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Saturday, April 18, 1959
Chaitra 28, 1881 (Saka)

LOK SABHA DEBATES

Seventh Session
(Second Lok Sabha)



सत्यमेव जयते

LOK SABHA SECRETARIAT
New Delhi

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LOK SABHA DEBATES

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LOK SABHA

Saturday, April 18, 1959/28th Chaitra,
1881 (Saka).

*The Lok Sabha met at Eleven of the
Clock.*

[MR. SPEAKER in the Chair].

ORAL ANSWERS TO QUESTIONS

Nagas

*1884. Shri Ram Krishan Gupta:
Will the Prime Minister be pleased to
state:

(a) whether it is a fact that some
Nagas have been recently arrested on
their return from East Pakistan;

(b) if so, whether purpose of their
visit has been investigated; and

(c) the nature of the action taken
to control their activities and check
their visits to East Pakistan?

The Deputy Minister of External
Affairs (Shrimati Lakshmi Menon):
(a) and (b). We have not arrested any
Nagas recently returning from East
Pakistan. The last occasion when
some arrests took place near this border
was in July, 1958.

(c) All possible security measures
have been taken in the affected Dis-
tricts of Assam bordering on East
Pakistan to prevent the movement of
Nagas across the border.

Shri Ram Krishan Gupta: May I
know whether any material was re-
covered from the Nagas who were ar-
rested in July, 1958?

Shrimati Lakshmi Menon: Yes, Sir.
We recovered some arms and ammuni-

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tion, three sten guns, bren guns, some
documents, maps and so on.

Shri Ram Krishan Gupta: May I
know whether the purpose of their
visit was ascertained? If so, what
was that?

Shrimati Lakshmi Menon: They are
supposed to have gone to East Pakis-
tan to meet Phizo.

Shri Raghunath Singh: May I
know the make of the arms?

Shrimati Lakshmi Menon: I have no
information other than what I have
already given.

Shri Raghunath Singh: I want to
know the make of the arms.

Mr. Speaker: She does not have the
information.

Shrimati Lakshmi Menon: I said
sten guns etc. were recovered.

Shri Raghunath Singh: I want to
know the marking of the arms.

Shrimati Lakshmi Menon: I have no
information.

Shri Raghunath Singh: To what
country do the arms belong, whether
they are UK or USA or Russian
make?

Mr. Speaker: The hon. Member is
only multiplying one by million. She
has already said that she does not
have any idea of the make. That
means that she does not exactly know
as to who made those sten guns and
bren guns. What is the use of pur-
suing it in an anxiety to get some
information or the other?

Shri Tangamani: May I know whe-
ther the Government has seen the

press reports to the effect that Phizo has moved to the United States?'

Shrimati Lakshmi Menon: That does not arise out of this question.

Indian Handloom Delegation

+

*1886. { Shri Ajit Singh Sarhadi:
Shri Dwarka Nath Tewari:
Sardar Iqbal Singh:

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No 861 on the 11th December, 1958 and state:

(a) whether the proposal of the Handloom Board to send a delegation to West Africa has been considered and agreed to; and

(b) whether the arrangement for the same has been finalised?

The Minister of Commerce (Shri Kanungo): (a) and (b). The matter is still under examination.

Shri Ajit Singh Sarhadi: May I just ask if the object is also to consider the increase in export? May I know if one of the matters for the delegation would be to consider avenues of export also?

Shri Kanungo: Of course. The proposal is that a delegation should be sent to find out as to how to step up exports.

Shri Tangamani: This All India Handloom Board made this suggestion because our traditional market has now dwindled. May I know whether they have made any suggestions about altering the pattern by exporting to these countries?

Shri Kanungo: They have not suggested anything for these specific West African markets, but they have suggested many things for new markets.

Export Potentiality of Onions from Veraval Fort

*1887. Shri Pangarkar: Will the Minister of Commerce and Industry - be pleased to state:

(a) the export potentiality of onions to Ceylon and Burma from Veraval Port; and

(b) the number of steamers plying at present for onion trade?

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

(a) Export potentiality would depend upon production, exportable surplus and demand overseas. About 5,400 tons, the highest in the last four years, were exported during 1957-58 from Veraval to Ceylon. There were no exports to Burma.

(b) The ships which touch Veraval during their normal operations also carry onions. No ship is earmarked for the purpose.

Shri Pangarkar: May I know the quantity of onion exported out of India during the year 1958-59 and the names of the countries to which it was exported?

Mr. Speaker: Hon. Member will kindly look into the sea-borne export trade of India.

There is no meaning in asking as to which are the countries to which onions are exported. Hon. Member will go to the Library and look it up. Questions on any matter that is not available either in the Library or in the printed documents can be asked here.

Shri Pangarkar: I want to know the total quantity.

Mr. Speaker: The hon. Member should stand erect and then ask the question.

Shri Pangarkar: I want to know the total quantity of onion exported out of India in 1958-59.

Mr. Speaker: Would it not be available in the export trade of India? For

that should he ask the hon. Minister to take all the trouble of finding it out?

Shri Osa: May I know whether the Government has explored the potentiality of exporting onions to other countries besides Ceylon?

Shri Satish Chandra: Apart from Ceylon onions are exported to Singapore, Malaya and other Asian and East African countries. But the biggest quantity is exported to Ceylon.

