Indians	
	Num-ber	%	Num-ber	%
1952	2,290	24.4	7,104	75.6
1958	6,704	54.3	5,652	45.7

**Shri Rameshwar Tantia:** From the statement it seems that the over-all employment has improved to 54 per cent, while in the plantation industry the employment of Indians in the higher posts is only 25 per cent. May I know whether the reason for this is that the tea and other plantations are mostly controlled by European shareholders and they have given instructions to their agents in India not to encourage Indianisation in the higher posts? If so, may I know whether Government will check up why the percentage in plantations is much less than the over-all percentage?

**Shri Manubhai Shah:** It is true that the total number of Indian officers in the tea plantation group is lower than the total number of Indian officers in the foreign companies, but the reason was that the tea plantations at the time of Independence were more or less completely manned by foreign officers; thereafter, there was an understanding arrived at between the Indian Tea Association and the Government of India; and the present target which has been reached is well over the target fixed for 1st January, 1959. I can assure the House that there are completely competent Indians who can replace the foreigners, but we have got to go in a gradual phased manner in the Indianisation programme.

**Shri Rameshwar Tantia:** May I know whether Government are aware that eleven tea gardens in Cachar are being laid off on account of the high administrative expenditure, because they have all European managers, and if so, whether Government will inquire into their expenditure structure to see whether the lay-off can be avoided by reducing their expenditure?

**Shri Manubhai Shah:** The question tabled is in respect of the number of Indian officers in tea plantations, but the hon. Member is asking about the lay-off in certain tea gardens, which has nothing to do with either the

number of Indian officers or the number of foreign officers. If the hon. Member feels that any plantation has to be looked into by Government independently of this question we are prepared to enquire into the matter.

**Shri Manan:** Apart from the question of inducing these firms to Indianise the superior staff, do Government consider it reasonable to 'hillmanise' or, may I say, 'tribalise' the superior staff, or do Government subscribe to the view or the policy, or the apparent policy, of the industry not to take anyone for the superior staff, who belongs to the labour class?

**Shri Manubhai Shah:** The main question relates to how the foreign officers are being replaced by Indian officers, and the House can see from the statement that the progress has been completely satisfactory according to the agreement arrived at with them. There is no question of non-recruitment of Indian officers in the foreign tea plantations either on account of the officers not being found or because they do not want to recruit anybody from the working class or any other class.

**Shri C. R. Pattabhi Raman:** Are these firms periodically asked to furnish data with regard to the superior officers?

**Shri Manubhai Shah:** Yes, as a matter of fact, as the House has shown considerable interest, I may say that we divided the different agencies into four groups called Group A, Group B, Group C and Group D. Group A consists of such tea plantations where Indianisation exceeded 25 per cent. They have been asked, and they have agreed, to recruit 2 Indians for every non-Indian. In Group B where the Indianisation was between 20 to 25 per cent, they have been asked to recruit 3 Indians for every non-Indian; in Group C where the Indianisation is between 10 to 12 per cent they have been asked to recruit 4 Indian officers for every non-Indian; and in Group D where the Indianisation is below 10 per cent., they have been

scheduled to recruit 8 Indians for every non-Indian.

**Shri Muhammed Elias:** May I know whether the attention of the Minister has been drawn to the news which has appeared from time to time in the newspapers about the misbehaviour of the British and other foreign officers towards the Indian workers? Recently, news has been appearing in the newspapers about the misbehaviour of a British officer in Durgapur district?

**Mr. Speaker:** Order, order.

**Shri Muhammed Elias:** May I know whether Government propose to stop at least this misbehaviour of the British and other foreign officers towards the Indian workers?

**Mr. Speaker:** That does not arise out of the main question.

**Shri Warior:** The statement says that in 1958 there were only 370 Indians whereas the European officers numbered about one thousand odd. May I know when these posts will be Indianised, and the European officers eliminated from there?

**Shri Manubhai Shali:** No target has been fixed. We are gradually Indianising, consistent with the national policy of the country.

**Mr. Speaker:** Next question.

**Shri Tridib Kumar Chaudhuri rose—**

**Mr. Speaker:** I have allowed a number of questions already.

**Shri Harish Chandra Mathur:** There is one very important question that I want to ask, in regard to Indianisation.

**Mr. Speaker:** I am not going to allow it. All questions are important equally.

**Shri Harish Chandra Mathur:** It is a question of principle and the national interest.

**Mr. Speaker:** That's all right. The hon. Member will take some other opportunity.

**Shri P. C. Bannock:** May I ask one question? I come from that area, but I do not get a chance to ask a supplementary question.

**Mr. Speaker:** Hon. Members will have other opportunities. If they are not satisfied with this, and the subject is so important, I shall allow a half-an-hour discussion. But nobody thinks of any other method than monopolising the time of the question hour only for a single question. I have not been able to progress sufficiently with the questions today.

Now, next question.

#### Accident in North Kujama Colliery

\*1103. **Shri S. M. Banerjee:** Will the Minister of Labour and Employment be pleased to refer to the reply given to the Starred Question No. 998 on the 16th December, 1958 and state—

(a) the action taken by Government on the report of the enquiry held into the accident in the North Kujama Colliery by the Mines Inspectorate; and

(b) whether full compensation has been paid to the family members of the dead workers?

The Parliamentary Secretary to the Minister of Labour and Employment and Planning (**Shri L. N. Mishra:**

(a) Since the accident was found to be one of mis-adventure and nobody has been held responsible for it, no further enquiry or action seems to be necessary.

(b) Full information is not available as the Workmen's Compensation Act is administered by the State Government. It is understood that the management have deposited Rs. 12,500 with the Commissioner for Workmen's Compensation for payment in respect of six workers. No complaint has been received about non-payment of the dues.

**Shri S. M. Banerjee:** In reply to a previous question, the hon Minister had said that eight persons had died in this accident. When eight persons had died, may I know why a judicial inquiry was not considered necessary in this case?

**Shri L. N. Mishra:** In certain cases, we have a judicial inquiry, and in certain other cases, we have our regular departmental inquiry. In this case, we had an inquiry by the regional inspector of mines, and on the assurance of the hon Minister, further inquiries were made, and the report was laid on the Table of the House about two weeks back.

**Shri S. M. Banerjee:** May I know whether it is a fact that serious charges have been levelled against the functioning of the Chief Inspector of Mines, and if so, what action has been taken against him?

**Shri L. N. Mishra:** I am not aware of the charges.

**Shri S. M. Banerjee:** A book has been published about this.

**Mr. Speaker:** The hon Member will kindly send a copy of the book to the hon Minister.

**Shri Hem Barua:** In view of the fact that most of those recruited for work in the mines have practically no knowledge of the hazards they are exposed to, may I know what steps Government have taken to impart training to the workers before they are asked to get down to the pits?

**Shri L. N. Mishra:** Recently, we had a conference on safety measures in the mines, and that conference has come out with certain recommendations, in those recommendations, there are also provisions for training; and we expect to start this training.

**Shri Tangamani:** In view of the fact that in another inquiry, namely the Chinakuri inquiry, dissatisfaction has been expressed from representatives of labour, will Government not consider the advisability of having an-

other inquiry into this matter, preferably a judicial inquiry, particularly in the mines where repeated accidents are taking place?

**Shri L. N. Mishra:** So far as 'his case is concerned, we are satisfied with the report that we have got of the inquiry, and we do not think there is any reason for having a fresh inquiry.

**Dr. Melkote:** Is it not a fact that considerable delay takes place in the payment of compensation, particularly by the private management, and if so, what action have Government taken to avoid this delay?

**Shri L. N. Mishra:** In this particular case, as a matter of fact, there has been no delay. The management has deposited the requisite amount, and the Chief Welfare Commissioner of Mines has been asking the companies to direct the widows of the deceased to send applications for compensation, but in spite of the reminders, the applications have not been coming forward.

**Shri Tangamani:** That is not the procedure. The applications are sent. The delay is really in the administration. The money is deposited with the commissioner.

**Mr. Speaker:** The hon Member will take it up with the Secretary to the Ministry.

#### Mineral Development

\*1164 **Shri H C Mathur:** Will the Minister of Planning be pleased to state

(a) what percentage of the allocated amounts for mineral development during the Second Five Year Plan period has been utilised by the Centre and by the States with particular reference to Rajasthan,

(b) whether it is a fact that programmes for mineral development during the Second Five Year Plan period have not been finalised by some of the States, and

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

**The Parliamentary Secretary to the Minister of Labour and Employment and Planning (Shri L. N. Mishra):**

(a) The revised allocation for mineral development in the Second Five Year Plan is Rs. 85.5 crores which includes a provision of Rs. 2.60 crores under States. The expenditure in the first three years of the Plan is estimated at Rs. 30.41 crores at the Centre and about Rs. 74 lakhs in the States. As against a provision of Rs. 19.25 lakhs in the Rajasthan Plan an expenditure of Rs. 0.33 lakh was incurred during the first three years. For 1959-60 a provision of Rs. 5 lakhs has been made in the State Plan.

(b) Barring a few exceptions the programmes for mineral development in the States have already been finalized. However, periodical adjustments are made when new proposals are put forward and these are considered at the annual plan discussions.

(c) Does not arise.

**Shri Harish Chandra Mathur:** May I know whether the Central Government have done anything in the public sector in Rajasthan, particularly in the case of lignite in the Bikaner area in the Palana colliery?

**Shri L. N. Mishra:** So far as Rajasthan's case is concerned, it is mainly the responsibility of the State Government, and they have not yet been able to spend the sum allotted to them. Out of Rs. 19 lakhs they have so far spent only Rs. 33,000; this year also, there is a provision of Rs. 5 lakhs, and it is for them to investigate.

**Shri Harish Chandra Mathur:** I am asking this question particularly because of this. Is it not a fact that the Central Government have appointed a special committee in respect of exploitation of the lignite ore in Rajasthan, and the entire progress is blocked because of this committee not making any progress, and if so, what is being done about it?

**The Deputy Minister of Planning (Shri S. N. Mishra):** As the hon. Member knows, that expert committee has been appointed by the Central Government to go into this Palana lignite project. This includes one member of the Rajasthan Government service also. We shall see that this committee proceeds with its work very expeditiously. That is all we can say at this stage.

**Shri Kasliwal:** May I know whether Government have now taken a final decision about working the copper mines in Khetri?

**The Minister of Industry (Shri Manubhai Shah):** The matter is under active consideration.

**सेठ गोविन्द दास :** क्या यह बात सही है कि भारतवर्ष के जिन राज्यों और प्रदेशों में खनिज पदार्थ बहुत अधिक हैं उन में मध्य प्रदेश भी एक है और मध्य प्रदेश की सरकार के अनुसार मध्य प्रदेश पर जितना खर्च होना चाहिये था, उसमें बहुत कमी है। इस सम्बन्ध में क्या कुछ विचार किया जा रहा है कि मध्य प्रदेश को कुछ और धन दिया जाय ?

**Mr. Speaker:** It is a general question. Where does it lead us?

**सेठ गोविन्द दास :** केवल राजस्थान के ही लिये नहीं, यह प्रश्न करीब करीब सब जगह के लिये है।

**Mr. Speaker:** सब के लिये है, ठीक है। What are the steps taken for each individual State—does it arise out of this question?

**Shri Vidya Charan Shukla:** Apart from coal and iron ore, which other minerals are being actively exploited for production in the public sector in accordance with the Industrial Policy Resolution of 1956?

**Shri S. N. Mishra:** This question is of a very general character. It cannot admit of treatment during the Question Hour.

Shri Harish Chandra Mathur rose—

Mr. Speaker: Next Question.

भारतीय प्रशासनिक सेवा प्रशिक्षण विद्यालय को  
मसूरी ले जाना

\*११०५. श्री भक्त दर्शन : क्या निर्माण, आवास और संभरण मंत्री २० नवम्बर, १९५८ के तारकित प्रश्न संख्या ११२ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि भारतीय प्रशासनिक सेवा प्रशिक्षण विद्यालय को दिल्ली से मसूरी ले जाने की दिशा में इस बीच क्या प्रगति हुई है ?

The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda): A private building at Mussoorie, suitable for housing the I.A.S. Training School, has been located and the question of its purchase is being actively processed.

श्री भक्त दर्शन : क्या यह आशा की जा सकती है कि जिस समय इस स्कूल का सत्र आरम्भ होगा उस से पहले यह स्कूल बदल दिया जायेगा ?

Shri Anil K. Chanda: I do not think it will be possible because we are still making inquiries with regard to the title of the present owners to the property, whether there are any encumbrances on the property. It will take a little more time yet. We have requested the Government pleader at Dehra Dun to make the inquiries on our behalf. Then certain additions and alterations will also be necessary.

श्री भक्त दर्शन : इस समय इस भवन को खरीदने की जो बातचीत चल रही है उस के सम्बन्ध में क्या अनुमान है कि कितना खर्चा इस को खरीदने में लगेगा और कितना खर्चा इस स्कूल को बदलने में लगेगा ?

Shri Anil K. Chanda: I think it is a little too premature at this stage to give the figures.

राजा महेन्द्र प्रताप : क्या मैं पूछ सकता हूँ कि शालबिल को क्यों खरीदा जा रहा

है जहाँ आप को बहुत ज्यादा पैसा देना पड़ेगा ? क्यों नहीं बालूगंज की तरफ या झरीपानी की तरफ यह स्कूल ले जाया जाता है जहाँ पर मकान बहुत सस्ते हैं। भविष्य इस की क्या वजह है ?

Shri Anil K. Chanda: Our people looked into all the available properties in Mussoorie area and they considered that Charville Estate would be the most convenient and most suitable. A considerable area is needed because it has got to house 120 officers at one time, and we would require a number of lecture rooms, dining halls etc. as also residential accommodation for 5 officers and 26 members of the staff.

राजा महेन्द्र प्रताप : कुछ लोगों का क्याल है कि सरकार खास तौर से शालबिल के मालिक के साथ रियायत करना चाहती है। अगर यह सही है तो बहुत बुरी बात है।

Shri Anil K. Chanda: No, Sir. There is no question of any special consideration. It is a strict commercial deal and we buy at the cheapest market.

Shri Braj Raj Singh: Can we have some estimate of the expenses which will be incurred in purchasing this building?

Shri Anil K. Chanda: It is roughly about Rs. 4 lakhs.

दिल्ली में भूमिकों के लिये कैंटीन

\*११०७. श्री नवल प्रभाकर : क्या भवन और रोजगार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दिल्ली में भूमिकों के लिये कैंटीन खोलने के लिये सहायता देने की बात पर विचार किया जा रहा है ;

(ख) यदि हाँ, तो कितने कैंटीन खोलने का लक्ष्य है ; और

(ग) इस के लिये कितनी धनराशि नियत की गई है ?

अन्य और रीजगार तथा योजना मंत्री के सहाय-सचिव (श्री स० ना० मिश्र) : (क) जी हाँ ।

(ख) दूसरी पंचवर्षीय योजना के दर-भियान विभिन्न उद्योग-क्षेत्रों में करीब १५ कैंटीन खोलने का विचार है ।

(ग) एक लाख रुपये ।

श्री नवल प्रभाकर : क्या मैं यह जान सकता हूँ कि यह कैंटीन कब तक स्थापित हो जायेगी ?

श्री स० ना० मिश्र : हम तो चाहते हैं कि यह जल्दी हो जाय, लेकिन दिल्ली सरकार को मकान मिलने में कुछ कठिनाई हो रही है इसलिये यह नहीं खुल सकी है ।

श्री नवल प्रभाकर : क्या मैं जान सकता हूँ कि दिल्ली प्रशासन ने कोई जगह सुझाई है ?

श्री स० ना० मिश्र : जगह का सुझाव तो नहीं दिया है, लेकिन उन्होंने एक स्कीम मेजी है जिस में इस के खोलने की बात है ।

Mr. Speaker: The answer may be read in English also

Shri L. N. Mishra: (a) Yes.

(b) It is proposed to set up about 15 canteens during the entire Second Five Year Plan period in different industrial areas.

(c) Rupees one lakh.

Shri Muhammed Elias: In view of the large number of building workers employed in the different parts of Delhi for building work, may I know whether Government are thinking of introducing mobile canteens for them?

Shri L. N. Mishra: At the initial stage, we propose to provide at least 15 canteens. But we have not been able to provide them till now because we are not getting suitable accommodation.

Mr. Speaker: The question was whether mobile canteens would be introduced.

Shri L. N. Mishra: It is a suggestion for action which I will pass on to the Ministry. They will consider it.

Shri Tangamani: May I know how many canteens have so far been opened and how many canteens are actually running in Delhi?

Shri L. N. Mishra: None so far.

Shri Tangamani: The target for the Second Plan period was 15 canteens. Three years have already elapsed. I would like to know whether any canteen will be opened during the rest of the Plan period.

Shri L. N. Mishra: We are trying to expedite it. But we have not been successful. The difficulty is that these subsidies are to be given only to co-operatives of workers, of employers. So far no co-operatives have come forward excepting from the Delhi State

बाग़े पंचाट की कार्यान्विति

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{ श्री विभूति मिश्र :  
श्री त्रिविध कुमार चौधरी :  
श्री रघुनाथ सिंह :  
\*११०८. { श्री सुबिमन घोष :  
श्री राजेन्द्र सिंह :  
श्री हो० ना० मुकर्जी :  
श्री मुहम्मद इलियास

क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि बाग़े पंचाट के अनुसार जनवरी १९५९ में भारत और पाकिस्तान ने एक दूसरे को कुछ राज्यक्षेत्र हस्तान्तरित किये थे ;

(ख) यदि हा, तो भारत और पाकिस्तान ने कितना-कितना क्षेत्र और कितने-कितने लोग एक दूसरे को हस्तान्तरित किये हैं ; और

(ग) क्या यह हस्तान्तरण धान्तिपूर्वक हो गया ?



**वैशेषिक-कार्य उपसंजी (श्रीमती लक्ष्मी मेनन) :** (क) जी हा ।

(ख) भारत ने लगभग २६ ४० वर्ग-मील का प्रदेश पाकिस्तान को सौंप दिया और पाकिस्तान ने लगभग १३ १६ वर्गमील का प्रदेश भारत को सौंपा । पश्चिम बंगाल की सरकार प्रभावित क्षेत्रों और उस जनसंख्या के सही आकड़े इकट्ठा कर रही है जिसे इस के कारण रहने के स्थान बदलने होंगे ।

(ग) जी हा ।

**श्री विभूति मिश्र :** मैं जानना चाहता हूँ कि जो बागे अवार्ड हुआ था उस के अन्दर की जो जमीन है वह उस में अलग है जिस की अदला बदली नेहरू नून पैक्ट के अनुसार की जायेगी ?

**Shrimati Lakshmi Menon :** I could not follow the question

**श्री विभूति मिश्र :** मैं जानना चाहता हूँ कि बागे अवार्ड में जो जमीन ली और दी गई उस में नेहरू नून पैक्ट के अनुसार जो जमीन की अदला बदली की जायेगी वह शामिल है या उस से अलग है ?

**Shrimati Lakshmi Menon :** This refers to two disputed areas mentioned as dispute No 1 and dispute No 2. This was referred to the Bagge Tribunal and this is in implementation of the Bagge Award. These are territories held in

**Shri Tridib Kumar Chaudhuri :** I come from the district where the areas are interchanged

**Mr. Speaker :** Let the hon Minister complete her answer

**Shri Tridib Kumar Chaudhuri :** Therefore, I would like to ask one or two questions. The Bagge line for demarcating the boundary between the Murshidabad district, West Bengal, and Rajshahi district, East Pakistan, was to have been the mid-stream of the river Ganga as it was flowing one year after the Award. Since then the

line was drawn and demarcated jointly by the land records departments of the two Governments. May I know whether in interchanging the areas wrongfully held either by India or by Pakistan on either side of the Bagge line, any deviation of the line as drawn on the survey map and indicated by the land records departments of the two Governments was agreed upon?

**Shrimati Lakshmi Menon :** No, Sir. The boundary line between the Murshidabad district of West Bengal and the Rajshahi district of East Pakistan including the thanas of Nawabganj and Shibganj of pre-partition Malda district, is the dispute referred to. Here the boundary was regarded as a rigid and fixed line and therefore no change was called for.

**Shri Tridib Kumar Chaudhuri :** The hon Deputy Minister does not seem to know the exact position. The Bagge Award was that so far as the land boundary is concerned, they were rigid and fixed. But the Radcliffe Award did not say anything about the river. So the dispute was referred to Mr Justice Bagge's Tribunal.

**Mr. Speaker :** The hon Member is becoming a Minister.

**Shrimati Lakshmi Menon :** It was a rigid and fixed line and there was no change whatever by reference to the Bagge Award. The Bagge Award was that the boundary as fixed by Radcliffe Award stands. There is no change, it is not fluid.

**Shri Tridib Kumar Chaudhuri :** That is not correct, Sir.

**Mr. Speaker :** The hon Deputy Minister does not know. What is the good of asking the question? Mr. Mukerjee.

**Shrimati Lakshmi Menon :** Sir, I would like to read the Bagge Award in this matter. The Bagge Tribunal decided that in the case of dispute

No. 1 which the hon Member was referring to, the boundary would be a rigid one and that in the case of dispute No 2, it would be fluid, along the course of the river Matabhanga

**Shri Tridib Kumar Chaudhuri:** May I know whether the areas adjoining the right bank of the river Ganga like Char Durlabh and the former railway station site of Lalgaolaghat has been given over to Pakistan?

**Shrimati Lakshmi Menon:** I want notice for the detailed description of the territory

**Mr. Speaker:** The hon Member is close to the boundary and he can go on putting questions (Interruptions)

**Shri Tridib Kumar Chaudhuri:** May I explain the position, Sir?

**Mr. Speaker:** To whom? The hon Minister wants notice regarding these further details Next question

**Shri Hem Barua:** May I put a question, Sir?

**Mr. Speaker:** Shri Hem Barua is not one of the Members who tabled the question

**Shri Hem Barua:** That shows our mental alertness, Sir We want to cooperate

May I know whether the Indian who was captured in this particular area and taken over by Pakistan has been released and whether those military camps that we had in the char lands in the Ganges under dispute were destroyed by the Pakistani troops and whether they have paid any compensation for this?

**Mr. Speaker:** It does not arise out of this question It only relates to area and not to compensation

#### Indian Visitors to Pakistan

\*1109 **Shri Ajit Singh Sarhadi:** Will the Prime Minister be pleased to state whether the Government of India have been able to get the time limit of registration of Indian visitors to Pakistan extended to 14 days instead of 72 hours?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** No, Sir The final reply of Government of Pakistan is awaited.

**Shri Ajit Singh Sarhadi:** May I know whether, pending the decision of the Pakistan Government, there is any proposal to reduce the period for registering in India?

**Shrimati Lakshmi Menon:** I do not know what the hon Member means. Here, the reference is to the period between the entry of a Pakistani national and the period of registration As far as India is concerned, at every check post, as soon as he surrenders the triplicate of the visa, he is allowed 14 days before the registration takes place whereas in the case of Pakistan, originally, it was 24 hours and, now, as a result of our negotiations, it has been extended to 72 hours We are trying to have the same period, that is 14 days, to be given also to people who enter Pakistan

**Shri Ajit Singh Sarhadi:** My question is this The period of registration in India is 14 days and the period of registration in Pakistan is 72 hours The Government of India has urged that it should be increased to 14 days in Pakistan also Pending Pakistan agreeing to that, is there any proposal to reduce the 14 days here to 72 hours?

**Shrimati Lakshmi Menon:** Certainly not

#### Border Raids

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\*1112. { **Shri D C. Sharma.**  
**Sardar Iqbal Singh:**

Will the Prime Minister be pleased to refer to the reply given to Starred Question No 716 on the 8th December, 1958 and state whether final reply has been received from the Government of Pakistan with regard to the attack made by the Pakistan armed police on the Indo-Pakistan border at the Amurka irrigation canal in Punjab?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** In a reply received a short while ago, the Government of Pakistan have repeated their version of the incident, holding the Punjab Border Police responsible. This reply is being examined.

**Shri D. C. Sharma:** May I know what are the specific items in the reply of the Pakistan Government which are being examined? May I also know at what level these are being examined?

**Shrimati Lakshmi Menon:** I have already stated in the answer that the Pakistan Government says that the provocation came from our side.

**Sardar Iqbal Singh:** In spite of the difference, one thing is clear that in the raid the Pakistan P.A.C. personnel had been firing when the meeting was going on under the white flag. May I know whether Government has taken any step with the Pakistan Government that persons were killed when the meeting was going on under the white flag?

**Shrimati Lakshmi Menon:** Yes, Sir it was pointed out to the Pakistan Government.

**Sardar Iqbal Singh:** May I know the reply of the Pakistan Government in this specific regard?

**Shrimati Lakshmi Menon:** I have said the reply is awaited.

#### **Absorption of Passed-out Trainees from Technical Institutes**

\*1113 **Shri Panigrahi:** Will the Minister of Labour and Employment be pleased to state

(a) whether any efforts are being made on behalf of the Directorate of Employment Exchanges for absorption of the passed-out trainees of the Technical Institutes in the State-owned Steel factories in India,

(b) the number of trainees of the Government Technical Institutes in

the country at present who need absorption,

(c) whether the Deputy Directors of Training in the Directorate of Employment Exchange recently paid visit to Rourkela to discuss this matter with the Steel Project authorities, and

(d) if so, with what results?

**The Parliamentary Secretary to the Minister of Labour and Employment and Planning (Shri L. N. Mishra):**  
(a) Yes

(b) 13,661 as on 31st January, 1959

(c) No

(d) Does not arise

**Shri Panigrahi:** May I know the number of trainees who have been appointed so far in the different State owned steel factories in India, factory-wise?

**Shri L. N. Mishra:** I am not in a position to say that I will require notice. But, about 405 candidates have been interviewed at different places and they are expected to be employed shortly.

**Shri Panigrahi:** May I know whether there is any programme to absorb the trainees who have completed their training but are without employment?

**Shri L. N. Mishra:** These trainees are expected to be employed in the steel plants. The Labour Ministry has been negotiating with the Hindustan Steel Ltd., and other heavy machine plants as in Bhopal and the new plant that is to be set up at Ranchi, and we expect that most of these trainees will be provided with jobs.

**Shri S. M. Banerjee:** May I know whether these trainees who have taken training in these institutions are assured jobs after their training? Is there any assurance binding on the Government to provide them with jobs?

**Shri L. N. Mishra:** No such assurance is given. We gave them only a subsidy to the tune of 60 per cent—by the DTRE. But, no such assurance was given.

पाकिस्तानी प्रचार

\*१११४ श्री वाजपेयी क्या प्रधान  
मंत्री यह बताने की कृपा करेंगे कि

(क) क्या यह सच है कि पूर्वी पाकिस्तान के मार्शल ला प्रशासक ने इस प्रकार की हिदायते दी हैं कि पाकिस्तान रेडियो के ढाका केन्द्र से भारत-विरोधी-प्रचार प्रसारित न किया जाये,

(ख) क्या यह सच है कि ढाका स्थित भारत के उप-उच्चायुक्त को इस सम्बन्ध में एक पत्र प्राप्त हुआ है, और

(ग) यदि हाँ, तो उस में क्या लिखा है ?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):**

(a) to (c) Early in February 1959, the Deputy High Commissioner for India in Dacca received a communication from the Government of East Pakistan stating that they had issued instructions to Pakistan Radio to stop offensive propaganda against India and expressing the hope that the All India Radio would reciprocate.

**Shri Vajpayee:** May I know if it is a fact that after the conclusion of the military pact between Pakistan and America, the Pakistan radio has again intensified anti-Indian propaganda; and, if it is so, what steps do Government propose to take in the matter?

**Shrimati Lakshmi Menon:** Some such instances were brought to the notice of the Pakistan Government and we expect that they will reciprocate the restraint that we observe in broadcasting their news.

**Shri Vajpayee:** My question relates to the recent intensification.

**Mr. Speaker:** It has been brought to the notice of the Pakistan Govern-

ment and it is expected that they will reciprocate.

**Shri Vajpayee:** If they do not reciprocate? (Interruptions.)

**Mr. Speaker:** If they do not reciprocate, the hon. Member will suggest what ought to be done.

**Shri Hem Barua:** May I know whether the attention of the Government has been drawn to the fact that Pakistan has complained about the All India Radio spreading disaffection and disunity among the Pakistani people and that was being discussed at the Counter-Subversion Committee of the Conference of the Baghdad Pact countries when they met in January? If it is a fact, have we asked our All India Radio to stop propaganda against Pakistan? If it is not a fact, may I know whether this malicious propaganda made by Pakistan against this country is counter-acted?

**Shrimati Lakshmi Menon:** The hon. Member has asked a number of questions.

**An Hon. Member:** They are very simple.

**Shrimati Lakshmi Menon:** The simple thing is that it was brought to our notice that the All India Radio has been making adverse commentaries about the regime in Pakistan and this helped to create an atmosphere of bitter relations between the two countries. The result is that we have pointed out to them that they are also doing the same thing. Both countries have agreed that they will tone down propaganda, especially of news commentaries and also try to create a better atmosphere.

Betterment Levy

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\*1115. { **Shri Kunhan:**  
**Shri A. K. Gopalan:**

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

(a) the names of the States where betterment levy on land was imposed;

(b) the names of the States where such levy was actually collected, and

(c) the amounts collected in each State so far ?

**The Parliamentary Secretary to the Minister of Labour and Employment and Planning (Shri L. N. Mishra):** (a) In Andhra Pradesh, Assam, Bombay, Kerala, Madhya Pradesh, Madras, Mysore, Orissa, Punjab, Rajasthan and Himachal Pradesh legislations have been passed for the imposition of betterment charges on lands which have benefited from irrigation projects. Action is being taken by Rajasthan and Punjab to levy betterment contribution.

(b) Mysore

(c) Information is awaited from the Government of Mysore

**Shri Kunhan:** May I know whether it is a fact that the Planning Commission and the Central Government have been assisting the State Governments to collect the betterment levy?

**Shri L. N. Mishra:** It is the intention of the Planning Commission that the State Governments should make collection of the betterment levy.

**Shri Tangamani:** May I know whether it has been brought to the notice of the Government that forcible collection is being made in Punjab following the Ordinance promulgated in January and, if so, what steps the Government are taking to mitigate this, in view of the enhanced rates which have been collected during the past two years?

**The Deputy Minister of Planning (Shri S. N. Mishra):** On the contrary, the newspaper reports indicate that force is being resorted to by those who should be in a position to pay these very proper charges. (Interruptions.)

**Mr. Speaker:** Very well. The question hour is over anyhow.

## WRITTEN ANSWERS TO QUESTIONS

### Automobile Producers

\*1106. { **Shri V. P. Nayar:**  
**Shri Easwara Iyer:**

Will the Minister of Commerce and Industry be pleased to state whether in the allocation of foreign exchange to Automobile Producers and Assemblers any preference is shown to those who show increase in the percentage of indigenous manufacture?

**The Minister of Industry (Shri Manubhai Shah):** Allocation of foreign exchange to the three passenger car manufacturers is made in a ratio of 125 : 1 : 0.75 (in favour of Hindustan Motors, Premier Automobiles and Standard Motors) and this ratio takes into account (i) the progress made by each of them in indigenous manufacture, (ii) manufacturing capacity in terms of installed machinery, jigs, tools and fixtures, (iii) demand in the market, (iv) maintenance of level of employment and (v) the volume of production when the foreign exchange position for the import of components was relatively easy. But the main weightage has been given to (i). As regards allocation of foreign exchange for trucks also, the progress made by each firm, in accordance with the approved manufacturing programme, is similarly taken into account although, in addition, the demand and the licensed capacity are also taken into account.

### Supply of Trucks

\*1110. **Shri Aurobindo Ghosal:** Will the Minister of Works, Housing and Supply be pleased to state

(a) whether any steps have been taken against the Hindustan Motor and Premier Automobile companies for their failure to supply military trucks, and

(b) if not, the reasons therefor?

**The Minister of Works, Housing and Supply (Shri K. C. Reddy):** (a) There

has been no case where these two companies failed to supply military trucks against contracts placed by the Directorate General of Supplies and Disposals

(b) Does not arise

#### Machinery for Export of Products

\*1111. Shri Anirudh Sinha: Will the Minister of Commerce and Industry be pleased to state

(a) whether it is a fact that Government are contemplating to evolve a machinery on the basis of which manufacturers could be asked to export a percentage of their products, and

(b) if so, the details thereof?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra)

(a) and (b) The Standing Committee of the Export Promotion Advisory Council is considering ways and means for promoting the export of manufactured products. One of the suggestions which has been made in this connection is that each industrial unit should offer to make available for export a percentage of its production

#### Trade between India and U.S.S.R

{ Shrimati Ila Palchoudhuri  
\*1116. { Shri Ram Krishan Gupta  
{ Shri M. K. Kumaran

Will the Prime Minister be pleased to state

(a) whether the Chief Minister of Kerala has submitted any report to the Government of India in regard to his views relating to trade possibilities between India and the USSR since his return to India from that country, and

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

The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):

(a) and (b) The Chief Minister of Kerala has not submitted any report to the Government of India. He met the Prime Minister on his return and

mentioned that there were considerable possibilities of increasing trade between India and the U.S.S.R. With this viewpoint the Prime Minister agreed

The question of extending trade with the USSR is constantly under consideration of the Government

#### Sarvodaya House Building Society

\*1117 Shrimati Sucheta Kripalani: Will the Minister of Works, Housing and Supply be pleased to state

(a) whether it is a fact that the Sarvodaya Co-operative House Building Society will be accommodated in a 200-acre plot of land in Delhi reserved by Government for allotment to the organisations whose lands Government have decided to acquire, and

(b) if so, how long will it take to finalise the matter?

The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda): (a) it is Government's intention to help the Sarvodaya Co-operative House Building Society, as also other Co-operative Societies, similarly displaced as a result of the acquisition of about 1100 acres of land in the Ring Road area. Certain areas have been located, where these Societies might be accommodated

(b) No time limit can be given at this stage

#### Manufacture of Electric Tools at Mulund (Bombay)

\*1118. Shri Siddananjappa: Will the Minister of Commerce and Industry be pleased to state

(a) whether a new factory for the manufacture of electric tools is being set up at Mulund near Bombay,

(b) if so, when and by which firm it is being set up, and

(c) what is the value of electric tools manufactured in India during each of the last three years?

**The Minister of Industry (Shri Manubhai Shah):** (a) Yes, Sir

(b) The undertaking which is expected to go into production during this year is being set up by M/s Ralliwolf Ltd of Bombay

(c)—

1956		1957		1958	
Qty Nos	Value Rs	Qty Nos	Value Rs	Qty Nos	Value Rs
896	1 68 lacs	3959	10 07 lacs	6818	14 63 lacs

#### Indians in Burma

\*1119. { Shri Warior.  
Shri Kodiyan.  
Shri Vasudevan Nair

Will the Prime Minister be pleased to state

(a) whether he has received any representation from the Bengalee Chamber of Commerce, Rangoon, regarding the sufferings and hardships of Indians in Burma, and

(b) if so, what steps have been taken in this connection?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):**

(a) Yes, Sir

(b) We are fully aware of these difficulties pointed out in the representation and we have been making every effort to mitigate them

#### Sports Goods Industry

\*1120. { Shri Kodiyan.  
Shri Warior:

Will the Minister of Commerce and Industry be pleased to state

(a) the steps taken by Government to develop the Sports Goods Industry, and

(b) the total amount so far spent by Government in this connection?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b) A statement is laid on the Table of the House [See Appendix III, annexure No 87]

#### Report of the Chief Inspector of Mines

\*1121 Shri T B Vittal Rao. Will the Minister of Labour and Employment be pleased to state

(a) the year for which the last report of the Chief Inspector of Mines has been published,

(b) the reasons for the delay in publication of the report for the succeeding years,

(c) the price fixed for a copy of the report,

(d) the price originally fixed in 1950; and

(e) the reasons for this high price?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** (a) 1956

(b) the report for 1957 has been sent to the Press for printing, that for 1958 is not yet ready as statistical returns from mine owners are only being received

(c) and (d) The price of the report varies from year to year. The price of the report for the year 1950 was Rs 15-14-0

(e) Better quality of binding, larger number of plans and sketches included in the reports as also larger number of pages

#### Supply of Soda Ash to Glass Industry

\*1122 { Shri Goray  
Shri Jadhav:  
Shri Khushwaqt Rai:  
Shri Ajit Singh Sarhadi.

Will the Minister of Commerce and Industry be pleased to state

(a) whether the Glass Industrial Syndicate, Ferozabad (UP) have submitted a memorandum to Government praying that the supply of Soda

Ash should be raised to 600 tons per month;

(b) whether it is a fact that since July, 1958 on an average only about 250 tons of Soda Ash have been supplied to this industry, and

(c) what steps Government are contemplating with a view to meeting the requirements of this industry?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (c) The Glass Industrial Syndicate, Ferozabad had asked for the supply of 600 tons of Soda Ash per month, but the actual supply since July 1958 has, on the average, been 450 tons a month. Additional imports are being arranged to meet the unsatisfied demand of the Glass and Bangle Industry.

#### Shortage of Paper in Madras

\*1123 **Shri Subbiah Ambalam:** Will the Minister of Commerce and Industry be pleased to state

(a) whether there is a shortage of paper and consequent rise in prices thereof in Madras,

(b) whether any representation has been received from the State Government in this regard, and

(c) if so, what steps have been taken by the Centre?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (c) Due to cut in imports on account of foreign exchange difficulties, there was shortage of paper in Madras and elsewhere in the country and consequently there was rise in prices. The Madras Government brought to the notice of the Central Government the difficulties experienced by consumers in their State. In order to reduce the shortage and high prices in the country, Central Government instructed the Paper Manufacturers to distribute their products equitably and also to

exercise control over their distributors and retailers. *Nepa Newsprint* is also being made available free of duty for printing of cheap text books, etc. A small Committee to deal with complaints about unduly high prices charged by dealers has also been functioning. The question of fixing fair prices has been referred to the Tariff Commission and their report is expected by May, 1959.

#### Purchase of Mesta by State Trading Corporation

\*1124. { **Shri P. G. Sen:**  
**Shri Jhulan Sinha:**  
**Shri Bholanath Biswas:**

Will the Minister of Commerce and Industry be pleased to state.

(a) whether it is a fact that the purchase of mesta variety of jute is being refused by the State Trading Corporation,

(b) if so, the grounds thereof, and

(c) what measures are being proposed to give relief to the growers in respect of sale of mesta?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b) The State Trading Corporation are concentrating mainly on the purchase of raw jute and are not buying the mesta variety, the Corporation has been authorised to purchase raw jute for export and naturally they are interested in such varieties as have an export possibility.

(c) The mills have been asked to increase their purchase of raw jute and mesta, at the instance of Government, the banking industry has agreed recently to provide additional facilities which will be equally applicable to purchase of mesta as for raw jute. These measures have been taken only recently, and further measures can be considered subsequently in the light of the experience gained.



**Indian Political Prisoner in  
Kuala Lumpur**

- \*1125 { Shri Joachim Alva:  
Shri Subbiah Ambalam:  
Shri Tangamani:  
Shri E. V. K. Sampath:

Will the Prime Minister be pleased to state:

(a) whether Shri P Ramiah, a political prisoner, serving a seven-year term in the Pundu Jail at Kuala Lumpur has undertaken an indefinite fast and has already completed thirty-five days in that process,

(b) if so, the reason for his going on a fast, and

(c) whether our good offices have been utilised to save his life"

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):**

(a) to (c) The Government of India are aware that Shri K Ramiah (not P Ramiah as mentioned by the Members) is undergoing a seven-year prison sentence at Seremban Jail in the Federation of Malaya, but the Government of India are not aware of any fast being undertaken by him

**Discontinuance of Publication of  
Newspapers**

- \*1127. { Shri Nath Pai:  
Shrimati Renu Chakravarty:

Will the Minister of Labour and Employment be pleased to state

(a) whether any newspaper proprietors have communicated to Government that they would not be able to continue the publication of their papers as a result of recommendations of the Working Journalists Wage Committee; and

(b) whether any paper has been closed?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** (a) Government have not received any representations.

(b) According to the available information, the 'Amrita Patrika' (Hindi) Allahabad has been closed by the management, on the ground that the paper had been incurring losses during the last nine years of its existence

**Heavy Electricals (Private) Limited,  
Bhopal**

- \*1128. { Shri Vidya Charan Shukla:  
Shri D C Sharma:  
Shri Morarka:

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No 603 on the 27th August, 1958 and state

(a) what commission or remuneration is payable to the purchasing agents of the Heavy Electricals (Private) Ltd, Bhopal,

(b) whether orders for the supply of plant and machinery required for phase I of the project from abroad, have since been placed, and

(c) if so, the progress made so far in the matter?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (c) A statement is laid on the Table of the House [See Appendix III, annexure No 88]

**Indian Textiles**

- \*1129 { Shri Ram Krishan Gupta:  
Shri Rameshwar Tantia:  
Shri Shree Narayan Das:  
Shri S. M. Banerjee:  
Shri Tangamani:  
Shri A. K. Gopalau.  
Shri Raghunath Singh:  
Shri Supakar:  
Shri Damani:  
Shri Anirudh Sinha:  
Shri Siddananappa

Will the Minister of Commerce and Industry be pleased to lay a statement on the Table showing

(a) the present position with regard to production internal consumption and stocks of Indian textiles;

(b) whether the export of Indian textiles has increased as a result of various remedial measures adopted by Government in recent months;

(c) if so, to what extent especially in the case of our exports to Afghanistan and South East Asian markets;

(d) whether any further measures are contemplated to step up the export of Indian textiles, and

(e) if so, the details thereof

**The Minister of Industry (Shri Manubhai Shah):** (a) to (e) A statement is laid on the Table of the House [See Appendix III, annexure No 89]

#### Prices of Jute Goods

\*1130. **Shri Rameshwar Tantia:** Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No 1524 on the 8th April, 1958 on the subject of fixation of minimum prices for jute goods by the Indian Jute Mills Association and state how these prices have affected our exports in 1958-59?

**The Minister of Industry (Shri Manubhai Shah):** The minimum prices fixed by the Indian Jute Mills' Association have not adversely affected the jute goods exports in 1958-59

#### Industrial Tribunal, Ernakulam

\*1131. **Shri S. M. Banerjee:** Will the Minister of Labour and Employment be pleased to state whether the Industrial Tribunal, Ernakulam has awarded a bonus of six months wages to the employees of the three principal oil companies in Ernakulam area?