Shri Osa: Has the Government any scheme to enlarge the export in view of the fact that there are huge potentialities of onion crops in that part of the country?

Mr. Speaker: What is the information that the hon. Member expects from the hon. Minister. His question is, "Has Government explored the scheme?" The hon. Minister will say, "Yes, we have". Then what is the object of asking this question. The Government also represents a majority Party and it must be assumed that they would be exploring all possibilities, otherwise they would not stay in office for a minute. Whatever information is not available in the printed documents or otherwise in any of these papers can easily be ascertained here. But this seems to be an examination house where the hon. Minister is examined and cross-examined.

Shri Osa: On a point of information.....

Mr. Speaker: The question is: Are the Government exploring the possibility of export trade? The answer may be 'Yes'. Now, how is he benefited by that?

Shri Osa: Large quantities are brought in. They are neither locally consumed nor are they exported. So, if there is an export drive there will be benefit to the trade.

Mr. Speaker: These are all matters which the Government ought to do. If the hon. Member will say that in such

and such a port in Andhra there is so much quantity lying and no licence is issued, I am prepared to allow that it may be even from Gujerat or from any other place, but general questions lead us nowhere.

Alagappa Textiles, Alagappa Nagar
Kerala

+
*1889 { Shri Warrier:
Shri A. K. Gopalan:
Shri Kediyan:

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

(a) whether the Director of Company Administration made any enquiry into the affairs of the Alagappa Textiles, Alagappanagar, Kerala State and submitted any report; and

(b) if so, the main features and recommendations of the report?

The Minister of Commerce (Shri Kanungo): (a) Under the orders of the Central Government, issued under Section 235(c) of the Companies Act, 1956, an investigation into the affairs of the Company has been carried out by an officer, attached to the office of the Regional Director of the Department of Company Law Administration at Madras.

(b) the report has been received very recently and is now under examination. It discloses inter alia that losses were caused to the company by various adjustments in accounts and payments said to have been made at the instance of the late Dr Alagappa Chettiar and for which the other directors have disclaimed any responsibility.

Shri Warrier: May I know whether the Report will be available to the House?

Shri Kanungo: No, Sir. These reports are not available.

Shri Warrier: May I know the nature of the dispute into which this enquiry was made?

Sari Kannaige: The shareholders complained under the Companies Act about certain irregularities in the management of the Company. It has been investigated and steps will be taken after examination of the Report under the law.

Steel Quota to Punjab

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*1891. { Shri Ajit Singh Sarhadi:
Shri Daljit Singh:

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

(a) the allocation of steel quota being made to Punjab in 1959-60; and

(b) the allocation of steel being made for the small scale industries there during the same period?

The Minister of Industry (Shri Manubhai Shah): (a) and (b). Steel is allotted on a quarterly basis. For Small Scale Industries the demand from Punjab Government for the quarter April-June was 9675 tons against which the quota allotted is 8000 tons. For the corresponding period April-June, 1958, the allotment to Punjab was 3392 tons for Small Scale Industries. As the availability improves, the quotas to all States for Small Scale Industries are being raised.

Shri Ajit Singh Sarhadi: May I just ask if the allocation for small scale industries made to the Punjab is for a particular industry or for the whole?

Shri Manubhai Shah: As a whole for Punjab State and that too for small scale industries utilising steel.

Shri Ajit Singh Sarhadi: Is it on a special request of the Punjab Government for a particular small scale industry or is it that a direction is issued by the Central Government?

Shri Manubhai Shah: Generally the entire responsibility of developing the small scale industries is that of the State Government. But sometimes if we receive some specific complaint we

certainly advise the State Government to look into it.

Shri Daljit Singh: May I know whether it is allotted to those small scale industries which do not work regularly and sell their quotas in the black market and the industries which work regularly are not allotted quotas regularly?

Shri Manubhai Shah: As I have had the privilege of placing before the House all the time different figures, the very fact that within a year from a quarterly quota of 3,300 tons the quota has been raised to 8,000 tons shows that the small scale industrial units must be working in a better way. It may be at the actual users level, some parties may have sold to other people. As far as we are concerned, no complaints have been received. Development and production are rising in the small scale sector.

Shri Rami Reddy: With reference to part (a) of the question, what is the basis on which allocation of steel quota is made to the Punjab and other States? Is it on a population basis or overall requirements?

Shri Manubhai Shah: Overall requirement is taken. Every State Government sends its own recommendation on the basis of off take which indicates what the consumption of steel was. Whatever the increased availability, various other factors are being taken into consideration, and extra allocations are made.

Shri Rami Reddy: In regard to agricultural requirements, is it made on overall requirements?

Shri Manubhai Shah: This is for small-scale industry. It is a separate quota S.P.I., for agricultural and other requirements.

Recruitment to Private Firms through Employment Exchanges

*1892. **Shri Shivaramjappa:** Will the Minister of Labour and Employment be pleased to state:

(a) whether it is a fact that Government of India have asked private

firms in the country to fill their employment vacancies through Employment Exchanges; and

(b) if so, whether the private firms have accepted this procedure?

The Deputy Minister of Labour (Shri Abid Ali): (a) No.

(b) Does not arise.

Shri Shivnanjappa: May I know whether any such proposal is there?

Shri Abid Ali: Not for making it compulsory for the employers to take employees through the Employment Exchanges only. But, we are bringing in a Bill here to make it compulsory that they should inform us of their requirements.

Mr. Speaker: Next question: Shri Daljit Singh.

Shri Tangamani rose—

Mr. Speaker: Why did he not get up earlier? All right; Shri Tangamani I will call Shri Daljit Singh next.

Shri Tangamani: May I know whether it is incumbent on the Government that these vacancies ought to be notified to the Employment Exchanges?

Shri Abid Ali: Yes, Sir.

Export of Leather Goods to Russia

*1893. Shri Daljit Singh: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that export of leather goods and footwear to Russia from India has been hampered by the competition of other countries; and

(b) if so, the steps being taken to meet the situation?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): (a) The Government of India have no such information.

(b) The question does not arise.

Shri Daljit Singh: May I know what steps are being taken to improve the export of leather goods and footwear?

Shri Satish Chandra: All possibilities are being explored. The question specifically relates to the supply of leather goods and footwear to Russia. We have received a recent order also for execution in 1959.

Shri Daljit Singh: May I know the value of leather goods and footwear exported to Russia during the last three years separately?

Mr. Speaker: They may look into the something: Seaborne Trade of India.

Shri Thirumala Rao: Has the attention of Government been drawn to a recent piece of news published in the papers that in Agra and thereabout, this leather industry is experiencing a slump and great difficulties?

The Minister of Industry (Shri Manubhai Shah): There is a complaint and the attention drawn by the hon. Member is correct. I had also last time mentioned before the House that due to less availability of hides and skin, the leather industry, as a whole, in the country is facing some trouble. Therefore, we are trying to see whether availability could be increased not only by indigenous production, but by importing some raw hides. Recently, from some countries we have put hides and skins on the O.G.L.

Shri Ansar Harvani: Is it a fact that the Government had received a complaint from the Government of the Soviet Union that shoes supplied by the State Trading Corporation were not according to specifications and were not of proper quality?

Mr. Speaker: That is an old question.

Shri Ram Krishan Gupta: May I know the names of the countries with which India has to compete for the export of shoes?

Shri Satish Chandra: Besides the shoes supplied to the U.S.S.R. I think most of the shoes are made in that country, and some imported from Czechoslovakia. We have not got Russian statistics.

Export of Indian Textile Goods

*1894. Shri Damani: Will the Minister of Commerce and Industry be pleased to state:

(a) the extent to which Western Countries have helped in liberalising the import of Indian cotton textile goods during 1958-59 and 1959-60 so far as compared to 1957-58; and

(b) how far our country has been successful in augmenting its exports to West Germany, Sweden and the U.S.A. up till now?

The Minister of Commerce (Shri Kanungo): (a) There has not been any liberalisation on the part of Western Countries for facilitating the imports of Indian textile goods

(b) There is a general decline in the exports of cotton textiles to all countries during 1958 as compared to the previous years. This decline is reflected in the exports to West Germany and U.S.A. In the case of Sweden, however, exports have more than doubled during 1958 as compared to 1957.

In order to augment exports to the Western Countries and American continent, higher differentials for import of textile chemicals and dyes have been fixed under the Incentive Scheme. The working of this scheme is under constant review.

Shri Damani: May I know whether the Government is contemplating modifying the export incentive scheme so as to enable mills to increase their export and stand in comparison with other countries in those countries?

Shri Kanungo: The incentive scheme has been put into operation only, I think, some weeks ago. Government

have no idea of altering it or modifying it until the operation of it is observed.

Shri Damani: May I know whether negotiations with those countries for exporting cloth and importing essential items are being carried on and if so, the details thereof?

Shri Kanungo: No, Sir.

Shri Warier: May I know the mode of payment from Sweden, either in dollars or in sterling?

Shri Kanungo: Sterling mostly.

Report of the Actuarial Committee

*1895. Shri T. B. Vittal Rao: Will the Minister of Labour and Employment be pleased to state:

(a) whether the report of the Actuarial Committee appointed to assess the financial burden on industry in connection with the amendment of Workmen's Compensation Act for revising the rates of compensation and to increase the wage limit from Rs 400 to Rs. 500 has since been received;

(b) if so, whether it has been examined by Government;

(c) if so, the nature of decision arrived at, and

(d) if the reply to part (a) above be in the negative, when the same is likely to be received?

The Deputy Minister of Labour (Shri Abid Ali): (a) Yes.

(b) It is under examination.

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

Shri T. B. Vittal Rao: May I know who are the Members of this Committee?

Shri Abid Ali: Not today, please. Not at present, please. The Committee's report has been received; it is under examination. It will not be possible for me to reveal the recommendations.

Shri T. B. Vittal Rao: I asked the names of the Members of the Committee.

Shri Abid Ali: The members were: Shri S. P. Jain, Actuary, Employees State Insurance Corporation, Shri Krishnamurthy, M.A., I.F.A., Department of Insurance, Simla, and Shri Bhatia. These are the three members of the Committee.

Shri T. B. Vittal Rao: May I know when the examination of this report is likely to conclude? May I also know when this report was submitted to the Government?

Shri Abid Ali: We received the report in February last.

Shri T. B. Vittal Rao: When is the examination by the Ministry likely to conclude?

Shri Abid Ali: Not possible to say at present.

Shri T. B. Vittal Rao: May I know the grounds which prevent the quick examination of this report?

Shri Abid Ali: It is being examined speedily?