**The Minister of Labour and Employment and Planning (Shri Guizari Lal Nanda):** Yes

#### फिल्म इन्स्टीट्यूट और फिल्म प्रोडक्शन ब्यूरो

\*1132. { श्री भक्त वरदान :  
श्री डी० चं० शर्मा :  
श्री राम कृष्ण गुप्त :  
सरदार इकबाल सिंह :

क्या सूचना और प्रसारण मंत्री १६ दिसम्बर, १९५८ के प्रताराकित प्रश्न संख्या २१४५ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि फिल्म इन्स्टीट्यूट और फिल्म प्रोडक्शन ब्यूरो की स्थापना के लिये इस बीच क्या कार्यवाही की गई है और उन में से प्रत्येक का कार्य कब तक प्रारम्भ हो जाने की आशा है ?

सूचना और प्रसारण मंत्री (डा० केश-कर) फिल्म इन्स्टीट्यूट और फिल्म प्रोडक्शन ब्यूरो की स्थापना के बारे में ब्योरा तैयार करने का काम खास तौर पर दो अफसरों को सौंप दिया गया है इस खर्च का हिसाब १९५६-६० के बजट अनुमान में लगा लिया गया है। आशा है कि इन दोनों संस्थाओं का काम आने वाले वित्तीय वर्ष में शुरू हो जायगा।

#### Coir Floor Mats and Matting

\*1133. { **Shri V. P. Nayar:**  
**Shri Easwara Iyer:**

Will the Minister of Commerce and Industry be pleased to state

(a) how far the purchase of coir floor mats and matting by various Departments of the Government of India has increased in the year 1957; and

(b) whether Government Departments purchase coir products only from the Coir Board or from the private trade?

**The Minister of Industry (Shri Manubhai Shah):** (a) It is not known whether there has been any increase in the purchase of coir floor mats and

matings by the various Government Departments in 1957 compared to their purchases during previous years. In March, 1958, this Ministry circularized to various departments of the Government of India recommending that 25 per cent. of their requirements of floor coverings may be met by coir mats and matings. Any consequent increase in the purchase of coir floor mats and matting by the various Government Departments will be reflected in the purchases subsequent to March, 1958.

(b) Government Departments are free to purchase coir products from Coir Board's Show-rooms or from the private trade.

**औद्योगिक बस्ती (झाँखला (दिल्ली))**

\*११३४ श्री नवल प्रभाकर क्या  
जाणित्य तथा उद्योग मंत्री यह बताने की  
कृपा करेंगे कि

(क) दिल्ली में झोखला औद्योगिक बस्ती  
में स्थानों का वितरण किस आधार पर किया  
गया है ;

(ख) कारखानों के मासिक किराये क्या  
हैं ,

(ग) इन कारखानेदारों को सरकार की  
ओर से क्या-क्या सुविधायें दी गई हैं ; और

(घ) क्या इन में से कुछ कारखाने अनु-  
सूचित जातियों को भी दिये गये ?

उद्योग मंत्री (श्री मनुभाई शाह) (क)  
कारखाने के स्थानों के वितरण का आधार  
इस प्रकार है —

(१) जहाँ तक संभव हो, प्रार्थी  
दिल्ली राज्य का होना चाहिये ।

(२) हलके इंजीनियरी उद्योगों को  
तरजीह दी जाय ।

(३) जिन उद्योगों के लिये बहुत  
अधिक बिजली और पानी की जरूरत हो,  
उन्हें तरजीह न दी जाय ।

(४) जिन उद्योगों में हानिकर या  
दुर्गंध पूर्ण गैरें या रद्दी पदार्थ उपोत्पादन  
के रूप में निकलते हों, उन्हें प्रोत्साहित  
न किया जाय ।

(५) दिल्ली प्रशासन के उद्योग  
संचालक द्वारा चुने हुए प्रार्थियों को  
तरजीह दी जाय लेकिन ऐसा करते हुए  
इस बात का ख्याल रखा जाय कि किसी  
विशेष प्रकार के उद्योगों का वहाँ केन्द्री-  
करण न हो जाय । और

(६) जो प्रार्थी वर्गीकृत मशीनें लगाने  
और प्रतिमानित किस्मों का माल बनाने  
के लिये तैयार हो, उन्हें प्राथमिकता  
दी जाय ।

(ख) २४,०५२'०५ रु० ।

(ग) अच्छी सड़कें, पर्याप्त बिजली और  
पानी की व्यवस्था, एक डाकखाने तथा एक बैंक  
के अलावा सरकार ने एक सामान्य सुविधा  
केन्द्र भी स्थापित किया है जो कारखानों को ।  
वैय्यक्तिक सहायता और जानकारी प्रदान  
करेगा । मजदूरों के लिये वहाँ एक कैंटीन  
और एक डिस्पेंसरी है । आग बुझाने की भी  
वहाँ व्यवस्था है ।

(घ) इस तरह का कोई हिसाब नहीं  
रखा जाता ।

#### Advisers attached to planning Commission

\*1135 Shri Harish Chandra Mathur:  
Will the Minister of Planning be  
pleased to lay a statement showing:

(a) the names of the Advisers at-  
tached to the Planning Commission;  
and

(b) their functions and responsibi-  
lities?

The Deputy Minister of Planning  
(Shri S. N. Mishra): (a) and (b). The  
Planning Commission has at present  
three Advisers, Programme Adminis-  
tration—Shri S. V. Ramamurthy.

Shri Nawab Singh and Shri M. S. Sivaraman For different subjects there are also senior officers designated as Advisers for the purpose of coordination of work

The Advisers, Programme Administration, keep in close touch with the progress of the Plan in different States. They assist both Central Ministries and State Governments in matters concerning the implementation of various programmes. They also co-ordinate at the official level the preparation of the annual and the Five Year Plans of the States with which they are concerned. Special studies are also entrusted to them from time to time

#### Export of Indian Textiles to Iran

\*1136 { Shri Ajit Singh Sarhadi:  
Shri Daljit Singh:

Will the Minister of Commerce and Industry be pleased to state:

(a) whether possibilities of further exploitation of markets in Iran for Indian Textiles have been explored, and

(b) if so, with what result?

The Minister of Industry (Shri Manubhai Shah): (a) Yes, Sir

(b) The import duty which is assessed by weight weighs more heavily on Indian coarse and medium varieties. Our representations on this matter are being sympathetically considered by the Government of Iran

#### Export of Coffee

\*1137 Shri Bibhuti Mishra: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that since 1957 the export of Indian Coffee is going down in Europe;

(b) if so, whether it is due to competition from the Brazilian Coffee, and

(c) whether Government have formulated any scheme to compete with Brazilian Coffee in the European Market?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra):

(a) No, Sir. There has, however, been a decline in value owing to falling prices of coffee in the world market.

(b) No, Sir

(c) Does not arise.

#### India Coffee Depots and Coffee Houses

\*1139. { Shri A. K. Gopalan:  
Shri Kunhan:  
Shri Sanganna:

Will the Minister of Commerce and Industry be pleased to state:

(a) whether the India Coffee Depots and Coffee Houses are considered as industrial establishments; and

(b) if so, what are the reasons for declaring these as industrial establishments now?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra):

(a) and (b) Coffee Houses are considered 'industrial establishments' and not so the India Coffee Depots. Details have been called for and the position will be examined

#### Export of Iron Ore

\*1140. Shri Panigrahi: Will the Minister of Commerce and Industry be pleased to state:

(a) whether Japan has expressed its eagerness for entering into a long term contract with India for obtaining iron ore;

(b) whether Japan intends to extend the current project by an additional two million tons of iron ore for export;

(c) whether a contract for the supply of one million tons of iron ore had been signed with Czechoslovakia;

(d) whether negotiations for exporting another two million tons of iron ore through Mangalore Port are being carried on, and

(e) if so, with which countries?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):**

(a) and (b) In addition to the present five year contract commencing 1957-58 for the purchase of about 1.5 million tons of Indian iron ore per year, Japanese Steel Mills have agreed to take two million tons annually over and above their normal purchases from 1964 onwards for a period of 10 years. Negotiations are also taking place for additional exports by utilizing the existing facilities available for shipment at Paradip port.

(c) Negotiations are in progress.

(d) and (e) The State Trading Corporation are exploring possibilities of exporting iron ore through Mangalore to Italy, West Germany and the United Kingdom.

#### Geneva Agreement

\*1141 Shri Goray Will the Prime Minister be pleased to state

(a) whether Government are aware of the fact that the Foreign Minister of China has administered a stern warning to Laos against their unilateral renunciation of the Geneva Agreement on Indo-China,

(b) whether he has asked the Government of India to "Check firmly the scheme of the US to instigate Royal Laotian Government to repudiate the Geneva Agreement" and

(c) what is the reaction of the Government to this warning?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):**

(a) and (b) The Government of India are aware of the letter addressed by the Foreign Minister of the People's Republic of China to the Co-Chairmen of the Geneva Conference in

connection with the statement made by the Prime Minister of the Royal Government of Laos on 11th February, 1959, on the subject of the Geneva Agreement on Laos. They are also aware of the statement made by the Foreign Minister of the People's Republic of China in elaboration of this letter.

(c) So far as the Government of India are concerned, they are endeavouring to get the International Commission for Supervision and Control in Laos to deal with the problems connected with the Geneva Agreement on the cessation of hostilities in Laos, in accordance with the views expressed by the Co-Chairmen in their latest notes dated 31st January, 1959, copies of which are laid on the Table of the House. [See Appendix III, annexure No 90]

#### Industrial Disputes

\*1142 { Shri Ram Krishan Gupta:  
Shri Tangamani

Will the Minister of Labour and Employment be pleased to refer to the reply given to Starred Question No 850 on the 11th December, 1958 and state the progress made so far in evolving machinery of workers and employers for screening cases wherein recourse to law courts is contemplated?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** Except for one employers' organisation, all other Central organisations of employers and workers have either set up the required machinery or have taken steps to do so.

#### Abolition of Contract System and Coal Mines

\*1143. { Shri S. M. Banerjee:  
Shri Ram Krishan Gupta:  
Dr. Ram Subhag Singh:  
Pandit D. N. Tiwary:

Will the Minister of Labour and Employment be pleased to refer to

the reply given to Starred Question No. 864 on the 11th December, 1958 and state:

(a) whether any decision has since been taken with regard to the question of abolition of contract system in coal mines;

(b) if so, the nature thereof;

(c) whether its financial implications have been worked out, and

(d) if so, the details thereof?

The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda): (a) and (b) The Industrial Committee on Coal Mines held on 21-2-1959 discussed the matter further and have asked a technical committee to investigate the matter

(c) No

(d) Does not arise

#### Part-time Personnel of the Planning Commission

\*1144. Shri Harish Chandra Mathur: Will the Minister of Planning be pleased to state whether it is a fact that the Government proposes to replace part-time personnel of the Planning Commission by whole-time personnel?

The Deputy Minister of Planning (Shri S. N. Mishra): Except when it is unavoidable, the Planning Commission has full-time officers on its staff. To this three exceptions have been made in the mutual interest of the Planning Commission and the Ministries concerned

#### Desertions of Displaced Persons from Saurashtra D. P. Homes

\*1145. Shri Panigrahi: Will the Minister of Rehabilitation and Minority Affairs be pleased to state

(a) whether there have recently occurred large scale desertions of East Pakistan refugees from Displaced Persons Homes in Saurashtra, and

(b) if so, the reasons therefor?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) No. In fact, 28 more displaced persons from West Bengal were sent to the Home in December, 1958. The present strength of the Home is 302

(b) Does not arise

#### Indian Trade Centres Abroad

1707. Shri Ram Krishan Gupta: Will the Minister of Commerce and Industry be pleased to state the number of Indian Trade Centres and show rooms opened in foreign countries so far (country-wise)?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): A statement is laid on the Table of the Sabha [See Appendix III, annexure No. 91]

#### Prime Minister's Visit Abroad

1708. { Shri Ram Krishan Gupta:  
Shri Keshava:  
Shri Raghunath Singh:

Will the Prime Minister be pleased to state

(a) the names of the countries from which he has received invitations for visits during 1958 and 1959 so far; and

(b) the names of the countries which he proposes to visit during 1959?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) and (b) The Prime Minister has received invitations from many countries in various parts of the world. He has expressed his gratitude for these invitations and stated that, while he would welcome the opportunity of visiting them, it is difficult for him to find time to do so in the near future. He hopes that he may be able to arrange some visits later. He visited Bhutan and Sikkim in October last year. He has no present invitation of going on a foreign tour in 1959.

**Foreign Prime Ministers' Visits to India**

1709. { Shri Ram Krishan Gupta:  
Shri Kalika Singh:

Will the Prime Minister be pleased to state

(a) the names of Prime Ministers of foreign countries who visited India during 1958, and

(b) the total amount of expenditure incurred upon their visits?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) The under-mentioned Prime Ministers of Foreign Countries visited India in 1958 as State Guests —

1 H E Mr Vilam Siroky,  
Prime Minister of Czechoslovak Republic

2 The Rt Hon Harold Macmillan, Prime Minister of the United Kingdom

3 The Rt Hon Walter Nash,  
Prime Minister of New Zealand

4 H E Mr Adnan Menderes,  
Prime Minister of Turkey

5 H R H Prince Norodom Sihanouk, Prime Minister of Cambodia

6 H E Mr Firoz Khan Noon,  
Prime Minister of Pakistan

7 The Rt Hon John G Diefenbaker, Prime Minister of Canada

8 H E Mr Einar Gerhardsen,  
Prime Minister of Norway

9 The Hon Dr Kwame Nkrumah, Prime Minister of Ghana

(b) Actual amounts paid out upto  
31-1-1959 Rs 98,364 06

Total estimated expenditure for these visits Rs 5,34,010 00

**Schemes in Jammu and Kashmir**

1710. Shri D. C. Sharma: Will the Minister of Planning be pleased to state:

(a) the total amount spent by the Centre on the schemes sponsored and executed by the Central Government

in the State of Jammu and Kashmir during the first two years of Second Five Year Plan; and

(b) the total amount to be spent during the current financial year?

**The Deputy Minister of Planning (Shri S. N. Mishra):** (a) and (b) A statement regarding Centrally sponsored schemes is laid on the Table of the House [See Appendix III, annexure No 92] As regards purely Central Schemes it is not generally possible to allocate by States and Territories

**Development of Handloom Industry in Jammu and Kashmir**

1711. Shri D. C. Sharma: Will the Minister of Commerce and Industry be pleased to state

(a) the amount allotted to Jammu and Kashmir for the development of handloom industry during 1958-59 so far, and

(b) the items on which the expenditure has been incurred?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** (a) Rupees two lakhs (Rupees 80,000 as loan and Rs 1,20,000 as grant)

(b) A statement is laid on the Table of the Sabha [See Appendix III, annexure No 93]

**Delhi Municipal Corporation**

1712. Shri Ram Krishan Gupta: Will the Minister of Works, Housing and Supply be pleased to state the total amount of loan and subsidies given to Delhi Municipal Corporation for Low Income Group Housing Scheme during 1958-59?

**The Minister of Works, Housing and Supply (Shri K. C. Reddy):** The Low Income Group Housing Scheme envisages advance of loans only and does not provide for any subsidy No loan has been advanced to the Corporation so far during 1958-59 under the Scheme

The Corporation, however, applied to the Delhi Administration in December, 1958, for a loan of Rs. 17.23 lakhs (subsequently raised to Rs. 50.00 lakhs) under the Low Income Group Housing Scheme. Since the loan under the Scheme is admissible for the construction only of residential houses for persons belonging to low-income groups, and not for the building of shopping, community or educational centres etc., the Delhi Administration have asked the Corporation to review their proposal and give further details. The reply from the Corporation is awaited.

#### Film Producing Companies in India

1713. Shri Ram Krishan Gupta: Will the Minister of Information and Broadcasting be pleased to state:

(a) total number of film producing companies in India (State-wise), and

(b) total number of new film producing companies formed in 1958-59?

The Minister of Information and Broadcasting (Dr. Keskar): (a) and (b) Government do not regulate the production of films. There is no law requiring the registration of film producers. It is, therefore, not possible to give precise information about the number of film producing companies in the country or the number of such companies opened during a particular period.

#### Technical Training Centres in Bombay State

1714. Shri Pangarkar: Will the Minister of Labour and Employment be pleased to state the names and number of places where technical training centres were started in Bombay State during the years 1957-58 and 1958-59?

The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda): No new training Institute was started in Bombay during 1957-58. However, new Institutes were started at Jamnagar, Akola, Kandla, Nagpur, Ahmedabad and Nanded during 1958-59.

#### Accidents in Stone Quarries

1715. Shri Pangarkar: Will the Minister of Labour and Employment be pleased to state:

(a) the number of accidents that took place in the stone quarries industry during the last six months; and

(b) the number of persons killed in those accidents?

The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda): (a) Five.

(b) None.

#### Glass Factories in Orissa

1716. Shri P. K. Deo: Will the Minister of Commerce and Industry be pleased to state:

(a) whether there is any proposal to set up any new glass factory or to expand the existing units in Orissa; and

(b) if so, whether any survey has been made for the availability of material for setting up glass factory?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):

(a) No, Sir

(b) Does not arise

#### Plan Publicity in Orissa

1717. Shri P. K. Deo: Will the Minister of Information and Broadcasting be pleased to state:

(a) the names of the dramatic troupes in Orissa which have been given Plan publicity dramas in the Second Five Year Plan period;

(b) how many Oriya dramas have been selected so far for Plan publicity and which are those; and

(c) the total amount spent in Orissa so far in the Second Plan period for Plan publicity through dramas?

The Minister of Information and Broadcasting (Dr. Keskar): (a)



- 1 Annapurna Theatre Group 'A', Puri
- 2 Annapurna Theatre Group 'B', Cuttack
- 3 Kalinga Arts Players, Baghrabad, P.O. Chandni Chauk, Cuttack-2
- 4 Janta Rangmancha, Cuttack
- 5 Natya Shree Theatres, Station Bazar, P.O. Baripada, Distt Mayurbhanj
- 6 Chanderkala Theatre, Sungoradi
- 7 Gopbandhu Dramatic Club Bal kati
- 8 Bakdevi Natya Sangha, Badala Hanga P.O. Yagatsmghpur
- 9 Boys' Cultural Club, P.O. Naya-garh
- 10 Binapani Club, Bhubaneswar

(b) Three—

- (1) Kula Bohu
- (2) Hamara Gaon } Translation
- (3) Man Bhang } in Oriya

(c) A sum of Rs 31,000 (approximately) has been spent so far in the Second Plan period for publicity through dramas in Orissa

#### Mortgage Claims of Displaced Banks

1718. Shri Onkar Lal: Will the Minister of Rehabilitation and Minority Affairs be pleased to state

(a) the number of mortgage claims filed by the displaced banks under the Displaced Persons (Compensation and Rehabilitation) Act, 1954 in respect of the properties in West Pakistan mortgaged by the displaced debtors before partition,

(b) the amount involved in respect of these claims,

(c) the amount due to displaced banks in respect of such claims under Section 6 of the Displaced Persons (Compensation and Rehabilitation) Act, 1954,

390 LSD—3

(d) the amount deducted from the compensation payable to debtors under section 7(2) (b) of the Displaced Persons (Compensation and Rehabilitation) Act, 1954,

(e) the amount paid to the displaced banks in respect of their claims; and

(f) what process, if any, has been evolved to link the mortgage claims of displaced banks with the verified claims of debtor-mortgagers to avoid delay and errors?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) 880 claims of charge against the properties of displaced debtors have been filed by the 14 Displaced Banking Companies notified under Section 6 of Displaced Persons (Compensation and Rehabilitation) Act, 1954 (44 of 1954)

(b) Rs 4,95,64,078 00 (as claimed by the Banking Companies)

(c) The charge in 640 claims has been verified and ascertained to the extent of Rs 1,02,08,436 00 240 cases remain in which the charge of the Banking Companies is still to be verified

(d) Rs 17,21,601 40 nP

(e) The information is not available

(f) Banking Companies have been asked to furnish the Index Numbers of the claims of their debtors. As and when they furnish the said Index Numbers the files of the Banking Companies are linked and charges are ascertained after calling both the parties

राष्ट्रीय नमूना सर्वेक्षण कार्यालय

१७१६. पंडित ब्रज नारायण "बजेश" :  
क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि

(क) क्या मंत्रिमण्डल सचिवालय का  
राष्ट्रीय नमूना सर्वेक्षण कार्यालय (नेशनल

केन्द्रित सर्वे प्राप्त) अधीनस्थ कार्यालय है  
अथवा संलग्न कार्यालय ;

(ख) उक्त कार्यालय के श्रेणी ३ के उन कर्मचारियों को धर्मस्थायी न बनाने के क्या कारण हैं, जो लगभग दस वर्ष से काम पर लगे हुए हैं, जब कि सामान्यतः सरकारी कर्मचारियों को तीन वर्ष की सेवा के पश्चात् धर्मस्थायी बना दिया जाता है,

(ग) उन कर्मचारियों को धर्मस्थायी बनाने में कितना समय लगेगा जो तीन वर्ष से अधिक समय से सेवा कर रहे हैं, और

(घ) श्रेणी ३ और ४ के कर्मचारियों का क्या भविष्य है, जब कि उन्हें धर्मस्थायी नहीं बनाया गया है और कार्यालय की कोई स्थिति नहीं है ?

प्रधान मंत्री तथा वैदेशिक कार्य मंत्री (श्री जवाहरलाल नेहरू) : (क) इस दफ्तर की संस्थिति अभी पक्की तरह से तय नहीं हुई लेकिन काम के लिये इसे इस समय अधीनस्थ दफ्तर मानते हैं,

(ख), (ग) और (घ) तीसरे दर्जे की नौकरियों के रिक्तमैट रूल्स अभी पूरे तय नहीं हो पाये हैं। इस वजह से यह फैसले अभी तक रुके हुए हैं। उमीद है कि रिक्तमैट रूल्स तय होते ही इन विषयों का (अर्थात् धर्मस्थायी बनाने का) फैसला जल्दी हो जायेगा।

कर्मचारियों की तरफकी क्वेसी-परमानेंसी या दफ्तर की संस्थिति पर निर्भर नहीं है। दूसरे व तीसरे दर्जे के कर्मचारी ऊचे पदों पर तरफकी पा सकते हैं। चपडासी, जो ४ दर्जे के कर्मचारी हैं, दफ्तरी के पद पर नियुक्त हो सकते हैं।

#### Assistance to Private Schools

1720. Shri Daljit Singh: Will the Minister of Rehabilitation and Minority Affairs be pleased to state—

(a) whether the Rehabilitation Ministry have sanctioned any financial assistance to private schools during 1958-59 so far; and

(b) if so, the names of such educational institutions and the amount of assistance given to each institution?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) and (b). As in earlier years, financial assistance has been sanctioned during the year 1958-59 to displaced institutions which were already in existence in the Union at the time of Partition or were started thereafter, for catering mostly to the educational needs of the displaced persons

A State-wise list of such institutions and the amount of assistance given to each institution in the Western Zone is laid on the Table of the Sabha. [See Appendix III, annexure No 94]

#### Small Scale Industries in Andhra Pradesh

1721 Shri M. V. Krishna Rao: Will the Minister of Commerce and Industry be pleased to state the total financial assistance given by the Khadi and Village Industries Commission to the State Government and other organisations in Andhra Pradesh during 1957-58 and 1958-59 so far and what are the industries for which such grants were given?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): A statement is laid on the Table of the Sabha [See Appendix III, annexure No 95]

#### Companies in Andhra Pradesh

1722. Shri M. V. Krishna Rao: Will the Minister of Commerce and Industry be pleased to state.

(a) the number of companies registered during 1958-59 in Andhra Pradesh.

(b) the authorised capital, company-wise, and

(c) the names of companies which went into liquidation during the same period in Andhra Pradesh?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** (a) to (e). During the first eleven months of 1958-59, 17 companies with a total authorised capital of Rs. 51.79 lakhs have been registered in Andhra Pradesh. The number of companies reported so far to have gone into liquidation in the same period is 21.

**NOTE:**—The names of newly registered and liquidated companies and their other particulars, such as, industrial classification, names of managing agents, secretaries and treasurers, managing directors, directors, etc., situation of registered office, objects, authorised, subscribed and paid-up capital, etc. and regularly published in the Monthly Blue Books on Joint Stock Companies in India, copies of which are available in the Parliament Library.

#### **Flexible Tube Factory at Andheri (Bombay)**

**1723. Shri Siddananappa:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether a flexible tube factory has been set up at Andheri near Bombay;

(b) if so, by whom and at what cost it has been set up; and

(c) what is the estimated annual capacity of the factory?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** (a) to (c). The Indian Flexible Tube Manufacturing Co., Andheri, have set up a factory for the manufacture of flexible tubes with an annual capacity of 380,000 meters per annum. The factory which is in the small scale sector, is understood to have a block capital of Rs. 2.9 lakhs and a working capital of about Rs. 1.2 lakhs.

#### **Cotton Textiles Export Promotion Scheme**

**1724. Shri Siddananappa:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that exports of cloth and yarn effected by mills

to Nepal will not be taken into account for the import entitlement under the Cotton Textiles Export Promotion Scheme; and

(b) if so, for what reasons?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):**

(a) Yes, Sir.

(b) There are no import and export restrictions between India and Nepal, and no foreign exchange is involved in trade with Nepal.

#### **Industrial Estates in West Bengal**

**1725. Shri S. C. Samanta:**  
**Shri Subodh Hansda:**

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Unstarred Question No 418 on the 25th November, 1958 and state:

(a) how far the Industrial Estates in West Bengal have been constructed and occupied;

(b) how the Industrial Estate at Kalyani has been utilised;

(c) at what stage is the Baruipur Industrial Estate; and

(d) whether any other Industrial Estate will be taken up in West Bengal during the remaining period of the Second Five Year Plan?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** (a) to (c). In West Bengal, only one industrial Estate viz. at Baruipur has been completed. The Industrial Estate at Kalyani has been partially completed. The present position in respect of the two Estates is given below.

**Baruipur Industrial Estate:** The construction of all the 20 work-sheds of this estate covering an area of about 30,000 sq. ft. has been completed. Eight work-sheds have already been occupied by various industries manufacturing ink & adhesives, chisels, rivets, electrical components etc. The other sheds have also been earmarked and are expected to be occupied shortly.

**Kalyani Industrial Estate** The construction of seven workshop sheds covering more than 80,000 sq ft have been completed and allotted to small industrial units for being utilised as cycle rim factory, lug shop, poly mould factory, crank shaft factory, drop hammer, mechanical toy factory, and small tools manufacturing centres. The construction of additional workshop sheds covering about 30,000 sq ft has been taken up by the State Government and is expected to be completed during the current financial year.

(d) Three additional Industrial Estates viz at Saktigarh, Siliguri, and Howrah are proposed to be established during the remaining period of the Second Five Year Plan.

#### Training of Welfare Personnel

1726. **Shri R C Majhi:** Will the Minister of Labour and Employment be pleased to state

(a) the total target fixed for training of multi-purpose welfare workers under the Ministry of Labour and Employment in the Second Five Year Plan period, and

(b) the number of persons who have received training upto the end of 1958?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** (a) and (b) 54 persons have received training upto the end of 1958. Workers are being trained at the rate of 100 per year.

#### Industrial Disputes in Mysore

1727. **Shri Keshava:** Will the Minister of Labour and Employment be pleased to state

(a) the number of man-days lost on account of industrial disputes in the State of Mysore during the year 1957-58 and 1958-59, and

(b) the predominant feature of these lock-outs or strikes?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** (a) 4,46,247 in 1957-58 and 2,84,803 in 1958-59 (upto December, 1958 only)

(b) Retrenchments, removal of workers, non-payment of wages or bonus, etc

#### Industrial Disputes

1728. { **Shri Keshava:**  
**Shri Ram Krishan Gupta:**

Will the Minister of Labour and Employment be pleased to state:

(a) the total number of industrial disputes during the year 1958-59, State-wise,

(b) the number of man-days lost due to industrial disputes during the above period, State-wise,

(c) the number of labour strikes during the years 1957-58 and 1958-59; and

(d) the number of man-days lost due to strikes during the above period, State-wise?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** (a) to (d) Two statements are laid on the Table of the Sabha [See Appendix III, annexure No 96]

#### National Labour Relations Board

1729 **Shri Keshava:** Will the Minister of Labour and Employment be pleased to state

(a) whether it is a fact that the Government has a proposal to establish a National Labour Relations Board on the American model or otherwise, and

(b) whether such boards are likely to be established at State level also?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** (a) and (b) No such proposal is under consideration.

**Uniform Wages for Plantation Workers**

1730. { Shri Ram Krishan Gupta:  
Shri Keshava:  
Shri S. M. Banerjee:  
Shri Sarju Pandey:  
Shri Aurobindo Ghosal:

Will the Minister of Labour and Employment be pleased to refer to the reply given to Starred Question No. 244 on the 25th November, 1958 and state:

(a) whether replies from the State Governments regarding application of uniform wages for all plantation workers have been received, and

(b) if so, the nature of the replies received?

The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda): (a) Replies have been received from all State Governments addressed in the matter, except the Government of Assam

(b) The State Governments have pointed out that the existing wages have been fixed under the Minimum Wages Act 1948 and in some cases by agreements. Variations in the wage rates are due to different conditions in various areas, such as size of plantations etc. Most of the State Governments are not in favour of setting up a Wage Board for this industry.

**Manufacture of Textile Machinery**

1731. { Shri Ram Krishan Gupta:  
Shri Pangarkar:

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Unstarred Question No 1079 on the 8th December, 1958 and state:

(a) whether the proposals from private parties for the manufacture of different items of textile machinery in collaboration with foreign firms have been considered; and

(b) if so, the result thereof?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):

(a) and (b) Of the proposals which were then under the consideration of Government, the following have been approved so far:—

Name of Indian firm	Name of the Articles to foreign col- laborator	be manufac- tured
1. M/s.T. Manek- lal Mfg. Co., Bombay.	M/s. Bennin- ger Engg. Co., Swit- zerland.	Mercerisers
2. M/s. Star Trading Co. Ltd., Bombay.	M/s. Famatex G.m.b.H., West Germany.	Hot air stenters.
3. Calico In- dustrial En- gineers, Bom- bay.	M/s. Karl Menzel, West Ger- many.	Textile wet processing machinery.

The remaining proposals are under examination

**Manufacture of Small Tractors**

1732. { Shri Ram Krishan Gupta:  
Shri Dwarikanath Tewari:  
Shri Nathwani:  
Shri Morarka:

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Unstarred Question No 1047 on the 8th December, 1958 and state:

(a) whether schemes for the manu-  
facture of tractors of smaller sizes  
have been finally approved; and

(b) if so, the details thereof?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):

(a) and (b) Two schemes, with a total capacity of 2,500 Nos of agri-  
cultural tractors per annum in the  
range of 12—18 DBHP and 20—30  
DBHP, have been approved. Licences  
under the Industries (Development &  
Regulation) Act will be issued after  
finalisation of terms of foreign colla-  
boration.

### Closure of Tea Gardens

1733. **Shri Ram Krishan Gupta:** Will the Minister of Commerce and Industry be pleased to state the nature of the steps taken so far to tackle the problem of closures of tea gardens and to restore their normal functioning?

The Minister of Commerce and Industry (**Shri Lal Bahadur Shastri**): Closures of tea estates have been uncommon. It has been noticed that only a small number of sub-marginal gardens are prone to closure more than others. The starting of a Tea Guarantee Fund Scheme to enable the marginal estates to meet their working capital requirements to the maximum possible extent is now being examined by the Tea Board. Schemes for rendering assistance in the matter of supply of fertilizers and transport are also being considered. These measures will add strength to the weaker gardens, and help them to function well.

### All India Radio

1734. **Shri Ram Krishan Gupta:** Will the Minister of Information and Broadcasting be pleased to state the nature of the steps taken or proposed to be taken for exploring all avenues for effecting further economies in the establishment charges of All India Radio?

The Minister of Information and Broadcasting (**Dr. Keskar**): Proposals for incurring expenditure, particularly of new posts, are examined by an Economy Committee. Short term vacancies are not normally filled in and posts are kept unfilled where they are not urgently required. Economy was effected by reducing the normal transmission period of original broadcasts by half an hour a day. The economies effected by the Ministry have been included in the Statement laid by the Prime Minister on the Table in answer to Question No. 722 on the 23rd February, 1959. The Special Reorganisation Unit of the Ministry of Finance is shortly undertaking a

detailed examination of the organisation of the All India Radio.

### Nangal Fertilisers and Chemicals (Private) Limited

1735. { **Shri Ram Krishan Gupta:**  
**Shri D. C. Sharma:**

Will the Minister of Commerce and Industry be pleased to state:

(a) the progress made so far in setting up the Nangal Fertilizers and Chemicals (Private) Ltd; and

(b) the date by which the construction work will be completed and the factory will go into production?

The Minister of Commerce and Industry (**Shri Lal Bahadur Shastri**): (a) About 75 per cent of the electrolyser plant has arrived at the factory site and civil work pertaining to the electrolysis plant is about 65 per cent complete.

The electrical equipment from Messrs English Electric Company is expected to start arriving shortly. Construction of building for the Rectifier Plant and the 66 KV sub-station in the switch yard has started.

Construction of nitric acid & ammonia plants and Fertilizer production plant buildings has made sufficient headway to enable the erection work to start before the middle of this year. Factory boundary wall is almost complete.

The railway track from the factory entry point to the Electrolysis Plant area is being laid.

The contract for the factory water supply system and the water treatment plant has been awarded. The contract for laying the masonry gravity flumes has also been awarded and the work started. The contract for the supply, erection and commissioning of the Heavy Water Plant has been awarded to M/s Linde of West Germany on deferred payment terms.

Construction of about 50 per cent of quarters of various types in the per-

manent township has been completed and most of them have been electrified. Construction of the remaining houses is in progress. Necessary certificate of approval has been obtained from the Director of Industries, Punjab to enable the Nangal Fertilizers to obtain a mining lease in respect of the limestone deposits at Ramsar-Serla in the Morni Hill tracts. The limestone quarried from these deposits will be transported to the factory site through a ropeway for part of the distance. Tenders have been invited for the construction of the ropeway which will cover a distance of about 7½ miles.

(b) The erection of all the plants except the Heavy Water Plant is expected to be completed by the middle of 1960. The Heavy Water Plant is expected to be completed in the first quarter of 1961.

#### Trade with U.S.S.R.

1736. Shri Rameshwar Tantia: Will the Minister of Commerce and Industry be pleased to state the main articles of imports from and export to the U.S.S.R. and other allied countries?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): The main articles of imports from and exports to the U.S.S.R. and other East European countries are as under:—

#### Imports

Iron and Steel, Machinery, Metals (other than Iron and Steel), Electrical goods, Dyes and colours, Chemicals, Newsprint and paper board, Fertilizers etc.

#### Exports

Tea, Coffee, Jute manufactures, Wool raw, Tobacco, Spices, Mica, Shellac, Vegetable oils, Hides and skins, Footwear, Cashew nuts, Iron ore, Cotton textiles, Woollen fabrics etc.

#### Jute Trade

1737. Shri Rameshwar Tantia: Will the Minister of Commerce and Industry be pleased to state:

(a) the number of licences given so

far for the import of jute from Pakistan during 1958-59; and

(b) the quantity of jute to be exported from India through the State Trading Corporation or other channels?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) 77 licences had been issued during the period July, 1958 to January, 1959.

(b) Exports are canalised through the State Trading Corporation against contracts in the light of stock and price situation. No ceiling has been fixed on these exports.

#### Export of Raw Jute

1738. Shri Rameshwar Tantia: Will the Minister of Commerce and Industry be pleased to state:

(a) whether exports of raw jute have been made during January and February, 1959;

(b) if so, which are the principal importing countries; and

(c) if the reply to part (a) is in the negative, what are the difficulties for jute exports?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) No, Sir.

(b) Does not arise.

(c) Some balers are believed to have held up the shipments assigned to them by the State Trading Corporation.

#### Industrial Output

1739. Shri V. P. Nayar: Will the Minister of Commerce and Industry be pleased to state:

(a) whether Government have any information of the value of per capita industrial output in the different States in India at present; and

(b) if so, what are the details?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) and (b). Statistics regarding the value of per capita industrial output

in the different States in India are not available. If the hon. Member requires information regarding any particular industry or industries in any State in the country Government will try to collect some information that may be readily available.

#### Consumer Price Index Number in Kanpur

1740. Shri S. M. Banerjee. Will the Minister of Labour and Employment be pleased to state

(a) whether the calculation of dearness food allowance by the employers under instruction from the Labour Commissioner, U.P. was based on 498 instead of 514 consumer index in Kanpur in December, 1958,

(b) if so, whether any fresh instructions have been issued by the Ministry of Labour and Employment, and

(c) if not, the reasons for this under calculation?

The Minister of Labour and Employment and Planning (Shri Nanda):

(a) No. These Consumer Price Index Numbers are compiled by the U.P. Government. It appears that the Labour Commissioner, U.P., suggested to the Employers' Association of Northern India, Kanpur, that, since there was delay in the compilation of the index number for November, 1958 and onwards, on account of the supply of wheat at cheaper rates, they should advise their members to pay the dearness allowance for December, 1958 on the basis of the index number for October, 1958, namely 514 on a provisional basis subject to adjustments afterwards. The index numbers for November and December, 1958 were 505 and 485 respectively.

(b) No

(c) Does not arise

#### Indian Labour Conference

1741. Shri S. M. Banerjee. Will the Minister of Labour and Employment be pleased to state

(a) the decisions of the 15th and 16th Indian Labour Conference which have not yet been implemented, and

(b) the reasons for the same?

The Minister of Labour and Employment and Planning (Shri Nanda):

(a) and (b) The conclusions of the 15th and 16th Sessions of the Indian Labour Conference are at various stages of consideration or implementation.

#### Nangal Fertilizers and Chemicals (Private) Limited

1742. Shri Ajit Singh Sarhadi: Will the Minister of Commerce and Industry be pleased to state.

(a) whether in view of heavy demand for fertilizers for increasing production of food in our country it is proposed to increase the production capacity of the Nangal Fertilizers and Chemicals (Private) Limited, and

(b) if so, to what extent?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):

(a) and (b) It is being examined whether and, if so, to what extent the designed production capacity of the Nangal fertilizer factory can be increased.

#### उत्तर प्रदेश और हिमाचल प्रदेश में टेक्निकल सस्थायें

१७४३. श्री भक्त बर्शन क्या अब और रोजगार मंत्री २० नवम्बर, १९५८ के अतारांकित प्रश्न संख्या २०१ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) उत्तर प्रदेश और हिमाचल प्रदेश में जो आठ प्राथमिक सस्थायें खुलने वाली हैं उन्हें किन-किन स्थानों पर खोलना निश्चित हुआ है,

(ख) उनमें से प्रत्येक की स्थापना में अब तक क्या प्रगति हुई है,

(ग) इस योजना के अन्तर्गत जो सस्थायें खोली जा रही हैं उन में किन-किन विषयों के लिये, कनने-कितने छात्र प्रविष्ट किये जायेंगे, और



(ब) ऐसी प्रत्येक संस्था पर कितना आवश्यक तथा अनावश्यक व्यय होना ?

जन और रोजगार तथा योजना मंत्री (श्री नन्दा) (क) उत्तर प्रदेश में कानपुर, आगरा, बरेली, गोडा, मिर्जापुर, बलिया और श्रीनगर तथा हिमाचल प्रदेश में सोलन।

(ख) बलिया और श्रीनगर को छोड़ कर ऊपर लिखे सभी स्थानों में प्राथमिक संस्थाएँ बूझ गई हैं। आशा है कि बलिया और श्रीनगर की प्राथमिक संस्थाएँ नवम्बर, १९५६ में आरम्भ होने वाले सत्र (सेशन) से चालू हो जायेंगी।

(ग) और (घ) एक विवरण सभा पटल पर रख दिया गया है। [वेबसाइट पर रिजिस्ट्रार, अनुबन्ध सख्या ६७]

#### Strike by Calcutta Dock Workers

1744. { Shri Raghunath Singh:  
Shri Muhammed Elias.

Will the Minister of Labour and Employment be pleased to state

(a) whether it is a fact that the workers under the Dock Labour Board, Calcutta went on strike on the 4th December, 1958 and the 5th January, 1959,

(b) if so, the number of workers who took part in the strikes, and

(c) the reasons for the strikes?

The Minister of Labour and Employment and Planning (Shri Nanda)

(a) There was partial stoppage of work by a section of the workers of the Board on these dates

(b) The information is as follows —

Date	No of workers who absented themselves from work	Duration
4-12-58	955 approximately	4 hours.
5-1-59	1047 approximately	4 hours.

(c) The decision of the Dock Labour Board that the number of the identity card of every worker should be made distinct by pasting a slip containing the serial number in the identity cards was misinterpreted to the workers by certain disgruntled elements who were able to persuade a section of the workers to stop work

गवर्नमेंट प्रेस, बिल्सी की मुद्रण क्षमता

१७४५. श्री नवल प्रभाकर क्या निर्माण, आवास और संभरण मंत्री यह बताने की कृपा करेंगे कि

(क) दिल्ली स्थित भारत सरकार के मुद्रणालय में हिन्दी तथा अंग्रेजी के कितने फर्में प्रतिदिन छापने की क्षमता हैं, और

(ख) काम के घटो में प्रतिदिन होने वाले कार्य का क्षमता से क्या अनुपात है ?

निर्माण, आवास और संभरण मंत्री (श्री क० च० रेड्डी) (क) नई दिल्ली में स्थित सरकारी छपाखाने में लेटर प्रेस बिग की कम्पोज करने की क्षमता, आठ आठ घंटे की दोनो पारियों को मिला कर, प्रतिदिन ६६० रायल आक्टवो (Royal Octavo) पृष्ठ हैं। इसमें से २२० पृष्ठ अंग्रेजी या हिन्दी में किये जा सकते हैं और शेष केवल अंग्रेजी में। बिग की मशीन छपाई की क्षमता उतने ही समय में २,६५,००० अक्षर (Impressions) है यदि छपाई अधिक सख्या में हो अर्थात् प्रत्येक फर्म की इतनी कापिया छपे जिसमें मेक रेडी टाइम (Make Ready time) को मिला कर एक पार्श्व का आधा समय लगे। यदि छपाई कम सख्या में हो तो क्षमता घट जाती है क्योंकि पार्श्व के दौरान में अधिक फर्में तैयार करने तथा बदलने में समय लग जाता है। इस क्षमता पर भाषा का कोई प्रभाव नहीं पड़ता है। फोटोलिथो बिग में कम्पोज करने की क्षमता ५० पृष्ठ और छपाई की ४,२५,००० अक्षर (Impressions) प्रतिदिन है यदि छपाई अधिक सख्या में हो

इस बिग में कार्य एक ही पारी में होता है और केवल बंगरेजी में कम्पोज किया जाता है।

(क) लैटर प्रेस बिग में दोनों पारियों को मिला कर प्रतिदिन का वास्तविक उत्पादन ८४२ पृष्ठ तथा १,६५,००० अंक (Impressions) है, और फोटो लिथो बिग जिसमें एक पारी काम होता है उसका प्रतिदिन का उत्पादन ३५ पृष्ठ तथा २,२५,००० अंक (Impressions) है। यह अन्तर कम्पोज करने में लाइनो की नाप को घटाने या बढ़ाने तथा क्षपाई की सख्या परिवर्तनीय होने के कारण है।

#### Small Industries in Orissa

1746. Shri Panigrahi: Will the Minister of Commerce and Industry be pleased to state:

(a) whether the Small Industries Service Institute has rendered any assistance to small industries in Orissa in 1955-56, 1956-57 and 1957-58; and

(b) if so, what is the nature of assistance or services rendered?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) The Institute was started in 1956-57 and since then it has been giving assistance to the Small Scale Industries in Orissa.

(b) A statement is laid on the Table of the Sabha. [See Appendix III, annexure No. 98]

#### Automobile Tyre Manufacturing Industry

1747. { Shri Kadiyan:  
Shri Punnoose:  
Shri V. P. Nayar:

Will the Minister of Commerce and Industry be pleased to state:

(a) the main raw materials consumed by the automobile tyre manufacturing industry and the proportion in value of each such material;

(b) the incidence of cost of transport in regard to (i) manufacturing of tyres and (ii) raw materials and in particular raw rubber; and

(c) the percentage of cost of electricity consumed?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):

(a) The main raw materials required for the manufacture of automobile tyres and tubes are:—

- (i) Rubber, (u) Fabric, (lii) Carbon Black, (iv) Bead Wire, (v) Tube valves, (vi) a variety of chemicals such as sulphur, zinc oxide, accelerators, anti-oxidants, plasticisers, softeners, fillers, etc.

As regards the proportions by value of various constituents it is not possible to give precise information, as the proportion of the several constituents varies with each type of tyre and even from manufacturer to manufacturer.

(b) It is not possible to specify the incidence of cost of transport, as it depends on the area in which the plant is situated. However, this is very small in relation to the cost of tyres

(c) No precise break up is available

#### Employment Exchanges

1748. Shri Aurobindo Ghosal: Will the Minister of Labour and Employment be pleased to state:

(a) whether there is any other organisation by whom employments are given besides the Employment Exchanges; and

(b) if so, what are those organisations?

The Minister of Labour and Employment and Planning (Shri Nanda):

(a) and (b). Up-to-date information regarding organisations other than Employment Exchanges, which are giving employment assistance is not available. A list of fee-charging employment agencies which

were known to be functioning in October 1957 is given below:—

State	Sl. No.	Name and address of the Agency.
Bihar	1.	M/s. Mukund Lal & Sons, Dhansar, Dhanbad.
	2.	M/s. Bhariya Mazdoor, Supplier, Dhansar, Dhanbad.
	3.	M/s. Colliery Labour Supplier, Dhansar, Dhanbad.
	4.	M/s. Oudh Bihari Singh & Co., Dhansar, Dhanbad.
Bombay	5.	Information and Help Bureau, Old Kinkhab-wala Market, 2nd Floor, Tower Road, Surat.
	6.	Archbishop's Employment Bureau, Archbishop's House, Wodehouse Road, Bombay-1
	7.	Y.W.C.A. Employment Bureau, Mayo Road, Bombay
	8.	The Asiatic Service Bureau, 1st Floor, Bhiwand-wala Building, Lamington Road, Bombay.
West Bengal	9.	Y.W.C.A. Employment Bureau, Calcutta.

#### Peaceful Uses of Atomic Energy

1749. Shri D. C. Sharma: Will the Prime Minister be pleased to state:

(a) whether the Government of India have received any request from Universities and other Institutions for grants-in-aid for investigating the use of atomic energy in agriculture, food processing, animal husbandry, fishery, forestry and allied subjects;

(b) if so, the nature of assistance proposed to be given by the Department of Atomic Energy; and

(c) the names of Universities and other Institutions interested in this project?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) Yes. One University has

so far approached for grant-in-aid for this purpose.

(b) The proposal is under consideration.

(c) The name of the University mentioned in part (a) above is Annamalai University.

#### Purchases by the Government of India

1750. Shri Anirudh Sinha: Will the Minister of Works, Housing and Supply be pleased to state:

(a) the quantity and value of purchases made by the Government of India for their requirements during the last 5 years ending the 31st December, 1958, year-wise; and

(b) the percentage of purchases made from indigenous sources during the same period, year-wise?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): (a) Quantity-wise statistics of purchases have not been maintained. The value of the purchases made by the D.G. S. & D, D.G.I.S.D, London and I.S.M., Washington during the last 5 years ending 31st December, 1958 year-wise, is indicated in statement No 1 laid on the Table of the Sabha [See Appendix III, annexure No. 99]

(b) The percentage of purchases made from indigenous sources during the same period year-wise is indicated in statement No 2 laid on the Table of the Sabha [See Appendix III, annexure No 99.]

गर्म मसालों की निर्यात सम्बंधन परिषद्

१७५१. श्री अनिरुद्ध सिंह : क्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार गर्म मसालों के निर्यात को बढ़ाने के लिये एक निर्यात सम्बंधन परिषद् की स्थापना करने का विचार कर रही है;

(ख) यदि हाँ, तो इस सम्बन्ध में कब तक अन्तिम निर्णय हो जाने की आशा है, और

(ग) प्रस्तावित परिषद् की विस्तृत रूपरेखा क्या है ?

वाणिज्य तथा उद्योग मंत्री (श्री लाल बहादुर शास्त्री) : (क) गर्म मसालों के निर्यात को बढ़ाने के लिये एक निर्यात सम्बर्धन परिषद् या मण्डल स्थापित करना ठीक है या नहीं, यह प्रश्न विचाराधीन है।

(ख) ज्यों ही आवश्यक पूछताछ का काम पूरा हो जायेगा।

(ग) प्रश्न ही नहीं उठता।

#### Employees' State Insurance Scheme

1752 Shri Pangarkar Will the Minister of Labour and Employment be pleased to state the number of insured employees' families who have been extended facilities as per decisions of Employees State Insurance Scheme during 1958-59?

The Minister of Labour and Employment and Planning (Shri Nanda): Families of 196500 insured employees have been given facilities for medical care so far

#### Additional Resources of Orissa Government

1753 Shri Pamgrahi Will the Minister of Planning be pleased to refer to the reply given to Unstarred Question No 26 dated the 17th November, 1958 and state

(a) whether Orissa Government have submitted its estimates of revenue from additional resources like assessment and recovery of betterment fees, special assessment on agricultural land used for non-agricultural purposes, improvement in tax administration and intensification of small savings drive, and

(b) what are the estimated revenues from these additional resources promised to be raised by Orissa Government for the remaining years of the Second Plan period?

The Deputy Minister of Planning (Shri S. N. Mishra). (a) and (b) The possibilities of raising additional resources from the measures referred to in the question were generally considered by the Planning Commission and the representatives of the State Government. No precise estimates were worked out. The problem will undoubtedly be kept under review by the State Government.

#### Labour Laws in Himachal Pradesh

1754 Shri D C Sharma Will the Minister of Labour and Employment be pleased to refer to the reply given to Unstarred Question No 2144 on the 19th December, 1958 and state the progress made so far in framing rules under the Minimum Wages Act and other Labour Laws in force in Himachal Pradesh?

The Minister of Labour and Employment and Planning (Shri Nanda): Rules under the Minimum Wages Act have been drafted and are being finalised by the Himachal Pradesh Administration in consultation with the Law Department. Rules under the remaining Labour Laws will also be framed shortly.

#### Installation of 100 KW Short Wave Transmitter at Delhi

1755 Shri Shivnanjappa Will the Minister of Information and Broadcasting be pleased to state

(a) whether it is a fact that the installation of a 100 Kw short wave transmitter has been completed at All India Radio, Delhi, and

(b) if so what are the main features of the above project and the estimated expenditure thereof?

**The Minister of Information and Broadcasting (Dr. Keskar):** (a) Yes, Sir.

(b) The installation has been provided with East West beam aerials to carry External Services programmes. The transmitter incorporates latest safety devices for operating personnel and for costly equipment and enables quick change-over of operating frequency.

The estimated expenditure on the project is Rs 40.31 lakhs.

#### South Africa-Born Indians

**1756. Shri Shivananappa:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that a small group of South Africa-born Indians have applied to settle in the village of Sakhol near Bombay in India; and

(b) if so, whether the Government of India have allowed them to settle there?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) and (b) The Government of India have no information.

#### Strike of Clerks of Dock Labour Board, Calcutta

**1757. Shri Muhammed Elias:** Will the Minister of Labour and Employment be pleased to state:

(a) whether it is a fact that there was a strike of 563 Reserve Pool Tally Clerks under Dock Labour Board, Calcutta, for few hours on the 7th December, 1958, and

(b) if so, the reason of this strike?

**The Minister of Labour and Employment and Planning (Shri Nanda):** (a) Out of 563 registered Tally Clerks 252 were required to be booked for the afternoon and night shifts on the 7th December, 1958, but none of them accepted booking.

(b) One of the Tally Clerks wanted to force entry into the Office of the

Board, but the security guard refused to allow him to do so as entry at the time of booking was prohibited. There was a scuffle and thereafter the Tally Clerks present demonstrated in a body as a protest against alleged man-handling.

#### Export of Mica and Tobacco to Belgium

**1758. Shri Ajit Singh Sarhadi:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that there is scope for increase in export of Mica and better grade Tobacco to Belgium; and

(b) if so, the steps taken to increase this export?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** (a) and (b). There appears to be scope for increasing exports to Belgium which imports Mica either directly from India or through Netherlands, the U.K. and West Germany. Processed Mica is imported from European countries only. Export Promotion Council is considering schemes for pre-shipment inspections and taking steps to ensure timely delivery of goods with a view to encourage direct exports.

As for exports of Tobacco to Belgium, only the medium and low grades of tobacco are generally in demand. The Indian Central Tobacco Committee, the Tobacco Export Promotion Council and the Tobacco officers stationed in Antwerps and London continue to strive to improve the sales of Indian tobacco in Belgium.

#### Export Licences for Cotton

**1759. Shri Yajnik:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether the licences for the export of Deshi, Bengali and Vegadi cotton are being given in the Bombay

State to the actual exporters and the number of these licences; and

(b) whether these licences are also given to some Co-operative Societies in some parts of Gujarat to export this kind of cotton which is not grown in that area and the number of these licences?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):**

(a) Government have been permitting for export every year a certain quantity of cotton depending upon the availability of a surplus after meeting the internal requirements. The varieties of cotton allowed for export are generally those which are 3/4" and below in staple length. Bengali, Deshi and Vagadi cotton fall under the permissible varieties for purposes of export. Licences are granted to all exporters of cotton a 'first-come-first-served' basis. The number of licences granted to actual exporters in the Bombay State is not known.

(b) Out of the quantity of cotton released for export from time to time, 15 per cent is reserved for distribution among co-operative societies in all the States of the Indian Union. Under this reservation, the co-operative societies dealing in cotton in the Bombay State have been getting export licences. The licences do not refer to the areas where the cotton to be exported was grown. The total number of licences issued to Co-operative societies in Gujarat is 39.

**विदेशी बाणिज्य केन्द्र**

१७६०. श्री पद्म देव : क्या बाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) इस समय भारत में कितने विदेशी बाणिज्य केन्द्र काम कर रहे हैं; और

(ख) भारत में इन विदेशी बाणिज्य केन्द्रों को जो सुविधायें प्राप्त हैं क्या भारत को भी वही ही सुविधायें प्राप्त हैं ?

**बाणिज्य तथा उद्योग मंत्री (श्री लाल बहादुर शास्त्री) :** (क) और (ख). भारत में कोई भी विदेशी बाणिज्य केन्द्र नहीं चल रहा है न किन जो भी विदेशी दूतावास बाणिज्यिक प्रचार के लिये अपने ही कार्यालय में या नुमाइशों में प्रदर्शित करने के लिये वस्तुएं भारत लाना चाहते हैं, उन्हें एक निर्धारित अवधि के लिये ये प्रदर्शनीय वस्तुएं बिना किसी प्रकार का शुल्क लिये आयात करने दी जाती हैं। भारत को भी विदेशों में ऐसी ही सुविधाएं प्राप्त हैं।

**Export of Hides and Skins to U.K. and U.S.A.**

1761. Shri N. R. Munisamy: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that there is a sharp decline in hides and skins industry in 1958 as compared to 1957 especially in the export of tanned hides to U.K and the U.S.A; and

(b) what are the factors responsible for such slump?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):**

(a) There has been some decline in exports of hides and skins, including exports of tanned hides to the U.K.

(b) Indian hides and skins are used as raw material for leather manufactures. On account of the recession in economic activity in the U.K and other countries there was a tendency on the part of buyers to reduce purchases and run down inventories.

**Magazines and Periodicals**

1762. Pandit J. P. Jyotishi: Will the Minister of Information and Broadcasting be pleased to state:

(a) the names of the magazines and periodicals published by Government at present;

(b) the number of copies of each printed and sold during the last three years; and

(c) the expenses incurred on each along with an account of profit or loss accrued thereon during the same period?

**The Minister of Information and Broadcasting (Dr. Keskar):** (a) A statement is laid on the Table of the House. [See Appendix III, annexure No. 100.]

(b) and (c). The information is being collected and will be laid on the Table of the House.

#### Employees of the C.P.W.D.

**1763. Shri Sanganna:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether it is a fact that there is disparity in the scales of pay between degree holders and diploma holders employed under the C.P.W.D. under similar circumstances and conditions of service;

(b) if so, the reasons therefor; and

(c) whether Government contemplate to remove the disparity?

**The Minister of Works, Housing and Supply (Shri K. C. Reddy):** (a) It is presumed that this has reference to the scale of pay of degree-holders and diploma holders in Engineering when appointed to the post of Section Officers (Overseers) in the C.P.W.D. This post carries a scale of Pay of Rs. 100-8-140-10-300, and both the above categories—degree holders as well as diploma holders in Engineering—when appointed to this post are given the above scale. As such there is no disparity between the scales of pay of these officers. The Degree-holders on account of their higher qualifications are however given a higher starting pay of Rs. 180 in the above scale.

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

**Chaldean Syrian Bank Ltd., Trichur**

**1764 { Shri Warior:  
Shri Kadiyan:**

Will the Minister of Labour and Employment be pleased to state:

(a) whether Government have received the report of the Conciliation Officer, Cochin, on the dispute between the employees and management of the Chaldean Syrian Bank, Trichur, Kerala State; and

(b) if so, the action taken by Government thereon?

**The Minister of Labour and Employment and Planning (Shri Nanda):** (a) Yes.

(b) Matter is receiving attention.

#### Bone Digesters

**1765. Shri Nath Pai:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether a private engineering firm of Bombay enjoys the monopoly of manufacturing and supplying bone digesters to the flaying centres of the Khadi and Village Industries Commission;

(b) if so, the reasons for it; and

(c) what is the total number of digesters supplied to the flaying centres of bone crushing units so far and how many of them are working to their capacity and whether their working has been satisfactory?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):** (a) No, Sir; four engineering firms are recognised by the Commission to manufacture these digesters as per specifications etc. approved by the Commission. If any other firms are prepared to manufacture as per approved specifications, the Commission is prepared to consider them.

(b) Does not arise.

(c) In all about 400 bone digesters have been supplied so far. Full in-

formation regarding the capacity and performance of the bone digesters is being collected and will be laid on the Table of the House

#### कागज

१७६६. पंडित उवा० प्र० ज्योतिषी : क्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) इस समय देश में प्रचलित कागज के अतिरिक्त कागज की कितनी मांग है,

(ख) देश की मिट्टी से उक्त कागज की कुल आवश्यकता में से कितने प्रतिशत आवश्यकता पूरी होती,

(ग) १९५७-५८ में कुल कितने मूल्य का कागज विदेशों में मंगाया गया;

(घ) क्या भारतीय कागज विदेशों को निर्यात किया गया, और

(ङ) यदि हा, तो कितने मूल्य का ?

वाणिज्य तथा उद्योग मंत्री (श्री लाल बहादुर शास्त्री) : (क) लगभग ३,००,००० टन की ।

(ख) लगभग ८४ प्रतिशत ।

(ग) ५४६ २० लाख ८० का ।

(घ) और (ङ) १९५७-५८ में ७५ ६१ लाख ८० के मूल्य का कागज विदेशों को निर्यात किया गया ।

#### Village Housing Projects

1767. Shri Ram Krishan Gupta: Will the Minister of Works, Housing and Supply be pleased to state

(a) whether the scheme for opening six research-cum-training centres under Village Housing Project Scheme has been finalised, and

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

The Minister of Works, Housing and Supply (Shri K. C. Reddy). (a) and (b) Action is under way to set up

new centres in six engineering institutions, for undertaking work on Rural Housing relating to research, training and extension. Broadly, the functions of these centres would include—

(i) research into the better use of local building materials;

(ii) improvement of construction techniques for village housing; and

(iii) short term training and re-orientation of technical personnel employed in the planning and execution of rural housing programmes under the Village Housing Projects Scheme

#### National Advisory Committee on Public Cooperation

1768 Shri M. K. Kumaran: Will the Minister of Planning be pleased to state

(a) whether the sub-committees appointed by the National Advisory Committee on Public Cooperation of the Planning Commission have submitted their reports,

(b) if so, their main suggestions and recommendations, and

(c) whether the Planning Commission has considered them?

The Deputy Minister of Planning (Shri S. N. Mishra): (a) Yes, Sir

(b) Copies of the reports of the three sub-committees are placed on the Table of the House [Placed in Library See No LT-1279/59]

(c) The reports are proposed to be considered in the next meeting of the National Advisory Committee on Public Cooperation, the date of which is yet to be fixed

#### Nangal Fertilizers and Chemicals (Private) Limited

1769 Shri Daljit Singh: Will the Minister of Commerce and Industry be pleased to state.

(a) the number of retired Government servants re-employed in the



**Nangal Fertilizers and Chemicals (Private) Ltd, New Nangal so far; and**

(b) the number among them belonging to Scheduled Castes?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):**

(a) 52

(b) One

#### **Export of Umbrellas**

**1770 Shri Siddananjappa.** Will the Minister of Commerce and Industry be pleased to state

(a) the quantity of complete umbrellas exported during 1958, and

(b) to which countries were they exported?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):**

(a) 3654 dozen during January-November 1958. Figures for December 1958 are not yet available

(b) Mainly to Aden, Tanganyika, Nyasaland, Afghanistan, Fiji Islands, Kenya, Rhodesia, Belgian Congo and Trucial Oman

#### **Industrial Disputes and Lock-outs**

**1771 Shri Siddananjappa.** Will the Minister of Labour and Employment be pleased to state the number of industrial disputes and lock-outs throughout the country during November and December, 1958, and January, 1959, State-wise?

**The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda):** The requisite information is regularly published in the Indian Labour Gazette by the Director, Labour Bureau Simla. According to the latest issue of the Gazette (January, 1959), Andhra reported 1 industrial dispute in November, 1958, Assam 3, Bihar 3, Bombay 24, Kerala 7, Madhya Pradesh 1, Madras 27, Mysore 3, Orissa 1, Punjab 4, Rajasthan 3, Uttar Pradesh 6, West Bengal 31 and Delhi 4. During 380 L.S.D.—4.

the same period West Bengal reported 6 lock-outs, Bombay 3, Madras 2 and Mysore 1

The figures in respect of December 1958 and January, 1959 would be published in the Gazette in due course

#### **Acquisition of Properties at Lhasa (Tibet)**

**1772 Shrimati Ila Palchoudhury.** Will the Prime Minister be pleased to state

(a) whether it is a fact that the Government of India propose to acquire certain properties at Lhasa (Tibet),

(b) if so, the details thereof,

(c) whether the Union Government have acquired properties in other countries also, and

(d) if so, the details thereof together with the names of countries in which properties have been acquired?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) Yes

(b) Negotiations are underway to lease a plot of land measuring 5,500 sq ft and acquire buildings thereon for the residence and office of our Consul General

(c) Yes

(d) A statement is laid on the Table of the House [See Appendix II, annexure No 101]

#### **Trade with Switzerland**

**1773 Shri Daljit Singh:** Will the Minister of Commerce and Industry be pleased to state

(a) the total amount of trade between Switzerland and India during 1957-58 and 1958-59, and

(b) the steps being taken to strengthen the trade relation with Switzerland?

**The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):**

(a) A statement showing figures of

India's trade with Switzerland during 1957-58 and the first eight months of 1958-59 (April-November 1958) for which latest statistics are available, is given below —

## STATEMENT

	(Value in Rs. lakhs)	
	1957-58	1958-59 (April November)
Imports from Switzerland	16.50	6.29
Exports (including re-exports) to Switzerland	1.04	4.6
India's trade deficit with Switzerland	15.46	5.83

N.B. figures are provisional and subject to revision

(b) A Trade Centre cum-Showroom is being run in Geneva. This centre is intended to introduce Indian goods to the Swiss market.

2. The Tea Board is organising publicity for Indian tea through despatch of samples and gift consignments. Similar efforts are made in respect of tobacco also.

• A miniature exhibition of Indian goods is being organised in co-operation with a Swiss Departmental Store.

## Educated Unemployed in Punjab

1774 Shri Daljit Singh Will the Minister of Labour and Employment be pleased to state

(a) the number of unemployed Graduates, Intermediates, Matriculates belonging to Scheduled Castes and Scheduled Tribes who were on the Live Registers of Employment Exchanges in Punjab during 1957-58 and 1958-59, and

(b) the number of them provided with employment during the same period?

The Minister of Labour and Employment and Planning (Shri Gulzar

Lal Nanda): (a) The information given below

## STATEMENT

Category	No. on Live Register as on 31-12-57		No. on Live Register as on 31-12-58	
	Sche- duled Castes	Sche- duled Tribes	Sche- duled Castes	Sche- duled Tribes
Graduates	51	42		
Matriculates (including Intermediates)	1,020	6,107	1,075	1
TOTAL	1,071	6,149	1,117	1

(b) The information is not available

## Licensing of new factories in Punjab

1775 Shri Daljit Singh Will the Minister of Commerce and Industry be pleased to state

(a) the number of applicants who have submitted their applications from the Punjab State to the Development Wing of his Ministry to start new factories under the Industries (Development and Regulation) Act during the years 1956, 1957 and 1958

(b) the number of them allowed to start new factories?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) and (b) A statement given below

## STATEMENT

Year	No. of applications received	No. of cases approved by the Licensing Committee
1956	37	15
1957	41	20
1958	41	12

\* This does not include the applications of rolling mills which have been all rejected from all over the country excepting four, one each for Bihar, Andhra, Assam and Kerala.

† 21 pending cases out of these 41 cases are carried forward to 1959 for consideration.

**Local Development Works Schemes in Andhra**

1776. Shri M V Krishna Rao: Will the Minister of Planning be pleased to state:

(a) whether it is a fact that the Andhra Pradesh Government have sent a representation to the Central Government for continuing Local Development Works Scheme to the end of the Second Five Year Plan period, and

(b) if so the action taken thereon?

The Deputy Minister of Planning (Shri S N. Mishra): (a) Yes

(b) It has been decided to continue the Local Development Works Programme during the year 1959-60, confining it entirely to schemes relating to provision of water supply in individual villages. State Governments have been informed accordingly.

**Employment for Displaced Persons**

1777. Shri Ram Krishan Gupta: Will the Minister of Rehabilitation and Minority Affairs be pleased to state

(a) whether it is a fact that Government are considering a scheme for providing gainful employment to displaced persons in small scale industries, and

(b) if so, at what stage is the scheme?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) and (b) Government has already been implementing a scheme for the last 3/4 years under which financial assistance is being given to entrepreneurs (including displaced persons) to set up small industries for providing employment to Displaced Persons. 173 schemes have so far been sanctioned involving an expenditure of about Rs 119 lakhs which are expected to provide employment to 15,000 displaced persons from West and East Pakistan.

**Rehabilitating Displaced Persons from East Pakistan in Braj**

1778. Raja Mahendra Pratap: Will the Minister of Rehabilitation and Minority Affairs be pleased to state

(a) whether it is possible to rehabilitate displaced persons from East Pakistan in Braj, and

(b) whether Government are aware that there are tracts in Braj suitable for agriculture and starting cottage industries?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) and (b) Government of India are not aware whether there is scope for the rehabilitation of displaced persons from East Pakistan in Braj, as no proposal for rehabilitation in agriculture or cottage industries in that area has so far been received from the Government of Uttar Pradesh.

12 hrs

**DEATH OF DR M R JAYAKAR**

The Minister of Home Affairs (Shri G. B. Pant): Hon Members must have seen the sad news of Dr M R Jayakar's death that appeared in the newspapers this morning. Dr Jayakar expired yesterday at the age of 86. He represented a generation which has almost passed away. His was a versatile mind and a brilliant intellect. He had varied interests and he laboured in various fields and attained distinction almost in every one of them. He entered public life in 1916 and was the Leader of the Swaraj Party in the Bombay Legislative Council for some years and later he also served in the Central Legislature and the Constituent Assembly. He was one of the most eminent lawyers of his time and was appointed Judge of the Federal Court and later a member of the judicial committee of the Privy Council also. He was a man of deep culture and scholarship. During the last years of his life, he

[Shri G. B. Pant]

gave his best to the Poona University of which he was the founder and the Vice-Chancellor for a number of years. We are all to-day mourning the loss of a distinguished intellectual who had many qualities and was an eloquent speaker too. He served the country in his own way for more than 40 years. So, I would request you, Sir, to send to the members of the bereaved family our sympathy and condolences on the loss which has been caused to them and to the country by the death of Dr. Jayakar.

Shri Khadilkar (Ahmednagar) Sir, I may be permitted to say a few words. I fully share the sentiments expressed by the hon. Home Minister on the said demise of Dr. Jayakar. I came to know him intimately after he had retired from active public life and when he was closely associated, as the Home Minister pointed out, with the rearing up of Poona University. It is well known on our side that since 1915 till his retirement from active political life in the country he played a dominant role and particularly in the different shifts in our political life he had shown the courage of conviction to stand in support of his views, whatever the majority thought about it. As he has said, he was an outstanding intellectual and an eminent lawyer and it is very rare to meet a personality of Dr. Jayakar's type. Though in politics, he had kept himself away from that roughness which is associated with politics, certain amount of crudeness or vulgarity if I may put it, and kept his personality at a level where he could take up to pursuits of his liking, like music and education. He, in his autobiography some portions of which are published, has given a history of nearly half a century of our national struggle and what different role individuals who are known to us—some of them have passed from amongst us—have played. On this occasion, as he has rightly said, this House feels that by the passing away of his personality from the public life of

India and particularly from Maharashtra, we have sustained an irreparable loss. With these words, I associate myself with the sentiments expressed by the Home Minister.

Mr. Speaker: I fully associate myself with the sentiments expressed by the hon. Home Minister and I am sure the House will agree with those sentiments. He was a great scholar and statesman and an eminent educationist. He served the country in various ways and led a full and whole life. We mourn the loss the country has sustained in his death and I am sure the House will join me in conveying our condolences to his bereaved family. The House make kindly stand in silence for a minute.

The Members then stood in silence for a minute.

12.09 hrs.

# RE GOVERNMENT SERVANTS' CONDUCT RULES

Shri S. M. Banerjee (Kanpur) Sir, today some rules relating to the Government Servants' Conduct Rules have been modified and they have come out in the newspapers.

Mr. Speaker: Whatever happens, I will not take notice of anything unless—

Shri S. M. Banerjee: It is a very important thing. The Home Minister deserves our congratulations for modifying these rules. The rules have come out in various forms in the newspapers.

Mr. Speaker: Whichever hon. Member wants them might have sent notice. Each hon. Member has got a telephone in his house and he could have easily asked the hon. Home Minister and he would have come prepared. Hon. Member need not take away the time of the House now.

Shri S. M. Banerjee: It may be done tomorrow, Sir.

Mr. Speaker: If he had written to me I would have passed it on to the hon. Home Minister.

12.10 hrs.

**PAPERS LAID ON THE TABLE****FALL IN JUTE PRICES**

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): Sir, I beg to lay on the Table a copy of statement correcting the statement made on the 8th December, 1958 in response to a Calling Attention Notice by Shri Rajendra Singh regarding fall in jute prices. [See Appendix III, Annexure No. 102.]

**AMENDMENTS TO THE CINEMATOGRAPH (CENSORSHIP) RULES**

The Parliamentary Secretary to the Minister of Information and Broadcasting (Shri A. C. Joshi): Sir, on behalf of Dr. B. V. Keskar, I beg to lay on the Table, under sub-section (3) of Section 8 of the Cinematograph Act, 1952, a copy of Notification No. GSR 243, dated the 28th February, 1959 making certain further amendments to the Cinematograph (Censorship) Rules, 1958. [Placed in Library. See No. LT-1278/59.]

12.11 hrs

**ARREST OF A MEMBER**

Mr. Speaker: I have to inform the House that I have received the following wireless message dated the 10th March, 1959, from the Superintendent of Police, Rohtak:—

"I have the honour to inform you that Sub-Inspector Mehnga Ram, Station Officer, Police Station, City, Rohtak, has found it his duty in the exercise of his powers under Section 54 of the Code of Criminal Procedure to arrest in default of bail Chaudhary Pratap Singh Daulta, Member, Lok Sabha, for his having committed an offence of being a member of unlawful assembly in the District Courts, Rohtak, today at 14.15 hours. He is at present in the custody of police at Police

Station City, Rohtak and is being produced in the Court of Additional District Magistrate, Rohtak, today for trial".

12.12 hrs.

**CONVICTION OF A MEMBER**

Mr. Speaker: I have also to inform the House that I have received a further wireless message dated the 10th March, 1959, from the Superintendent of Police, Rohtak:—

"Chaudhary Pratap Singh Daulta, Member, Lok Sabha, was produced before the Additional District Magistrate, Rohtak, for trial today, who has convicted him under Section 143, Indian Penal Code, for being a member of an unlawful assembly in the District Courts, Rohtak, and sentenced him to simple imprisonment for two months and a fine of rupees two hundred or in default to undergo one month's further simple imprisonment. He was placed in "A" Class and has been sent to District Jail, Rohtak, to undergo his imprisonment".

Shri Braj Raj Singh (Firozabad): May I suggest, Sir, that in cases where Members of Lok Sabha are convicted and they have to serve their terms of imprisonment, they may be called to Delhi and allowed to remain here and take part in the proceedings.

Mr. Speaker: Very well. Sardar Hukam Singh may present the report of Committee on Private Members' Bills and Resolutions

12.13 hrs.

**COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS****THIRTY-SEVENTH REPORT**

Sardar Hukam Singh (Bhatinda): Sir, I beg to present the Thirty-seventh Report of the Committee on Private Members' Bills and Resolutions.

12.13 hrs.

# ANNOUNCEMENT RE. REPORTS OF GOVERNMENT COMPANIES

**Mr. Speaker:** I want to make a small announcement to the House. As the House is aware copies of reports of Government companies are required to be laid on the Table of the House under sub-section (1) of Section 639 of the Companies Act, 1956. Hitherto the practice has been that these reports were first laid on the Table and then only circulated to Members, though under the Companies Act, as soon as an annual general meeting of shareholders is held by a company, its annual report becomes public property and extracts are published in newspapers.

To enable hon. Members to get copies immediately after the publication in the newspapers, the Minister of Industry has suggested to me that copies of these reports may be allowed to be posted to Members directly by the Board of Directors as soon as the annual general meeting of these companies is held and they may be laid on the Table thereafter as soon as possible formally. I do not see any objection in agreeing to this course as the proposed procedure will give ample time to Members to study the reports.

In accordance with this procedure Government companies may in future despatch directly copies of their annual reports to Members immediately after their annual general meetings are held. At the same time, they will also arrange to send 10 copies of these reports to the Parliament Library. As usual Government will duly lay the Reports on the Table of the House formally as soon as possible as required under the Companies Act.

12.15 hrs.

# STATEMENT RE: FIRING ON ASSAM BORDER

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** Sir, I fully share the anxiety and concern shown by hon. Members in connection with the firing incidents across the East Pakistan-Assam border. The Prime Minister had given the House some details about this unprovoked Pakistani firing, on 23rd February, 1959 when an adjournment motion was sought to be moved, and also while answering supplementaries on 26th February, 1959 on a Starred Question by an hon. Member. I now give the following further information that is available with us.

Recent Pakistani firing on the Assam border has been directed against two areas: (a) the Patharia Forest, and (b) villages west of Karimganj, in the Cachar District of Assam. In the Patharia Forest, firing was directed in the last fortnight against Hartakitilla and Adamtilla. As the House will remember, firing in the Patharia Forest was started by Pakistan on 6th February, 1959. On 28th February 1959, one Indian border police constable was killed at Hartakitilla border outpost and another constable sustained minor injury at Adamtilla. No damage to property has been reported.

Pakistani firing in villages west of Karimganj was directed against villages or hamlets of Mahishashan, Madanpur, Latu, Sutarkandi, Jarapeta, Lafasil, Borapuni, and Kurikhula. These Indian villages or hamlets are situated near the border and some of them are on the bank of the Kushi-yara River. Pakistani firing in this area was started on 13th February, 1959 and was continued intermittently. Besides one person killed and 2 injured as stated by me on 23rd February 1959, one woman was wounded by a Pakistani bullet in Jarapeta on 26th February 1959, and a border security force constable

sustained injuries at Madanpur on 4th March 1959. Three Pakistani soldiers and one civilian raided the house of an Indian national Bharat Namasudia of village Ratanpur on 28th February 1959, assaulted the inhabitants, extorted Rs 1,700 from the owners and molested two ladies. The Government of Assam have asked the Government of East Pakistan to punish the culprits, return the loot and compensate the injured. Our High Commissioner has also been asked to take up this matter at Karachi. No other reports of damage to property have been received.

A ceasefire was arranged between the Deputy Commissioners of Cachar and Sylhet and firing ceased along the entire Cachar border on 8th March, 1959.

No encroachment of Indian territory took place in either of the two areas mentioned above and Indian forces returned fire, when necessary.

The attention of the Pakistan Government has been repeatedly drawn to these incidents of wanton aggressiveness of their border forces. Prime Minister had earlier mentioned in the House that such firing does no good to either country. Similar sentiments have been expressed by the Pakistan leaders but firing incidents go on. Under the circumstances, while we all regret the inconvenience and injury caused to innocent Indian citizens in these border villages, we have to take whatever measures are possible to guard our borders and our citizens adequately and this has been done.

**Shri Hem Barua (Gauhati):** May I know, Sir, whether the families of those persons who were killed—Munwar Ali—were paid compensation or not, and whether those women who were molested and had to be sent to hospital will receive any compensation?

**Shrimati Lakshmi Menon:** I want notice to answer those points.

12.19 hrs.

# GENERAL BUDGET—GENERAL DISCUSSION—contd

**Mr. Speaker:** The House will now take up General Discussion of the Budget. Shri Rameshwar Tantia was in possession of the House.

**Shri Rameshwar Tantia (Sikar):** Mr. Speaker, Sir, when I was speaking about the implications of income-tax on companies you were pleased to observe that we will get a chance to speak on that later when the Demands for Grants are taken up. Therefore, I will now take up the excise duties proposed in the Budget.

Just now there is no excise duty on power-looms which are less than four in number at a particular place, and there is a small excise duty on powerlooms where there are 4 to 25 powerlooms at a place. It is all right, that there is no excise duty on those powerlooms where there are less than four. But the powerlooms are divided in such a way that even 40 powerlooms under one management are divided into ten units of four just to escape the excise duty. Apart from that, Sir, the cotton mills industry comes next to the cinema industry, which is the biggest industry in India. 40 cotton mills have closed down and more are to be closed. That is the situation. So, I request the hon. Minister to have a stricter check on powerlooms and if these looms are installed in bigger units, then those units should be considered bigger units instead of smaller units.

I now turn to khandsari. Much has been said about khandsari in the House, and I also want to add my humble suggestion in this regard. Some consideration should be given for relief from this excise duty on khandsari. Khandsari is a growing incentive among the growers of sugarcane in my State. Further the sugar industry will also be affected by this. If the duty is imposed just now on khandsari, the incentive will be taken

[Shri Rameshwar Tantia]

away. There are sugar mills in certain States but what about the sugar-cane growers and what will be the situation of the sugar-cane growers?

I may add here that although the extract of sugar from khandsari is not so big as in the case of sugar mills, the molasses from khandsari are eaten by people and that is another ground for not imposing any excise duty on khandsari. Therefore, the duty imposed on khandsari may be reconsidered.

I now come to common tea. Although a small reduction of two paise has been granted in the exports of tea, common tea is a separate question from the other varieties of tea. Common tea is grown also in East Africa, Indonesia, Ceylon and China. By the export of tea we save foreign exchange of Rs. 139 crores out of our total foreign exchange of Rs. 600 crores. Out of that, about Rs. 50 crores is from common tea. If we do not save this industry before time, we will not only lose this big foreign exchange which we are earning, but, at the same time, the economy of Assam tea gardens, and especially Cachar gardens, will be hit. Cachar is dependent on the export of common tea. I think three or four days ago the Minister of Commerce and Industry gave us the information that 11 gardens are affected. Lay-off has been effected and 17,000 labourers are out of employment. But it is not only a question of 11 gardens. If this will be the policy about tea, then probably all the 100 gardens or at least half of them will be closed.

There is another aspect about the common tea. There is a tax of one anna per pound levied by the Assam Government as road tax on tea, that is, the carriage tax. Again, the West Bengal Government imposes another tax on tea—something like the octroi tax. I would request the Government to tell the State Ministries to take away at least this road tax and the

octroi tax on tea which is already having keen competition from the foreign countries.

Now, I come to a very vital question about jute. Before partition, we were growing 32 lakh bales of jute. After partition, within these twelve years, we have had a big inducement and propaganda from the Ministry of Agriculture about the growing of jute. In fact, our mesta production is 70 lakh bales, while the jute mills consumption is only 63 lakh bales. This year, although the prices of other commodities have gone up, the jute prices have gone down to such a level which was not seen during the last 20 years. The members of the Bihar Legislative Assembly sent a memorandum to the Prime Minister, as well as some Members of Parliament, pointing out the sad plight of jute cultivators and traders. The Minister of Commerce and Industry said that there is enough export of jute. But I would say that there is nothing much up till now. The jute prices, instead of showing any upward tendency, as the Minister of Commerce and Industry said, are just the same or even lower than they were before the last six months. More jute should be exported, and there are buyers from foreign countries like West Germany, United Kingdom and Italy.

But there was a small duty imposed sometime ago on jute which was to be exported. But that duty is still on paper, because there were earlier shipments of jute. That duty is still on paper. Therefore, if the Finance Minister will kindly clear up the matter and see that there will be no export duty, it will be good. It will give relief to about 2 lakh workers and cultivators in the industry and bring the jute prices much higher. Further, say, during the next year, the crop may be grown more extensively and we may earn Rs. 4 lakhs or more by way of foreign exchange through export of jute.



I now come to the expenditure side I am thankful to the Finance Minister for having reduced expenditure on defence by Rs. 24 crores. But there is more scope for reduction on this account. But when there are other countries which are putting millions and millions of money in defence for rockets and so on, our expenditure is perhaps on building or buying second-hand ships, as Shri Raghunath Singh said the other day. The second-hand ships will not help the country. And there cannot be any global war just now. Again, for instance, Egypt would have gone down in five or seven days had it not been supported by other powers. I may suggest that instead of effecting greater reduction in expenditure on defence we can put that money in more enduring and good works.

I would now like to say a few words on civil expenditure. That is one thing which most of the hon. Members have criticised. I would also say that the civil expenditure is growing bigger and bigger. The point is this. There is a grandfather in the family, say, and he wants money, and he has a big heart and toils hard. In this way, the Finance Minister and the others have to earn money, and they have to earn with a big heart, though criticism is made from everywhere. But that money is spent by other Ministries which, may I say, may be considered as the spoilt children of rich men. If that term is not parliamentary then they can be considered as extravagant. Also, that hard-earned money should be checked by the Finance Ministry. Although we have got the Estimates Committee and the Public Accounts Committee they make criticisms generally after the thing is over. So, I would suggest that the Finance Ministry should have a check on the expenditure of the other Ministries, and should see that this expenditure which is so big now is reduced. If that suggestion is accepted, I think that civil expenditure will go down. But if it is felt that efficiency will suffer, they can put

a separate department for checking, if it is needed. They can appoint a separate Minister for that with a separate portfolio, if it is needed.

We were told yesterday by Acharya Kripalani that the civil expenditure has gone up from Rs. 40 crores to about Rs. 222 crores within the last ten years. I do not know wherefrom he got this figure. If these are the figures, they are too big. The country needs economy. On the one side, we are putting a duty on khandasari, diesel oil and motor tyres. On the other side, if we cannot save the big expenditure which is going on either in the military or in the civil departments, then, that will be a definitely bad procedure. We should see that more and more efforts should be taken to save the rising expenditure on buildings, on big departments and the personnel in the Government.