Mr. Speaker: I do not know how Shri T. B. Vittal Rao is benefited or the Minister. Sometimes the report may be small. It takes some time for them. Those who appointed a Committee will certainly look into the report also. It does not enhance or lead us one way or the other. Next question.

Export of Tea

*1896. **Shri Bangshi Thakur:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that Government have decided to give subsidy to the Tea Gardens of Tripura to enable them to export more tea; and

(b) if so, what will be the additional quantity of tea that is going to be exported under the present arrangement?

The Minister of Commerce (Shri Kanungo): (a) Proposals for the grant of subsidies in respect of transport charges and supply of fertilizers to tea gardens in Cachar and Tripura, with a view to improving their economic condition, are under consideration.

(b) Does not arise.

Shri Bangshi Thakur: May I know what is the total amount that is to be given as subsidy?

Shri Kanungo: The whole matter is under consideration.

Shri Bangshi Thakur: May I know whether the giving of subsidy will improve the position of the tea gardens and improve their financial stability?

Mr. Speaker: He suggested that subsidy should be given. Now, he asks whether it will improve. The hon. Member must have something in his mind before he puts the question. Subsidy will certainly improve.

Shri Achar: May I know whether subsidy is given only to Tripura or to other tea estates in the Southern States also?

Shri Kanungo: No, Sir. The proposal under consideration is the difficulty of this particular area, Cachar and Tripura. As far as Tripura is concerned, the main difficulty is that tea cannot be exported from there by the normal means, like the river or rail. Therefore, a proposal is under consideration. It does not apply to any other part of India.

Shri Bangshi Thakur: My point is, improvement is a general term. I want to know whether the giving of this subsidy will enable the Tripura gardens to increase the acreage of production.

Shri Kanungo: Even that is doubtful.

Shri B. K. Gafurwad: What is the basis of giving the subsidy per acre?

Shri Kanungo: Just the idea is being considered. There is no proposal yet.

Employees' Provident Fund Scheme

*1897. **Shri K. N. Pandey:** Will the Minister of Labour and Employment be pleased to state:

(a) whether the amount of contribution against the Provident Fund of the exempted factories under the Employees' Provident Fund Scheme 1952 is deposited with the State Bank of India or whether the same is kept by Employers with them; and

(b) if the amount remains with the employers, what measures of security are taken so that the money so realised remains safe and is not utilised otherwise?

The Deputy Minister of Labour (Shri Abid Ali): (a) The employers are required to invest the provident fund accumulations promptly in Central Government Securities every month. But where the amount of provident fund contributions is small, the employers deposit the money in Post Office Savings Bank Account or in a Scheduled Bank pending investment in Government Securities.

(b) If the amount is retained contrary to the provisions as mentioned above, the exemption granted to the factory could be withdrawn and if need be legal action taken.

Shri K. N. Pandey: May I know what sum is considered to be small?

Shri Abid Ali: In some of these factories, the amount collected goes below even Rs. 100. It is not possible for me to categorise it at present and say what is considered as small or large.

Shri Thirumala Rao: May I know whether there is any period laid down, to check whether the deposits are being made regularly or not?

Shri Abid Ali: Yes.

Shri Thirumala Rao: What is the period at which Government check it?

Is it once in three months or once in six months or once in a year?

Shri Abid Ali: According to rules, every such undertaking should be inspected twice a year.

Shri Tangamani: May I know whether the exemption has been removed in the case of any of these factories because they did not conform to this, and if so, the number of those factories, the number of the workers therein, and the amount involved?

Shri Abid Ali: For this, and for various other reasons, about 155 to 160 exemptions were withdrawn. As for the amount, I shall not be able to mention it just now.

Shri S. C. Samanta: May I know the difference in interest when the amount is put in the post office savings bank?

Shri Abid Ali: That is for a very short period only. Generally, this fund itself sanctions interest at the rate of $3\frac{1}{2}$ per cent. so far as the non-exempted factories are concerned.

National Development Council

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Shri Tangamani:
Shri S. M. Banerjee:
Shri Ram Krishan Gupta:
Shri Bhakt Darshan:
 *1900. **Shri P. G. Deb:**
Shri P. C. Boroach:
Shri Liladhar Koteki:
Shri N. R. Munsamy:

Will the Minister of Planning be pleased to state:

(a) whether the National Development Council held its meeting on the 3rd and 4th April, 1959;

(b) if so, the decisions arrived at;

(c) whether decision taken at the National Development Council at its meeting during November, 1958 regarding State Trading in foodgrains was considered; and

(d) if so, the nature of the steps proposed to be taken?

The Deputy Minister of Planning (Shri S. N. Mishra): (a) Yes, Sir.

(b) A statement is laid on the Table of the House. [See Appendix VI, annexure No. 116].

(c) Yes, Sir.

(d) Attention is invited to section II of the statement laid on the Table of the House.

Shri Tangamani: From the statement we find that the main issues relating to the Third Five Year Plan were discussed. One of the items discussed was as follows:

"The National Development Council stressed the importance of producing machinery and equipment needed to manufacture machines and capital goods required for further industrialisation, thus making the economy 'self-sustaining'."

In view of the requirements of electrical goods, may I know whether Government will consider the setting up of a heavy electricals plant in the Madras State? Was that considered?

Shri S. N. Mishra: This is a suggestion for action, whereas the original question related to the decisions and recommendations of the National Development Council.

Shri Tangamani: My point is this. For self-sufficiency, they were considering about these things....