डा० राम सुभग सिंह (महमराम) :  
अध्यक्ष महोदय अब बजट पहले की तरह बंदन आया व्यय का लगा मात्र नहीं रह गया है। हमारे विन मंत्री महोदय ने बतलाया है कि इसके आधार पर हमको योजना को ज्यादा प्रगति देनी है। और योजना का निर्माण दर्शाता हुआ है कि हमें एक नये ढंग के समाज का सज्जन करना है और वह नया समाज वर्गहीन समाज होगा। तो मैं तो इसी आधार पर बजट पर कुछ कहना कि वर्गहीन समाज की स्थापना करने में हमारी योजनाएँ तथा स्वतंत्रता प्राप्ति के बाद के जितने भी बजट आये, उन सभी में कितनी प्रगति की है।

जहाँ तक प्रथम बार द्वितीय पंचवर्षीय योजना में सफलता प्राप्त करने का सवाल है, इस सम्बन्ध में मैं धाकड़ों में ज्यादा जाना नहीं चाहता क्योंकि इस बारे में दोनों ओर से बहुत से मित्रों ने धाकड़े दिये हैं। लेकिन मैं यह कहना चाहता हूँ कि कृषि का उत्पादन घटा है। सन् १९४६ में जहाँ उसका सूचक संक

### {डा० राम मुखर्जी}

१०० था बहा पिछले वर्ष वह केवल ११३ ४ हुआ, लाखों कोशिशों के बावजूद।

औद्योगिक क्षेत्र के लिए जो कच्चा माल चाहिए उसकी कीमतें कम हुई हैं हालांकि और तमाम चीजों में कमी नहीं हुई है। पिछले दो सालों में उद्योग के क्षेत्र में भी उत्पादन में कमी हुई है। १९५७-५८ में राष्ट्रीय आय दो प्रतिशत घटी और थोक चीजों की कीमतों में बहुत ज्यादा वृद्धि हुई। १९५७-५८ में सूचक अंक १०० था, जो कि बढ़ कर ११४ ५ हो गया है। लोगों के रहन-सहन के दर्जे में कोई फर्क नहीं पड़ा—उस में गिरावट आई। उन के खर्च में बहुत ज्यादा वृद्धि हो गई। मार्च १९५८ में सूचक अंक ११० था और दिसम्बर १९५८ में वह ११९ हो गया। जहां तक बेकारी का सम्बन्ध है, वह तो सारे देश में रोज रोज बढ़ रही है। योजना की प्रगति की बात कही जाती है, लेकिन बेकारी बहुत ज्यादा बढ़ रही है। एम्प्लायमेंट एक्मचेजिज के रजिस्ट्रारों के आधारे पर १९५७ के अन्त में ९० लाख बेकार थे जो कि अब ११८ हो गये हैं लेकिन ये आकड़े देश की बेकारी को पूरी तरह प्रतिबिम्बित नहीं करते हैं—वे कुछ हद तक ही उस का प्रतिबिम्बित करने हैं क्योंकि अधिकांश लोग ऐसे हैं जो या तो अपना नाम दर्ज कराने ही नहीं हैं और या दर्ज कराने में असफल हो जाते हैं। इंग्लिश पाठशाला के बारे में इंग्लिश मिनिस्ट्री की तरफ से और सब की तरफ से दावे किये गये हैं लेकिन उस में भी जालीय लाख एक्ट जर्मन के लिये पानी की क्षमता बरकरा हो गई। मैं उन बातों का जिक्र इसलिए कर रहा हूँ कि हम देखें कि हम कहां तक अपने देश में एक वर्गहीन समाज बनाने की ओर प्रगति कर पाये हैं। युनाइटेड नेशन्स की टीम चांगी तरफ घूम कर दिल्ली आई। उस ने यह आशंका प्रकट की थी कि कच्ची नदी डवलपमेंट के कार्यों में कुछ ढील आई है।

जहां तक शिक्षा का सवाल है, हम उस क्षेत्र में कितने सफल हो पाये हैं, यह कहना कुछ कठिन मालूम पड़ता है। छात्रों और शिक्षकों में जितनी निराशा की भावना आज है उतनी भरे जीवन में कभी दिखाई नहीं पड़ी थी।

अभी माननीय उपमन्त्री जी देशकी सरहदों का सुरक्षा के बारे में बकबक दे रही थी। डिफेन्स कमरेडीचर बहानों की बात में कर सकता था, लेकिन मैं चाहता हूँ कि जब हमारी सरहदों पर ७५० घंटे गोली चले, तो कम में कम एक मंत्री तो जरूर उन सरहदों पर घूमते रहना चाहिए था जब कि हमारी डिफेन्स मिनिस्ट्री में काफी मिनिस्टर हैं, और उन को अपने व्यक्तिगत ज्ञान की बात यहां बनानी चाहिए थी। हमारे देश में हिम्मत होनी चाहिए—और वह है। हमारे देश में हिम्मत का अभाव नहीं है। किसी दूसरे को हमारे देश की सरहदों पर गोली चलाने की हिम्मत नहीं होनी चाहिए। कम आचार्य कृपानानी बह रहे थे कि औरतों को मेना में भरनी न होने दिया जाय। मैं आचार्य जी की जरूरत से ज्यादा कद्र करता हूँ, लेकिन अभी सरहदों पर महिलाओं के बारे में उप-मन्त्री ने जो कुछ बताया और श्री बरमा ने जो प्रश्न पूछा, उस को देखते हुए मैं चाहता हूँ कि हमारी महिलायें इतनी शानदार हो कि उन की तरफ किसी की आंखें उठाने की शक्ति न हो और अगर कोई उन की तरफ आंखें उठाने की शक्ति करे तो हमारी महिलाओं में उस की आंख निकाल लेने की ताकत हो। मैं इस आधारे पर अपने देश का संगठन चाहता हूँ।

मैं ने अभी अपनी योजनाओं की एबीवमेंट बताई है। हमारे बहुरंगे माधियों ने कीमतों की चर्चा की है। मैं ने भी थोड़ी की और होल्सेल प्राइमिज का और कास्ट आफ लिविंग इन्डेक्स का भी हवाला दिया। मैं नहीं चाहता कि बजट में जिस बात का समावेश हो, उस को हमारे

बिस्त मंत्री रोज रोज बदलते रहें। लेकिन अगर सरकार की तरफ से घोषणा हो कि दिल्ली में साढ़े पंद्रह रुपये मन घाटा मिलेगा, तो सरकार के सम्बन्ध विभाग को देखना चाहिए कि वह उस भाव पर मिले, नहीं तो उस के अस्तित्व का कोई औचित्य नहीं है। अगर वह बीबीस और पच्चीस रुपये मन बिकता है, तो उस के अस्तित्व का कोई औचित्य नहीं है। इतनी क्षमता होनी चाहिए और बजट भी इसी हिसाब से बनाना चाहिए। माननीय मंत्री ने कहा है कि हम ने योजनाओं की आवश्यकताओं का ब्याल कर के यह बजट बनाया है, लेकिन मैं चाहता हूँ कि उनके साथ ही प्रशासन के अन्य सब कार्य ऐसे ढंग में चलाने के लिये बजट से व्यवस्था करनी चाहिए कि उन में तनिक भी कमजोरी न आने पाये और अगर उन में कमजोरी दिखाई देती है, तो उस पर प्रकुश लगाने की बात भी बजट में जरूर रहे। उस प्रकुश का ममा-वेश बजट में है, लेकिन पूरा नहीं है।

जहां तक फूड प्रोडक्शन का सवाल है, उस पर मैं बाद में आऊंगा, लेकिन बहुतेरे साथियों के प्राइसिज के बारे में बताया है कि जमुना पार दूसरे दाम है और दिल्ली में दूसरे दाम है, पंजाब में एक दाम है और बिहार में दूसरे दाम है। दामों में इतना वैरिएशन नहीं होना चाहिए और अगर हम इन चीजों को रोक सकने में सफल नहीं हो सकते हैं, तो हम को खुद-ब-खुद माचना चाहिए कि हम इस काम को हाथ में ग्वे या न ग्वे।

इसी तरह से सेविंग्स का सवाल है। यह जरूरी है कि हम जनता को इस बारे में उपदेश दे कि वह राष्ट्रीय कार्यों और विकास के कार्यों के लिए ज्यादा से ज्यादा रुपया बचाये, लेकिन हम को यह भी देखना चाहिए कि जनता से लिये गये एक भी पैसे का दुरुपयोग न होने पाये। मैं चाहता हूँ कि इस देश में ऐसी व्यवस्था हो यदि एक भी व्यक्ति आवाज उठाये और कहीं पर किसी दोष को बताये,

तो उस की तुरन्त छान-बीन हो और उस की सफाई दी जाये। अगर एक ममाधि के बनाने के सम्बन्ध में यहां पर दस बरस तक मवाल आते रहे, तो यह बात कोई क्षमता की द्योतक नहीं है। अगर पार्लियामेंट के मेम्बर यह कहें कि दस रुपये की कुर्सी के दाम चालीस रुपये दिये गये हैं, तो उस पर विचार करना चाहिये। मैं उदाहरण के तौर पर यह बात कह रहा हूँ। यदि सरकार की ओर से इस प्रकार के चर्चे होते हैं, तो सेविंग्स करने की बात करना एक विरोधी चीज मालूम होती है। तेईस, साढ़े तेईस करोड़ रुपये के नय टैक्स लगाये गये हैं। मैं कोई जानकार नहीं हूँ, लेकिन अगर हिम्मत से काम लिया जाय, मिनिस्टर में ले कर नीचे तक कोशिश करे, तो इतनी रकम बचाई जा सकती है। यदि हम एक क्लार्क से आठ दस घंटे काम की उम्मीद करते हैं, तो मिनिस्टरों और बड़े बड़े आफिसरों से भी यह उम्मीद करनी चाहिये कि वे दस घंटे बैठ कर ईमानदारी से काम करे और अपना समय, शक्ति और पैसा नाजायज कामों में कम से कम लगायें। अगर देश भर के सब दफ्तरों में यह व्यवस्था की जाये और अगर पांच कुर्सियों के बजाय एक कुर्सी रखी जाय और सोफा-सेट के बजाय माधारण कुर्सी रखी जाय, तो आमांती से बाइस, तेईस करोड़ रुपये एक साल में निकाले जा सकते हैं। लेकिन इस के लिये कड़ाई की जरूरत है। अगर देश का वर्गहीन समाज की ओर ले जाना है, तो हमें कड़ाई करनी होगी।

श्री म० प्र० मिश्र (बेगु सगय)  
अब तो शासकों का एक नया वर्ग बन गया है।

डा० राम सुभग सिंह : वर्गहीन समाज की मान कल्पना यह है कि अन्न में शासकों का कोई वर्ग नहीं रहेगा—वह धीरे धीरे विदर आउट कर जायगा। यह आप सक्मण-काल की चान करने है •वर्गहीन समाज की नहीं।

जी बाबुजी (बुलन्दशहर—रक्षित-अनु-  
रक्षित जातिवा) : जातिहीन समाज पहुँचे  
जाना चाहिये ।

एक भारतीय सबस्य साथ साथ बनना  
चाहिये ।

डा० राज सुभग सिंह बाबुजी जी  
जै एक मूल प्रश्न उठाया है । यदि हम देखे  
कि १९४७ में भारत के स्वतंत्र होने के बाद  
देश में जाति-चेतना को ज्यादा प्रश्रय मिला  
है या जाति को लोप करने की भावना को  
ज्यादा प्रश्रय मिला है, तो जहाँ तक मैं विवेक्षण  
कर पाया हूँ, मैं समझता हूँ कि जातीय  
चेतना को ज्यादा प्रश्रय मिला है, चाहे वह  
शिक्षा के क्षेत्र में हो, चाहे रिजर्वेशन के क्षेत्र  
में हो या किसी और क्षेत्र में हो । हमारे  
विधान में रिजर्वेशन की इस वष के लिये  
व्यवस्था है । मैं तो यह चाहता हूँ कि हमारे  
यहाँ के जितने भी दुर्बल अंग हैं, उन सब अंगों  
को ज्यादा से ज्यादा संरक्षण मिलना चाहिये,  
जाति के नाम पर नहीं बल्कि दुर्बलता के  
आधार पर, पेशे के आधार पर । हल जा  
चलाता है, उस को अधिक में अधिक सीटें  
मिलें । इस आधार पर कि यह ब्राह्मण है या  
चमार है संरक्षण नहीं मिलना चाहिये ।  
इस संरक्षण का मवान यहाँ पर उठाया भी  
गया था और इस के उत्तर में हम मिनिस्टर  
महोदय ने कहा था कि यह प्रश्न विचारार्थीन  
है । मैं चाहता हूँ कि जहाँ तक संरक्षण का  
सामना जाना है वह केवल पेशे के आधार  
पर होना चाहिये न कि जाति के आधार  
पर । अगर कोई मछुआ मछली मारता है  
और उसी आधार पर कि उस का इस पेशे  
को करने के लिये संरक्षण मिला हुआ है  
वह पार्लियामेंट में आवे लेकिन लौट कर फिर  
मछली मार कर गुजारा कर । इसी तरह  
से बकील लोग यहाँ पर आवे या दूसरे लोग  
आवें । जो भी लोग इस तरह से आवे यें  
इस आधार पर न आवें कि वे मुसलमान हैं,  
हरिजन हैं, ब्राह्मण हैं । इस आधार पर,

जाति के आधार पर उन को मिनिस्टर, क्लर्क  
या चपडाली नियुक्त नहीं किया जाना चाहिये ।

जहाँ तक वेजिड का सवाल है किसी को  
तो उस हजार रुपया मिल रहा है और किसी  
को पचास रुपया और दस रुपया । इस तरह  
का जो भेद है यह भी कम होना चाहिये ।  
हमें देखना होगा कि इस में हूँ कितनी दूरी  
तक सफलता अधीन कर पाये हैं । इस को भी  
हम हटा नहीं पाये हैं । वर्ग भेद को हटाने की  
बात भी इस बजट में आनी चाहिये थी ।

हमारे ममानी माहब ने ग्लडशेड की  
बात की है, खून खराबे की बात की है ।  
खून खराबे की बात शायद वही लोग करते  
हैं जिन को इस में होनी खेलने का मौका  
नहीं मिला है । जो लोग कितने ही समय से  
होली खेलत आये हैं उन को इस का कभी  
डर नहीं लग सकता है । जो लोग इस तरह  
की बात करने हैं कि ग्लडशेड हो जायगा  
उन को मैं चेतावनी देना चाहता हूँ और  
उन लोगों को चेतावनी देना चाहता हूँ  
जिन लोगों ने कभी भी हल को कंधे पर नहीं  
रखा है कभी गाय बैल नहीं रखे हैं कि वे  
किमाना न नाम पर खून खराबे की बात  
करना बन्द कर दें । वे ही किमानों के बारे में  
बात करने हैं जिन्होंने हल का अपने कंधों पर  
रखा है, जो बैलों को खिलाने हैं या गाय को  
डूहते हैं या और कोई कृषि में मध्वन्धित  
काम करने हैं या जिन्होंने किया है । मैं  
चाहता हूँ कि बजट का निर्माण भी उस  
आधार पर हो कि उन लोगों को जो हल  
पर अपना हाथ नहीं रखना चाहते हैं हल  
के बारे में बोलने की बात न आवे ।

सहकारी खेती के बारे में देश में एक  
प्रकार से तमाशा मच गया है । फिर यह  
सहकारी ढग की हो या संयुक्त ढग की हो  
या किसी और प्रकार की हो । मैं आप को  
बतलाना चाहता हूँ कि संयुक्त सहकार की  
व्यवस्था हमारे देश में कितनी अधिक है ।  
मेरा एक छोटा-सा गांव है । वहाँ पर कोई

बहुत खेती होती है। वहाँ पर कोई भी काम होता है, उस में सहकार का धंश अवश्य रहता है। कोई भी काम बिना सहकारी आधार पर नहीं होता है। हमारे घरों में बीनी कटनी होती है, उस के लिये दूसरों का सहारा लेना पड़ता है, अपने बैलों से दबरी नहीं होती है, दूसरों से बैलें लेने पड़ते हैं। मकान बनते हैं तो सहकारी आधार पर बनते हैं, लड़कियों की शादियाँ होती हैं तो उनमें भी महायना ली जाती है।

श्री हरिश्चन्द्र माधुर (पानी) सरकार  
बीच में मत आये।

डा० राम सुभग सिंह मैं यह कहना चाहता हूँ कि चाहे माधुर साहब हो, या मसानी साहब हो—किसी को मैं व्यक्तिगत रूप में नहीं कहना चाहता, मैं साधारण तौर पर कहता हूँ—कि जिन लोगों ने हम पर अपना हाथ नहीं रखा है, वे किसानों के बारे में न बोलें और अगर वे न बोलें तो मैं आपको यकीन दिलाना चाहता हूँ कि किसानों की जो समस्या है खुद-ब-खुद हल हो जायेगी।

अब मैं खादमारी के बारे में कुछ कहना चाहता हूँ। मैं दानों के बारे में कुछ नहीं कहना चाहता हूँ। मैं किसी प्रकार का दान भी नहीं चाहता। दान की मनोवृत्ति मैं समझता हूँ देश में नहीं बढ़नी चाहिये। आचार्य जी ने दान की बात भी कही और साथ ही साथ लैजिस्लेट करने की बात भी कही। मैं समझता हूँ कि स्वतंत्रता प्राप्ति के बाद दान की कोई आवश्यकता नहीं रह गई है, शिक्षा वृत्ति को किसी भी प्रकार का प्रश्न, मैं चाहता हूँ, न दिया जाय। अगर हम ने इस को बढ़ावा दिया तो इस में देश में और भी असन्तोष बढ़ेगा। आप सीलिंग की बात भी करते हैं। मैं चाहता हूँ कि सीलिंग हो, बिना सीलिंग के काम नहीं चल सकता है। जिस के पास वस एकड़ भूमि है मैं चाहता हूँ

कि दूसरे लोगों की तरह वे उस के पास भी दो एकड़ या जितनी भी आप चाहे उस के पास भूमि रह जाय। लेकिन यह जो आधार है यह हम पर भी लागू होना चाहिये जोकि चार सौ या छ सौ रुपया पाने हैं हमें भी खाने भर के लिये ही मिलना चाहिये। साथ ही साथ यह आधार सभी पर लागू होना चाहिये।

श्री सुरेन्द्रनाथ द्विवेदी (केन्द्रपाड़ा)  
कितना बड़ा सीलिंग आप चाहते हैं ?

डा० राम सुभग सिंह मैं कहता हूँ कोई भी प्रादमी है जिसको चार हजार तनब्बाह मिलती है, फिर चाहे वे मैनबर पार्लियामेंट हों जिसको चार सौ या छः सौ तनब्बाह मिलती है, सब के लिए एक सिद्धान्त लागू करें, यह नहीं होना चाहिये कि एक के लिये एक सिद्धान्त हो और दूसरे के लिए दूसरा सिद्धान्त, एक के लिए एक स्टैंडर्ड हो और दूसरे के लिए दूसरा। लेकिन यह देखना भी आपका फर्ज है कि काम करने का इमेन्टिव रहे। मैं इस बात को मानता हूँ कि कृषि की जो व्यवस्था आज है, उसको उसी तरह में रखना चलन बन होगी। लेकिन मैं साथ ही साथ यह भी पूछना चाहता हूँ कि आज यह बात क्यों पैदा हुई ? यह बात आज इस लिए पैदा हुई कि कृषि की उन्नति के लिए वे काम नहीं किये गये जो सरकार द्वारा किये जाने चाहिये थे। ज़मींदारी अवलिशन तुरन्त कर दिया जाना चाहिये था, जो बहुत बड़े बड़े होल्डर्स हैं उनकी ज़मीन को लिया नहीं गया है, जो इरीगेशन की व्यवस्था की जानी चाहिये थी, वह नहीं की गई, कैटल की नसल का जो सुधार किया जाना चाहिये था वह नहीं किया गया, उनकी जितनी व्यवस्था होनी चाहिये थी वह नहीं हुई। आज आप वनस्पति पर टैक्स लगाने जा रहे हैं और उसके बारे में हल्ला होता है। मैं पूछना चाहता हूँ कि क्यों नहीं इस टैक्स के साथ-साथ भी का

### [डा० राम सुभग सिंह]

उत्पादन बढ़ाने की बात की जाती। क्यों नहीं इन सब चीजों की तरफ ध्यान किया गया?

आज हम सहकारी खेती की बात करने हैं और इस चीज को चलाना चाहते हैं और यह हम इसलिये करने जा रहे हैं कि हम अपने कामों में असफल हो गये हैं और कृषि में सुधार कर पाने में हम कामयाब नहीं हुए हैं। किसान असफल नहीं हुआ है। यहाँ पर मैं यह डिस्टिकशन कर देना चाहता हूँ कि अगर कोई यह कहता है कि यह असफलता किसान की अकर्मण्यता के कारण हुई है, तो यह बिल्कुल गलत बात है। असफलता हुई उन लोगों की ओर से जिन को कृषि का काम बढ़ाने के लिए ज़रिये प्रदान करने चाहिये थे।

आज यहाँ यह कहा गया है कि दोलताना साहब को पंजाब में एग्रेस्ट कर लिया गया है। मैं इस बात में जाना नहीं चाहता हूँ कि यह चीज जायज है या नाजायज है। वहाँ पर वेंटरमेट लेवी का सवाल है और कहा जा रहा है कि कम्पाउण्ड इंटिरेस्ट नहीं लेना चाहिये। एक टुना है कि यहाँ पर कम्पुनिस्ट एग्रेस्ट हॉल है और मैं अपनी कान्ट्रिब्यूशंस में ११ लाख या १२ लाख छाट आया हूँ और इसलिए छाट आया हूँ कि यह किसानों की भलाई की चीज है वाजिब चीज है। अगर जितने भी कृषि के बारे में काम हों चाहिये थे वे कर दिये जाते तो हमारा उत्पादन अवश्य बड़ा होता। छाटी छाटी अड़चने भी सामने आनी हैं और अगर उनको भी सरकार ने हल कर लिया होता उनको भी दूर कर दिया होता तो हमें सफलता मिल सकती थी।

मैं बगं मुधर्ष की बात कर रहा था। शिक्षा के क्षेत्र में या किसी और क्षेत्र में अगर अशांति की बात चलनी है तो हमसे जानिये

चेतना को बहुत अधिक प्रबुध मिलता है। यह चीज बढ़ी है, कम नहीं हुई है। मैं चाहता हूँ इसकी रोकथाम हो। ऐसे पर सरक्षण होना चाहिये। बगं सहयोग के आधार पर हम लोगों का बहुत-सा काम चलता आया है और वह चलते रहना चाहिये। आज भी वह चलता है और किसी छोटे से क्षेत्र में ही नहीं चलता दुनिया में चलता है और मैं चाहता हूँ लोगों में सहयोग की भावना बढ़नी चाहिये और भेद की जो भावना है, उनका लोप होना चाहिये।

खाइसारी की बात टाटिया जी ने कही। मैं भी चाहता हूँ कि खाइसारी मुक्त होवे। यह सही चीज है। मान लीजिये कि किसान ऊँख पैदा करता है और वह गुड बनाता है। किसी दूसरी जगह पर चीनी की फैक्ट्री है। अब इन दोनों के मुरक्षित क्षेत्र रहते हैं। गूगर फैक्टरी के लिये जो क्षेत्र मुरक्षित है, जो क्षेत्र उमके अन्तर्गत आता है, वहाँ के किसान गुड नहीं बना सकते हैं, उनका ऊँख फैक्ट्री का देना ही पड़ेगा। मिल के रिजर्वेशन के बाहर का जो क्षेत्र है वहाँ पर जो लोग ऊँख पैदा करने हैं वे जो चाहें उसका बना सकते हैं, गुड बना सकते हैं खाइसारी बना सकते हैं। चीनी की फैक्ट्री जहाँ पर होती है उसके लिए यदि यह निश्चित कर दिया जाए कि जिन क्षेत्र में वह पडनी है उन क्षेत्र में सब के सब लोग नहीं तो कम से कम ३० परसेंट ऐसे आदिमियों को रखा जाएगा उन मिल में जो उमी क्षेत्र के हों तो अमन्तोप नहीं होगा। लेकिन आज चीनी की फैक्ट्री खाली जानी है और जो लोग रखे जाते हैं उनमें से ३० परसेंट उन लोगों को रखा जाता है जो दूसरे क्षेत्रों के होते हैं। इससे स्वभावतः गुडबडी पैदा होने लगती है।

आप चीनी का उत्पादन बढ़ाना चाहते हैं उसका एक्सपोर्ट बढ़ाना चाहते हैं। मैं सहमत हूँ इस बात से कि अधिक से अधिक चीनी का

एक्सपोर्ट होना चाहिये। लेकिन उन किसानों का भी खयाल रखा जाना चाहिये जिनका सब से यही रोजगार का जरिया है। वे भी क्राप्स उगाते हैं कौश क्राप और खाद्य पदार्थ जो ऊँख हैं, जो गन्ना हैं वह कौश क्राप है। इन्हीं पर उनकी रोजी निर्भर करती है। उनको इसकी छूट होनी चाहिये कि जहाँ चाहे वे इसको बेचें। वे चाहे तो खुद गन्ना बाने उसको खुद बेच लें। मैं जानता हूँ सन्कि-टेशन वाली जितनी फॅक्ट्रिया है चाहे व नाम के लिए खाइसारी की फॅक्ट्रिया हो उन पर टैक्स लगे। दूसरी तरह की जो यनिट्स हैं वे चाहें तीन हार पावर की या पांच हार पावर की इनके बारे में आप टैक्स की दरों को दौहरायें या न दौहरायें—इस के बारे में मैं कोई याचना नहीं करता हूँ—लेकिन किसानों के दिमाग में यह बात स्मृतकनी है कि इन पर कर लगने में मिल मालिकों का एकाधिकार हो जायगा। इस माल तो ऐसा है कि दो अधिकारी हैं इसलिये कोई चिन्ता नहीं है। जिस दिन एकाधिकार होगा उस दिन देखना होगा। जिस दिन आप मिल मालिकों का एकाधिकार देंगे उस दिन का मवाल है। आप भले ही खडमारी को नेम्नताद कर दें मझे इस की चिन्ता नहीं है, लेकिन शगर फॅक्ट्रीज का फौरन ही नेशनलाइज कर दीजिये। इसी तरह से इंड्रियल आदि का भी मवाल है या और जो वेल् है उनकी भी एकादमी का मवाल है। इन सब बातों का मैं इस वास्ते रख रहा हूँ कि अगर आप मचमुच बजट का एफैक्टिव बनाना चाहते हैं तो आज जितने भी भेद हैं—आज तरह तरह के भेद नजर आते हैं—उन सब भेदों को खत्म करके हम एक ढग के समाज को बनाने की ओर बढ़ें। आज तक हम उस ओर कम बढ़ पाये हैं। मेरा यही कहना है।

Mr. Speaker: Shri Asoka Mehta, I will call Shri Jaipal Singh next.

Shri Asoka Mehta (Muzaffarpur): Mr Speaker, I had characterised the Finance Minister's speech as lucid and honest. I have not the gift of lucidity. But, I am sure the Finance Minister

would like me to be honest in my observations.

The Budget needs to be examined from its micro-economic impact that is, the impact of the taxes on households and firms as also its micro-economic impact. Quite a large number of hon. Members have tried to focus attention on the impact of the Budget and the taxation proposals on the budgets of households and firms. I shall not go into that. I would, therefore, like to confine my attention to the overall micro-economic impact of the budget and to see how far the economy has been adequately analysed and measured suggested for gearing it up.

I congratulated the Finance Minister on his speech because I felt that, by and large, he had given us a clear analysis. I would like to offer certain criticisms and observations because I feel that he has not shown the requisite courage in devising a solution. The forward steps are halting and scattered. The outstanding fact of the last year or two has been noted and commented upon and on which, in the other House, the Finance Minister was good enough to accept the validity of some of the criticisms, is that there has been a marked fall in the tempo of development. Not only has the rate of industrial development gone down from 8 per cent to about 3½ or even less, but, the most disturbing phenomenon has been that in the year 1957-58, our national income fell by 2 per cent. Whatever the reasons, whether we put the responsibility on bad monsoons or other difficulties that we may have encountered, the fact remains that instead of moving forward, we retreated to the tune of 2 per cent. There has been, side by side, a sag in investment, into the details of which I do not want to go because some of these things have been well brought out in the Economic Survey that has been given to us. On pages 2, 5, and 15 various significant observations have been made in the Economic Survey. In para 47, where practically the first part of the outlook

[Shri Asoka Mehta]

is sought to be summed up, the last sentence is

"Investment activity, it would appear, is levelling off in contrast with the sharply ascending trend observed since 1955-56"

Apart from the other specific observations that have been made in the report about the sag in investment, the fact remains that there is a tapering off and that the whole trend is in a certain direction a direction which takes it away from the one in which we had been moving during the earlier period. The net capital formation will be lower in 1959-60 than in 1956-59 as the Economic Classification has shown on page 11.

The Finance Minister in his speech as well as in the Economic Survey that accompanies his speech has talked about certain countervailing measures. On page 14, for instance in para 42, it is said

"But to the extent that the emergence of inflationary pressures is unavoidable in the course of implementation of development plans, there is need for curbs and countervailing action at various points"

He further on says

"Price stability and a vigilant watch on costs are thus essential as much on considerations of internal as of external finance and viability"

A lot of criticism has been made on this point here, because this House and the country are not satisfied that adequate measures are being taken to see that these countervailing measures are being adopted. What has been done, for instance to see that costs are kept under check? What is the machinery? You have said that there have got to be certain curbs and countervailing action. What precisely are these curbs and countervailing actions? It is on these points that, I believe, a more useful discussion will be necessary not only at this stage, but later on, because this is one

of those areas where we have got to come to grips with the somewhat unwelcome developments that have taken place.

Our industrial development was a head ahead of the world average two or three years back. The average of the world was about 6 per cent including good countries and bad countries. Ours was 8 per cent. We have woefully fallen behind. I think it is necessary to realise that, in the last 10 or 15 years, in many parts of the world, irrespective of what system one follows, whether it is a capitalist country or a communist country, in a sense, the barrier has been pierced. I am sure the Finance Minister's attention has been drawn to a very important interview that was given by M. Jean Mounet on the recent industrial growth in the European community. He has said that between 1948 and 1957, in the six countries of the European community, industrial expansion has been to the tune of 97 per cent—97 per cent expansion in a decade. Commenting upon it, the *London Economist* said that this amount of expansion in the six countries is equivalent to that of the previous century and a half put together. This is what is happening in the capitalist part of the world.

13 hrs.

Let us take China. In China, between 1950 and 1957, the gross national product increased by 86 per cent, that is, at the rate of 9.3 per cent per annum. Conceding the fact that there was a considerable amount of slack in the earlier period if we confine our attention to the period 1953-57, the increase was 33 per cent, or 7 per cent a year. Now a 9 per cent rate of growth not just industrial production but a 9 per cent over-all rate of growth in economy, has been achieved for nearly two decades by a number of countries, again irrespective of the particular system that they adopt. I am sure the Finance Minister knows that such a rate was achieved by



Sweden, by Japan, by South Africa, by Russia both under the Czars and under the Communists, and by a number of other countries. Why is it that in our country a start was made and we have fallen back? There is great danger that lies ahead of this country, and the great danger is of being caught in the trap of a low-level equilibrium. It is not realised that the biggest danger that an agricultural country faces, a country that is engaged in the kind of agriculture, traditional agriculture to which we are accustomed, is that there is the constant tendency for agricultural operations to get adjusted with the increasing population to an equilibrium at lower and lower levels.

Only this morning, there was a meeting of the consultative committee called by the Minister of Planning, and we heard two contradictory views. There were those who said that something should be done to find work for our people who are under-employed in the villages; there were others who said where are the workers? —we find there is a shortage of labour. I think these two things get reconciled when we realise that there is this constant and chronic danger of reaching an equilibrium at lower and lower levels. That is one of the important difficulties, one of the dangerous barriers that we have to pierce, and that would require a number of institutional changes.

Whether co-operative farming is good or bad, I do not propose to go into it at this juncture, but I would like to point out that these are not issues which can be debated in a vacuum as is sought to be done. These are questions which will have to be discussed in the light of certain objectives we are placing before ourselves. If we want to develop not by throwing the whole burden on the Treasury Benches, nor by castigating one set of experts or another set of experts, we will have to find our way out. Here, what is needed is a complete lucidity in analysis, and willingness to follow up in action whatever conclusions

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your analytical tools may be able to provide to you. The result is that where growth gets stunted, increase in savings is bound to.

In India in 1957-58 the national income declined by 2 per cent, but public revenue drew into the Government Exchequer one per cent more from the national income. On the one side there has been a decrease of 2 per cent in the national income; on the other hand, revenues have gone up by one per cent. I can very well understand the strong reaction of our Members here because people are being caught in a kind of pincer, and it is this pincer movement that we have got to escape and avoid.

Even in a totalitarian country like China, there are many things from which we can learn; there are many things against which we must guard ourselves. I refer to China not with any kind of fanatical faith in it, as for instance my very esteemed colleague here, nor with any kind of blindness towards that great country. Even in a totalitarian country like China, where between 1950 and 1957 the share of consumption in the national product has gone down by 10 per cent, and the gross domestic investment has increased from 9 per cent of the national product to 20 per cent, that is, 11 per cent more of the national income is being channelled into investment and 10 per cent less is available for consumption, even there, this has been preceded by expanding the size of the cake. As I said, in a period of ten years the gross national produce has been increased by 86 per cent. If you do not increase the size of the cake fast enough, and if you try to draw away a larger share for purposes of investment, then, of course, all these difficulties arise, and therefore we have got to realise that we cannot cut down our increasing rate of investment because that means being pushed back into the mire of stagnation into which we dare not go.

The rest of the world is growing up fast. Our rate of development is only

[Shri Asoka Mehta]

a third of the rate China achieved between 1950 and 1957, leaving aside other countries. We cannot for political reasons, for military reasons, for reasons of national security, for the well-being of our people, stint on development. In order to safeguard the political philosophy and the political institutions that we have created in our country, must maintain a high rate of development, but a high rate of development demands as an inevitable and inescapable pre-condition that over-all increase must take place in national product. I will not labour this point, but I am labouring it just for this reason that it needs a greater amount of clarity than we have been showing so far.

As far as employment is concerned, there again it is necessary for us to find at least two lakh jobs a month if we are to provide employment to every one who will need it. If we take the back log into consideration, the figure would be 2,50,000 a month. Our rate of provision of employment is about one lakh. What precisely are we going to do here?

The third point that I would like to make in this connection is that in an economy like this, the budget cannot play a stabilising and neutralist role. I am not saying that the budget has played a stabilising and neutralising role, but I am just warning against any tendency to treat the budget in terms of a stabilising and neutralist fiscal policy, because that would spell stagnation. To the extent that autonomous investments tend to become smaller and smaller, it becomes the responsibility of the Government to induce larger and larger investment. This leads us to the very difficult problem of resources.

I would like to remind the House, if I may be permitted to do so, that in the last speech that I made in the last Parliament, which you, Sir, were kind enough to permit me to make, I had invited the attention of the House and the country to the approaching problem of internal resources. This was

before we got obsessed, and very rightly, with the problem of external resources. But I believe from now on our main emphasis should be on the problem of internal resources. While I would like to say something about external resources, I would, however, like to make what I consider to be an important point.

When we drew up this Second Plan, we basically changed our conception of the pattern of savings in the country. In the pre-plan period the monetised savings in the country were approximately distributed equally between the private sector and the public sector. The distribution was fifty-fifty. In the First Plan we tried to alter it to 52 in the public sector and 48 in the private sector. In the Second Plan our intention has been to change it further to 61 per cent in the public sector and 39 per cent in the private sector. Now, what are the implications of this? We all accepted the Plan. What are the implications of this change, this shift in the ratio of distribution of monetised savings in the country between the one sector and the other? The consequences are far-reaching, because in order to achieve this, there is a fairly high or fairly stiff rate of what is called the incremental rate of growth. As new monetised savings come into the economy, 73 per cent of them have got to be diverted to the public sector, if this rate of 61-39 is to be achieved. It is 61-39 of the total growth, monetised savings available in the economy. That is, if by labour I do something, it is not monetised. Monetised savings are ultimately expressed or calculated in terms of money. Seventy-three per cent of the fresh team that pours into these monetised savings will have to be diverted to the public sector. That is where this whole taxation policy comes up. We say, do not tax. But we have a plan the very foundation of which is that out of one hundred rupees of monetised savings that come up, Rs. 73 will go into the public sector, and only Rs. 27 will go into the private sector.

Where are these savings? Businessmen may have savings; a cultivator may have some savings; the middle class may have some savings. I have already conceded the point that where the gross national income keeps on falling, you cannot increase your rate of investment. You find then that you are confronted by a very serious situation. But I am trying to take the discussion a stage further. I am anxious that we try and understand that when we decide to go in for a planning of the kind that we have decided upon, there are certain inescapable implications. We cannot put our seal of approval upon a certain plan and then turn round and say that we are not willing to accept the consequences that flow from it. Either we have a plan in which the bulk of the responsibility of development is thrown upon the private sector as a whole—I can understand that, whether that would be a wise thing or not is a different matter—or we may not in this House overwhelmingly say that we stand for a socialist society, we want that we should move forward in the direction of a socialist reorganisation of our economy and then say that we will not permit the inevitable consequences of that, that a fairly stiff percentage of the incremental savings be channelled into the public sector. This, to my mind, is running with the hare and hunting with the hound. I feel that this august House and this great nation of ours must be willing to face these difficulties realistically. I am not pleading for one policy or another but we cannot have the luxury of pursuing inconsistent ends. Let us decide what our objectives are and we must then be willing and be prepared to meet our people and say that if these objectives are acceptable, these are the inevitable means and consequences that have to be adopted.

The second point that I would like to make about internal resources is that in the last ten years the tax revenue has increased by 70 per cent, but the net revenue from commercial departments has remained stagnant. I hope that this is not going to happen

to our industrial undertakings where—in we have already invested over Rs 400 crores. I know these industrial undertakings are just coming up, I am not blaming them, but the income we have derived from them so far is only Rs 1.25 crores, which is a rate of return of about four annas for hundred rupees. I know it is an unpopular thing to say that, it is a thing which is likely to be misunderstood, but you have got to see that there is an increasing profit margin in your public undertakings, for, if you do not want to tax people, you must have—efficiency—which again is a question of efficiency, which again is a question of avoiding wastage—an increased profit margin. We cannot say that we shall have this public sector, but we want to see that we also milk them for the purposes of immediate satisfaction of one section or the other of our people. You have got to keep this tendency of milking in check, if you are to work on the basis of the Plan, if you are to develop what is known as growth perspective if you are to provide to the country the growth, leadership that the country asks for today in insistent terms.

**Acharya Kripalani (Sitamarhi):** Leadership is growing in years.

**Shri Asoka Mehta:** May I be permitted to develop my point?

**Acharya Kripalani:** I am only saying that leadership is growing in years.

**Shri Asoka Mehta:** Last year, I had raised the question of stagnation in income-tax. The Finance Minister quoted a few figures and tried to show that I was wrong. Again, I have no desire, and I have not tried to score any debating points with him, and I hope he also will not try to score debating points with me. I say, here is a fact, here is a tendency which we may ignore only at our peril. The ordinary collection in 1957-58 was Rs. 155.5 crores; in 1958-59, it was Rs. 152.4 crores, according to the revised estimates; and the budget estimate figure for 1959-60 is Rs. 155.9

[Shri Asoka Mehta]

crores. What is the reason? It needs to be gone into. My hon friends Shri M. R. Masani and Shri Somani and others might say—and Shri M. R. Masani is very fond of quoting the Law Minister; I do not know if he is here—that the diminishing returns have set in; I do not know, if diminishing returns have set in, we should have the courage to revise the tax structure. But if it is not so, we should find out what is wrong, where things are going wrong. The problem should not be disposed of, as the Finance Minister tended to do last year, by saying, the changes have been to the extent of Rs 2 to 3 crores more than you have said, because I think the Finance Minister himself realises that this problem deserves our active consideration.

As far as income and corporation tax revenues are concerned it is interesting to find that between 1951 and 1957-58, the assessed income has increased by 74 per cent, while the number of assessee has gone down by 21.5 per cent, the tax revenue has increased by 36 per cent, and the percentage of assessed to national income has increased by 40 per cent. A little over 9 per cent of our national income comes under the purview or the net of direct taxation. Here, it seems obvious, because the corporation taxes are also included, that the profit margin in the private sector has increased very much. Now, my communist friends might draw any conclusion; the labourers might draw any conclusion as to the extent to which this increased profit margin is being utilised for the purposes of well-planned investments. Whether through taxation in the public sector or through planned development of the private sector, these profits are re-invested, it spells progress. To the extent these profits are being allowed to be frittered away in one form or the other, it is a woeful waste of the scarcest resources that we have in the country.

Acharya Kripalani: God save us.

Shri Asoka Mehta: Then again, as far as company taxation is concerned, I would like to say that it is not clear to me what the Finance Minister intends to do. Is he trying to simplify the structure, particularly, of company taxes or is he trying to rationalise it?

An Hon. Member: Both.

Shri Asoka Mehta: These are answers which unfortunately I find it very difficult to understand, because these two things are not the same. If you are simplifying then you do not want to bring about any structural alterations. If you want to bring about structural alterations, that should be made clear. The implications of some of the things that have been decided upon will result in far-reaching structural alterations in the whole organisation of companies.

An Hon. Member: Quite right.

Shri Asoka Mehta: It is a good thing I have often advocated that we do not want this kind of plenitude of holding companies. If we are going to straighten them out even through fiscal measures, I think we should make these things clear. I have called the Finance Minister's speech an honest speech, that he does not want to keep anything up his sleeves; whatever cards there are up his sleeves should be put on the table, so that whatever we do is done in full understanding.

Then, again, I find that 2,284 individual assesseees have an income of over Rs. 1 lakh or more per year; and there are 229 individuals with a post-tax income of Rs. 1 lakh. These people are arguing that a man who has an income today of about Rs 5 lakhs, for instance, is taxed to the extent of 118 or 120 per cent including the income-tax, super-tax and the wealth tax and the rest of it; and therefore, they say that this is not fair. I would just like to point out that it is true, that if you look at it statically, these

people are being called upon to pay more than what they are earning today, assuming that the taxes are being honestly paid.

But I would like to point out—and the House should take into account this fact—that simultaneously there is such a thing as capital appreciation taking place, and even if there is a capital appreciation of  $1\frac{1}{2}$  per cent per year, the man who is paying 120 per cent tax is not poorer but as well, if not richer than he was ever before. In a developing economy, the most important thing is this capital appreciation that is taking place. And if we are interested on the one hand, in bringing about greater and greater economic and social equality and, side by side, in seeing that certain incentives are preserved so that people do not completely non-co-operate, I think the kind of tax structure that has been evolved is sound and I hope and trust that the Finance Minister will not permit himself to be stampeded into altering it in any major direction.

I shall conclude my observations with just touching two points. The first point is this. Every time the question of excise duties comes up, this controversy comes between factory products, small scale industry products and cottage industry products. We have talked about joint production programmes. But here again we have not worked out a consistent philosophy. Fiscal needs should not permit us to do anything which would in any way undermine the overall joint production philosophy that we may have worked out. I would just say this, that our whole approach should be to see that a new product is added and not that a product is substituted. Substitution of what is being produced in one sector of our economy in another sector is not economic development. Product addition, and not product substitution, has to be the whole approach. I shall not labour that point any further.

The last point that I want to make is this. What does the situation demand? I agree with Acharya Kripalani that this is a crisis of faith. But that is a matter on which he alone can speak with the requisite assurance. I can only say that without such a resurgence of faith, of course it may not be possible to move in any direction. Acharya Kripalani has said that we should cut our coat according to our cloth. The cloth in an under-developed country is very small and your coat will not keep you from freezing. The cloth has to be increased. The only way that you can increase your cloth is, as he said, by resurgent faith. And what is equally necessary, if not more necessary, is willingness to work out new modes and new methods of organisation. Where we are failing, where we are stumbling, where we are preventing the growth of our country lies in the fact that we have not yet discovered a cement of organisation, various methods and techniques needed for that purpose. This is not the time to go into it. But I hope and trust that at least this particular question will deserve and receive attention when we take up the Demands for Grants of other Ministries, because it is not only wastage, it is not only inefficiency in production which will always be there, but if you have decentralised production, you have got to introduce some kind of centralised organisation to make it efficient. Where there is centralised production, there is a built-in kind of organisation. Decentralised production, therefore, makes a tremendous demand upon our organisation potential and if we ignore that completely, if we throw the whole burden upon the Treasury Benches, I am afraid we shall be throwing out the baby with the bathwater.

Shri Jaipal Singh (Ranchi West-Reserved-Sch. Tribes): I was very pleased yesterday to find you echoing my annual protest against the Treasury Benches. I have more than once called the attention of this House to the failure of the hon. Minister of Parliamentary Affairs to do his duty,

[Shri Jaipal Singh]

and I am very glad that, in my effort I am confirmed by your own unfortunately unavailing efforts.

To me, it seems very clear that when there is a general discussion of the general budget every Ministry should be properly represented in this House. We have a host of Ministers, Deputy Ministers, Parliamentary Secretaries and the like I do not know what they are doing Whom am I addressing myself to? I want to know that. Well, I am addressing now the Finance Minister through you But I find that every year this House is being treated with disrespect After your blunt remarks yesterday, I had hoped that the Treasury Benches would not have the impertinence to continue to ignore this House on an occasion like this

Mr. Speaker I would urge upon the Ministries to have at least their Deputy Ministers here This is a general discussion on the general budget So far as particular Ministries are concerned, the Minister concerned and a Minister from the Finance Ministry may be here But regarding the general discussion, whom are the Members addressing to? How can the Finance Minister with all his alertness take note of everything that is passing? If it is said that they will read these reports later on they can stay at home and we can also send in written speeches! There is no meaning in this It is not impressive at all

We are setting a model for 14 other Assemblies in this country I am really surprised that this kind of thing is happening How long am I to go on making such remarks? I am not a schoolmaster here I am really sorry that this is falling on deaf ears There must be some arrangement whereby at least all the junior Ministers should be here to take note of things I do not know what work they are doing elsewhere.

Shri Jaipal Singh: The hon. Finance Minister has rightly, in his maiden appearance here, according to the usual convention, been given bouquets right and left I personally feel that these bouquets are overburdening him So I would prefer to toe the line of reducing his burden

I feel he has disappointed me in many directions I had hoped that after coming to Delhi, he would have grown wiser as he grew in stature. That has not happened, but I do still look forward to it happening My biggest disappointment is in his hunt for new resources Where the resources are obvious, he runs away from them I would have thought that he had forgotten that he was no longer in Bombay where he enforced Prohibition very unsuccessfully I know that members of the ruling party like to believe that Prohibition has been very successful

Shri M L Dwivedi (Hamirpur): It is successful He is not aware of that

Shri Jaipal Singh I want to tell my hon friend that I have visited Bombay more than he has ever done in his lifetime

Shri M L Dwivedi He is talking about the vested interests But the real labourers have benefited from Prohibition

Shri Jaipal Singh That is a matter of opinion

13 28 hrs

[MR DEPUTY-SPEAKER in the Chair]

Let me assure hon Members of this House and people outside that vested interests of course, support Prohibition because they make more money thereby I am not disputing that But can my hon friends anywhere, here or outside, deny the fact that Prohibition not only in Bombay but everywhere else has been a

failure? It has made honest men dishonest

The Minister of Finance (Shri Morarji Desai): I deny that

Shri Jaipal Singh: I am certainly not suggesting for a moment that in certain areas, in the textile areas, it has not been a great boon. But by and large in the country, it has been a failure. I can speak with authority so far as the tribal areas are concerned. Ministries after Ministries have experimented with it and they have had to withdraw Prohibition.

Shri Morarji Desai: May I say that it has succeeded most in the backward areas in Bombay State?

Some Hon. Members: No, no

Mr. Deputy-Speaker. Order, order. Because there are so many differences, there is greater need that we should discuss it calmly.

Shri Hynniewta (Autonomous District-Reserved—Sch Tribes) The statement cannot go unchallenged, Sir

Mr. Deputy-Speaker: It can be challenged in some other way

Shri Jaipal Singh: Our friends live in a fool's paradise. Let them be indebted to their imagination for their facts, if that suits them, let them satisfy their own vanity. But I am very clear in my mind, Sir, I am not for drunkenness. Hon. Members will remember a speech I made at the Constituent Assembly. There, I drew a distinction between drinking and drunkenness. People can be drunk with power. That is what happening today. What is happening today is, the present ruling party has been returned to power with a minority vote of 43 per cent, but look at the language they dole out to us. They say, they had an overwhelming majority. I think this had better go home to the ruling party because it is rather important in the present debate.

Mr. Deputy-Speaker: But drunkenness of either kind would be objectionable

Shri Jaipal Singh: I am a votary of free drinking, not of drunkenness. I have had the pleasure of entertaining many of my friends on the other side

Mr. Deputy-Speaker. Order, order. Such disclosures ought not to be made

Shri Jaipal Singh: Mr. Deputy-Speaker, Sir, I have already stated that I draw a distinction between drinking and drunkenness. I think I would better drop the matter there. But I do hope my hon. friend and his colleagues will grow wiser as they grow older, and that is, that they are ruining honest men in the country by enforcing upon them things that are perhaps very nice, but for which the masses are not yet ready. I am all for temperance. Educate them. It may be a very good thing for people not to smoke. But do not tell me it is bad for me when I know it is good for me. There are far too many doers of good in this country.

We have heard a great deal about the Nagpur Resolution. My hon. friend Shri M. R. Masani spoke day before yesterday. He is elected by the Jharkhand party from Ranchi East. Let me assure the Prime Minister that Shri Masani has been to those areas more than Shri Jawahar Lal Nehru has been there. Cheap jibes do not help in strengthening the argument on the other side.

Sir, I have an open mind. If you can convince me that cooperative farming is going to increase food production, I am prepared to go that way. But my hon. friend here from the Jharkhand area, Dr. Ram Subhag Singh pointed out 'Who are the people who are doing the talking?' People who water, plough, and sow in the sand, not people who have actual experience either of agriculture as such or of living among the peasantry.



[Shri Jaipal Singh]

Look at the Planning Commission. When we had a debate on the reappraisal of the Plan, I pointed out that it was not the Plan that has to be reappraised, but it was the planners who had to be reappraised. That is much more important. (An Hon. Member Hear, Hear) There is a body of men there. They call themselves agricultural experts. Sir, who is in charge of Agriculture, I would like to know. What is his experience? What is his experience his actual experience, in regard to farming? I am prepared to listen but all that I say is this. My friends on this side invoke the achievements of Russia and China and some other countries. I went there but that was before they became Red. I am not a Chinaman. I don't want to be a Russian. They may certainly be achieving things, but what we have to bear in mind is this: we are Indians. When we framed the Constitution, we looked right round the world, trying to pick and choose. Can we say that our Constitution has been working as the democratic principles are working in other countries? Can we honestly say that? The Constitution has to work according to our genius. I would beg of the planners and the Ministers at the Centre and the States to remember this. Many things may look very nice on paper, but you have to get the people along with you.

What happened in Bihar? The Government of Bihar thought that consolidation of holdings was an excellent thing. They tried it out in my constituency. They had to withdraw it, as I pointed out the other day.

If my friends on the other side want to commit political suicide in the tribal areas, it is an insanity on their part. If they want, let them indulge in these things without proper thinking. I am not opposing them. All that I have to say is this: you must carry the people with you, be sure about it. You are dealing with certain human beings. If you can carry the people

with you my opposition counts for nothing. Don't throw cheap jibes as though you are the only thinker in this world.

It is about time, I think—I hope I shall not be misunderstood—that we, all of us, people who are close disciples of Gandhi, and others who had no opportunity and privilege to get anywhere near him, had a review or a revision of Gandhian economics, or, call it Gandhian philosophy, if you like. In some directions we have already gone away from his example. For instance, he said: Nobody should get more than Rs 500. My friends there are having a very good time, with more than Rs 500. I am all for more and more. But what I want to say is that the time has now come when we have to be serious about it.

Take the question of excise. It is quite right that it was a token struggle against an imperialist power. But, surely, first the whole idea was that the poor man should get his salt at a cheaper rate. By removing your excise duties what has happened? The prices have gone up by four or five times. In what way have you helped him? I could go on like that, but as I said, I do not want to wander about the realm of statistics.

I am disappointed, Sir, secondly, that my hon. friend has not streamlined the administration. I had hoped that, with his courage, he would have got rid of many Ministries that are a fraud on our imagination. One of them is the Ministry of Community Development. Sir, there again, my friends and others may say: "Yes, it is working beautifully." I would speak from my experience of my own area. I am talking of the indigenous people there. They had hoped that the British people had gone and that colonialism had vanished, but today we find that a new type of colonialism is there. A vast body of outside workers who do not know their language, who have no sympathy with the people, but for whom funds are provided by the Centre and the States, are



trying to do good to us. I travelled two years ago with the Chief Minister of Orissa to one of these projects. We went to a tribal area and he took me to a development block. I was interested to see what was being done. The idea of distraction was to give packs of very expensive imported cards to the villagers. I will just leave it at that. I am very clear in my mind that development has to take place *suo moto*. Admittedly, there are areas where outsiders have to come in to assist the tribal people to go ahead, but they must not be strangers. There you have people in blocks, in extension service area and the like, who have no respect for the people there. They look down on them. They think that they have come there to lift them from some mire as it were. That is where our money is being wasted. It is not only that Ministry that I would like to be scrapped. There are many other Ministries. After all, there were five Executive Councillors when they ran the country before, and the country was then bigger than it is today. Make it ten, if you like. I have no objection. But to make it 50 is, to my mind, an astronomical way of doing things.

An Hon. Member: They are 54

Shri Jaipal Singh: I am disappointed that the defence budget has been reduced. I dare say I shall be the only one voicing this type of opinion.

Shri M. L. Dwivedi: There have been others.

Shri Jaipal Singh: I am sorry that this service which is the one which has shown all along consistently signs of promise of Indian discipline, should in any way be handicapped. I do not say that the Ministry of Defence, therefore, should have no ceiling whatever. I feel that there could have been other ways of economy. I have already pointed out to the Minister, the present Minister, who seems to be a Minister of Defe-

nance, Minister of Foreign Affairs, sometimes even as Prime Minister—I do not quite know what he is—but, at any rate, I have pointed out to him and to his colleagues instances that have come to my own personal knowledge where there has been inexplicable extravagance. The Ministry of Defence holding on to requisitioned property which has been unoccupied by it for more than 10 years continuously, going on paying rent as they like. If the civilian population wants these properties to be derequisitioned, my hon friend the Minister for Defence says, he cannot spare anything.

Go to Kanpur—my hon friend from Kanpur will tell you—go anywhere you like, we do not grudge our Defence services having what they want. But this type of argument that let nothing go whether it is being used or not used, it is immaterial, is wrong. Sir, you were in Ranchi not long ago. If you had only gone towards the Mental Hospital (Laughter)

Mr. Deputy-Speaker: Do people go there voluntarily or are they led?

An Hon. Member: He is coming from there.

Shri Jaipal Singh: Sir, I was not thinking about your going there as an incumbent. I was thinking of the Kanke road at the end of which is the Mental Hospital. Sir, it is the biggest Mental hospital not only in India but in Asia. Sir, I have room in my constituency for all mental cases if you want to send them. What do you find there to the right, to the left. During the emergency of the last war several houses were requisitioned. Now, naturally, people want to go back to their houses. They are under the Ministry of Defence. But they are not derequisitioned. The Eastern Command has gone. The houses are no longer required. Yet, my hon friend, Shri Krishna Menon says No, no you never know when the emergency will be there. It would be easier for us to walk into them at any moment. Never mind, let

[Shri Jaipal Singh]

Lakhs and lakhs and lakhs be wasted in the meanwhile. This is what is happening. I speak from personal experience. There can be any amount of economy, not merely in lakhs but in crores if this matter had been properly gone into.

I have only two more points, Sir, because I know you are moved to be indulgent to me today. I think the biggest muddle in our thinking today is the firm belief that the public sector can, without pursuing commercial principles, vie with the private sector. You put up a beautiful factory like the Bharat Electronics. You have only to go there to discover for yourself that the Managing Director could be a free man not tied down to files—he must consult the hon. Minister here if he has to increase somebody's salary, if he has got to sack somebody or other, with the result that he is not a free producer—how it can work. I am giving you only one instance. I can give instances all round the country, because I have the privilege of doing a lot of travel with the Public Accounts Committee and otherwise also because of my own personal love of travel. I have gone round all these places and seen how there is wastage because of this public sector business.

What happened in the Indian Airlines Corporation? At the time of the specific enactment we were told that the airlines would be run on commercial principles. One of them is being certainly run on commercial principles. What about the other one? What happened at Sindri? You appoint a General Manager. He goes round the world to see the fertilizer factories. By the time he is back at his job, you remove him to somewhere else.

We have to run away from the fact that just because so and so is an Indian Civil Service man or something like that, therefore, he is going to be an expert in everything. We have to build up special cadres now. There has to be a commercial cadre—not because job-hunters and friends have

to be billeted somewhere or other. That is what is operating at the present moment.

Sir, I will end up with this question of production. Coming to agricultural production I would say that whoever could make two ears of corn or two blades of grass grow upon a spot where only one grew before would deserve better of mankind and would do more essential service to the country than the whole race of politicians put together, the whole race of plan-commissioners put together.

My last word is this. I was shocked the day before yesterday during Question Hour here when many hon. Members were trying to elicit some information from the Minister of Railways. This question was asked in the other House also. You were good enough to accommodate me. If our friends on that side are going to take up this kind of attitude, then we are going to get into the reverse gear. What is the particular point? Somebody makes a complaint about certain supplies to the Railways. The supplies, before they are made are inspected by the Railway personnel—the technical personnel. If they are not passed, they are not supplied. Anyway, because somebody asked a question—some red friend from there, and they are very fond of asking questions and they think that anybody who has a factory must be put into trouble—in the other House, immediately the Minister gets frightened. Quite right. I think he should take proper notice of anything put up by any Member of Parliament, red, blue or whatever he is. Immediately, what he does is he says I am making enquiries, police investigations. Quite right. Please do that. But, simultaneously, they have stopped supplies to this factory and 4,000 workers, Adivasi workers, have been thrown out of work for the last 3 months. I know it for a fact that this is not the fault of the firm, this is the fault of the Railway Board. I can prove it. Investigations are going on and still

I am most confident of this particular fact.

After the complaint was made, the Director General of Supplies and Disposal demanded that there should be a joint inspection. The joint inspection also okayed it. The original inspection also okayed it, the joint inspection of the DGS & D representative and the Railway Board also okayed it. In spite of that the Minister says here—he does not answer straight—that they are awaiting the police investigation. Why is investigation called for? To find out whose fault it is I ask my hon friend over there, if I make a complaint against them—which I can easily do whether it is right or wrong—are they going to suspend themselves? Are they going to suspend the Railway Board? Why do they not do that?

As I pointed out during Question Hour yesterday, have we made a complete volte face and run away from the Anglo-Indian system of jurisprudence where no one is guilty till he is proved to be guilty? Have we gone to the French side of saying that everybody is guilty till he proves himself otherwise? Is that the position?

I ask my friends to take full cognizance of the illustrations I have given. We all have to go ahead. There is no question of this party or that party.

The Prime Minister has said that he would like the cooperation of every party. But he has to be tested as to what he means by cooperation, because, as I said earlier, that the arrogance that has set in the minds of 43 per cent the ruling party is something that does not quite attract us. We are there all the time to assist and be with them. Personally, I approve of it. I think we have to get on together. I do not think that wisdom is one-sided. I think better wisdom might be on this side. It is not whether this is worse or that is better or that is worse or this is better. It is only when we put it to the test, when you are round the Table that

you can find what has to be done.

Mr Deputy-Speaker, Sir, I am personally not very interested in tackling the tax question. I congratulated my friend the other day after his Budget, I expressed my thanks to him that at least as far as I was concerned, he did not touch me and I thank him again.

Shri Thirumala Rao (Kakinada): Mr Deputy-Speaker, Sir, we have been listening to the speech of my hon friend, Shri Asoka Mehta, with some relief as it came from the Deputy Leader or an important Member of the PSP which was in some refreshing contrast to the speech delivered by his leader yesterday. I am glad that my friend Shri Asoka Mehta has tried to educate this House. I congratulate him on his efforts. He has greatly succeeded in carrying this House through a maze of details and statistics which have to be verified. If one thing is certain it is not possible to compare the conditions obtaining in China which is under a dictatorship and the conditions obtaining in Western Europe which have had their industrial revolution a century ago. Still they prove useful in a limited sense for planning. The aim is to develop this under-developed country as rapidly as possible. The Budget presented by the hon Finance Minister has been described as showing realism and cautious economic statesmanship by some. The others have termed it as reactionary Budget which was prepared only to pamper the rich and the capitalist class in this country. There are encomiums on the one side and criticism on the other. I think the Finance Minister as an experienced Congressman who has had his roots in the freedom struggle of this country, as the first Finance Minister recruited from these ranks, has shown commendable realism and determination in presenting the Budget and facing the criticism that arises out of that Budget. I do not want to go into all the details of it. But the real distressing feature of our Budget is that our industrial production has fallen down by three per cent last

[Shri Thirumala Rao]

year and another 25 per cent in the current year. This is a matter of concern.

The strain on foreign resources is due to the phenomenal fall in our exports. It has to be looked at with a careful eye. Our export markets received a rude shock with the simultaneous demand on heavy machinery and consumer goods in this country and this has created a crisis in our foreign payments. We are aware that all the commodities like jute, cotton, oil, oil-seeds, cashew, manganese, mica and iron ore, spices, tea and coffee are all in private sector and so are manufactured goods like textiles. The Government of India has to earn foreign exchange, it has to depend mostly on the private sector and there is very little from the public sector from which they can earn foreign exchange. Therefore there should be whole-hearted co-operation between the two sectors for this and the export market has to be revived again and our foreign exchange position has to be retrieved. From that point of view, I think the Commerce Minister deserves some commendation at the heroic efforts he has been making in order to give all the incentives and help necessary for reviving foreign markets for our goods. Today we have heard that the gap in foreign earnings has fallen down by another Rs 25 crores and the total net deficit of our foreign holdings is about Rs 189 crores. With the assistance that has been generously offered from several countries like USA, Japan, Germany, United Kingdom and USSR, we have been able to tide over the foreign resources crisis in the Second Plan. I do not want to deal more with it because there would not be enough time.

Now, it has been mentioned rightly that our food position is the base on which our Plan mainly rests. The price and wage structures mostly depend on the cost of living and the

price of essential commodities like food and cloth. The import of food is a continuing phenomenon. It is difficult to foresee when we will be self-sufficient in food. In 1958, we had to import 35 million tons of foodgrains and the cost of foodgrains imported from the beginning of the Second Plan up till now comes to about Rs 208 crores entailing a drain on our foreign exchange. It may be argued that PL 480 will help us in meeting a portion of the rupees to be spent on the development plans in the country. When the Second Plan was finalised, it was not foreseen that the agriculture production should be the main base demanding the first priority. It is agreed that four per cent increase in production is being steadily registered but the Plan targets are not to be realised at the end of the Second Plan. Unfavourable seasons last year had resulted in short-fall which has increased our need for further imports. It has always been the aim to attain self-sufficiency in food but I am sorry the target has proved elusive. In view of the mounting needs of the population, it was estimated in 1956, at the beginning of the plan that an additional production of ten million tons should be aimed at by the end of the Plan period, 1960-61. But in the meantime, there was a further appraisal of the situation and the Planning Commission has demanded of the States to provide another extra five million tons and asked them to enhance the target to 15 million tons during the Plan period. When the Foodgrains Enquiry Committee was appointed and when it went about and had a heart to heart talk with the State Governments, they were inclined to take them into confidence and point it to them that the Planning Commission's target of 15 million tons could not be reached by the end of the Second Plan and only ten million tons could be reached. According to the reports revealed by the Government of India in the Food Ministry, it now seems that they do not expect more than ten million tons by the end.

of the Second Plan. There is no use planning like this, according to the wishes and not according to the realities of the situation

According to the figures given by the Food Minister, it has been estimated that the major irrigation projects would contribute to an additional three million tons and minor irrigation projects to about 1.9 million tons, fertilisers and manures 3.8 million tons, improved seeds, 3.4 million tons, land reclamation and development, 0.9 million tons and improved agricultural practices, 2.5 million tons. It is difficult to assess even roughly how far these detailed targets could be achieved. The low acreage that has come under the major irrigation schemes is something like an eye-opener. Planning for all the antecedents and auxiliary measures required to fully utilise the water made available under the major irrigation schemes have not been simultaneously mapped out. With regard to the seed farms, the progress made by the State Governments is very disappointing. I am constrained to say that the planners have given inadequate attention to the need of fertilisers every time there was demand for them from the agriculture Ministry.

I shall first deal with the major irrigation schemes statewide under the several heads mentioned by me and the total acreage brought under cultivation. By all the schemes in the various States, it was estimated that nearly 9 million acres would come under the plough. But the returns from all the States except from Punjab for the Bhakra-Nangal project, have been disappointing. In Andhra only 1.93 lakhs have come under irrigation for of the 19 completed projects. In Bihar only 2.41 lakhs have come under irrigation. In Bombay the figure is 1.07 lakhs, in Kerala 0.18, in Madhya Pradesh, 2.76 lakhs, in Madras 1.28 lakhs of acres, in Punjab 18.55; and in Rajasthan 11.49. Therefore, the money spent on these big projects is about Rs 600 to Rs 700 crores. It is said by experts that for every 100 acres of irrigation potential that is created under a five year period only

20 acres are brought under plough. When I look at the amount of money that is spent and the amount of actual land that is brought under cultivation, the proportion seems to me to be very alarming.

14 hrs

It was estimated that major irrigation would account for an additional three million tons. I do not know how much of foodgrains is produced on account of the new area that has been brought under cultivation.

With regard to fertilisers, this is a great disappointment and mis-calculation on the part of the planners. Every part of the country is demanding fertilisers to increase food production. But it was given a go-by. A thorough investigation has to be made as to the bottle-necks in the way of increasing agricultural production and find out how far the Plan expenditure is contributing to the increase in production. It should also be thoroughly gone into as to the causes of low utilisation of the irrigation potential created.

About fertilisers, I would like to make a suggestion. This year we have to import about 3.5 million tons of foodgrains. Along with foodgrains, will it not be possible for Government to arrange for import of fertilisers also under P.L. 480? They can very well negotiate with USA for permission to utilise the money that is being now spent on local development for import of fertilisers. A part of it can be utilised this year and with that additional production of foodgrains we can reduce the imports from outside. The money thus saved can again be invested for importing more fertilisers.

With regard to import of food also, I do not see any prospect of improving our production to meet the required demands. There are now 7½ crores of urban population who depend on the rural areas for production of food. Assuming that our imported foodgrains of 3.5 million tons are consumed by this population from the

(Shri Thirumala Rao)

urban areas that comes to 4.7 ounces per day. Computing 14 ounces of foodgrains per day as average consumption per capita, the rural population of 310 million have to supply food, after feeding themselves at the rate of 14 ounces per head per day, of about 9 ounces per day per head for the urban population. The shift of population is now again largely towards towns. We have also to utilise a certain amount of the cost of foodgrains, as I told you, towards improving the food production.

It is said that every rupee worth of fertiliser that is used on land will create an economic potential equal to 2½ times that amount by producing ancillary industries that are involved in the production of food and improvement of agriculture. That has also to be gone into, and a substantial amount of money has to be invested on both import of fertilisers and also manufacture of fertilisers.

The Food Minister has told the other House that Government are arranging for irrigation facilities and also for bringing into existence a number of fertilizer factories by the end of the Second Plan. The one factory about which we hear is the Bhakra Nangal Fertiliser Factory. The others do not seem to have made much progress, and it will be some time before they can be brought into existence.

The matter of controlling food prices has been given wide publicity. It has been said that the Government are entering into foodgrains trade by organising a State Trading Corporation. But the advance information that has been given and the propaganda that has been done on its behalf without the proper machinery and arrangement for bringing into operation this scheme quickly has created a sort of scare among the people. The middlemen started hoarding foodgrains and artificially raising the prices of foodgrains. Still it is not an easy matter to organise state trading in foodgrains. It cannot do it with the machi-

nery that at present exists. Instead of taking over the whole machinery of storing, buying and distribution, it is better if Government starts with the first phase and see how far it works. Instead of having several hundred crores of capital in their hands, for buying the foodgrains in the wholesale markets, storing them in proper sheds and then distributing them, the work of distribution must be allowed to be run by private hands. In that case a large number of people who are already having their employment in that line will not be thrown out of employment, and the scheme will not create any hardship to the ordinary people who live by retail trade.

With regard to taxes, Sir, I welcome the reduction in the military expenditure. It admits of more reduction, I believe, because, after all, military strategy has been changing, the pattern of defence forces in countries has been undergoing a radical change after the possession of secret and nuclear weapons by Russia and America, and also United Kingdom and other countries. The use of conventional arms and weapons has been largely reduced. Their importance has been altered. However much we may spend on our defence forces, we will not be able to have any parity or any comparison with the big nations, the big powers that control the destiny of the world. Viewed from that point of view, we have to note that any amount of defence expenditure is not going to give us a status equal to those big nations. The necessity of defence expenditure for us is to keep our neighbours in good behaviour and also to organise internal law and order, in case there is any rebellion or something of that sort.

Then, Sir, having known a bit of expenditure on the defence side, I feel that there is a lot of wasteful expenditure in that department which can be usefully investigated and plugged. That will give us a saving of some more money.

With regard to the tax on *khandasari*, that has to be examined more carefully. The pattern of our taxation is bound to change. As our imports are dwindling, our customs duties are bound to dwindle. To make up for the loss on customs duties, we will have to introduce excise duties, and the burden of internal resources has to be borne by the masses. Excise duties are inevitable. But *khandasari* is a cottage industry. I feel that for filling up, partially, the deficit in the Finance Minister's Budget, he can safely look to minimising the expenditure on civil side, on the administration side. He should leave the cottage industries alone. If there is any mechanisation in that industry, if machinery is used there, then you can include them. As long as it remains as a cottage industry it should not be touched.

On account of incoherent and unplanned development of sugar industry in this country *khandasari* has developed side by side with sugar industry in U.P., Bihar and other places. The competition that is now feared by sugar factories from the *khandasari* industry has come on account of lack of proper organisation and planning on the part of Government. Now, it is for Government to see that the bigger industry will not swallow up the smaller industry. If there should be any planning for the location of the sugar factories hereafter, they should see that there is no competition between the *khandasari* industry and the sugar factories for meeting the requirements of sugarcane.

With regard to the tax on motor tyres and diesel oil, that also works hard on the middle-classes. For the sins of commission and omission of the railways which have got a budget of about Rs 700 crores, with an imposing array of officials in the Railway Board—their plans have all gone wrong and their estimates have fallen short—and for the losses which they sustained, it is not fair for the Finance Minister to come to their rescue and impose this burden on the poorer

people of the country. Road transport is going to develop in the private sector to such an extent to carry goods and passengers that it is not merely a service but a great industry. For in my district, for instance, with a population of 23 lakhs, there is only a stretch of 80 miles of railway. The rest is covered by road transport, and the people there depend upon roads for transport. You cannot penalize them by increasing the rate of diesel oil and motor tyres.

With regard to diesel engines, if we go and see in the several dry areas of the South, you will realize that large quantities of foodgrains are grown by utilizing the diesel engines. Diesel engine is used for well irrigation, sugarcane is grown by well irrigation. Foodgrains are grown by well irrigation. There is always a great demand for diesel engines from the Agriculture Departments of the State Governments, and there is no point in imposing this tax on the poor agriculturists who are helping you to produce more food. After all how much deficit has been met by imposing these taxes on the poor people who number 30 crores? What is the deficit you want to meet in a budget of Rs 800 crores? You can easily scrap this revenue of about Rs 30 crores through the imposition of these taxes out of a total deficit of Rs 80 crores, by exercising greater vigilance on the expenditure in defence and in the administrative field. Only then you will be earning the gratitude of the people.

Shri Jamal Khwaja (Aligarh) Mr Deputy-Speaker, Sir, as I am a student of social philosophy and human nature rather than of public finance and fiscal policies I feel that the best way in which I can contribute to the proceedings of this distinguished House is to dwell on the philosophical and ideological aspects of the budget rather than on the details of the taxation structure or on the various policies that have been formulated and on the taxes levied.



[Shri Jamal Khawaja]

The ideological aspect, as everyone would readily grant, is very important. We who belong to this side of the House frequently hear from the Communists and the Socialists, from these parties, that the Government suffers from a lack of ideological clarity and cohesion and that we are confused as to what the basic policy or the fundamental policy and the basic approach are or should be. I think that this is not correct. The Congress party and the Government follow a specific ideology and approach but it is not a rigid approach or a text-book approach. Although it is said by us that we are following the socialistic pattern of society and socialism yet I honestly feel that it is not just socialism or just any "ism". If any word is needed to coin that 'ism', I would like to coin a new word and call it 'balancism'. That is how I feel. It is a very unconventional word, but I think one should not be averse to coming new words. Of course, the more popular expression is mixed economy or whatever you might like to call it. However I think the word 'balancism' spotlights the character and the nature of the basic feature the ideology and the philosophy which we follow.

It is a pity that we do not understand and grasp the dynamics of thinking and how the various concepts in all fields of human knowledge have been developed. There was a time in the 19th century when there was a dichotomy between matter and energy. These were the two basic concepts of physical science. Yet, as science developed this dichotomy was overcome and we saw the fusion of these two concepts. Matter was reducible to energy and energy was reducible to matter. Similarly, I maintain that in this atomic age, in this modern age, the dichotomy and the contradiction between rigid socialism on the one hand and rigid capitalism on the other hand have disappeared. It is in evi-

dence in all dynamic thinking. But all rigid and closed minds suppose that there are these two "isms" and that they can be applied to the concrete facts of society, for economic development, etc., in an exclusive way.

It is well known that the capitalism of America, for example, is not the classical capitalism. It is neo-capitalism. If you see the private sector and the public sector, it is a fact that in America a far greater percentage of production is in the public sector than is the case in a country like ours where we definitely adhere to the socialist pattern of society. So things have changed. The Prime Minister repeatedly, and everywhere, he goes not only as the Prime Minister but as the great ideological leader, propounds this and lays emphasis on this. But it is a matter of regret that our young men and our thinkers do not appreciate and cannot appreciate the significance of what he asserts or what all thinking men, apart from the Marxian intelligentsia, are thinking. I refer to the German sociologists like Karl Mannheim and Max Weber and others who were the intellectual heirs to Marxian philosophy. We do not know how the sociological theory has developed in Germany. So, I wish to point out that emphasis on the mixed economy and the fusion of these two things have come to say in the modern world.

The basic question which is confronting thinking men and the 'theoreticians' today is the question of the balance of power, the question of power the diffusion of power in an optimum way. If power is concentrated either in the hands of the State or the individual, it leads to certain difficulties. The Communists may not be aware of it or others who are doctrinaire socialists may not be aware of it, but these things are engaging the attention of serious philosophers, all social philosophers and sociologists. If the State becomes omnipotent and powerful, then there is danger. On



the other hand, if the individual, whether he be the capitalist or the industrialist, becomes too powerful, then also there is danger. If the State becomes too powerful, there is the danger of individual liberty being challenged. If the entrepreneur, the big businessmen, the industrialist, gets too powerful, there is the danger of social discipline being destroyed. It might lead to chaos. So, the crux of the problem today, in this age, is not whether there should be capitalism or socialism or private sector or public sector, but how power should be diffused in an optimum way, because, here also there is difficulty. If there is too much diffusion of power, then there is no possibility of controlling and moulding the economic processes of the country. If everybody works in his own way and builds his own little house, there is no possibility of moulding things, changing things according to a specific ideal. On the other hand, if power is too much concentrated, there is the other danger which I have referred to. So, it is wrong to say that the Government has no clear-cut policy, that they are divided in the Cabinet, that one member of the Cabinet pulls in one way and the other in the opposite way, that there is tussle between the public sector and the private sector.

In all honesty I feel that the Government is following a consistent policy and that is the policy of balance, or I may call it economic dualism or parallelism. I feel that there is no question of any conflict between the private sector and the public sector. They are to my way of thinking, the two eyes of our country, of the bride of India, if any eye is destroyed or damaged, the beauty of the bride would suffer. If we do not think in this way and if we speak, as one of the Members said yesterday, as if there is a cold war, I feel that is a very mistaken attitude.

Reference was made to the fact that we are going too slow in regard to

certain matters, we have not been able to nationalise banks, etc. On the other hand, there are people who say that we are going too fast. One hears all sorts of things. The very fact that both these criticisms are made against Government shows that the Government is following the policy of the golden mean. This is the best proof that the Government is following a middle-path. In this connection, I would like to point out that it has been established beyond doubt that in the modern age, it is not ownership of an industry, the means of production or the banks which counts. It is the power to control and regulate which is the real thing. If Government is in a position to regulate and control the activities of the banks or other institutions, however large they might be, mere ownership becomes insignificant and superfluous.

Here I may draw an analogy between the so-called modern form of imperialism as compared to the old form of imperialism which was called colonialism. It has been amply shown that political domination over a country is not necessary, provided the economy of the country can be controlled. Similarly nationalisation of banks or of any other institutions for the sake of nationalisation is useless. The real thing is whether the Government has effective and full control. If the control is there, Government can safeguard the national interests and there will be no question of anyone overwhelming anybody else. I do not believe in any sector overwhelming any other sector, let there be true co-operation between the two. That would be in the best interests of the country.

After this ideological exposition, I would like to make an analysis of the basic policy approach which, to my mind, the Government is following. I would define the basic policy approach of the Government as multi-dimensional as opposed to the mono-dimensional approach. The multi-dimensional approach, as I define it, takes

(Shri Jamal Khwaja)

into account the totality of the dimensions of progress, where progress in all dimensions is sought in a constant way. On the other hand, the mono-dimensional approach means exclusive concentration upon certain features to the exclusion of the others. Here again, I may give an analogy in the sphere of psychology. We have the whole method and the part method. The whole method consists of learning material as a whole and the part method consists of concentrating selected parts. Now it has been proved beyond doubt that the whole method is superior to the part method in the long run.

I hold that in political economy, in politics in general, the multi-dimensional approach is likewise superior to the mono-dimensional approach. Here also, there will be no clear-cut distinction, it is a question of emphasis. While we have been following the multi-dimensional approach, Russia and China have followed in many respects the mono-dimensional approach. They have selected certain targets or certain immediate ends and they have made an all-out effort to reach those ends, whether it is food production or heavy industry, and that has produced results no doubt. But I feel that basically our approach is superior to theirs, although in view of the tempo of the age and a number of other factors, there is ample room, according to my way of thinking, for following the mono-dimensional approach in a number of things, especially, for example, in increasing food production. I need not labour on this point, it is so axiomatic. While the general multi-dimensional approach that we have been following is correct, in these matters much more results would have come if the mono-dimensional approach had been followed and concentrated efforts had been made in these directions.

Another such field is the field of training of co-operative personnel. Here also, a very intense concentrated

drive is necessary. Equally important are the spheres of administration and judiciary. The report of the Law Commission has just been published and it has highlighted the arrears in the judiciary and the other difficulties and complexities of the situation. So, here also a mono-dimensional approach to lessen the number of arrears and to reduce the administrative delays at all costs would have yielded better results.

This brings me to the heart of my speech.

Mr. Deputy-Speaker: The heart has come very late.

Shri Jamal Khwaja: In a sense, the heart a ways beat.

Mr. Deputy-Speaker: But not at the end; the heart should beat from the beginning and not at the end.

Shri Jamal Khwaja: It has been beating from the beginning, but now it might beat a bit faster.

That point which I want to emphasise is that we are all very anxious and eager for the rapid industrialisation of country. It reflects the tempo of the age, the atomic age. So, there are very great stresses on developmental and productive expenditure and we feel shy towards any increase in non-productive expenditure. Certainly this is correct and it should be so; yet, we should not forget the basic fact that the welfare State logically pre-supposes the police State. There cannot be a welfare State, and the functions of a welfare State cannot be performed effectively if it is not supported by a strong police state, where the functions of the police State are adequately performed—I mean general law and order, sound administration, sound judiciary and so on. And this is my reasoned conviction that in our eagerness and in our zeal for the quick development these aspects have been

ignored. I do not blame the Government, I do not criticise the Government. Large sums of money are being spent on these productive enterprises and, therefore, it is inevitable

Here every now and then there is a cry in this House against the mounting civil expenditure. There is a cry for economy. But I want to submit that this is a very important matter. Economy at the expense of efficiency will not do. Economy is certainly necessary, but efficiency is also necessary. And if we in this House grudge this expenditure every now and then, the Government will not be in a position to perform the police function which constitutes the base and without which no welfare State can function properly and no development can take place.

Though there are a number of things to which I wanted to refer, for want of time I shall conclude. I wanted to speak about the totality of the situation as it prevails in the country today. As far as the economic situation goes it has already been brought out by a number of speakers, but best of all, I think, by the Economic Survey. I feel I must congratulate the Minister and the Ministry, but most of all those officials who have contributed to the preparation of that economic survey. It is a noble document, impartial, fair and objective. And I can say that a government which is capable of bringing out such an impartial and objective document is a responsible government and so I have full faith and confidence in its ability to deliver the goods and to lead the country forward.

I shall conclude by saying that the other aspect of the total situation to which I wanted to draw the attention of the House was the spiritual situation. I do not use the word "spiritual" in the sense in which we use it, I use it in the sense of *Geistige situation* der Zeit, the famous book written by the famous German philosopher Karl Jasper just before the Nazis came to power. But there is no time for me

to go into the spiritual situation. Therefore, I shall content myself with the simple remark where we have declined is the spiritual, the subjective, the imponderable aspect. Quantitatively we have improved, there is no doubt, barring the shortfall in agricultural production or the slowing down of the rate of production in the last two years in the industrial field. But, as I have said, we will overcome all these difficulties. I need not go into the analysis. But, as far as the spiritual situation goes, there we have declined. I refer to the qualitative decline in our standards in all spheres of life, whether it be judiciary, whether it be public life, whether it be our educational institutions, whatever they might be. Again, it is useless to complain or criticise the Government. There is a thing like socio-economic causation and sociological determination, and no matter who the personnel of the Government might be, no matter who do form the government, the operation of these objective laws, these social laws would have their effect.

Therefore, I do not wish to criticise or condemn the Government. But I would certainly like to draw the attention of the House and of the country to this important thing. I would say that the only solution for arresting this decline lies in the sphere of education. Therefore, while we should not grudge any additional expenditure that might accrue as a result of maintaining a sound and efficient administration, so should we not grudge any additional expenditure that might be necessary for raising the educational standards.

**Mr. Deputy-Speaker:** The hon Member should conclude.

**Shri Jamal Khwaja:** I will finish within half a minute.

The most significantly arresting feature of this spiritual development is the spirit of commercialism which prevails in our low-paid Government

[Shri Jamal Khwaja]

employees. As far as the officers and others go, I have no complaint to make. I have no statistics to give but anyone can go and see for himself the spirit of commercialism which prevails in the offices, and nothing can be done unless you put a brake to it. You may call it bribery. That corrodes and poisons the atmosphere with the result that moral capital is not forthcoming for the implementation of the Plan. That has to be stopped and moral capital has to come, where lies the remedy for this

Apart from the improvement in the standards of education, there is another factor, and that is the human touch at all levels and the formulation of a code of conduct, not only for the officers but also for all public men and politicians. There should be a gentleman's agreement by all political parties that that code of conduct would be followed and the ruling party should take the initiative and lead in this matter.

**Mr. Deputy-Speaker:** I now call on Shri Thanu Pillai. Then I will call Shri Shibbanlal Saksena. As our friend has said, we ought to conform to some code of conduct here also. If the hon. Members from this side also desire to take so long as the Opposition Members, then there would be very little chance of exhausting the list of Members that has been supplied to me. Therefore, whoever might be on his legs, at least on the second bell he has to sit down. I allowed the previous speaker to conclude his sentence. But then he took up a new subject. Sometimes "in conclusion" comes 3 or 4 times. That creates certain difficulties. So, I request all hon. Members to see that when the first bell is rung they ought to come to the finishing touches and conclude when the bell is rung a second time.

**Shri Thanu Pillai (Tirunelveli):** The budget proposals have given a lot

of concessions to the big business at the cost of small investors and consumers. Concession is granted on many taxation proposals of the previous years under the guise of simplification. If a company had to pay a tax, the shareholder was previously getting a rebate from out of the grossed amount. Now this small shareholder is not getting the benefit of refund but the company is getting the benefit of a lower taxation.

Then again, coming to the wealth tax on companies, on paragraph 70 it is stated

"This rate will secure the same revenue as its at present derived from the taxes on the wealth and profits of companies and I propose, therefore, to abolish the Wealth Tax on companies and the Excess Dividends Tax."

It has been argued that it is compensated and though a concession is granted the money is collected otherwise. If somebody is benefited, somebody is paying more. Who is the person? Then, this wealth tax, if it is included in this super-tax and the company tax, where was the necessity for increasing the rate of taxation of individual wealth from  $\frac{1}{2}$  per cent to 1 per cent., 1 per cent. to  $1\frac{1}{2}$  per cent and from  $1\frac{1}{2}$  per cent to 2 per cent? If company tax relief was intended to give relief from double taxation possibilities, let us take courage and say that we have revalued our approach to the economic problem and structure of taxation and we are giving this. It has not been explicitly said as to why these concessions are being granted. Let us see what the previous Finance Minister said when he levied this tax. He said.

"The net effect of the proposal to increase the income-tax on Companies will, therefore, not be very significant. It will to some extent help us to check tax evasion."

That is, in the new taxation proposals which were then evolved of levying a company tax and increased Corporation tax on companies giving relief to the individual, it was argued by the then Finance Minister that it will help to check evasion of tax. On wealth tax on companies also, he said:

"In the case of Companies, there will be no tax on assets up to a value of Rs 5 lakhs; on values beyond that the rate will be  $\frac{1}{2}$  per cent. The Wealth Tax is intended primarily as a measure of personal taxation but in the peculiar economic structure of India I consider it advisable not to exclude Companies from the purview of this tax. However, the rate of tax has to be low. That is why I have proposed a flat rate of only  $\frac{1}{2}$  per cent. on assets above the exemption limit I have just mentioned."