Mr. Speaker: These are all suggestions. The hon. Member will kindly communicate whatever suggestions he may have. The Third Five Year Plan is still being formulated.

Shri Tangamani: May I know whether Government considered the question of increasing the production of coal and electric power as in the case of Neyveli and other places?

Mr. Speaker: In the Third Five Year Plan, is there a proposal to increase the output of coal and electrical energy.

Shri S. N. Mishra: Naturally. . . .

Mr. Speaker: It is not a question of 'naturally'. There is nothing natural about this. Priority may be given to something else. All that the hon. Member wants to know is whether this will have a prominent place in the Third Five Year Plan.

Shri S. N. Mishra: I would like to draw your attention to the question that we are considering just now.

If there is to be a question as to the extent to which we want to increase coal production or electrical energy, then we would require separate notice of that question.

Mr. Speaker: That is all right; the hon. Minister may say so.

Shri S. N. Mishra: May I submit that when I say 'naturally', it means that in the context of the Third Five Year Plan and in the context of the funds. . . .

Mr. Speaker: I am afraid all hon. Members are not so intelligent as to understand the word 'naturally'. Personally, I myself have not been able to follow what he meant.

Shri Braj Raj Singh: May I know whether Government have advised the State Governments to fix the price of wheat immediately, and if so, whether any State Government have fixed the purchase price for wheat anywhere in the country?

Shri S. N. Mishra: This is a question to be addressed to the Ministry of Agriculture.

Shri Braj Raj Singh: In the statement, it is said:

"While generally uniform purchase prices would be fixed for a whole State or a region, to meet the case of under-developed areas with poor means of communications, it might be necessary to fix different prices. It might also be necessary to prescribe different purchase prices in the case of certain highly deficit areas where

the prices are always higher than in the surplus areas."

So, in the statement, Government have stated that they would advise the State Governments to fix the purchase prices of wheat and rice. May I know whether any State has fixed the purchase price of wheat so far, because this is the wheat season in which wheat is going to be purchased, and the prices have gone very much down?

Mr. Speaker: State trading in foodgrains was considered. This relates to State trading in foodgrains.

Shri S. N. Mishra: Yes.

Mr. Speaker: If the hon. Minister wants to answer this question, then certain things relating to foodgrains must also be answered.

Shri S. N. Mishra: I would submit that the National Development Council was seized of this general proposition. So far as the administrative details are concerned, information relating to them must be in the possession of the Ministry of Agriculture.

Shri Thirumala Rao: With regard to part (c) of the question, the hon. Minister has given us the general decision of the National Development Council. Have all the State Governments agreed to implement State trading in foodgrains, or are there any States which are slow in accepting the implementation of this scheme?

Shri S. N. Mishra: From the statement itself the hon. Member would see:

"The Council agreed that the State trading scheme should be introduced in every State without delay."

Mr. Speaker: Have the State Governments agreed? That is the question. The hon. Minister may or may not know. Shri Thirumala Rao only wants to know whether the recommendations of this Council have been

accepted by any or all of the State Governments.

Shri S. N. Mishra: I would like to draw the attention of hon. Members to the constitution of the National Development Council, in which all the Chief Ministers are there; and naturally, the decision taken by the National Development Council is binding on all the State Governments.

Mr. Speaker: The hon. Minister is not in a position to reply to this question. Now, Shri Liladhar Koteki.

Shri Thirumala Rao: I want to elicit one thing.

Mr. Speaker: What is the good of pursuing this matter, when the hon. Minister is not in a position to tell us?

Shri Thirumala Rao: I want to draw the attention of Government to the news items published in the papers that two State Governments have not yet implemented or started to implement the scheme of State trading. I want to know whether Government are aware of that, and if so, what steps they are taking to see that the resolution of the National Development Council is implemented.

Shri S. N. Mishra: There might have been some delay in some cases, but in principle all the State Governments have agreed.

Mr. Speaker: The point is this. The National Development Council takes certain decisions. There may be a number of persons present. Now, the decision may be carried by a majority; it need not be unanimous. It is open to any hon. Member to ask how far the decisions have been implemented by the State Ministers or the State Governments. Merely because the Chief Minister is a party to it, it does not mean that he has immediately implemented or agreed to implement it; or, he may take his own time. The hon. Minister must collect the information, and if he has not got it, he must say that he has not got it.

Shri Lladhar Kotaki: With reference to para (5) at page 4 of the statement, may I know whether the sub-committee on co-operative policy has since submitted their report to Government, and if so, the decision of Government thereon?

Shri S. N. Mishra: This sub-committee met soon after the meeting of the National Development Council. The sub-Committee considered particularly two important aspects of the co-operative policy. One was in regard to Pattern II recommended by the working group on co-operative policy, and the other was in relation to the State Participation in the share capital.

On the first point, the opinion was that pattern I should be the general rule, and pattern II, that is, the large size should be introduced in those areas which are tribal in character and where the co-operative movement is somewhat weak or has been in a stagnant condition.

In regard to the second, there were some views expressed, but no conclusion was arrived at.

श्री भक्त बर्मान : मैं यह जानना चाहता हूँ कि राष्ट्रीय विकास परिषद् की कार्य प्रणाली क्या है, चाया कि पहले राज्य सरकारों को इसका कार्यक्रम दे दिया जाता है ताकि वे अपने मंत्रिमंडल में बहस करके और निर्णय कर के धारें या उसकी केवल सिफारिशें माग होती हैं और राज्य सरकारों से कहा जाता है कि वे अपनी सुविधा के अनुसार उसमें परिवर्तन या परिवर्धन कर सकती हैं ?

श्री इया० नं० मिश्र : उनके पास कार्यक्रम के सम्बन्ध में सारे कागजात भेज दिये जाते हैं, मजेंडा भी भेज दिया जाता है । वे पूरी तैयारी के साथ धाते हैं । और उन विषयों पर विचार विनिमय करते हैं ।

Shri Ram Krishan Gupta: From the statement, I find that the Second Five Year Plan envisaged an increase in national income at the rate of 5 per

cent. May I know to what extent this target has been achieved so far?

Shri S. N. Mishra: The figure are still under computation. The national income estimates take some time. Therefore, I am not in a position just now to say to what extent there has been an increase in the national income during the last three years of the Second Plan.

Shri Damani: May I know whether any estimate for the administrative expenses and miscellaneous expenses for State trading in food has been made? If so, what is the amount?

Shri S. N. Mishra: I have no idea about this. Probably the hon. Minister of Food and Agriculture would be in a position to say.

श्री सिहासन सिंह : इसके विवरण को देखने से मालूम हुआ कि विकास समिति ने केवल फूड मिनिस्ट्री ने जो स्टेट ट्रेडिंग का तरीका अपनाया है उसको उसने भी अपना लिया है । अब मैं जानना चाहता हूँ कि वह क्या तरीका है ? क्या उसमें वही तरीका है जिसमें कि बनियों की मार्केट ही यह स्टेट ट्रेडिंग होगी और स्टेट डाइरेक्ट तरीके से कोई व्यापार नहीं करेगी ?

श्री इया० नं० मिश्र : इस पर तो इस सदन में माननीय राख तथा कृषि मंत्री ने हाल ही में काफी रोशनी डाली है और मैं नहीं समझता हूँ कि उसमें मुझे ज्यादा जाना चाहिये ।

श्री सिहासन सिंह : अध्यक्ष महोदय, मंत्री महोदय से यह जानना चाहता था . . .

Mr. Speaker: All this has been discussed in detail.

Shri P. G. Deb: May I know whether the modified statement of the hon. Food Minister regarding State trading in foodgrains was also considered?

Mr. Speaker: By this Council.

Shri S. N. Mishra: The statement itself mentions that the scheme for

State trading in foodgrains outlined in the Ministry's paper was submitted to the Council and it was considered.

Mr. Speaker: Has there been any modification of the scheme by the hon. Food Minister, and has it been considered?

Shri S. N. Mishra: No, Sir. That is the scheme which has been accepted by the Council.

Shri Tangamani: May I know if the target of the production of steel for the Third Plan is 9 million tons, and if so, whether there is any proposal.

Mr. Speaker: Steel? This relates to food.

Shri Tangamani: So many things. There is co-operation. Earlier it deals with the industrial side. I am only confining myself to industry. This is the third question I am putting.

Mr. Speaker: I would request hon. Members to consider this matter. A general question is put in clauses (a) and (b), and a specific question is put in (c). It means that the general questions relate only to the specific question. Otherwise, we have to go endlessly into all the recommendations made by the National Development Council. That is how I understand it. Otherwise, I will hereafter disallow general questions, but allow only the specific questions relating to them. We cannot expect the House to go into this matter which requires a whole day for discussion.

Shri Braj Raj Singh: We have got enough time.

Shri Tangamani: I will put a specific question on steel.

Mr. Speaker: No, no. I am not going to allow.

Shri Tangamani: A question on State trading.

Mr. Speaker: State trading in food.

Shri Tangamani: May I know

whether the Government have fixed any time-limit for arriving at a decision about the zonal system, particularly in the southern States, and the question of mutual despatch of rice in the southern area?

Mr. Speaker: I remember the hon. Member put the same question to the hon. Minister some time back when it was under discussion.

Shri S. N. Mishra: No time limit has been fixed in this respect.

Shri P. G. Deb: May I know what decision has been taken on that score about the modified statement?

Mr. Speaker: He said the whole thing has been considered.

Shri S. N. Mishra: All the recommendations and conclusions are contained in the paper.

Shri Braj Raj Singh: One question, Sir.

Mr. Speaker: The hon. Member did not sponsor this question. I have allowed him some questions.

Retrenchment of Workers of Andhra Cement Company

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*1961. { Shri Tangamani:
 Shri S. M. Banerjee:

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

(a) whether it is a fact that 334 employees of the Andhra Cement Company, Vijayawada have been retrenched without any due notice;

(b) if so, whether this matter has been brought to the notice of the Government; and

(c) the steps taken by Government in the matter?

The Deputy Minister of Labour (Shri Abid Ali): (a) and (b). In case of Nadikude mines 165 workers have been retrenched. The notice of retrenchment had been sent to the authorities concerned by the management. Industrial relations regarding

workers in the factory being within State sphere, information about their retrenchment is not available.

(c) The Conciliation Officer (C), Vishkapatnam is attending to the matter relating to the mine workers.

Shri Tangamani: May I know whether the retrenchment of these workers took place without following the usual procedure under the Industrial Disputes Act?

Shri Abid Ali: From the preliminary report received it appears that notice was given but the list was not put on the notice board mentioning the seniority which is required according to law. Subsequently it was put on the notice board, that is on the day the retrenchment took place actually.