This also he said that there is check on tax evasion. If the policy of comprehensive taxation proposals of Wealth tax, Expenditure tax, Gifts tax, Estate duty, including Income-tax excess dividends were intended for checking certain tendencies in the people, have the conditions changed or has our thinking changed? Let us be clear in our mind. Let us have a bold and courageous approach to it. If the taxation proposals, the Wealth tax and other taxes have been wrong, if we have gone on a wrong path, let us retrace our steps and come back boldly and not say, there has been some fiction in calculation. In several places in the explanatory memorandum it is said, legal fiction is being removed and therefore these concessions are given. Let us not think fictitiously in these matters; let us be realistic. I have no objection to giving concessions. But the reason for giving the concessions should be very clear.

Let us consider the effect of this taxation, on the psychology of the public. Indirect taxation, we never grudge. In a socialistic pattern of society, where direct taxation is bound to dwindle when the accumulation of wealth dwindles, indirect tax-

ation has to be resorted to. Here, when companies are given concessions and they enjoy preference, this indirect taxation on commodities which are used mainly by the poor people—not rich people—does not create a good psychology. I am afraid it creates a bad psychology that the proposals are to help big business and not to give any aid to the consumer or the small investor. Tax on excess dividends has been abolished. If there had been a check on excess dividends, there would not be incentive for more and more profits and the consumer may sometimes get commodities at a lesser price. It is very difficult because there are other ways of selling at higher prices and still suppressing the profits. But, there is a slight likelihood of the prices not shooting up. This free lance dividend for these companies, I am afraid, will have a bad effect on the market value of commodities. It may not affect the people who are drawing big salaries and people employed in the public sector or the private sector or the organised sector, getting Rs. 5 or 10 for every threat. It may not affect them. But, the middle classes, the poor lower middle classes, and the self-employed people are definitely hit. Khandari, sugar or diesel oil—these are things which the poor people take and they are affected by these taxes. Even regarding other proposals like edible oils and art silk sari, people who cannot go in for silk saris, go in for art silk saris. It is necessarily the poor people who go in for this. We have levied a tax on poor people even on cigarettes. It is not the luxury of a rich man. Even poor people smoke cigarettes. It is the only luxury left for the poor people: cigarette and bidi. That also is taxed.

An Hon. Member: Not bidis.

Shri Thanu Pillai: My hon. friend is not a smoker and he does not know. On all these taxes, do we have any check?

The Finance Minister, in his speech, said about price stability and vigilant

[Sri Thanu Pillai]

watch on costs for exports and other purposes. There should be price stability. Is there going to be price stability for the consumer? We are forced to pay higher prices for every commodity, for foodgrains etc. When we ask questions, the hon. Minister says that the increase is not very high. The control price of procurement of paddy was Rs 30 per kotta previously. It has come to Rs 50 now. Still the Government thinks that the price is not very high, the producer must get it. These are incentives for production and trade, but no incentives for the consumer and the other people who are in the low income group.

We do not have a price wage policy. We are afraid of fixing prices on the peas that production will go down. But, as I said before, people who shout and fight get more money, but not the other people. How are they going to exist in this country? Have we got a price wage policy? We have been shouting here to fix a wage equated with the price of foodgrains. Unless you come to a decision, unless the Government is prepared to take courage and say, this is the norm which I fix as price of foodgrains, nothing will happen in this country. Every Plan that is coming up will be upset because foodgrains price upsets every other price. That has been the practice. We are not economic pundits. In the home economy, every housewife, every man who foots the bill knows that if foodgrains prices go up, the price of every other commodity goes up.

Rightly, it is, that the Government's approach is directed towards the agricultural economy. But, in what fashion? Are we going in the right direction, that is my question. If these taxation proposals are taken into consideration, we give big concessions to big business and we pass the Nagpur Resolution and tell the small agriculturist that there is going to be ceiling. We have not said what is the extent of acreage. Even a five acre holding agriculturist feels that his five acres will be taken away from him. Why not say clearly what is our ceiling

limit? One State Government says, it is Rs 3,600. Another Government says, Rs 5,000. Therefore, it has upset the mind of many agriculturists who were producing a large quantity of foodgrains at a very high level of production. The Average production in India, I understand, is 900 pounds per acre. In my part, the norm for paddy is 3,600 pounds per acre. If you chill the enthusiasm by undecided policies and pronouncements off and on, production is bound to go down, not go up. What is the approach to the land problem? Do you want to increase production or do you want to use this for any other purpose, other than for increase of production? Let us there also be clear and forthright. If co-operative farming should be resorted to, let us not be apologetic about it. I have spoken before on this subject and I have said, there should be only compulsory service co-operatives, because the individual is not interested in seeing himself as a partner of a big farm, but he is interested in seeing himself a proprietor of a small piece of land to be inherited by his children. That being the psychology and mentality of the people, now let us not frighten and threaten these people who are producing more than 3,000 or 4,000 lbs of foodgrains per acre as the norm in their small plots of one or two acres by saying that we will take away their land, and that they will become members of the co-operatives. If it is a service co-operative, then there is no quarrel. Why this heat and argument everywhere, inside the House and outside? I would like to say that it is all due to a wrong thinking and a wrong approach.

An Hon. Member: By whom?

Sri Thanu Pillai: By those who are interested.

Mr. Deputy-Speaker: By all those who assemble here and deliberate.

Sri Thanu Pillai: The real fact is that when the ceiling was announce-

ed, people thought that ceiling was going to be too small and they wanted to fight against it. When they wanted to fight against ceiling, we gave them a handle to fight against co-operation. It is not co-operation, service co-operatives, as such which will affect the people, because our Prime Minister has said that there is going to be no compulsion, it is voluntary. If it is voluntary, there can be no quarrel about it. Then, why this quarrel from the Bangalore convention and all that? What is happening? Very intelligent people, very respectable leaders are taking that front and going about saying "that we are going on the totalitarian way, therefore it should be arrested here and now." Are we going that way?

It is a matter not to be lightly brushed aside by saying that we will decide this way or that. It has to be faced squarely and answered not with unreasonable passion, but with argument, convincing the people, because their arguments have got a hold on the people, and the people are having such respect and regard for those leaders, and our leaders also cannot simply say that they brush aside that opinion.

The ceiling part of it, as I said, if it is to be liberal, will be acceptable. If it is going to be small, let us see whether the ceiling on agricultural land alone is reasonable, fair and just, when you do not have a ceiling on other forms of wealth in this country.

An hon. Member speaking yesterday said that somebody had declared Rs 160 crores as his wealth whereas his real wealth amounts to about Rs 50 crores and something more. If that is the kind of society that we have, why should I say that this landlord who is having 20, 30 or 50 acres should be controlled, but these rich people will be left alone?

Have we come to the conclusion that land as property should not be accepted in this country? Whatever may be the idea, let us be clear and frank.

Acharya Kripalam spoke about faith, but he stopped with faith alone. Faith alone does not constitute truth. Gandhiji taught us faith and fearlessness. Our Prime Minister has very often dilated on it and said that truth is faith and fearlessness, but I am afraid that fear has completely possessed our Government as I can see from the many surrenders to the many threats of strike. I would only appeal to the Government not to be possessed of this fear. All that we decide let us decide fearlessly, in faith and fearlessness which are the two rails of truth. I hope our Government and our leaders will be capable of rising to the occasion and speaking out, and if co-operatives must come, let us not be apologetic. Let us say that compulsory co-operatives must come, let us face it. If by that compulsory approach people go against us, we must accept it. That is democracy. Hon. friends said that we will lose the support of the people. We are not afraid. If the consequences of some approach and some actions of the Government will lead the people to go against it, why should the Government feel shy of it? When we evolve a theory, when we develop an approach, we have to take the consequence into consideration and come to our conclusions.

I am only sorry that our leader is not here, and it distresses any admirer of our leader that some view on regimented thinking is reported to have been expressed by him, and if that is true—it has been modified, I do not know—I must say that our very existence depended upon individual liberty, freedom of thought and freedom of action and speech. If there is going to be a crisis for that freedom of thought, I am sure nothing will stop the degeneration of this country. With all our differences with other parties and ideologies and other groups and politics, we are confident of our success because of that one cardinal principle which the Father of the Nation taught, and his successor has been telling us time and again.



[Shri Thanu Pillai]

that what we want is unity in diversity and not uniformity. If that approach is going to be given the go-by, we are very doubtful as to what the consequences will be. I hope the Government and its leader would take into consideration the feelings of the people from all angles. After all, the individual human being lives, in our country at least, not by bread and filling the stomach, we live for very great principles and high ethical values. Of course, very often they are forgotten by the people when they do not get food. In our part of the country we have a saying in Kural

*"Sevikkunaru iladapozhuthu siruthu  
vayitrukku eeyappadam"*

The translation is that when we do not hear something good, we will think of our food.

Shri S. L. Saksena (Maharajan)

How strongly I feel about the excise duties proposed in this Budget is obvious from the fact that I have come to oppose them on this the tenth day of my fast.

Mr. Deputy-Speaker: Yes, the hon. Member can sit down and speak if he feels weak.

Shri S. L. Saksena. During my membership of Parliament I have seen many budgets presented and debated upon in this House. But I think none was so thoroughly capitalistic as this one. The Congress proclaims that it is building in India a socialistic pattern of society, but in the whole speech of the Finance Minister, the word "socialism" has been scrupulously avoided. I wonder if such an important member of the Cabinet is so deadly opposed to the very word "socialism" that he abhors it.

But leaving socialism apart, I would judge the Budget from the fundamentals of the faith which the Finance Minister professes, his faith in the teachings of Mahatma Gandhi. I say

this Budget is a cruel mockery of Gandhiji's teachings; it is the most un-Gandhian Budget that I could ever imagine. I also claim to be a humble follower of Mahatma Gandhi in my own humble way. I think cottage industries and small-scale village industries were dearest to the heart of Mahatma Gandhi, but I find in this Budget that the most important cottage industries like the khandsari sugar industry and the oil pressing cottage industry have been heavily taxed and both of them will not survive the heavy imposition which is being levied upon them.

Similarly, other items of indirect taxation are taxes on the poorest class of people. The tax on diesel oil is the most objectionable of these. Duty on birds which is the poor man's recreation is another tax on the poorest of the poor. Tax on motor vehicle tyres and diesel oil will make road transport more costly and deprive poor villages of cheap transport.

Ghee, of course, has vanished from the market, but the vegetable oil which is now being used for cooking purposes by the poor and the middle classes, has been taxed and they will be hard hit by these taxes. Even the tax on tea has been raised and therefore I say the imposition of Rs. 20 crores by way of excise duties is on the poorest of the poor.

The special feature of this Budget presented by one who claims to be a disciple of Mahatma Gandhi is that no relief has been given in taxation to the poor and middle classes who are the hardest hit. The only relief given is by the abolition of the wealth tax on the wealthiest classes. The income-tax on persons earning Rs. 3,000 a year has not been removed.

There is a deficit of Rs. 81.67 crores in the Budget. All the new taxes proposed will yield only Rs. 23.35 crores and a deficit on



revenue account of Rs 58.3 crores will still remain and the over-all budgetary deficit will still be Rs 222 crores. This deficit should have been covered by judicious taxes on the wealthier classes and by reducing expenditure on civil administration which has risen to the monstrous total of Rs 223 crores from Rs 35.5 crores in 1948-49, that is, it has become six times in a decade and, risen by 500 per cent, whereas our total budget including the defence budget has only become double, or risen by 100 per cent only. It should be remembered that this sum of Rs 223 crores does not include the establishment expenses of the defence budget. So, deducting the expenditure on defence out of our total expenditure of Rs 839.50 crores, the total expenditure left is Rs 596.50 crores. Thus, in our present budget out of a total civil expenditure of Rs 596.50 crores, the expenditure on civil administration is Rs 222.73 crores. This works out to 37.34 per cent. I was the secretary of the Harijan Sewak Sangha in Kanpur in 1934. Mahatma Gandhi had then laid down that in our budgets, the expenditure on administration must never exceed 10 per cent, and in an ideal budget it should be confined only to 5 per cent. And here in the Budget of the Central Government which is run by the Congress Party which is returned in the elections by proclaiming from the house-tops that it is the party of Mahatma Gandhi and will build the India of his dreams, the expenditure on civil administration has mounted up to 37.34 per cent of the total civil budget.

15 hrs.

If you examine the budget of the People's Republic of China, the size of whose first plan was four times larger than that of our Second Plan, you will find that the expenditure on civil administration there does not exceed 10 per cent. That is one of the reasons why China's rate of progress is about four times more rapid than ours.

I had thought that now that a staunch disciple of Mahatma Gandhi was the Finance Minister, he would try to reduce the expenditure on civil administration to Gandhian proportions. But I find that his Ministry is the worst offender in this respect, and it has a staff of 112,000 persons on its rolls. In fact the expenditure on civil administration in the last two years also has risen by Rs 91 crores. Instead of imposing these taxes on poor people's sugar, mustard oil, tea, and vegetable oils, diesel oil and motor tyres, the Finance Minister should have cut down Rs 20 crores out of the expenditure on civil administration. In fact, the entire deficit in the Budget can be wiped out if the expenditure on civil administration is cut down to Gandhian proportions, and suitable taxes are imposed on the wealthier classes.

I therefore, pray to the Finance Minister on bended knees that these taxes on the poorest of the poor should be dropped. These taxes are of the same nature as the tax on salt. Khandasari sugar is the poor man's sugar and a tax upon it is just like a tax upon his salt. So is the tax on mustard oil, and I vehemently oppose all these taxes, and I hope this Congress Party which has been voted to power to follow Gandhi's teachings in running the administration, and which is wedded to the ideal of building a socialist society in the country, will see that these taxes on the poorest of the poor are dropped from the Budget. I have been so shocked by these taxes that I have undertaken a fast along with two other colleagues of mine in Lucknow to protest against these new taxes on the poorest of the poor. It is because I feel so strongly in the matter that I have said all this.

Before I examine the result of the duty on khandasari, I shall refer to the important subjects. The U.S.-Pakistan pact is something which is very disturbing. The way in which

[Shri S. L. Saxena]

the Prime Minister disposed of that pact in this House is not reassuring I think our Government must lodge a strong protest with the United States of America that we consider their action as an unfriendly act

About co-operative farming, I have to say that it is really a welcome idea I support it wholeheartedly This is the first step on the way to attain socialism Until we revolutionise our agriculture and increase our food production at least five times, we cannot find money needed for really gigantic plan like those of China I disagree with those who say that co-operative farming is impractical If an earnest attempt is made, it can be made successful And the attempt will bring to the surface all the corruption that prevails today among the Government servants in the country who may be called upon to give effect to this proposition I congratulate the Prime Minister on the crusade that he is carrying on in favour of co-operative farming

I shall proceed now to examine the nature of tax on the khandasari sugar industry I had thought that the Food Minister would protest against this duty on khandasari but I find that he is the most enthusiastic supporter of this duty

In his address at the inauguration of the 26th Annual General meeting of the Indian Sugar Mills Association, he has observed that 'the Government have regulated forward trading in gur which was exercising a bullish effect on its prices The UP Government had already promulgated an order for licensing khandasari units Duty was also proposed to be imposed on khandasari All these measures would help to maintain the production of sugar and arrest the bullish trends' Shri A P Jain thinks that khandasari sugar being the poor man's sugar is no sugar at all, and only white sugar is sugar He has also told the delegation of khandasari

producers that the duty on it has been imposed to save the vacuum pan sugar industry, as the khandasari sugar industry was diverting cane from the big factories to the khandasari units All this shows that he has completely dittoed what the president of the Indian Sugar Mills Association had said In fact, his Food Ministry seems to have become another department of the Indian Sugar Mills Association The President of the Association has said in his address to the meeting of the Indian Sugar Mills Association a couple of days back that but for the loss of cane from reserved areas to khandasari, the 1957-58 figure of white sugar production would have been equal, if not in excess of the production in the crushing season of 1956-57 He said that this khandasari offered a substitute to white sugar, and in a year of surplus production, it could seriously affect the prices obtaining in the home market I have said that the white sugar industry is not opposed to the expansion of khandasari, provided it leaves cane in the factory areas alone, said the president of the Indian Sugar Mills Association

Thus to save the mighty white sugar industry, which is the second largest industry of the country after the textile industry this heavy excise duty has been proposed on such a petty cottage and small-scale industry like the khandasari sugar industry Vacuum pan industry has now nearly 200 factories in the whole of the country with a production of about 2 million tons annually There are three to four thousand small units of various sizes of khandasari sugar industry in the whole of India, particularly in UP Bihar, Bhopal, Madhya Pradesh Bombay, Rajasthan and Punjab So, this mighty industry cannot compete with this small-scale industry in spite of the protection from foreign competition given to it for the last thirty years Does it not speak heavily against the utter inefficiency of this mighty sugar industry that it cannot compete with

the khandasari sugar industry to say nothing about foreign sugar? In fact, the cat is out of the bag, in the speech of the president of the Indian Sugar Mills Association, when he says that the khandasari sugar offers a substitute for white sugar and in a year of surplus production could seriously affect the prices obtainable in the home market. The real reason for this hue and cry by the manufacturers against khandasari sugar is not the diversion of cane to it in reserved areas, but the fear that if the industry develops, it will become a serious competitor to the white sugar industry. It will then not be able to fleece the consumer as it does now even in the years of surplus production. I hope the House has not forgotten the sugar racket in July—August 1949 when sugar was sold at Rs 2 per seer in the common market.

The khandasari industry is the oldest sugar industry in the world. Sugar is produced in India from times immemorial by this method. Khandasari sugar contains essential vitamins and is far more nutritious than white sugar. The khandasari sugar contains proteins and other mineral salts which white sugar does not. In fact, Mahatma Gandhi had called white sugar as poison, but here we see this disciple of Mahatma Gandhi sacrificing the cottage and small-scale industry of khandasari sugar at the altar of the white sugar industry. I say, let the white sugar industry go to hell if it is not efficient enough to compete with such a small-scale industry as the khandasari sugar industry. It has no right to exist if after thirty years of protection it cannot compete, not in the world market, but even with the khandasari industry.

Let us examine the increase in efficiency that the white sugar industry has attained during the last twenty years. I have not the time to quote all the figures, but if you examine the figures you will find that

the quantity of cane and the yield per acre has gone down, mill extraction and boiling house and overall recoveries have not improved, and fuel consumption and consumption of stores have gone up. What is the incentive for the sugar factories to increase their efficiency? They have no competition to face, either internal or external. The present hue and cry of the sugar mill owners against the khandasari sugar industry is the result of the fear that the expansion of the khandasari sugar industry will force internal competition upon them.

The present expansion of the khandasari industry is the result of efforts made by the Government themselves. Shri R C Srivastava, the Director of the Imperial Institute of Sugar Technology in Kanpur wrote as far back as 1935

“The khandasari industry is of still greater importance in relation to the agricultural system, particularly of the United Provinces, and possibly, in the near future, of the Punjab. The khandasaris, being small-scale concerns, are able to operate in the large areas in the interior where lack of communication or scattered cultivation make the establishment of central factories impossible at present. If the khandasari industry were to disappear, cane cultivation will become greatly restricted and the installation of central factories later on will be much more difficult.”

He has further observed

“Although work on the improvement of the Indian process has been carried on for years by several workers, it has not been conducted on scientific lines and no substantial progress has, therefore, been made. The principles involved in this process are just as much the principles of chemical engineering as in any other major industry of a similar nature and

[Shri S. L. Saksena]

the methods of research should, therefore, have been analogous. The first and the most essential recommendation that has to be made is that a research station for the scientific study of the Indian process should be provided in the western part of U.P., where the khandasari industry has long been established. Without an institution of this type, in which sustained work can be done for at least four or five years, it will not be possible to obtain the technical data necessary for improving the plant and process on scientific lines."

As a result of the recommendations, a research institution was installed in Bilari in Moradabad district, and the Imperial Council of Agricultural Research gave a special grant for the running of this institution which has been working there since 1930 which has now been shifted to Lucknow. In fact, the Tariff Board's report in 1931 had pointed out that the cost of production of sugar by the khandasari process was not high, overhead charges are low and the cost of supervision is negligible, this to a considerable extent makes good the loss incurred by the low extraction. The capital cost is estimated at 6.79 annas per maund of cane crushed as against Rs. 1 per maund in central factories and big pan vacuum industries. These figures relate to 1931.

Now after 30 years of research and development and after spending crores of rupees on the research establishments the khandasari industry has grown into a stature that can compete with the present most inefficient vacuum pan sugar industry, and because this industry has now developed to that extent, it arouses the wrath of sugar mill magnates and they have pounced upon it like a hawk on its prey. And I am surprised after reading the whole speech of Shri A. P. Jam, Food Minister, which he delivered before the meeting of

the Indian Sugar Mills Association a couple of days back that this only concern is to save the white sugar industry, and for this he is determined to kill the khandasari industry. And in Shri Morari Desai, the disciple of Mahatma Gandhi, he has found a very obliging friend.

What is the expert opinion about the khandasari industry? This will be obvious from a perusal of the reports of the Tariff Boards on Sugar in 1931, 1938, 1947 and 1950. All these Tariff Boards have with one voice recommended that this khandasari industry must be helped to develop. On page 51 of the Tariff Report of 1931, the Board observes:

"Khandasari factories are easily and quickly established and for many years to come, must form an important outlet for cane in those parts of the country which are not as yet sufficiently developed to admit of the construction of central factories. It appears, therefore, that an effort must be made to support the khandasari system both as holding an important position in the agricultural system of the United Provinces and as constituting an outlet for surplus cane which may be produced in the next few years."

The Tariff Board in their Report in 1938 have observed on page 93, paragraph 115, as follows:

"The previous Tariff Board considered this branch of the industry as necessary as providing an outlet for cane in areas where sugarcane cultivation is scattered and where for lack of communications, central sugar factories cannot be established. For this reason and because khandasari sugar had an important position in the agricultural system of the United Provinces, the suggestion was put forward that an effort should be made to support the industry. Research work on the

improvement of the process of manufacture has been undertaken both by the Agricultural Departments of provincial governments and by the Institute of Sugar Technology Khan Bahadur S M. Hadi had, as a result of many years experiments in Bhopal devised a bel which is considered by him to be more efficient than the existing Rohilkhand bel"

**Mr. Deputy-Speaker:** The hon Member's time is up

**Shri S. L. Saksena** I would request for ten minutes more

**Mr. Deputy-Speaker:** He has read out material within 15 minutes which could have been spoken only in half an hour Also nobody is able to follow him

**Shri S. L. Saksena:** "The Sugar Committee of the Imperial Council of Agricultural Research decided in 1930 to finance a set of experiments for comparing the two systems Experiments were undertaken at Bilari in Dist Moradabad under the direction of the Sugar Technologist and as a result of his experiments, an improved type of bel was devised Experiments were also undertaken in 1932-33 at Shahjahanpur which showed that the Hadi bel was more efficient than the Rohilkhand bel if worked under strict control by trained labour but that both sets were inefficient in regard to fuel consumption and furnace temperature An improved furnace devised for it gives a higher fuel efficiency and so reduce the cost of manufacture It is proposed to test this bel at the new research station for open pan manufacture started at Bilari in 1936-37"

That a cottage industry which is so widespread should now be proposed to be killed by this heavy duty is something which can only appeal to the Finance Minister and not to any other Member of this House or to any other sane person

On page 6 of the Sugar Tariff Board Report of 1947 is given the evidence of Shri Mohd Jilani, President of the Khandsari Manufacturers' Association He has said that 'if Government had given half as much attention to the khandsari industry as had been given to the sugar factories there could have been much progress in khandsari as well' The Tariff Board on the Sugar Industry have, under the chairmanship of one of our most distinguished personalities Shri G. L. Mehta, ex-Ambassador to the U.S.A., said in their report in 1950 about the khandsari industry

"It has been maintained that encouragement should be given to this village industry which holds a position somewhat analogous to the handloom weaving industry It has also been argued that since the present production of factory sugar does not meet the total demand in the country khandsari sugar may be able to supplement factory sugar especially in times of scarcity Besides a large number of cultivators and middlemen especially in U.P. derive their maintenance from this industry in certain rural areas which are far remote from factories and whose surplus cane finds an outlet in this industry It is possible that in such places the establishment of khandsari units on a co-operative basis could be successful But the imposition of an excise duty of As 8 per cwt at present on a village industry of this character is hardly justified We recommend that in order to give encouragement to this village industry, khandsari sugar should be exempted from payment of excise duty and that such technical assistance as is necessary should be given to encourage its production in efficient units and on economic lines"

It is thus clear that the new process which is a distinct improvement on the older method of manufacturing khandsari sugar has been evolved

[Shri S. L. Saksena]

as a result of 30 years' research by Government institutions. All expert opinion of all these various Tariff Reports is in favour of development of this cottage industry, for which Government itself has spent lakhs of Rupees in the last 30 years. Now that it has become able to compete with white sugar manufactured by the big factories, it is proposed to strangle it. I ask this House if sugar can be manufactured by the improved process of khandsari industry in the villages and gives a price for cane to the cultivators which is higher than that given by the factories today and can produce a fine and more nutritious quality of sugar as well as rich molasses, why should not this industry be supported in preference to the white sugar industry? Instead of spending huge sums of money and foreign exchange in importing machinery for big plants, should not this House consider that that money should be spent on development of this small scale cottage industry which will also solve the problem of unemployment to some extent?

Support to the khandsari industry would mean many advantages. The equipments of the plants used in this industry are solely manufactured inside the country and need not be imported from foreign countries. So by encouraging this industry to supplement sugar produced by the white sugar factories to meet the country's consumption requirements we need not spend crores of rupees in importing heavy machinery from foreign countries and waste foreign exchange, in these days of extreme stringency and lack of foreign exchange. All the 200 mills in India which produce 20 lakh tons of sugar, employ only 1½ lakh persons including technicians, skilled and unskilled labour but the 3,000 small units of the khandsari industry in UP alone of various kinds, which between them produced 1.76 lakh tons of sugar last year in the season 1957-58, employ 3 lakh persons including technicians, skilled

and unskilled labour etc. So its employment potential is 23 times that of the white sugar industry—per maund of sugar. I have been surprised at the assertion of the Finance Minister in the other House where he has said that the difference in the margin of profit between khandsari sugar and white sugar is Rs 13 per maund in favour of khandsari and by taking away Rs 5 he is leaving Rs 8 margin. This is not a correct statement. I have been associated with this industry for the last 30 years and I can say that this is wrong.

What is the real cost of production? There are four methods of making khandsari sugar. One is the old desi method in which no power is used.

Mr. Deputy-Speaker: If he is going to describe all the methods also, it will take a lot of time.

Shri S. L. Saksena: I will just refer to them. Only 5 per cent of the total production of khandsari sugar is now produced by the first method. More than 50 per cent of the sugar produced by the khandsari process is by the second method. About 30 per cent is produced by the third process and about 15 per cent by the fourth process. The first method is the old indigenous and requires an investment of Rs 2,000, the second requires an investment of Rs 5,000, the third an investment of Rs 40,000 and the fourth an investment of one lakh of rupees. In the first there is no power used, in the second bullock power is used for the crushing of cane and electric power for driving centrifugals, in the third and fourth methods power is used to crush cane and to drive centrifugals but in the third method, no lime or sulphur is used and in the fourth method purification of juice is done with sulphur or lime. The cost of production under these four processes comes to Rs 28-10 for the first process, Rs. 27-6 for the second, Rs 28-10 for the third process and

Rs 28-2 for the fourth. The price of sugar at present is Rs 30 for the first quality, Rs 29 for the second, Rs 30-8 for the third and Rs 32 for the fourth.

**Mr. Deputy-Speaker:** I shall have to come to the rescue of the hon. Member now. He is not taking care of his health. I myself feel concerned about it. Therefore I shall have to stop him.

**Shri Bhakt Darshan (Garhwal):** Though he is on fast, he is going fast.

**Shri S. L. Saksena:** I would request for two minutes more.

The margin of profit on *khandsari* is on the average about Rs 2-4 per maund, and the excise duty proposed will kill this industry which deserves to be supported. I hope the hon. Finance Minister will see that this duty is removed.

I would now try to say something about the white sugar industry. This industry has got 200 units.

**Mr. Deputy-Speaker:** If a new industry is begun now, he may not find time to refer to it.

**Shri S. L. Saksena:** The reasons for the present difficulties of the white sugar industry lie in its own selfishness. If the Government wants to help this industry, it has to set up a marketing board to purchase the sugar produced in all the factories and to sell it at a uniform rate in the country. At present sugar sells in Madras at Rs 42 per maund in Bombay at Rs 41 per maund and in UP at Rs 37 per maund. This differentiation is not proper. The advantage of Rs 4 per maund of sugar reaped by these factories in the South is most unfair and should not be given to them. The marketing board should take over purchase and distribution of sugar. In that way, the sugar cane growers and labourers can get proper wages and

the industry can develop properly, and export can also be furthered.

**Mr. Deputy-Speaker:** Now it should be all. Mr. Siva Raj.

**Shri Siva Raj (Chingleput—Reserved—Sch. Castes):** Mr. Deputy-Speaker, Sir, the Budget used to be an interesting and exciting one, of surprises pleasant to some and, of course, unpleasant to many. But the Budget now has become a painful formality, as it strikes me, for the Finance Minister and a dull and dreamy affair for us. It is bound to be so, for the Budget is framed round the Plan and has consequently fallen into a pattern which can be, if at all changed only a little from time to time. The normal feature of the Budget in these days, however, is a complete dependence upon foreign assistance, loans, an increase in the rates of taxation, direct and indirect and deficit financing.

Sir, the days of financial wizards are, I think, past. And, if there are any such in this House, I leave it to them to probe into the Budget and its intricacies and to make suggestions or comments—maybe constructive or otherwise—for the benefit of this House. I will only content myself with making this observation that so far as I can see the Finance Minister has proved himself to be a practical idealist keeping his feet fairly firm on the ground especially when I see that he is a Member of the Union Government of which the chief is Mr. Jawaharlal Nehru, and which Government of late, I find, is feverish to carry the simile further, it has got a tendency to fly into space after the wind flighty, and, perhaps if I may mention in the manner of Sputniks and Luniks, in its approach towards the tackling of the many problems with which it is faced.

I know the difficulty of finding the resources for implementing the ever-increasing Plan with ever-decreasing resources. It is indeed a mighty task for any Government, the Congress



[(Shri Siva Raj)]

Government or the Communist Government or any other Government. Nevertheless, it has to meet such a difficulty and it can be met by a practical approach to the solution of the problems.

Reference has already been made as to how certain internal resources can be adjusted towards this implementation of the Plan. For instance, my hon. friend, Shri Jaspal Singh, in fact, referred to the two things which I had in mind. One was the imposition of the salt duty again, and the other was the scrapping of prohibition, which, undoubtedly will increase the scope and extent of our internal resources. I need not labour these points.

Secondly, I find that so far as internal resources are concerned much depends on how those internal resources that are available are being administered. In this respect, I must draw the attention of the Finance Minister and in fact, of the Ministers of other Ministries to the fact that many of the senior officers such as the Secretaries to Government and other departmental heads find it extremely difficult in these days to come to definite and quick decisions for fear that they might get upset or they might be upset by the Ministers at the top for some reasons of their own. It is a fact that most of these officers are suffering from a lack of firm decision. They are indeed complaining—such as I have seen—that they cannot take a decision. Consequently there is delay, a kind of doubt in the framing and execution of schemes. That is a matter which this Government ought to bear in mind and I hope the hon. Minister will take this into consideration.

On the other hand, I find of late that the employees of Government are not even plan-minded. They do not bring into their daily work the kind of enthusiasm one will expect of people

who are doing the work of the Plan. There is a cry that there is lack of employment, a lot of unemployment; but such employment as there is, I find, is not in the service of the country at all. It is employment almost amounting to Government giving doles because I find a number of these employees do not do their work properly. That is a matter which has to be rectified.

The third thing in connection with the utilisation of our internal resources will be the scrutiny and the care with which the framing and execution of the schemes ought to be looked into. With a little experience as a Member of the Public Accounts Committee, I find that almost in every case of a big project there has been over-budgeting and also in the placing of orders for machinery and spare parts there is always needless waste. Some of these can never be resold or utilised in other projects. Things like these are going on due to lack of scrutiny and exposing the sort of callousness there is on the part of those who are in charge of the execution of these projects, with regard to the utilisation of funds. In any case, it is time that some machinery or other is instituted to check this growth of indifference of both public servants and others towards utilising the government funds.

Another matter in which I have always been interested and I have been making observations on is the imbalance that now exists between the industrial development of the country and its development in the agricultural sector. I find the attitude of the Union Government is one which does not help the vast masses of people in the rural areas. I see the Union Government is like a flying column in advance leaving the country behind in suffering and starvation. I feel that the Government should, in the near future, see that the development of the rural parts is being done side by side with industrial development.



The remedy suggested now is—I do not know what Resolution they call it; let them call it the Nagpur Resolution—land ceiling and cooperative farming. I really doubt its value very much, because we, at any rate, the people whom I seek to represent through the Republican Party in this House and elsewhere, do not come anywhere near this cooperative farming—and most of them are landless labourers. I do not know how far this land ceiling and cooperative farming will come to the help of the people I represent. But, I can tell you one thing that we can support a scheme like that provided the Government agrees and starts at the same time what we call agricultural settlements for these landless labourers.

For a number of years, we of the Republican Party did not believe in any kind of ism like communism or socialism or anything of the kind, the meaning of which we do not understand, the feeling of which we do not know. We always felt that in order to help the landless labourers, there ought to be agricultural settlements in places where there are lot of wastelands which could be made cultivable. We have heard that an individual selfless worker, on behalf of the poor has been able to collect a good number of acres—Mr. Vinobha Bhave—of such lands. If that is possible for an individual, I am perfectly certain that it ought to be possible for this Government.

There is another thing in which our Party is interested and which we have put forward as one of our planks and that is our faith in the parliamentary system of Government, particularly in the two party system, if possible, the working of parliamentary democracy for the benefit of all. We have been for some time past closely watching the progress of parliamentary democracy in this country. I am sorry to have to say this, without meaning any disrespect to the Chair or to the House, in regard to the procedure that it follows. So far as this House is concerned, there is a kind of regimentation

which we call parliamentary procedure, say, for instance, with regard to the time limits or with regard to the order of calling the speakers. A number of people get up one after another and speak in different languages which a succeeding speaker probably never understands. I find that it is only recitation and no debate. That is the sort of parliamentary democracy, which, I am sorry to have to point out, is being observed here.

Mr. Deputy-Speaker: I could not follow the hon. Member exactly. I do not know what he means by that. I suspect that he had certain complaints against the Chair and he has now said about some regimentation and the giving of turns to speakers and the time-limit on speeches and so on. That would certainly be some reflection against the Chair. I could connect it with the note of his Party that I received only half an hour earlier and that is also couched in the same language.

Shri Siva Raj: I am very sorry if I have given you that impression. I merely wanted to suggest that a system which could put a time-limit on the speakers does not result in a real debate. That is what I meant. There is no complaint against the Chair or against anybody. It is artificial and that is why I call it regimentation.

Now, outside the House what is the sort of democracy that we have developed. I do not understand it. I thought at one time the Congress and the Communists were running in parallel and opposite directions. I find that they run in the same direction today...

Mr. Deputy-Speaker: Still parallel.

Shri Siva Raj: Let me complete my idea almost converging to a point. My fear is that the innocent and illiterate and unsuspecting masses of India will be left where they are and

([Shri Siva Raj])

these two parties between them will have their own way. I do not see any difference between one party and the other so far as its high command or its method of Government is concerned. My fear is that people will be left where they are and I am not certain what is going to happen to the future of the country. But I can advise the Government in power and the Congress Party and remind them of the old English phrase: "Beware of the Greeks when they bring gifts". When my friends the Communists offer to co-operate with you, beware

We are all talking about the socialist pattern of society. It has become a fashion to do so and to talk about the socialist pattern of society and to quote Mahatma Gandhi's words particularly about equal justice and equal opportunities to all. I see various projects like the community projects, national extension schemes, the block development schemes and many other social welfare schemes and I find that all the people do not get the benefits of those schemes because unfortunately the people who conduct these various welfare institutions as they call them, are people—personally speaking, I can say—who have not got their heart in the job and even if they do their heart extends only to certain sections of the population. I know—I hope I am not wrong—perfectly that my friend over there also agrees with it that the real people for whom these schemes are intended do not get the benefit at all and the whole thing is due to the fact that whatever the system of Government you may have, whatever be the benevolent nature of the scheme you have, the people that handle those schemes are people who, I think, are not yet trained socially to execute them or to do justice. We are talking of a socialist pattern of society. What is our society? Mainly speaking, a major portion of our society is Hindu society. I read somewhere in a book on anthropology by Dr. Srinivas which pointed out that for centuries the Brahminisation of the

society has been going on—he calls it Sanskritisation—resulting in a number of castes. It has been going on century after century resulting in a sort of graded inequality between different sections. So, do you expect the wolves to look after the welfare of the lambs? It is those people that now run this show. It does not matter whether it is Congress or Communists. Who are leaders of the Congress or of the Communists? They are all drawn from the same class in whatever robes they may appear. It does not matter if it is this party or that party. That is my fear with regard to the ultimate results. My only request will be, if they do not misunderstand, to all those people who are interested in the equal distribution of wealth and the welfare of the people, and my first request to them will be "De-brahminise the society and then talk of the socialist pattern of society."

**Shrimati Ha Palchoudhuri (Nabadwip):** Mr. Deputy-Speaker, I support this Budget whole-heartedly because after all there are few alternatives left to a Finance Minister when he has to have an income and balance it with the expenditure and yet carry on the development. There are some things which he must do. He has taken some steps which he has to and I realise that but at the same time, being in intimate contact with the people I have something which I would like to bring to his notice and see if they could be redressed. There are some points that I would like to stress. The Budget this time at least has been presented to us in a way that laymen like me can understand it a little better because the different Ministries have been presented separately and I think it has been a great help to many people. On top of that, the Finance Minister in his Budget speech has said certain things. There are two things that rather confuse us. The Finance Minister is of opinion that we have passed the difficult times, and the difficult phase is more or less over.

We are very happy to hear it. But the Economic Survey, however, tries to point out to the continuing difficulties to be overcome. It is also as it should be. But the two things are a little contradictory. The system of deficit financing is also to be there when we want to go on developing but by the end of the Five Year Plan period the limit of Rs 1,200 crores will perhaps be exceeded. Since we are confident that our production will go up, I do not think there is much cause for alarm in that. On the food front, I have to bring certain things to his notice

The Government has had a lot to do towards easing the situation, but, Sir, it has not eased the situation. I would only say that the Government has to carry the people with them so that the food front can be properly tackled

It is said now-a-days that wherever the Government steps in the prices seem to spiral up. In the case of food the prices have spiralled up. In my State the fair-price shops are not adequately supplied. People are not able to get what they want. People have to wait in queues for two to three hours or more. All sorts of difficulties are there. The price of food has certainly not come down to the level that the common man can pay and get it at the time he wants. As I said, the feeling nowadays in the country is that wherever the Government comes in, the prices go up, whether it be food or anything else. The Government has come into question of family planning, and the population has gone up. Whatever that may be, I would certainly bring to the notice of the hon Minister that the food situation must be really tackled

In this connection I would like to point out to him that rice for the tea garden areas has to be supplied as quickly as possible and as adequately as is possible, because if it is not there, it will entail labour trouble. Government has made rules that we must supply food to the labour. But

food is not available, and there has to be long correspondence before rice and wheat is made available for the tea garden districts.

Sir, there have been imposts that have affected the common man. Many hon Members have already stressed that point. I can only say that although this has to be done, things that affect the very poor man and the common man should really be considered. In that category falls both mustard oil and diesel oil. Although the Finance Minister himself has told us that in respect of diesel oil it will mean only 0.34 nP, when it actually comes to the trucks and buses that ply on the road, the fare will be put up. Then it will not be 0.34 nP but it will mean practically an increase of 5 nP to 6 nP per truck mile. Then the common man will feel the impact.

In respect of mustard oil also, I think it is a very sad thing to have done, because that is one of the few things with which a poor man has to cook his food. The price of foodgrains is already high, and now the medium to cook is also going to be high. Apart from that, mustard oil has got essential food values. It is the only kind of cosmetic for the poor man's wife, because by applying mustard oil it keeps her skin in good condition. It also gives some immunity from diseases. I think the question of mustard oil must be considered and there should not be any duty, if possible, or at least the duty must be reduced.

From food, Sir, let us come to drink. I am referring to Ganga, the drinking water supply to Calcutta. The history of India will show that the people of Calcutta do not get good water to drink because the water that is available is not drinkable or potable. It is very saline. The Ganga Barrage is an absolute necessity, and I hope it will be considered by the Ministry, so that it can come into being as soon as possible. The Railway Ministry has said that it is the salinity of water that hampers the functioning of the railways there because the engines are

[Shrimati Ha Palchoudhury.]

always spoiled due to the great salinity prevalent in the water. Therefore, I hope that this project will have due priority and within the Second Five Year Plan period the Ganga Barrage will come into being.

Then about the port in Calcutta, and the second shipbuilding yard in Geonkhali. It has the first preference even from the point of view of the opinion of experts. The little saving that is sought to be effected—Rs. 1.7 crores—if it is built in Cochin, will be amply met by the various advantages that the port of Geonkhali will have because it has everything near it. It has got forests, wood, steel and everything else. With these advantages it can make up for the extra cost, and you will have to incur additional expenditure if things are to be taken to Cochin to build ships. Therefore, I hope Geonkhali will always retain its priority and have its claim for the next shipbuilding yard.

We are very happy to know that at Haldi the next port has been considered, because another port near Calcutta is an absolute necessity as Calcutta Port is gradually dying out. It is the lifeline not only of Bengal but it is the lifeline of India, and it must be kept alive.

Here I would like to bring to the notice of the hon. Minister that the Commercial Intelligence Wing of the Central Government is sought to be transferred from Calcutta to Delhi. They are doing very good work. They are mainly connected with customs duties in ports. I hope they will yet remain in Calcutta and carry on their work, because if they are transferred from Calcutta much of their usefulness will be lost. They have already sent a memorandum. I hope the Minister concerned will surely look into it.

About coastal trade I have only to say that when we think of another

thing of smaller ships for coastal trade, because that is something that is essential. I cannot go into the details about it, but small ships of 500 tons are a necessity for India. I think that must be looked into.

When we think of any Budget we have to carry the common man with us. There are only few amenities that he gets, and it is through these amenities that we can carry the common man with us. The few amenities that he gets at the moment are: he gets communication, his letters are carried, there are railways and roads, he gets a few health services and some education. If on all these things there are imposts and taxes that he cannot bear, then I think you cannot carry the common man with you.

I have to make a plea in regard to the central sales tax on a cottage industry. It is a cottage industry of the workers of Krishnanagar. They make mud dolls. It is a house to house industry. They are very artistic and they have been acclaimed everywhere and in the exhibitions where they have exhibited them. There is a central sales tax on them if they export them even from Bengal. They are so poor that they did not even know that this tax has been imposed. In some cases this tax has been collected from them with retrospective effect, with the result that the industry has completely closed down. This has entailed hardship on hundreds of workers who actually depend on this industry for their livelihood.

About the refugees, Sir, I have only two points to make. There has not yet been mitigation, with whatever the Central Government thought of doing as speedily as could have been done. The Rehabilitation Finance Administration Act is sought to be amended. In that amendment it is sought to provide that you can arrest the people who have not been able to pay. But by arresting people you cannot get the money, because they are not able to

pay. I do not know what you can do about people who can pay, but if you arrest people who cannot pay the money their livelihood will depend on the State again. You will put them in jails and feed them. How will you decrease the burden on the State? Therefore, what I would plead is, if they have not been able to pay or return the money that they have taken as loans for small trade and other things, a little more money may be given to them so that they may be able to pull themselves out and really rehabilitate themselves.

In fact, the Rehabilitation Ministry has given us a note. I can only point out one instance from that. They have said that industrialists all over the country have been given money by the Ministry to employ refugees, and they were expected to employ 9,000 refugees. I think they have not even employed 1,000 persons. Some of the industries could not function because steel and other things could not be had. There were these difficulties, but, of course, there was fault on the part of the industrialists themselves. The result is that the refugees have suffered. Sir, the East Bengal refugees are second to none in the matter of work. They are willing to do hard work. They have lost a lot and sacrificed a lot. They deserve every sympathy from India and from the Union Government and I hope they will get it.

I will not touch some of the points which I wanted to bring forward. I can only say that I also feel strongly on the question of transfer of territory to Pakistan. If the question is to be re-opened again, to be looked into, I hope it will await a better time, a ripe time and a more congenial time, so that the whole thing can be reviewed with the interests of India at heart, with the enlightened self-interest of India at heart and so that the people who feel intensely about it and who have been for a second time made refugees may not be hit again. There is no quarrel about what our Prime Minister has done.

But I think the whole position can be reviewed at a proper time. I hope it will get that reviewing from the Prime Ministers—both the Prime Ministers—in question at a proper time.

There is only one more thing that I would like to bring to the notice of the hon. Minister and that is about the way in which the balancing of the budget is to be done. Of course, it is not for me to tell a very honourable Minister like him what to do. Of course economy has to be effected. They have tried to effect economy in one or two cases, an economy to the tune of Rs 2 crores or something has been made. As said by the hon. Prime Minister in the House the other day, there is a probe also going to be effected into the various High Commissions and so forth by which an economy of £ 40,000 is expected. Things like that could be done so that the budget could be balanced and undue imposts would not be levied and the people carried with us. It is quite true that if we want to say that the Plan is good and the budget is good, we do not need to have to keep on saying it. It is like the man who sells attar. Attar perfumes the air by itself. Similarly, people will know that the Plan is good and the budget is good. If the amenities are given to them and if they know that the Government is doing good and that the country is going forward there would be no need to publicise it. If the common man gets a few things at least that he wants, he will feel that the attar that is being sold to him is good.

Mr. Deputy-Speaker: Shri Subbiah Ambalam. If he does not keep to his seat, I might call some other hon. Member. Perhaps he did not expect it so early.

Shri Subbiah Ambalam (Ramanathapuram). Mr. Deputy-Speaker, Sir, the budget speech and the Economic Survey that has been given to us clearly indicate two striking phenomena that are felt by us in the economy of our country. They are

[Shri Subbiah Ambalam]

mainly the insufficiency in food production and the strain in our foreign and external resources I shall first of all confine my remarks to food production

We have been aiming at the achievement of self-sufficiency in the matter of food production. We know fully well that our economy wholly depends upon food production and the attainment of self-sufficiency in food production. We know fully well for the past ten years that we have been importing foodgrains from other countries to the tune of about Rs 500 crores and still, in spite of having spent crores of rupees in constructing very huge dams and reclaiming millions of acres and in spite of intense drive for cultivation in the National Extension and Community Block areas we are facing this shortage in food. Year after year we are importing foodgrains, both rice and wheat for hundreds of crores of rupees. Ever last year for the half year ending 1958-59, we have imported foodgrains to the tune of about Rs 53 crores. In the year 1956-57 we have imported foodgrains to the value of Rs 101 crores. In the year 1957-58, the value of the foodgrains imported was Rs 153 crores. This shows the magnitude of our problem and how we are not in a position to balance our requirements in the matter of production of foodstuffs.

This shortage in food is mainly due to lack of adequate steps to improve food production and also our lack of efficiency to create a good climate for increased food production among the agriculturists. But we have been taking measures which in a way cause some apprehension in the field of food production. Now we are talking about ceiling on land starting of service co-operative etc. Starting of service co-operatives in a way will certainly improve our food production but I have my own doubts whether ceiling on land will improve our food production. But we say that somehow we are bound to carry out and legislate ceiling on land before the end of the year.

So far as ceiling is concerned. I may mention that in the South we have our own doubts. The main purpose of imposing ceiling on land is to provide more employment and to give permanent cultivating rights and not to disturb or to evict the cultivating peasants. So far as Madras is concerned there are a number of laws enacted by the State Government. For example, there is the Protection of Cultivating Tenants Act which has said that no cultivating tenant should be evicted and that the share of crops to be divided between the cultivating tenant and the landowner has been fixed. This has been *working very satisfactorily and the* yield per acre in the Madras State, I suppose, is the highest when compared to the average production per acre in the whole of India. Therefore, in such a situation, it is very dangerous. In a condition when we are every year, importing foodgrains and when our aim is to improve the acreage yield and at the same time, bring new lands under cultivation it is very dangerous to start on an experiment like this such as fixing ceiling on land but ceiling on land will not solve the problem of unemployment. We know that even now more people are engaged in agriculture much more than agriculture actually requires. Therefore, the other solution for this unemployment problem is to start more of new industries smaller industries in the rural areas.

Now we see that the problem of unemployment is on the increase, and we are not able to find a proper solution by giving even gainful employment to the millions of people who are left unemployed. The only solution is to start smaller industries and industrial estates in rural areas. It will in a way not only give employment to the unemployed millions but at the same time, prevent slums and congestion in big towns.

I have known many instances where big factories and mills and other industrial units are given licences for

being started in big cities and towns and which are surrounded on all sides by very good lands, which are costly, cultivable lands, and which are reclaimed for the purpose of constructing mills, especially in and around the cities. If the Government were to take up a very good policy which is necessary in the interests of the country and in the interests of increasing food production, I think that the Government should be very careful in giving licences to such mills to be started in big towns because the mills take away the best cultivable lands in those areas.

I want to say one more thing about ceiling. The Nagpur Resolution says that ceiling on land should be imposed. But this has not been unanimously adopted by our government and the Planning Commission. There is a sign that they are going to exempt mechanised, modern farms. Why should these farms be exempted from the ceiling? I am not able to understand that. Moreover, our policy is that there should be a ceiling on all wealth, whether it is wealth on land, whether it is wealth in urban property or in the form of business. There should be a ceiling. There should be no discrimination between wealth which is in the form of land and wealth which is in the form of urban property or industries. There should be no such discrimination in the matter of fixing a ceiling on wealth.

16 hrs.

I now come to the problem relating to foreign exchange resources. We know fully well that ours is a developing economy. When we are implementing our Five-year Plan and constructing big dams and big industrial units, we require foreign exchange. For earning foreign exchange, we must also conserve our internal consumption and at the same time promote export. In the matter of export, there are one or two items which are very good foreign exchange earners. The Government should pay more attention in regard to export of

these commodities, at the same time, without causing more of unemployment.

I would like to mention something about the handloom industry. We know that there are about 2½ million looms in India out of which more than 5 lakhs are in the Madras State. Two to three million people are employed in this industry. This is one of the most important industries that we have, which gives employment to a large section of the people in the South. The people who are engaged in this industry mostly depend on export of these handloom fabrics outside India. Now, we understand that our export markets where we export these handloom fabrics usually are being affected. I would request the Government not only to take measures to retain the traditional market, but to continue the export drive. We should maintain exports with these traditional markets, and, at the same time, we should explore the possibilities of exporting all our handloom fabrics to other countries such as Europe and America. Only about 30 per cent of the weavers have come under the co-operative sector and a large body of them are left outside the co-operative sector. These people who are left outside face difficulties in the matter of supply of chemical dyes and other things. I would request Government to extend facilities to these handloom weavers who are left outside the co-operative sector so that their needs may also be looked after by the Government and they are not put to all unnecessary difficulties.

I would like to refer to one other important matter, namely, export of hides and skins. Export of this item earns more than Rs. 30 crores of foreign exchange. Government have been allowing, as a matter of policy, export of raw hides and skins which really affects our economy, which really cuts short our earnings of foreign exchange. If the Government are wise enough to adopt a policy of preventing export of raw hides and skins, our earnings of foreign exchange in these items would be



[Shri Subbiah Ambalam]

disabled. We know fully well that we have a special quality of hides and skins in India. In no other country are we able to find raw hides and skins of this type. This is peculiar to our country, suited to our climate and conditions here. Our hides and skins are very much liked by the foreign countries. We must take advantage of this demand and see that raw hides are not exported.

I would even suggest this. Since our Government needs money for the implementation of our programmes, I would suggest a small levy on the export of raw hides and tanned hides and this money could very well be utilised by the Government in the matter of starting industries engaged in manufacturing leather goods which will have a greater demand in other countries. Our export, not only in quantity, but in quality also, will increase our foreign exchange earnings and it will easily go up to 50 to 60 crores a year.

I would like to say something about the matter relating to Wealth Tax. The Finance Minister has been good enough to exempt companies from the imposition of Wealth Tax. But I am unable to understand what was the necessity to increase the levy from half a per cent to one per cent on individuals and Joint Hindu Families. We are unable to know the reason. More money could well be had by imposing this half per cent or by reducing half per cent to one-fourth per cent on the wealth of companies. That would have been a very wise policy.

I now come to the proposed levy on non-essential vegetable oils. There was some distinction which was made in respect of the small mills expelling vegetable oils. Now, no such distinction is shown between smaller and the bigger expeller units. This will hit hard on the small manufacturing units. I would request the hon. Finance Minister to consider this aspect. These are small cottage industries

where people can afford to invest Rs. 5,000 to Rs. 10,000 and if such a levy is imposed on them they will not be in a position to compete with the big mill-owners who are dealing in crores of rupees in this oil business.

The previous speaker has been mentioning about the refugees from East Bengal. We are also facing a similar situation in the south. Some of the people from the South, especially from the Madras State, have been working as wage labourers in Ceylon, Malaya and other places. They are finding their position very difficult there. They are being repatriated to India. People from Madras who had gone there ten or fifteen years before are being sent away to India. It is a problem for these people who are uprooted from overseas countries to find a decent living in the South. The Madras Government, after realising the difficulties, appointed a special officer to make a report after studying the conditions. The Central Government has not implemented certain recommendations made in the report, in the matter of starting certain industries and in providing gainful employment to such of those people who have been repatriated from Ceylon and Malaya and other places.

Shri Oza (Zalawad): Mr. Deputy-Speaker, Sir, I must frankly admit that I have neither bouquets to offer to the Finance Minister nor any brickbats to fling at him. It is not that I say this in an attitude of sullenness or indifference, but broadly speaking, this is a budget about which we can take a certain amount of satisfaction, at the most. We have been supplied with copies of the Economic Survey of 1958-59. If we can sum up in a sentence about the position relating to 1958-59, I would humbly submit that it brings out boldly what preponderating role agriculture plays in our economy. Because of the bad monsoon throughout the country our agricultural production went down and because that



went down, the income of the agriculturists went down and because of that in my humble opinion, the textile industry comes into trouble. We are informed in the Economic Survey that the textile industry contributes nearly 36 per cent. of our industrial production and that makes a sad reflection on our total industrial production, which also went down. Broadly speaking, the nation has placed a tall order of implementation of the second Five Year Plan on the Government; I do not think we can refuse to foot the bill.

To my mind, the second Five Year Plan is the corner-stone on which we can build the future edifice of prosperity in this country. As I said in the beginning this Economic Survey tells us that agriculture is the main factor which contributes to the gross national product of this country. Unless we shift the whole thing from agriculture to the industrial sector, this thing will continue to happen. I think the second Plan is the right step in the right direction. We have placed the utmost emphasis on laying on a solid foundation of the heavy industries, steel mills, fertilisers, cement, heavy chemicals, etc. Unless we are broad-based, I do not think we will be able to make any progress in the direction of industrialisation. I think we should look at the budget from this point of view.

I feel happy that though the year 1958-59 was not a satisfactory one from that point of view, because of the adequate provisions made in the forthcoming year 1959-60, we will be able to move forward. Though the economy has not moved sufficiently forward during the current financial year, which is to expire by the end of this month, I am sure that nature being propitious, we will be able to go forward and fulfil the targets laid down in the Plan for the fourth year.

That again brings us to what the Finance Minister aptly said in his speech

"I have got continuously in my mind the main considerations

necessary for the successful implementation of the Plan. If I may repeat them, these are the maximum mobilisation of resources by taxation and borrowing, firm control over the growth of non-developmental expenditure and minimum recourse to borrowing from the central bank for the finance required for development."

Taking the first point, mobilisation of resources by taxation, I am happy that the Finance Minister has not finched from his duty. As I said, having placed a tall order, Government has to fulfil this Plan by expanding the resources by all methods, direct, indirect, small savings, etc. We cannot refuse to face the consequences. Some Members said that the Finance Minister did not give this relief or that relief. I humbly disagree with them. We have got to mobilise our resources if we want to fulfil the Plan successfully, we cannot escape from it.

As rightly pointed by one Member, in a backward economy, we have no go but to tax the commodities as much as we can. Because ours is a poor country mainly relying upon agriculture, the consumption standards are very low; saving is very low and so, investment is very low and it is not possible to mobilise the resources through direct taxation only. We have reached almost a saturation point in direct taxation; so, we have to rely more and more on commodity taxation. It is true theoretically and academically that this indirect way of taxation hits the poor and the rich equally, but there is no escape from it. Every now and then, our communist friends also revert to the same attack that Government is taxing commodities to the utmost. I was going through a book by Prof. Holzman of Harvard University, a beautiful treatise on Soviet taxation. He has said that though the Marxist theorist condemns indirect taxes on commodities as regressive, they have also to rely upon commodity taxation, because they have no other go. There was a limit beyond which direct taxation

[Shri Oza]

cannot yield any results, and so, they had to rely on commodity taxation. Hon. Members will be surprised to learn to what extent they have taxed commodities. He has selected a series of assessing the tax burden and he says:

"Whichever the series selected, the level of taxation is discovered to be extraordinarily high. The tax burden increased steadily and rapidly from 1926 to 1936, roughly doubling over the ten-year period. In 1936, the household paid back to the state in the form of taxes 60 per cent. of its total money income."

Shri Tangamani (Madurai): That was 20 years back.

Shri Oza: I am going ahead also. He says:

"The burden declined during the relatively good years, 1937 and 1938, but increased again in 1939 and 1940 as the Soviets mobilized for war. In 1948, the burden is estimated to have been almost 69 per cent. The substantial concessions to the consumers embodied in the price cuts from 1949-1953 are reflected in the drop to 57 per cent. again by the latter year. Many difficulties, both methodological and statistical, were encountered in making these estimates; these are discussed only briefly in the text, but in great detail in an appendix."

Compared to this, the average low income group family has to pay in India hardly 1½ per cent., whereas the a Soviet working class has to pay 69 per cent. of the household income by way of taxes, direct or indirect. So what is sauce for them is sauce for us also. They cannot say that we should not tax commodities, when they are doing the same in their part of the country, because every now and then they say that; they are doing it in their motherland or their fatherland

perhaps. They have been deriving inspiration only from that quarter. I do not grudge them that method of taxation, because there is no other source for them.

Shri Morarji Desai: They always believe in father and not mother.

Mr. Deputy-Speaker: Why should there be divorce between father and mother?

Shri Oza: Acharya Kripalani also complained about higher prices, inflation etc. It is true that prices have gone up and there is inflation. But, as I said in the beginning, it was particularly because nature was not propitious as it ought to have been. Let us hope that this year there are very good prospects of agricultural production. In this connection, I would read a portion of an article written by no less a person than Shri Asoka Mehta, his respected colleague. He has said very correctly:

"Let it once again be reiterated that if an underdeveloped country is to develop successfully, it is necessary for that country to make a large initial effort to increase output and to do so very early in the development attempt."

If the initial or early attempt does not reach a critical minimum, then it is likely that the country will revert back to its former under-developed state.

If such effort is to mean building up of steel mills and power plants, expansion of transport etc. not only considerable tax efforts would be needed, but as these basic industries do not yield immediate consumption satisfaction, there would be no parallel gains with the stepped up savings. Likewise, the employment provided by the investments would be limited because of the capital intensive character of the early stages of development."

Then he says

"Higher taxes, increased prices and limited employment opportunities thus pave the way for rapid development in future. Pre-occupation with taxes, prices and employment might provide immediate relief but by aggravation of difficulties in the future."

When we are planning for a bright future, I do not think we should swerve from the path which we have adopted. It may mean some strain on us but we have got to request the people to take it smilingly and go ahead in the great task and journey that lie before us.

This brings me to the third aspect and that is the form of control over the growth of non-development expenditure. So many hon. Members have laid stress on it and I am also sure that the present Finance Minister will bring to bear the impact of his personality and he will check all the non-development expenditures that are seen in the budget.

But while we are on this non-development side of the budget I am constrained to observe that we have got to think seriously about our services. The other day one hon. Member pleaded that we should give interim relief of Rs 5 to the Central Government employees. Then the problem was very well thrashed out and the hon. Finance Minister has given a proper reply to it.

**Shri Tangamani:** Do you oppose it?

**Shri Osa:** I neither oppose it nor support it. Let us wait for the report of the Pay Commission, because we do not know what repercussions these things will have on the States, local bodies and various municipalities. Therefore, let this problem be scientifically thrashed out.

But what I wanted to suggest was that there is a feeling that after the new Constitution was adopted, the services by and large—I do not say all

of them, for there are many officers at the higher levels and at the lower levels who are playing their role very nobly and in the interests of the country—are not playing their role well and we cannot say that by and large we are satisfied with what we are seeing, so far as the services are concerned. That is the position after 1950, after we adopted the new Constitution. Previously, the fear element was there in the services. Of course, we do not want to regulate the services purely through the fear element, as it was happening before. But we have got to create discipline from within. Now what is happening? There is no fear element. At the same time, discipline is not generated from within. So we see insubordination and indiscipline, the output is very low and there is also corruption. Therefore, I would suggest to the Government that we should go thoroughly into this question, appoint a commission if necessary, or make one additional reference to the present Pay Commission, and find out the real reasons behind it. If necessary, even the Constitution may be amended so that we can exercise some control over them. Because, the position today is that neither can we inspire the services nor can we control them. Therefore, all the parties may put their heads together to find out a solution, because they have always been complaining that there is corruption, inefficiency and all these things. I do not want to take away the legitimate rights of the services. At the same time, we cannot ignore the hard realities, the hard facts. We have to keep our eyes open. Therefore, I suggest that we must seriously think about this thing. Unless we do this, I do not think we will be able to take the work which we propose to take from the services.

One more point. The other day, replying to a question, the hon. Minister of Steel, Mines and Fuel said like this. The question was about the guest house in Rourkela. It was asked, is it true that, in order to equip

[Sri Oza]

the guest house at Rourkela with the most modern and latest type of electric and sanitary fittings, we have budgeted for Rs. 1 lakh or something more. It was said that Rs. 7½ lakhs for a guest house is a modest amount. I do not think this is a proper approach to the problem. After all, we must make the people realise, that whatever we collect is properly used. People will give most willingly and smilingly if they have the sense that what is taken from them is properly utilised in the nation's interest. If the feeling goes round, particularly in the type of democracy that we have adopted, that the money that is collected through the blood and tears of the people, for development—I say that even more money may be collected through taxation—is wasted, is not properly utilised or there is lavishness about it, the people will grudge. There is lack of enthusiasm and a negative attitude is generated and out of it contempt also, in democracy. We want the willing co-operation of the people not only in giving sacrifices, but also for the work of reconstruction. Therefore, I think, Rs. 7½ lakhs for guest house in Rourkela is too high—how many people utilise it, for what time, I do not know—for the latest type of sanitary fittings and electric fittings—I think that was not a fair thing that the hon. Minister said.

I have to make certain points; at the time of demands for grants, I will utilise that time

Dr. Krishnaswami (Chingleput): Mr. Deputy-Speaker, I am thankful to you for having caught your eye. I believe that the Finance Minister deserves a great deal of more sympathy than he has received today. No Finance Minister starts with a clean slate. He succeeds to an inheritance and all inheritances are full of assets and liabilities. In this case, the liabilities are not inconsiderable. Besides, there is that formidable and forbidding body the Planning Commission

which, sometimes, is eager to lend a helping hand but which always is prepared to play the role of a super-government. Considering all these factors, one must admit that the Financial Statement prepared by my friend is a document of great clarity and intellectual honesty. One may disagree with his estimate of things. One may quarrel with the policies that he has adumbrated. But, no one can deny that he has applied his mind to his task with great conscientious ability

I do not want to deal with the various taxation measures in detail. I shall deal with them on a subsequent occasion. But, I ask myself, as several hon. Members have been asking themselves, this question. What are the major issues that are posed by this Budget? We have been having continuous discussion on this matter for over 4 days. But, I have always felt that it is best that we should try to analyse the issues not by perusing the speech, but by perusing the Financial Statement. All of us have been talking of the Budget as presented. But, in one sense, the two important documents to be considered at this stage are the Economic Survey and the Economic Classification to which hardly any reference has been made. The first provides a background and a perspective to the Budget. It is a thousand pities that my friend did not have the Economic Survey circulated about 3 or 4 days before the Budget was presented. It would have been of infinite advantage to us to have listened to his Budget proposals with a knowledge of the background that we have. As for the Economic Classification, it is an attempt to cut through the thicket of accounting entries, and balancing entries that a Financial Statement, as an accounting statement, is bound to include. Indeed, on this matter India is one of the few countries which provides an economic survey and an economic classification giving an economic analysis and an assessment. The economic classifica-

tion rearranges in economically meaningful terms such things as the amount of consumption expenditure of Government, and what the impact of departmental commercial undertakings has been on Government finances, what has been the net capital formation and what, for instance, is the real deficit which we have to cover.

I shall consider briefly some of the figures in this valuable document. It has been pointed out that so far as consumption expenditure is concerned, our wages and salaries in 1957-58 were Rs. 185.4 crores; in 1958-59 Rs. 206.4 crores, in 1959-60 Rs. 237 crores. It roughly works out at a 25 per cent. increase in wages and salaries during the past two years. How much of this is due to the increments that we have given I do not propose to determine at this stage, but from a rough analysis it appears it would be about 12 per cent. or thereabouts. The increase of 13 per cent requires to be explained. Probably, in future, when we recruit employees, we should recruit less and pay more, and that is a matter which will have to be considered not only by the Finance Minister, but also by the Home Minister, the residual legatee of the civil services in this country.

The other point which I should like to bring to the notice of my friends is this. Are we doing all we can to reduce consumption expenditure? These figures give an eloquent tale of what is happening in our country. Interest payments have gone up sharply, and quite apart from anything, we have a liability to meet, which implies that we have to find the resources. This is my conclusion, and it is not a very heartening conclusion to the Finance Minister or the Government, that the civil administration is today eating into our resources. In the final account supplied in this valuable document one finds that deficit on all transactions in commodities and services works out at Rs. 335 crores.

We have to take into account some of the other figures which have been presented in this very valuable document. Looking into this matter I find

that there are certain competent statistics which are presented here on page 11, and I would like the House particularly to note the high degree of intellectual honesty with which these figures have been presented. In fact, it was a great surprise to me that Members, hon. colleagues of mine, should have gone to China, Russia and other countries when there are valuable statistics here which can be utilised to great purpose and to great advantage.

On page 11 it is pointed out that the financial assistance for net capital formation in 1957-58 works out at Rs. 475 crores; in 1958-59 at Rs. 587 crores, and in 1959-60 at Rs. 536 crores. If it were only financial assistance made out of our resources, our hard savings, then there would be no cause for anxiety, for, as every one knows, in 1958-59, out of Rs. 587 crores, we had about Rs. 250 crores of deficit spending, and nearly Rs. 300 crores of foreign aid. So, the net amount that came from our resources worked out to hardly more than about Rs. 27 or Rs. 35 crores. As far as Rs. 536 crores for the current year, we have been told by the Finance Minister that he has already budgeted for about Rs. 222 crores of deficit spending by the issuance of treasury bills and the remainder of about Rs. 320 crores or so is to be met by foreign aid. We are most thankful to the countries that have given us aid and assistance, but we ought to realise that this is a serious situation which has to be taken into account.

Let me proceed to deal with the final and the last item, before I elucidate the general argument which is really somewhat interesting. One finds on page 11 that the net capital formation out of the budgetary resources of the Central Government works out to the following; in 1957-58 it was Rs. 767 crores; in 1958-59 it was Rs. 866 crores, and in 1959-60 it is Rs. 841 crores. What do these figures reveal? What is the conclusion that one can draw from these figures? It looks as though the momentum of public expenditure

[Dr. Krishnaswami]

has slowed down; it looks as though the effect is that the tempo of development is not gathering momentum. Why is it not gathering momentum? It is this that leads us to ask the basic question, 'What are the major issues posed by this Budget? Whither are we drifting? And is it not necessary now to take stock of what is happening?'

It has been one of the excruciating experiences, I suppose, of successive Finance Ministers to listen to suggestions of increased expenditure in this House

Shri Tangamani: Successive Finance Ministers have been going away

Dr. Krishnaswami. Successive Finance Ministers have gone away, just as successive Members of Parliament have gone away. Each dog has its day, and I suppose it applies to Members of Parliament as well as to those on the Treasury Benches

Shri Tangamani. In one session, we had three Finance Ministers

Dr. Krishnaswami. Successive Members who have occupied the Treasury Benches have been telling us that they are willing to listen to constructive suggestions. It has been an excruciating experience for many of those who have occupied the Treasury Benches to listen to suggestions that there should be increased expenditure but when it comes to footing the bill, there are anxious searchings and anxious inquiries made as to whether they should really foot the bill. The time has arrived when we should understand what we are doing. Either, we want to incur of expenditure and are

willing to foot the bill or let us admit that we are not willing to have so much of expenditure and that we cannot foot the bill

It is perfectly true that hon. Members on the other side have made a point about the high rate of taxes. I am one of those who feel that the marginal rates of taxation have been particularly high in direct taxes and also in the case of certain commodities on which we have levied indirect taxes. But the point, however, is that we have to realise that some adjustments in our tax structure would have to be made. Surely, we have not reached the end of our tether in devising tax expedients or in devising ways and means of getting in more and more resources into the coffers. Deficit spending is not dangerous, said my hon. friend Shri Asoka Mehta this morning, but he forgot to suggest two corollaries which follow from that principle that he propounded. The first maxim is that deficit spending should be concentrated on projects which are quick-yielding and the second maxim is that the income which is injected into the community stream, or at least a portion of it, should find its way back into the treasury coffers.

I want to proceed to a more detailed analysis of what has transpired. Our national income, even at constant prices, has increased by 25 per cent over what it was in 1952. Even making allowances for ten per cent of these increases being absorbed by the increase in population, it still remains that there is a 15 per cent increase in our national income since 1952. Taking the estimate of Rs. 10,000 crores as the national income in 1952, one finds that we have a Rs. 15,00 crores increase today over what it was in 1952-53. It is found that in the shape of direct taxes, we collected Rs. 80 crores more, and in the shape of indirect taxes, we collected Rs. 310 crores. It is hardly more than one-fifth or thereabouts. It is said that

this is not enough. But we have to realise that the margin rates of direct taxation are high, in some respects so high that they affect incentives and have started yielding diminishing returns. In the field of indirect taxes also, our policy of selecting only a few commodities and year after year increasing imposts on them has led to a very strange result. Indeed, the Finance Minister in an eloquent passage in his budget speech pointed out that there was a decline in revenues from indirect taxation and that was due to many factors, the most important of which he instanced was the import controls that had been imposed. But surely some allowance ought to be made for the very high marginal rates of taxation which we have imposed on a few commodities

There is no doubt on the part of some of my hon. friends—and on the part of many—that we should not rely on indirect taxes. Undoubtedly, if we had been a mature country, industrially developed, with large numbers of people who could be bled painlessly, we could have a broad-based system of complete direct taxation with little indirect taxation. But the situation today is that we have to pull ourselves up by our bootstraps, if we wish to invest and if we wish to progress. This is the point that has to be stressed.

In this connection, I should like to bring to the notice of my hon. friends a certain aspect of the matter which has probably escaped their attention. The national income statistics, which are considered to be fairly reliable, have indicated that the per capita income in our country is around Rs 282 per annum. Any family earning more than Rs 1,500 must be considered to be above the average. Anyone earning twice this amount is, therefore, relatively better off. It is inconceivable that we can have a system of direct taxation which can affect these people within this region. That is possibly the justification for having excise duties spread over as large a number of commodities as possible and

having excise duties at relatively very small rates. Indeed, my hon. friend who preceded me, anticipated a portion of my argument by quoting from Soviet history. In the Soviet economy also, it was felt that a turnover tax would certainly have a very powerful effect in bringing resources into the coffers. The Soviets also believed in deficit spending, but they were also excellent collectors, in the matter of getting a portion of the deficit income they created into their coffers. We here, at least some of my hon. friends on this side, have been eloquent advocates of deficit spending, but very poor apologists of increased amount of taxation by some of these resources. I therefore want to analyse his argument from a more academic—and shall I say also?—from a more practical point of view. What is it that we are doing? It is a strange policy that we are following, and I do want to mention this to the Finance Minister. Instead of our excise duties in many cases touching as many sections of people as possible and being only small, because the higher the excise duty the more are the other complications that follow, instead of that, we have now a very illogical pattern of indirect taxation. We are levying excise duties on commodities on which the Government pays a lot. Government contracts for steel and cement are considered to be very large. Yet the excise duties on steel and cement are paid precisely more by the Government treasury than by the large majority of people who are considered to be the private sector. Even those who are anxious to tax the private sector would do well to sit back and reflect on the manner in which we are levying this method of taxation.

Now I want only to bring another small figure to the notice of my hon. friends. It has been pointed out that since 1952-53, there has been an increase in the gross value of industrial production of about Rs 1,600 crores. The net value is about 800 crores. It has seemed to me a matter of elementary common sense that if you could only think of re-adjusting our



[Dr. Krishnaswami]

excise duties and taxation so as to make it more broad-based, we would be able to net in more resources and thus fill in the gap which is very serious. What have we done? My hon. friend the hon. Finance Minister is a very persuasive advocate. I listened to him last evening replying to the debate in another place which I am prevented from naming according to the rules of this House. Speaking in that place with considerable animation my hon. friend pointed out that if he had imposed a high duty on diesel oil it was with a view to save foreign exchange. May I ask him whether that is the whole story of the matter? I do not think so. I feel that there are certain implications which have to be gone into. What are the total imports of diesel oil in value? How much foreign exchange is spent on diesel? As a result of the new impost which is very high—everybody acknowledges it from all sides of this House—how much does he hope to save as a result of this increase in duty? May I also add that the same line of reasoning that he has adopted for diesel oil would lead also to his economising on Kerosene which is also to be imported? Kerosene also costs a lot of foreign exchange and if we wish to save foreign exchange, what of kerosene? We have to import it at any cost because social and political conditions prevent anybody from saying that kerosene should not come in. With great deference to my friend the Finance Minister, may I point out that the foreign exchange argument is a rationalisation of what he intended to do and does not carry conviction to me?

Shri Tangamani: It is no argument at all

Dr. Krishnaswami: Well, we can be a bit courteous. There is a possibility that some arguments will occur which we have not taken note of

But I should like also to pursue this matter a bit further. I am not talking from the point of view of road transport operators. I am not talking from the point of view of any sectional interests. But have you ever come across an excise duty which is 40 per cent *ad valorem*?—that is the duty on tyres. It is something which has never been levied and it should not have been levied. In fact I was surprised that we allow the tax to mount up so steadily because the running costs would be much higher and looking into all the documents that have been presented to many Members of Parliament—and we also receive many representations from different interests—I venture to think that from the point of the community it is extremely unfair to have such high taxes on these commodities. I am not going into the argument about the diesel oil being useful for agriculture once this basic argument is knocked out that it is for saving the foreign exchange. I do not think there could be any more justification for any increase in duty on diesel oil—high speed or low speed diesel oil.

I shall only consider a very brief argument of some importance. All of us are very anxious to help the Finance Minister. I have indicated certain steps which might be taken to get more resources into our coffers. But I do wish to give this warning that if we are not wise in collecting the resources we will have a phenomenal increase in prices with all its disadvantages. It is amazing that our political acumen which shines best—when we examine the impact of an excise duty on khandasari sugar or diesel—should desert us altogether, when we consider the question of price rising indiscriminately. During the past two years, independent of taxation system, our prices have been rising phenomenally. Just because the price rises are unplanned and because people have to pay in little bits more and more we cannot ignore the fact of rises in prices which have been quite considerable over the past



two years. Besides the benefit that accrues from such a price rise does not accrue to the Treasury but to other sections

I therefore feel that sometimes our utterances, our impulse to think loud and talk long, have done more harm to the community than is realised

**Mr. Deputy-Speaker:** Therefore, we should be brief now.

**Dr. Krishnaswami:** Never before during our history did we ever have such a bumper crop. Thanks to the efforts of the Food Ministry and the harvest, we achieved the record crop of 70 million tons. Yet, what is it that has occurred? The golden opportunity of building up buffer-stocks has been allowed to slip. Believing that the better is the enemy of the good, we thought State trading as the enemy of buffer-stocks, with the result that we have neither State trading nor buffer-stocks.

It will take a long while before the foodgrains position is brought under control, and the responsibility for the muddle that we have landed ourselves in is entirely due to the premature loud thinking that we indulged from platforms. Therefore, I have only this much to say, that there are other and important problems pertaining to foreign exchange and export promotion. These I will not consider now. But I do want my hon. friend the Finance Minister to re-think his ideas of excise duties, to re-think also on the removal of prohibition and re-imposition of salt tax. On this matter the Finance Minister belongs to old morality. But when times have altered, old morality ceases to have virtue. In the present juncture when it is virtuous to collect as much money as possible from different sources, our old morality should not stand in the way of collecting money even if it involves scrapping of prohibition.

**Shri Kamalnayan Bajaj (Wardha):** Mr. Deputy-Speaker, Sir, it is my pleasant duty to heartily congratulate the Finance Minister for presenting a straightforward, businesslike and a

390 (A) L.S.D.—8

commonsense approach' Budget. His analysis of the economic situation in the country is most realistic, and has created a climate of security and confidence. To the extent, Sir, he has tried to simplify and make the presentation of the Budget methodical, it will make the administrative machinery more efficient, and it is my feeling that even the inspection and control of the expenditure will be easier and much better.

I am also very pleased and I would like to congratulate the Finance Minister for having reduced the defence expenditure. I believe that even with our strained relations with Pakistan—it was rather cautiously that he should have approached the question—the Finance Minister has acted very boldly and reduced the defence expenditure. If Pakistan were to take a lesson from this, I believe it would be possible at a future date when both the countries can negotiate with each other, and even though they may not agree on other issues if they can be made to agree on the defence expenditure of both the countries, it will be a great saving for both the countries. Thereby the moral set by the Finance Minister will go a long way in creating a suitable climate both in India and Pakistan, and if Pakistan will also take the lead it will be a great gesture for the rest of the world.

16.54 hrs.

[**SHRI C. R. PATTABHI RAMAN** in the Chair]

It is encouraging, Sir, that in the present Budget the income-tax, super-tax, the wealth tax, the family of all these taxes, have been re-arranged in a manner so as to simply and make it more effective. The dividend tax and wealth tax on companies have been abolished. As a matter of fact, we should not say that they have been abolished, but they have been really merged with other taxes, so that according to the assurance of the Finance Minister the revenue from these taxes will not be less if all the taxes are taken together, and the income from the revenue of companies

[Shri Kamalnayan Bajaj]

and the individuals, if pooled together no loss or income will accrue to the treasury. With this confidence, when the budget was presented, the market went up. But after the experts analyzed the implication on a detailed examination of the tax structure, it was found, or at least they believed, that there is more incidence of the taxes on individuals and the companies, and the market, because of that fact, went down again. But later on it is the investors who had pushed the market back again purely because of the belief in the words of the Finance Minister.

I think the House has not done full justice. As the hon. Member who preceded me and who gave a great compliment for the honest and the conscientious presentation of the Budget by the Finance Minister; I fully associate myself with those sentiments

More than that, it is the commercial market which has given a tribute, a silent tribute, to the Finance Minister. They believed and they say that in spite of the fact that the incidence of the taxes might be more as the experts say, even then, the assurance of the Finance Minister that the taxes are not meant to take any more revenue out of the changes made in the tax structure was good and the investors are completely confident about them. They say that the Finance Minister will stick to what he said and that if our experts will point out to him the difficulties the changes will be suitably made. This tribute, I feel, is a very great tribute to the Finance Minister, and I fully associate myself wholeheartedly with that

I would like, at the same time, to bring to the notice of the Finance Minister certain hardships which are found and I am sure that, as he has already assured elsewhere, whatever is the incidence of the taxes, if it is more or if the hardship is unnecessarily imposed, he will look into the matter.

The dividend tax has been abolished. But I fail to understand that when the dividend tax has been abolished, why the tax on the bonus issues has been retained. When the tax on the bonus issues was levied, the then Finance Minister had stated that the tax on the bonus share was levied only to prevent avoidance of dividend tax. But when the dividend tax itself is no longer there, there does not seem to be any justification for the continuance of the bonus tax, much less the extension or the coverage of the bonus issue out of the premium collected from the shareholders.

I would like to make it more clear that so far as the bonus tax was there, it was only out of the profits when the issues were made, but now it has been extended even to the premium of the shares if they were collected from the shareholders, and the bonus tax will be applicable to them from the year 1960-61. That, I think is, very unfair.

Another thing is the additional depreciation allowance which has been allowed to lapse from the current year. Up to 1953, all the depreciation allowances, put together, were about 30 per cent. in total. After 1953, it was reduced to 25 per cent. But now, after the year 1958, it will be only 15 per cent. All of a sudden, the reduction of 10 per cent is a very great reduction especially for such companies who have gone into a heavy investment of a capital nature on very high borrowings from finance corporations or financial institutions of different kinds. When you apply to the financial bodies, you have to submit a statement showing the method of repayment, the instalments etc., and the borrowing that you desire to have. They also take note of the depreciation allowances of the different categories that will be available to the companies and they know that it will be possible for such and such company to pay those instalments. But all of a sudden there is a 10 per cent reduction in the allowance, so that those companies which have done very heavy borrowings will find it very difficult to pay those instalments immediately.

17 hrs.

I must make it clear that as far as the depreciation allowances are concerned, in the long run, it does not make any appreciable difference either to the Government or to the company. But if the depreciation allowance is reduced, the availability of funds for repayment of the loans otherwise is reduced to the very minimum and there will be great hardships. Of course, the Finance Minister can argue that he has not interfered with the additional depreciation, because it was only meant up to 1958. Only, he has not allowed it to continue thereafter. But my pleading is that the termination of the depreciation allowance in 1958 is too technical. All the calculations have been made by the financial bodies and the companies always taking into account that this will be continued as it has been done in the past, at least for the Plan period. People cannot plan year by year; they must have at least 5 years for planning. So, this should continue at least till 1962. I suggest to the Finance Minister that it is not going to result in any loss of revenue to the Government in the long run and it will create great facilities, especially to companies which have undertaken very heavy capital commitment. Industries like chemicals, cement, sugar, etc. where the process is continuous and some of the textile mills also will be put to great hardship by not renewing of this additional depreciation allowance.

There is another suggestion. As far as the expenditure tax is concerned, it was only levied last year and the exemptions were rather few. Even if those exemptions are sought to be removed, I have no grudge. My only pleading is that the taxation structure, specially that which is applicable to individuals, should not be changed materially from year to year; there should be consistency in the taxation structure at least for a period. I agree that in a country like ours, where we have a growing economy and the development is going on, we

cannot have a very long-range policy of the tax structure. But at least for the Plan period of five years, there should not be material changes. When the Finance Minister said that he did not mean to increase the incidence of taxes, but he wanted to tighten the belt and at least curtail civil expenditure and plug the loopholes, I think it has encouraged and created a suitable climate all round. But it was only to some extent.

So far as the expenditure tax is concerned, if the wife and husband were assesseees in the income-tax separately and if the allowances were Rs. 30,000, if they are clubbed together for the same amount, it is a very great hardship. If it is the policy of the Government to reduce it, there should have been stages for reduction, or time should have been allowed so that the people can psychologically adjust. Probably the people hit mostly would be Maharajas and other such people. I know the sentiments of this House. Usually for the rich people there are no sympathies. But my only argument is . . .

**Shri Nagi Reddy (Anantpur):** We have all the sympathies and therefore the concession.

**Shri Kamalnayan Bajaj:** Thank you very much for the kind words.

My only argument is that whatever the system of taxation on individuals that the House may ultimately approve, it must be there for at least a five years period and immediately there should not be such hardship created so that individuals may not find it very difficult to materially and practically adjust themselves to the new tax proposals and so on.

Then, in the expenditure tax another change which has been made is this. Suppose a person has an old house, his own residential house, and he wants to repair it and the cost of repairs comes to about Rs. 10,000, even the amount which will be spent for the repair of the house will be covered by the expenditure tax. Not only that but because of the repairs the valuation of the house enhances

[Shri Kamalnayan Bajaj]

by Rs. 5,000 only, then that increased value of the house will be taxed again under the wealth-tax. Such anomalies should not be there. If an old house is there and if it is repaired, the amount spent on the repair of the house should not be taxed.