Shri Tangamani: May I know whether Government is aware of the fact that the State Chief Minister intervened and the 27 day old strike was withdrawn on the 16th, and the matter has been referred for adjudication; if so, what are the terms of reference of that adjudication?

Shri Abid Ali: I take the information from the hon. Member.

Shri Thirumala Rao: May I know the reasons given by the management and proprietors for effecting this retrenchment?

Shri Abid Ali: Reduction in production, Sir.

Shri Thirumala Rao: His reply is very cryptic, I cannot understand.

Mr. Speaker: Reduction in production.

Shri Thirumala Rao: Why, was there a glut, too much remaining in their hands to be released? Is the company sustaining loss? These things Government must know, and the public is entitled to know.

Shri Abid Ali: The reason given by them was that production had gone down by about 50 per cent because of lack of demand.

Mr. Speaker: They have reduced production. It is not that production went down.

Shri Abid Ali: Because there was no demand, they reduced production.

Shri Tangamani: May I know whether one of the reasons given by the management was that there was surplus, and whether Government has considered whether there is any justification for the reasons given by the management in view of the fact that already 18 lakh tons are required for the south when only 13 lakh tons are produced there?

Shri Abid Ali: The Commerce and Industry Ministry will be able to give a reply to this question.

Shri Thirumala Rao: Since this is a matter of the larger policy of the Government as a whole, we want to know what steps Government is taking to avoid such conflict between the management or proprietors and labour, when there is a large volume of glut in the market. What is the policy of the Government with regard to this?

Shri Abid Ali: So far as the Labour Ministry is concerned, the requirements of the Act have to be met in case of retrenchment. Now there is retrenchment. If it is justified, the workers should get compensation which is due to them according to law. That is our concern.

Shri Warier: The hon. Deputy Minister was pleased to say that there was no demand for this material, that is why retrenchment was made, and now he says that the Commerce and Industry Ministry can reply.

Mr. Speaker: The hon. Member is arguing.

Shri Warier: When there is demand and production is not up to that demand, there is no question of surplus hands in the factory.

Mr. Speaker: Order, order. Next question.

Shri Tangasani: One more question.

Mr. Speaker: I will not allow. This is a matter to be found out. I will allow half an hour to find out whether really there is no demand, whether there is some retrenchment. Let them go into this matter. I cannot spend away the whole of the Question Hour for this purpose.

Rephrasing of the Second Five Year Plan

*1962. **Shri Ram Krishan Gupta:** Will the Minister of Planning be pleased to refer to the reply given to Starred Question No. 332 on the 29th November, 1958 and state:

(a) at what stage is the final rephrasing of the Second Five Year Plan; and

(b) whether the details have since been completed?

The Deputy Minister of Planning (Shri S. N. Mishra): (a) and (b). The Plan for 1959-60 has been drawn up on the basis of a total outlay of Rs. 4500 crores over the five-year period. Similar action will be taken in respect of the Plan for 1960-61. A Memorandum on Plan outlay and Resources will be made available shortly.

Shri Ram Krishan Gupta: May I know whether any additional provision has been made for the production of foodgrains in the rephased programme?

Shri S. N. Mishra: We have given the information in two documents. One is *Appraisal and Prospects of the Second Five Year Plan*, and the other is *Reappraisal*. So far as this aspect of the question is concerned, you would remember, Sir, that we have made an additional provision of Rs. 26 crores for minor irrigation. That is one item, which I remember just now.

सेठ गोविन्द दास : भरी मंत्री जी ने यह कहा कि माइनर इरिगेशन के लिये कुछ और रुपया दिया गया है। क्या मंत्री जी को यह बात स्मरण है कि श्री प्रवीण प्रसाद

जीन ने वहाँ पर अपने विभाग के कर्ष के अनुदाओं का उत्तर देते हुए कहा था कि एपीकल्चर, खेती को बे तीसरे प्लान में सर्वोपरि विषय बनाने वाले हैं, ऐसी स्थिति में जो क्षेत्र समय बचा है उसमें इन छोटी विचारों की योजनाओं के अतिरिक्त सार और दूसरी चीजों के लिए भी क्या यह विचार किया जा रहा है कि बचे हुए समय में भी खेती को प्रधानता दी जाय ?

श्री स्व० नं० मिश्र : जी हाँ, हम लोग इससे बिल्कुल सहमत हैं कि कृषि उत्पादन के जो कार्यक्रम हैं उनमें किसी तरह की कोई कमी न होने पावे और अगर किसी तरह की कोई कमी अनरेबल मेम्बरों को दिखाई पड़े जिससे कि उत्पादन में बाधा पड़ती हो तो उस पर गौर किया जायगा।

Shri Panigrahi: May I know whether it is a fact that after the final rephrasing of the Plan to Rs. 4500 crores, now it is expected that only Rs. 4200 crores can be spent, not Rs. 4500 crores?

Shri S. N. Mishra: I do not quite know wherefrom the figure of Rs. 4200 crores has come. We are working on the basis of Rs. 4500 crores.

Shri T. B. Vittal Rao: The hon. Minister has referred to appraisal of the Plan and reappraisal of the Plan. But certain projects which were given up are subsequently taken up. In view of that, may I know when the final reappraisal of the Plan will take place?