**Shri Morarji Desai:** On a point of clarification. As far as I remember—I am not positive about it—it is the maintenance which is taxed, not the repairs—maintenance including keeping of servants and also care-takers which were exempted from expenditure tax, they will not be exempted. But the actual repairs of the house will be there. If the house is being repaired, there is no question of enhancing of value of the house. But if the value of the house is substantially increased, then the expenditure tax and the wealth tax have got to come in.

**Shri Kamalnayan Bajaj:** I am grateful for the explanation which the Finance Minister has given. As far as the servants and other things are concerned, if they are taken for expenditure tax, I have no grudge. If there is increased valuation because of repairs, if that is also taxed under the Wealth Tax, I have no grudge

against it. As the Finance Minister has explained, if it does not cover normal repairs, I have nothing very much to say on that account.

**Mr. Chairman:** The hon. Member must conclude.

**Shri Kamalnayan Bajaj:** I will finish in one minute.

As far as inter-locking of the investment in companies are concerned, I have prepared a small statement and, with your permission, I would like to lay it on the Table for taking into the records—whatever that you would allow.

In the finance corporations and finance bodies like ICICI mostly the shareholders are the banks, and the banks' shares are held by many companies and the companies' shares are with the individuals. The profits made by the finance corporations will go through at least three different stages, three different corporations.

The following is the statement showing net amount left with a company shareholder where shares in company "A" are held through two companies at existing rates of tax and at proposed rates.

Dividend Distributed by the Company 'A' Rs. 100/-							
At existing Rates				At proposed Rates			
	Gross income	Tax @ 51 5%	Net income left or distributed as dividend		Gross income	Tax @ 45 %	Net income left and distributed as dividend
Com "B" received net	Rs 100	14 6	75		100	35	65
Com "C" received net	Rs 71	10 3	60		55	25	30
Dividend received by Com "D"	Rs 0	7 3	37		30	13 5	16 5

I am only asking that the tax which has been collected from the company on a certain income, at least exemption should have been there in the second or third company. Otherwise it becomes double or treble taxation. I think the Finance Minister will look into the details of this state-

ment and will do the needful to justify at least the reasonableness and fairness of the tax structure.

**Shri Morarka (Jhunjhun):** Mr. Chairman, from the speeches made here, it is evident that many hon. Members are not satisfied with the

policy of deficit financing followed by the Government. While I agree that deficit financing can be carried on only in certain conditions and up to a certain extent, I do not think that deficit financing by itself is good or bad. Before I say anything more, I wish to make one clarification and that is because of the confusion in the minds of some people who think that deficit financing and inflation are synonymous I beg to submit that while deficit financing is a technique, inflation is a malady. If deficit financing is carried on recklessly and without proper checks, it may degenerate into a situation called inflation. There is a basic difference between the two. In deficit financing you issue more currency, but you always create assets. These assets may be such that they do not generate production immediately, but yet, they are assets of value and they always are there to back the currency. In inflation, currency is issued sometimes for unproductive purposes such as financing war, etc., and that goes on increasing the prices, not because the needs of the people increase, but because the people lose confidence in the currency. A situation is created when the currency starts changing goods and people convert their currency into anything that they can get hold of even though they may never need that particular article.

I have said just now that the deficit financing which we have carried on has created assets of tangible value. May I give some figures in support of my argument? During the First Five Year Plan, the extent of deficit financing was Rs 421 crores. As against this, the net capital formation during that period was Rs 1,178 crores from the budgetary resources of the Central Government alone. During the Second Five Year Plan, up to the end of the fourth year of the plan, we would have had Rs 1,200 crores of deficit financing. As against this, we would have created assets or the net

capital formation would be to the extent of Rs 2,885 crores. I agree that the original target of Rs 1,200 crores in the Plan is now likely to be exceeded and in the final year it may reach Rs 1,400 crores. That by itself, as I said earlier, is neither good nor bad. You must see whether you see the red lights or danger signals against any more deficit financing. And if you examine that position, what do you find? The main test, and indeed the most important test, that you can apply in this connection is the test of price level. Has the price level increased because of deficit financing? If you apply this test, I beg to submit that there is an increase in the price of foodgrains, but is the increase in price in foodgrains due to the increased amount of deficit financing? I submit no, and my reason is this, that any rise in the price level due to inflationary conditions must have four characteristics: firstly, the price rise must be general, secondly, it must be more or less uniform, thirdly, it must be more or less everywhere, that is throughout the country, not more in one State and less in another State, and finally it must be continuous as the quantity of money increases.

If you apply these tests, what do you find? Neither has the rise in the price level been uniform, nor general, much less continuous. The only rise we find is in the price level of foodgrains, and there also, in April 1958 it was 195, in July 1958 it went up to 118, but in December 1958 it came down to 113, though the quantity of money issued under deficit financing has continuously increased. There is no rise in the price of manufactured goods at all. Throughout this period the price level has remained at 108. Not only this, we find that some of the industries have started producing less. Production has decreased and why because the consumer demand has slackened. I would quote one sentence from page 3 of the *Economic Survey*. It says

“ the decline in the output of cloth, vanaspathi and electric

[Shri Morarka]

lamps reflects a slackening of consumer demand for these commodities."

This is certainly not an indication of any inflationary pressure in the country.

Apply another test if you like, and that is the test of employment. It is the general complaint that unemployment in the country is increasing, employment is going down. If that is so, and I have no doubt that that is so, then, according to the well-accepted theory of Lord Keynes, you must invest additional funds. He has established a direct relationship between investment and employment.

Then the third test which I wish to apply here is the test of money supply with the people. Now, at the end of the financial year 1956-57, the public had Rs. 2,312 crores. Twelve months thereafter they had Rs. 2,387 crores, and the latest figure available for 26th December, 1958 shows that the figure has gone down to Rs. 2,349 crores. This is about Rs. 30 crores less than what it was in March 1958. I do not want to make a big point out of it, because money supply fluctuates, but still the point remains that our policy of deficit financing is not generating those inflationary forces of which we must be so afraid.

It is true that in the original Plan our target was Rs. 1,200 crores, but then at that time we also planned to draw only Rs. 200 crores from our Sterling balances. Now we have drawn from our Sterling balances already Rs. 400 crores. So, if you take that into consideration, there is full justification for us to go up to Rs. 1,400 crores.

Any person who borrows or lends money in the market can easily say and can feel the rigidity of interest rates, and from that one can easily judge that there is no free supply or superfluous supply of funds in the

money market. A rigidity of interest rates is an indication of that.

Before I leave this point, I think if there is one score on which the Government deserves unqualified congratulations, it is on this, that they have created conditions wherein they have so safeguarded the economy of the country that they have been able to give this additional dose of deficit financing without allowing any inflationary forces to be created.

As I said, deficit financing is a delicate technique, and it has dangerous temptations, but our Finance Ministry, and particularly the Department of Economic Affairs, have so managed this thing, that they deserve congratulations from all sections of this House. It is a reasonable desire and an understandable anxiety on the part of the Finance Minister to balance his budget, and that can be done either by increasing the revenues or by reducing the expenses. Unfortunately, it is our experience that in the past all attempts have been made only to increase the revenue, and very few, if any, steps have been taken in the other direction. It is my feeling, and I am sure many hon. Members of this House share this feeling with me, that if our administration is properly toned up and our position is properly consolidated, our revenues can be augmented even at the present level of taxation, and even at the present level of income. Similarly, in expenditure, if it is properly scrutinised and properly husbanded, I have no doubt that at a lot of economy can be made.

My first suggestion is that particularly the Income-tax Department or our revenue-collecting department must be reformed and made more efficient. Only yesterday, Acharya Kripalani said in this House that more than 83,000 appeals were pending. I know that, it was stated in answer to my question, about 10,000 appeals were pending with the Assistant Commissioner for more than two years;

some of them are pending for more than five years. Apart from anything else, this type of inordinate delays causes such a lot of avoidable harassment and impairs the relationship between the tax-payer and the tax-collector.

Then, look at the customs. Every day, we hear of lakhs of rupees worth of currency notes being smuggled out of this country and a huge quantity of gold smuggled into the country. It may sound a little strange, but I am told by a friend of mine that there is a particular article which if you import at the Bombay port, you have to pay a duty of 30 per cent, but if you import the same article at the Calcutta port, the duty is only ten per cent. Is it not absurd? But it is there.

Shri Rane (Buldana): What is that article?

Shri Morarka: It is brass tubes.

The rough-and-ready method followed by the excise inspectors in the matter of tobacco excise leaves much to be desired.

Coming to the expenditure side, I feel that there is great scope for economy, and when I say there is scope for economy, I feel that that scope is there in every sector, particularly, in these autonomous corporations.

Before I come to the few instances of wasteful expenditure, I would draw the attention of the Finance Minister to the cost of collecting taxes. In 1948-49 it was Rs. 7.37 crores; in 1957-58 it went up to Rs. 16.55 crores, that is, more than double, though our revenue had not doubled. But, for the budget year, our revenues have come down by Rs. 40 crores to Rs. 531.45 crores, but the cost has actually gone up to Rs. 21.43 crores. In terms of percentages, what was 2.3 per cent before has now gone up to about 4 per cent. Perhaps, it would be interesting to know that in England,

the percentage is 1.34. I give this figure because our Board of Revenue is very enamoured of comparative figures for England.

This year, I find that our UNO expenditure has increased from Rs. 67 lakhs to Rs. 141 lakhs, and over and above this, there is a provision for Rs. 24 lakhs for a special fund called the UN special projects fund. I do not know; perhaps we are under obligations to contribute to all these funds, but certainly these are becoming a little unbearable burden for a country like ours.

I said a little earlier that there was scope for economy and better utilisation of our resources. In support of this proposition, I can only give a few examples. The House very well knows about the extravagance in our steel plants, the wasteful expenditure at the Hindustan Shipyards, and the meaningless outlay on the military academy at Khadakvasla. In these cases, I have a feeling that the spending was unwise and injudicious.

Now, take another example, and this I find in the budget papers circulated this year. The Hindustan Steel (Private) Ltd. was given a loan of Rs. 20.5 crores from the Government. Government had charged an interest of Rs. 94 lakhs. Now, the Hindustan Steel (Private) Ltd. could not utilise this loan. So, they placed this fund with other private banks and earned an impressive sum of Rs. 13 lakhs! On Rs. 20.5 crores, they paid an interest of Rs. 94 lakhs and earned an interest of Rs. 13 lakhs. Good business, Sir! Who earns and who loses in these transactions, I do not know. But after all this is all a demand on the public exchequer, and the money goes from the Consolidated Fund in the form of a loan, share capital or subsidy.

Then take another example. I would read in the language of the Auditor General in his Report on the Defence



(Shri Morarka)

Services, 1958. In paragraph 9, he says:

"740 chassis valued at Rs. 2 crores were acquired between 1953-55, but contracts for the body building had been concluded only during 1956-57. A further lot of 650 chassis valued at Rs. 98 lakhs, and obtained prior to 1948, still await body building "

Chassis acquired in 1948 still awaited body building, but in 1953-54, another order was placed for Rs. 2 crores and the order for body building was given in 1956-57. The recurring expenditure on storage and maintenance of this idle equipment must be considerable, not to mention the loss on account of their deterioration in storage mostly in the open

You know where chassis are stored I am told they are stored somewhere near Poona where the rainfall is very heavy, and what must have remained after 11 years of those chassis worth Rs. 98 lakhs, God only knows

It is not our suggestion that enough money should not be given to defence. The security of the country is more important than anything else. But then is this the way of utilising public funds? Have we not got some sense of responsibility in this matter? Should we close our eyes completely in the name of defence? I think these are the matters which must attract the attention of Government, seriously

The other day I asked a question in the House and the hon. Minister of Steel, Mines and Fuel was answering it. From two firms alone, we have to realise a sum of about Rs. 18 crores. The Minister assured that there was no difficulty in collecting it. Yet some portion of it is not collected from 1949. I do not know what would have happened if there were some difficulties

Shri Harish Chandra Mathur: What have we lost by way of interest on it?

Shri Morarka: Government loses Rs. 40,000 per day by way of interest on it.

Now, I come to another point. Deliberately or accidentally, I do not know, even the present budget has the imprint of that foreign professor who again obliged us recently by an en route visit—Prof. Kaldor. I say this because it was his wish that the exemptions in expenditure tax should be curtailed, that personal wealth tax should be increased and the corporation tax should be modified in this fashion and extra depreciation allowance should be abolished.

Now, we had our own Taxation Inquiry Commission and Shri C D Deshmukh had said that the Report of the Commission would be treated as the Bible and every now and then we would open it and see what action should be taken about it. After Prof. Kaldor came on the scene, his charming personality has been found so dynamic that we completely gave a go-by to that Report and we now turn to the pages of the report submitted by Prof. Kaldor, which took less than about 15 days to prepare

Now, I want to make a general criticism about the budget. The hon. Finance Minister has said that the revenue deficit for the budget year is Rs. 81.67 crores. With respect to him, I would like to differ from him and say that the revenue deficit is Rs. 106.67 crores. He has taken a credit of Rs. 25 crores from the past reserves, Rs. 10 crores from the Reserve Bank, Rs. 10 crores from the profit on coinage and Rs. 5 crores from the custodial charges under the Defence Ministry. These items are not revenue items and are not met from the current revenue but from the past reserves, which are much bigger and if you want to wipe out the whole of it possibly you could have done so. So, your actual deficit is Rs. 106.67 crores



**Shri Narsinh Shrivastava:** Where are the reserves to come from if not from revenue?

**Shri Morarka:** Reserves are not formed in this year; they are formed in the past several years. But you cannot say that they are current revenue.... (Interruptions). I listened to my hon. friend very carefully and I do not dispute his argument. He has said: have no taxes but utilise all the reserves. Have it that way by all means. My point is quite different. I say that so far as the current deficit is concerned, it is Rs. 106 crores and not Rs. 81 crores.

**Mr. Chairman:** There will be two columns: revenue and expenditure. Where is it to come? .. (Interruptions)

**Shri Morarji Desai:** May I say that the deficit now cannot be called Rs. 106 crores because that has been taken into account in the revenues. You may say that that is not properly done but that is a different matter. It does not become a larger deficit.

**Shri Morarka:** I leave it at that because I have got two or three points. The customs revenue last time was anticipated at Rs. 170 crores but it is actually Rs. 136 crores—a mistake of 20 per cent. What are the new things that have happened during this period which did not enable our revenue officers to budget it at Rs. 136 crores? The difficulties of the import trade were there. The pattern of import trade was changing; the desire to increase the export was there and the reduction of the export duty on many things was anticipated. Even then they say that only during the year exigencies were created and, therefore, we lost this revenue. Then the income from the Wealth Tax, Expenditure Tax and Gift Tax was estimated at Rs. 17.5 crores—against the actuals of Rs. 12.20 crores—against a mistake of about 30 per cent.

Now, the hon. Finance Minister has said in his speech that steps are being

taken to intensify the small saving campaign. One of the steps mentioned by the Minister was that he would allow the withdrawal from the postal savings banks by cheques. I have no doubt that this system would become popular and would show some results. But sometime back, I had put a question in the House asking for the number of postal savings accounts that are dead or defunct and I was told that the number of such accounts was 38,73,681 and the total amount involved was about Rs. 8 crores. I was further told that every year they declare about three lakhs of such accounts as defunct. If you take the average, it comes to about Rs. 21 per account. There is no attempt, no method and no means to find out the relatives of the account holder and give them this paltry sum of Rs. 21. The least that our Government could do is to provide a column in the account opening form where the account holder can mention the names of his relatives so that in the unfortunate exigency of his death or lunacy and so on, the money could be given to his nearest relative.

**Shri Morarji Desai:** Is it the duty of the Government to find out the relatives or is it the duty of the relatives to claim and get the money?

**Shri Morarka:** As the Finance Minister knows, you are dealing with a particular type of people who are ignorant, illiterate and poor. What would the Government lose.

**Shri Morarji Desai:** We would lose Rs. 38 lakhs more for finding them out. (Interruptions).

**Shri Morarka:** Anyway I will come to my next argument. I will take only two minutes more.

**Mr. Chairman:** He has already taken five minutes more.

**Shri Morarka:** Much has been said in this House about our foreign loans. Particularly, one party has been criticising our taking loans in season and out of season. I want to give the facts and figures about this.

[Shri Morarka]

Up to November 1958, the total loans received from foreign countries—loans, grants or assistance, whatever you may call them—is Rs. 1,382.47 crores. Out of this, Rs. 628.04 crores have come from America alone—almost 50 per cent. If you take into account the assistance from the International Bank of Reconstruction and Development, this percentage will increase from 50 to 70. The help received from Russia is only 10 per cent. 90 per cent. of our funds have come from countries other than Communists. We need this foreign exchange. We need these foreign loans. It is no use talking in terms of theory. They must point out alternative sources at better terms. After all, these are hard facts of life. It is no use becoming mere theorists and just blaming the people who are giving help to us. And, mind you, we have got this help from them in spite of the well-advertised feelings of this party that our economy is about to collapse under the pressure of inflation. How much harder is the cause of a borrower to borrow money from a creditor when at the same time others say that he is about to become an insolvent?

Shri Morarji Desai: That shows the vitality of the borrower.

Shri Morarka: That is true; I entirely and respectfully agree.

Now, Sir, a word about the corporation tax. Sir, much has been said about it, and if I have your indulgence for some time I will make that point.

Mr. Chairman: You cannot add to what Shri Kamalnayan Bajaj has said.

Shri Morarka: I am going to say something very much different.

Mr. Chairman: I am sorry. You should have divided your time accordingly. You have already exceeded your time.

Shri Morarka: Sir, I submit to your ruling.

Shri Nagi Reddy: Mr. Chairman, Sir, I have been closely following the great tributes that are being paid to the Finance Minister from all corners of the House, from Shri Masani to Shri Morarka and from Dr. Krishna-swami to Shri Bajaj, and I have followed with great interest the great tributes that are being paid to the Finance Minister and his Budget by all the monopoly capitalist Press in the country. They have told us very plainly that this is the first time that the country has received the best Budget so far in independent India.

I am not surprised, Sir, at the great tributes that are being paid, because we are living in a state of unity in diversity. Naturally, from the very composition of the ruling Party, as has been explained by one of the Members from the other side, it is very clear that the diversity in talk and the diversity in action brings together the unity that is now to be seen within the Congress Party.

The Finance Minister, quite naturally, should be happy for one simple reason, and that is, he has burst the great rocket of socialism that was shot up into the sky at Nagpur by bringing it back to the earth and smashing it to smithereens. Therefore, socialism in talk and monopoly capitalism in action is the basis of the present Budget. Even last year, in my speech, I have told them that it is always the case, that whenever people are going to be taxed in hundreds of crores, the Finance Ministry comes forward with the tinkering of taxation on the direct taxes, (which of course gives too many loopholes for even the camel to pass) and naturally there is not much contribution to internal resources to be found from the millionaires. The result of all this has been a kind of crisis. I had warned the Finance Minister last time that he was taking charge of the economy of the country at the time of internal resources crisis, at the time of foreign exchange crisis, at the time of a kind of crisis on a world scale in the capitalist world, that it was going to hit us

and hit us very hard. I was told at that time by him that a developing economy need not in any way be afraid of a recession.

Let us take the production in our country. What have we heard about it? We know of course what has been our agricultural production. So far as food is concerned, we are deficit. Therefore, the prices are rising. Even with the hundreds of crores of rupees from America—the great America that has given us help of Rs 600 crores—which has given mostly in what is known as foodgrains.

**Shri Morarji Desai:** More than that. Otherwise also

**Shri Nagi Reddy:** If we analyse it much more, probably in fertilizers also

**Shri Morarji Desai:** No

**Shri Nagi Reddy:** Probably in tractors, but so far as the public sector industrialization is concerned, we have not received

**An Hon. Member:** Wrong.

**Shri Nagi Reddy:** It is there in facts and figures, and we need not contest it. What has happened to our production? There is a production crisis in the country, and that is because of two reasons. One reason is that the exports are less, and there is the second reason which is a much more serious reason, and it is because the consuming capacity of the people is reduced and is going down day after day and year after year.

Take, for example, cloth. We want more production. The slogan that was given in the five year plans by the ruling party was "produce more; the greater the production the greater will be the wealth of the country". We did produce and we produced enough of cloth. There is a glut in the market and, therefore, partially or completely the mills are closing down. We did produce cement and already this *Economic Survey* tells us that

offtake has been not as much as we expected. Therefore, there is glut in cement. We did produce more jute and what was the result? The agriculturists suffered due to recession. Therefore, an economy which talks only of greater production and which does not think in terms of greater consumption and the capacity to produce, that consumptive capacity in the people, is going to doom the further development of the country. Therefore, it is that the rate of industrial production in our country from year to year is reducing.

If we do not take this simple economic factor into consideration, however much the figures show otherwise, it would be difficult to go ahead. Many figures might be gone into as given in the *Economic Survey*, and there is no doubt about it. The *Economic Survey* has given us certain good facts. But what is the actual conclusion that we draw from it? From out of the conclusions, what steps do we expect to take? I would say that the Finance Minister is completely roving in darkness, and that is to be expected, because you cannot expect anything else from him. He unfortunately became the Minister of Finance instead of becoming the Minister of Home Affairs. This is a small feature of the economic process which must be understood.

**Shri Birendra Bahadur Singhji (Raipur):** On a point of order, Sir. The hon. Member just now referred to the Minister. Is that correct parliamentary parlance?

**Mr. Chairman:** It is his surmise. Perhaps he hoped he would become a Home Minister. He was disappointed.

**Shri Nagi Reddy:** Then there is the question of our foreign trade and foreign aid. Let me not say from my own mouth, because the Communists' words, even if they are true, are not sometimes palatable. Let me, therefore, quote from *Commerce Annual Number*, December, 1958 in which quite a number of articles are written

[Shri Nagi Reddy]

by men of eminence including the Secretary to Government in the Ministry of Commerce and Industry, Shri S. Ranganathan, I.C.S. I will read one sentence from it:

"The decline in commodity prices which commenced early in the year was later actuated by the recession in economic activity which began in the U.S.A. in the fall of 1957. Thus, a large part of aid received by the under-developed countries was, in effect, practically nullified by both a turn in the terms of trade and by an absolute loss in export earnings through a fall in the quantum of exports of those countries."

Living in a capitalist economy, surrounded by capitalist countries, tagged by ourselves to the capitalist trade, we cannot expect anything more. So, the economic recession, which is the phenomenon of the capitalist economy naturally hits us. We ought to have taken note of this and ought to have tried to tune our trade to different spheres earlier. So, a little of forethought is necessary. It is not that we could not see it earlier. The Finance Ministry was being warned every year, but they did not take note of it, with the result that whatever little aid we have received has been nullified because of our failure to export to the very countries that gave us that little aid.

The very same people who have been responsible for the foreign exchange crisis have now come forward to tell us that we should plan small. There is already a cry, a great demand, in the country that we should have a small plan. The crisis to which the Government have led the country in the second Plan is leading us directly to the conclusions which either Mr. Masani or other big capitalist groups in the country are fighting for today. We have been led by the nose, I should say. This is what they say:

"Those strategically vital areas whose march towards prosperity has suffered an appreciable set-

back—India being the most important example—are now enjoined by the I.M.F. and the financial leaders of the West to live within their means, to cut back commitments and to use the diminished proceeds of their precious exports for an increase in the gold reserves."

"A more unfortunate counsel could hardly be possible" is the comment of Balogh in the Commerce.

Who is responsible for all this? I should charge the Finance Ministry for the stage to which it has brought the country today. This difficult stage has been mostly the result of the financial policies that have been enunciated by our Government. Even though the talk has been big, action has been small.

Every year we have been told that internal resources have been small and we must increase them. What is the way? I would like to show to Government one feature which is causing anxiety, (which should not cause anxiety so far as I am concerned, because in the very nature of things, under this society, it cannot be otherwise). For example, in 1948-49, according to the explanatory memorandum, Annexure II, page 87, the revenue from income-tax, including the corporation tax, has been Rs. 139 crores; let us say, Rs. 140 crores. In 1958-59, it is estimated to be Rs. 142 crores. After ten years of rule, the revenue from direct taxation, i.e. income-tax, is now Rs. 142 crores. We have been told that certain sections of the richer classes are growing richer every year and monopoly also is increasing its grip over the industries. Then what has happened? How is it that there has been practically no increase in the collection of income-tax at all? Some explanation must be given to the House. Either we have not developed and, therefore, there cannot be any greater increase in the income-tax collections or we have developed and evasion has been increasing and corruption within the income-tax

department has been increasing. There must be some reason, and we must be able to find out the reason for it. We must apply our mind and try to find out the real reason as to why even after so many years of planning—we are now on the eighth year of planning—there is no increase in the collection of income-tax. Our increase in direct taxation has been practically nil.

On the other hand, what is the position in the matter of excise duty? The position in the case of excise duty is something astonishing. The increase has been so fast that it is something like three times that we had before. It is going to increase still more. We are told that in the Soviet Union indirect taxation is so heavy that it is heavier than here. Well, let me say very plainly that I have not delved into the Soviet economy as closely as probably the other hon. Member has done. But I can say one thing, and it is clear to me. Whatever is produced in the Soviet Union is consumed by the Soviet people. Therefore, there has not been any recession or economic crisis there. There the purchasing power of the people has been increasing year after year. Therefore, we find the material, scientific and intellectual growth in the Soviet Union in all aspects of its life. Therefore, let us not compare ourselves with somebody else. Let us see how much we follow the precepts that we have been talking about. On the basis of that, if we see very carefully, we find we are talking of socialism, socialist economy, developmental economy, tightening of belts and so on and so forth. Who is tightening his belt? One thing is clear. The common man has tightened his belt much more than anyone else has done.

The monopolists have been reaping the profits, and they call themselves private industrialists and private trade. At the same time, private industry also is being developed with public money. But the profits are private. There is no doubt about it. Let us take the steel industry. We invest

money, we give loans to an extent of Rs 20 crores without interest, we give guarantee for Rs 25 crores for the international loans and we do not take the funds that have accrued to us even to the extent of Rs 15 crores. The only thing that we do not do is that we do not take the profits from them. The profits are theirs. Therefore, it becomes private trade or private industry.

Let us see the Audit Report that has been presented to us. In this there is a funny incident, about which questions were also asked in this House. Talking about the steel equalisation fund this Audit Report says at page 40

"The balance at the credit of this Fund had stood at about Rs 17 crores on the 1st April, 1957. It had gone down to Rs 3.78 crores on 31st March, 1958. The shortfall in the balance is attributable mainly to the delayed recovery from the main producers of steel. The delay in recoveries gives the steel producers the financial benefit in the use of funds without incurring interest liability."

We give them loans without interest liability. We give them guarantee without ourselves getting any material benefit out of it. We show them the markets and give them the prices that they ask for without getting any material benefit, so far as we are concerned. Of course, it is called private trade or private industry.

If the public funds are used in the manner in which the Government is using them at present, it is very clear that instead of the public sector it is the private sector that is going to be developed at a faster rate. It has happened all these years and, naturally, the Second Plan is in a crisis.

In the end, before coming to smaller things about which I shall finish in two or three minutes, I will have to speak about what is known as

[Shri Nagi Reddy]

foreign equity capital. In the last Budget speech, when I talked about this, I was told that there is no difference between foreign equity capital investing itself in India and foreign aid or foreign loan. It is a funny argument that I heard. I am not able to swallow that argument so far.

Shri Morarji Desai: Who said that?

Shri Nagi Reddy: You said it.

Shri Morarji Desai: I did not say.

Shri Nagi Reddy: Your Deputy told us; there was an argument in the House. When I cross-questioned in this House, my cross-question was answered from the other side. You may go through the debates. I am not at all worried about it.

Shri Morarji Desai: I did not say

Shri Nagi Reddy: If you have not said it, I am glad. All the same, I would like to remind the House that foreign private capital is a very dangerous thing in any country. There has been a demand being raised by the monopolists in this country that foreign private capital should be allowed even into the oil industry. We have already allowed them. There is no doubt. After Independence, we have allowed foreign private capital to come and invest in the country in our refineries. We are doing it also in the new oil company that we have established. We know the Middle East politics, how dangerous it is. Today's socialism is so vague that one of our greatest socialists of the age, of our country, that is, Birla's paper, *Eastern Economist*, has given us in the smallest sentence possible a definition of socialism. I would like the Finance Minister to hear and probably tell me whether it is true or not. I am not able to swallow it. It says

"The fifty-fifty agreement—with the foreign firm—is both fair and compatible with the socialist pat-

tern of society and should be adopted at once."

Fifty-fifty: beautiful. I do not know what socialism it is.

Shri Morarji Desai: We are sitting at one end; you are sitting at the other end.

Shri Nagi Reddy: I would like to remind the House of a passage in the *Bunch of Letters* which I was going through a few days back which the then Pandit Nehru, now the Prime Minister Nehru had written to one of his friends. Fortunately, he had touched on foreign private capital. Here it is

"Prof Shah seems to imagine that some people in India do not realise that the control of key industries is in the hands of foreign exploiters. He blames our leaders as if they are consenting parties to this. This is really extraordinary. Every Indian deplores the growth of foreign vested interests in our industry and continuous efforts have been made to check these

"To talk of our leaders committing the crime of Moghul Emperors—please note—to talk of our leaders committing the crime of Moghul Emperors and allowing foreign trade to pass into the hands of European adventurers is amazing."

Shri Naushir Bharucha (East Khadesh). What is the date?

Shri Nagi Reddy. 1939 or 1940: whatever it is

An Hon. Member: Twenty years old.

Shri Nagi Reddy: That means, every month, every day, theory of economics changes. I have no idea of that at all. If a socialist pattern of society is to be taken as foreign private investment of capital to be

increased in each country, a most astounding theory to enunciate, let us be plain what we are going to tell the people. In this way, I would only warn the Government that you are dragging the country into the mire of capitalist crisis, dragging the country into what I would call stalemate in economy, you are dragging the country into what I would say food crisis and production crisis in the country and all this is going to lead to greater unemployment and therefore to greater troubles in our country. I would only request the Government to see this. At this rate I do not know whether the common man of the country would be able to give that cooperation which the Government is asking for day after day. The help that they are asking for from the millionaire is very probably easy and very possible. But, from the common man, it is very difficult. To ask one who has tightened his belt as much as is possible, to tighten it still more is only to divide him into two to cut him off into different portions, which is not possible.

I would only request the Government to completely change the pattern of this Budget, to completely change its attitude towards the development of the country, and also to completely change its mind so that at least from now on we can proceed towards progress.

18 hrs

Shri Morarji Desai: May I say one thing?

Mr. Chairman: Before the House adjourns, we have to settle one or two matters.

Even if we start work at 12 O'Clock, soon after the Question Hour, tomorrow, the 20 hours will elapse at 3-20. How long will the Finance Minister take?

Shri Morarji Desai: I will require about more than an hour. And then the Vote on Account and the Ap-

propriation Bill will have to be passed here so that it is passed in the other House on the 18th when it closes.

Mr. Chairman: I find there is also this motion on the Law Commission's Report at 4 O'Clock tomorrow.

Shri Morarji Desai: That will have to be postponed to another day.

Mr. Chairman: I am afraid the Minister of Parliamentary Affairs is not here. It looks as though it may have to be postponed.

Shri Kane: I was just talking about the same thing.

The Deputy Minister of Law (Shri Hajarnavis): I am agreeable to the postponement.

Mr. Chairman: I think the sense of the House is that it should be postponed.

Shri Vasudevan Nair (Thiruvella): No, Sir. We will be prepared to sit late.

Mr. Chairman: The House is already sitting till 6 O'Clock, but the real point is this, that the Appropriation Bill has to be passed, and the hon. Finance Minister will take about an hour in reply.

Shri Tangamani: We have been told by the Speaker that each week we will have a motion for two hours, and this week this Law Commission's Report has been allotted. How are we concerned with the other work? The other work can go on till Friday.

Shri Morarji Desai: May I say that this cannot be postponed, whatever may be the other work. The Law Commission's Report can be postponed, but this cannot be postponed, because the Vote on Account has got to be passed in both the Houses.

Shri Tangamani: By tomorrow itself?

Shri Morarji Desai: No, but the Rajya Sabha does not sit after the 13th, and therefore that has got to be taken up there on the 13th, and before 5 O'Clock tomorrow it must be finished here, and then it can be sent there. Therefore, it is essential that this must be finished tomorrow.

Mr. Chairman: So, I take it that the motion will be postponed to another convenient day.

The hon. Finance Minister will take about an hour tomorrow?

Shri Morarji Desai: More than an hour.

18.04 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, the 12th March, 1959/Phalguna 21, 1880 (Saka).



[Wednesday, March 11, 1959/Phalguna 20, 1880 (Saka)]

ORAL ANSWERS TO QUESTIONS.			WRITTEN ANSWERS TO QUESTIONS—contd.		
S.Q. No.	Subject	COLUMNS	U.S.Q. No.	Subject	COLUMNS
1097.	Power-driven pump industry . . .	5475—79	1124.	Purchase of mesta by State Trading Corporation . . .	5522
1098.	Wool production . . .	5479—85	1125.	Indian political prisoner in Kuala Lumpur . . .	5523
1099.	Show room in Saudi Arabia . . .	5485—88	1127.	Discontinuance of publication of newspapers . . .	5523-24
1100.	Manganese Ore Trade . . .	5488—92	1128.	Heavy Electricals (Private) Limited, Bhopal . . .	5524
1101.	Construction of Samadhi of Mahatma Gandhi . . .	5492—94	1129.	Indian textiles . . .	5524-25
1102.	Indianisation of foreign firms in India . . .	5494—98	1130.	Prices of jute goods . . .	5525
1103.	Accident in North Kujama Colliery . . .	5498—5500	1131.	Industrial Tribunal, Ernakulam . . .	5525
1104.	Mineral development . . .	5500—02	1132.	Film Institute and Film Production Bureau . . .	5526
1105.	Shifting of I.A.S. Training School to Mussoorie . . .	5503—04	1133.	Coir floor mats and mattings . . .	5526-27
1107.	Canteens for labourers in Delhi . . .	5504—06	1134.	Industrial Estate, Okhla (Delhi) . . .	5527-28
1108.	Implementation of Bagge Award . . .	5506—09	1135.	Advisers attached to Planning Commission . . .	5528-29
1109.	Indian visitors to Pakistan . . .	5509—10	1136.	Export of Indian textiles to Iran . . .	5529
1112.	Border raids . . .	5510—11	1137.	Export of Coffee . . .	5529-30
1113.	Absorption of passed out trainees from Technical Institutes . . .	5511—13	1139.	India coffee depots and coffee houses . . .	5530
1114.	Pakistani propaganda . . .	5513—14	1140.	Export of iron ore . . .	5530-31
1115.	Betterment levy . . .	5514—15	1141.	Geneva Agreement . . .	5531-32
WRITTEN ANSWERS TO QUESTIONS. . . 5516—76			1142.	Industrial disputes . . .	5532
S.Q. No.			1143.	Abolition of contract system in Coal mines . . .	5532-33
1106.	Automobile producers . . .	5516	1144.	Part time personnel of the Planning Commission . . .	5533
1110.	Supply of trucks . . .	5516-17	1145.	Desertions of displaced persons from Saurashtra D.P. Homes . . .	5533-34
1111.	Machinery for export of products . . .	5517	U. S. Q.		
1116.	Trade between India and U.S.S.R. . . .	5517-18	No		
1117.	Sarvodaya House Building Society . . .	5518	1707.	Indian trade Centres abroad . . .	5534
1118.	Manufacture of electric tools at Mulund (Bombay) . . .	5518-19	1708.	Prime Minister's visit abroad . . .	5534
1119.	Indians in Burma . . .	5519	1709.	Foreign Prime Minister's visits to India . . .	5535
1120.	Sports goods industry . . .	5519-20	1710.	Schemes in Jammu and Kashmir . . .	5535-36
1121.	Report of the Chief Inspector of Mines . . .	5520	1711.	Development of handloom industry in Jammu and Kashmir . . .	5536
1122.	Supply of Soda Ash to Glass Industry . . .	5520-21			
1123.	Shortage of paper in Madras . . .	5521-22			

**WRITTEN ANSWERS TO  
QUESTIONS—contd.**

U.S.Q. No.	Subject	COLUMNS
1712.	Delhi Municipal Corporation . . .	5536-37
1713.	Film producing companies in India . . .	5537
1714.	Technical training centres in Bombay State . . .	5537
1715.	Accidents in stone quarries . . .	5538
1716.	Glass factories in Orissa . . .	5538
1717.	Plan Publicity in Orissa . . .	5538-39
1718.	Mortgage claims of displaced banks . . .	5539-40
1719.	National Sample Survey Office . . .	5540-41
1720.	Assurance to private schools . . .	5541-42
1721.	Small-scale industries in Andhra Pradesh . . .	5542
1722.	Companies in Andhra Pradesh . . .	5542-43
1723.	Flexible Tube Factory at Andheri (Bombay) . . .	5543
1724.	Cotton Textiles Export Promotion Scheme . . .	5543-44
1725.	Industrial Estates in West Bengal . . .	5544-45
1726.	Training of welfare personnel . . .	5545
1727.	Industrial disputes in Mysore . . .	5545-46
1728.	Industrial disputes . . .	5546
1729.	National Labour Relations Board . . .	5546
1730.	Uniform wages for plantation workers . . .	5547
1731.	Manufacture of textile machinery . . .	5547-48
1732.	Manufacture of small tractors . . .	5548
1733.	Closure of tea gardens . . .	5549
1734.	All India Radio . . .	5549-50
1735.	Nangal Fertilizers and Chemicals (Private) Limited . . .	5550-51
1736.	Trade with U.S.S.R. . .	5551
1737.	Jute trade . . .	5551-52
1738.	Export of raw jute . . .	5552
1739.	Industrial output . . .	5552-53
1740.	Consumer price index number in Kanpur . . .	5553
1741.	Indian Labour Conference . . .	5553-54
1742.	Nangal Fertilizers and Chemicals (Private) Limited . . .	5554

**WRITTEN ANSWERS TO  
QUESTIONS—contd.**

U.S.Q. No.	Subject	COLUMNS
1743.	Technical institutes in U.P. and Himachal Pradesh . . .	5554-55
1744.	Strike by Calcutta Dock workers . . .	5555-56
1745.	Printing capacity of Government Press New Delhi . . .	5556-57
1746.	Small Industries in Orissa . . .	5557
1747.	Automobile tyre manufacturing industry . . .	5557-58
1748.	Employment exchanges . . .	5558-59
1749.	Peaceful uses of atomic energy . . .	5559-60
1750.	Purchases by the Government of India . . .	5560
1751.	Export Promotion Council for Spices . . .	5560-61
1752.	Employees' State Insurance Scheme . . .	5561
1753.	Additional resources of Orissa Government . . .	5561-62
1754.	Labour laws in Himachal Pradesh . . .	5562
1755.	Installation of 100 Kw. short wave transmitter at Delhi . . .	5562-63
1756.	South Africa-born Indians . . .	5563
1757.	Strike of clerks of Dock Labour Board, Calcutta . . .	5563-64
1758.	Export of mica and tobacco to Belgium . . .	5564
1759.	Export licences of cotton . . .	5564-65
1760.	Foreign emporia . . .	5565-66
1761.	Export of hides and skins to U.K. and U.S.A. . . .	5566
1762.	Magazines and Periodicals . . .	5566-67
1763.	Employees of the C.P.W.D. . . .	5567
1764.	Chaldean syrian Bank Ltd. Trichur . . .	5568
1765.	Bone digesters . . .	5568-69
1766.	Paper . . .	5569
1767.	Village housing projects . . .	5569-70
1768.	National Advisory Committee on Public Co-operation . . .	5570
1769.	Nangal Fertilizers and Chemicals (Private) Limited . . .	5570-71
1770.	Export of umbrellas . . .	5571
1771.	Industrial disputes and lock-outs . . .	5571-72

# WRITTEN ANSWERS TO QUESTIONS—contd.

U.S.Q. No.	Subject	COLUMNS
1772.	Acquisition of properties at Lhasa (Tibet) .	5572
1773.	Trade with Switzerland	5572-73
1774.	Educated unemployed in Punjab .	5573-74
1775.	Licensing of new factories in Punjab .	5574
1776.	Local development works schemes in Andhra .	5575
1777.	Employment for displaced persons .	5575
1778.	Rehabilitating displaced persons from East Pakistan in Braj .	5576

OBITUARY REFERENCE . 5576-78

Shri G. B. Pant, Shri R.K. Khadilkar and the Speaker made references to the passing away of Dr. M.R. Jayakar who was a member of the former Central Legislative Assembly and the Constituent Assembly of India . Thereafter Members stood in silence for a minute as a mark of respect.

PAPER LAID ON THE TABLE 5579

- (1) A copy of statement correcting the statement made on the 8th December, 1958 in response to a Calling Attention Notice by Shri Rajendra Singh regarding fall in jute prices.
- (2) A copy of Notification No. G.S.R. 243 dated the 28th February, 1959, under sub-Section (3) of Section 8 of the Cinematograph Act, 1952, making certain further amendments to the Cinematograph (Censorship) Rules, 1958.

ARREST AND CONVICTION OF A MEMBER . 5579-80

The Speaker informed Lok Sabha that he had received two wireless messages dated the 10th March, 1959, from the Superintendent of Police, Rohtak intimating that Chaudhary Pratap Singh Daulta, Member, Lok Sabha was arrested on the 10th March, 1959, convicted on the same day by the additional District Magistrate,

# ARREST AND CONVICTION OF A MEMBER—contd.

Rohtak under Section 143, Indian Penal Code, for being a member of an unlawful assembly in the District Courts, Rohtak and sentenced to two months' simple imprisonment and a fine of Rupees two hundred or in default to undergo one month's further simple imprisonment.

REPORT OF COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS PRESENTED . 5580

Thirty-seventh Report was presented.

ANNOUNCEMENT BY SPEAKER . 5581

The Speaker made an announcement regarding circulation to members of reports of Government Companies prior to their being laid on the Table of the House under sub-section (1) of Section 639 of the Companies Act, 1956.

STATEMENT BY MINISTER 5582-83

The Deputy Minister of External Affairs (Shrimati Lakshmi Menon) made a statement regarding firing by Pakistanis on the Assam border.

GENERAL BUDGET—GENERAL DISCUSSION . 5584-5730

General discussion on the Budget (General), 1959-60 continued. The discussion was not concluded.

AGENDA FOR THURSDAY, MARCH 12, 1959/PHALGUNA 21, 1880 (Saka) .

Further general discussion on the Budget (General), 1959-60. Vote on Demands for Grants on Account for 1959-60. Consideration and passing of the Appropriation (Vote on Account) Bill, 1959; and the Chartered Accountants (Amendment) Bill, 1958 as passed by Rajya Sabha.