Shri S. N. Mishra: The hon. Member would appreciate that unless we are able to formulate the final year plan, that is, the annual plan for 1960-61, the complete details of that rephrasing may not be available. But even so we are trying our best to give as much facts regarding rephrasing as possible in the document which we are soon going to place on the Table of the House.

Manufacture of Photographic Materials and 35mm Film Strip Projectors

*1962. { Shri Pangarkar:
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Shri D. C. Sharma:

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Unstarred Question No. 175 on the 20th November, 1958 and state the further progress made with regard to the manufacture of photographic materials and 35mm film strip projectors in the country?

The Minister of Industry (Shri Manubhai Shah): A statement is laid on the Table of the House.

Statement

(a) Proposal by the National Industrial Development Corporation for the manufacture of cinematographic and X-Ray Films.

Since starred question No. 821 was answered in Lok Sabha on the 3rd March 1959, we have recently received revised proposals from the Trade Representation of the German Democratic Republic in regard to the proposed plant for the manufacture of cinematographic and X-ray films. According to these proposals, besides certain aspects still requiring further consideration, the project report will not commence till the end of 1961 and delivery of equipment will begin only in 1964, thereby involving postponement of the project for a much longer period. Government of India have, therefore, decided to explore also the possibilities of technical collaboration from other established manufacturers elsewhere.

(b) Proposal by an Indian firm to produce Box Cameras and 35mm strip projectors in collaboration with a West German firm.

The firm will be shortly going into production of box cameras. In the light of experience gained, manufac-

ture of 35mm film strip projectors will be taken up by them later.

Shri Joachim Alva: Government have spent quite a long time in receiving the proposals. Now they have said the project is postponed. I want to know whether Government's proposal is to put this project in the public sector or some private hands will butt m?

Shri Manubhai Shah: This is to be put in the public sector in the same place, but, as I had occasion to explain, the East German Government are engaged in their Third Plan and other commitments and they are not in a position to give a higher priority than the delivery mentioned in the statement. Therefore, we have decided to explore other avenues also.

Shri Joachim Alva: It is well known that East Germany produces both optical and X-ray equipment of high quality. Their delegation was here with quite a large number of members among whom were economic representatives. Was this proposal expedited with them or was their assistance sought in this connection?

Mr. Speaker: This is not about optical glass. It relates to photographic materials. It does not arise out of this question.

Shri Joachim Alva: I mentioned X-ray equipment and optical equipment, both.

Shri Manubhai Shah: As far as optical equipments are concerned, as the House is aware, we are putting up an optical glass and ophthalmic plant in Durgapur with Soviet collaboration. So really that project will take care of the entire requirements of the country of optical glass. As far as other equipments are concerned, I have already mentioned about them in the statement, because the particular question relates to photographic films and 35mm strip projectors. There are already four companies manufacturing some of the projectors, and one more is coming up.

Model Gramdan Act

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*1996. { Shri Ram Krishan Gupta:
Shri D. C. Sharma:

Will the Minister of Planning be pleased to refer to the reply given to Starred Question No. 262 on the 27th November, 1958 and state:

(a) whether a Model Gramdan Act has since been prepared; and

(b) if so, the main features thereof?

The Deputy Minister of Planning (Shri S. N. Mishra): (a) and (b). The draft Gramdan Bill prepared by the All India Serve Seva Sangh has been considered and revised by the Working Group set up in the Planning Commission in consultation with the All India Serve Seva Sangh. The draft is being finalised in consultation with the Ministry of Law. The object of the Bill is to facilitate donation and management of Gramdan lands and to promote self-government in Gramdan villages.

Shri Ram Krishan Gupta: May I know whether the view of Acharya Vinoba Bhave has been ascertained in this matter?

Shri S. N. Mishra: The Serve Seva Sangh forwarded this Bill to us. We expect that the Sangh must have got the opinion of Acharya Vinoba Bhave on it.

सेठ गोविन्द दास : यह जो विधेयक ग्रामदान के सम्बन्ध में बनाया जा रहा है यह केन्द्रीय कानून होगा या प्रान्तों का कानून होगा, और अगैर केन्द्रीय कानून न होकर राज्य का कानून होने वाला है, तो क्या केन्द्रीय सरकार हर राज्य को इस सम्बन्ध में लिख रही है कि हर राज्य में इसी तरह का कानून बनाया जाये ?

श्री इया० नं० निधु : यह माडल कानून तैयार किया जा रहा है। जाहिर है कि बहुत सी जगहों में जहां विभिन्न परिस्थितियां होतीं तो उनके अनुसार राज्य सरकारें उसमें

परिवर्तन कर सकेंगी। लेकिन जहां तक ग्रामदान के एक स्वरूप का सवाल है मैं समझता हूं कि उनमें ज्यादा परिवर्तनों की आवश्यकता नहीं होगी।

श्री जगत बर्बन : क्या मंत्री जी बताना सकेंगे कि बेरी से बेरी कब तक यह तैयार हो जायेगा और राज्य सरकारों को भेजा जा सकेगा ?

श्री इया० नं० निधु : यह बहुत शीघ्र तैयार हो जायेगा। कोई निश्चित मियाद मैं अभी बता सकूं यह तो जरा मुश्किल है।

श्री पहाड़िया : क्या मैं जान सकता हूं कि इस एक्ट में कोई ऐसी व्यवस्था की जायेगी कि जिससे ग्रामदान में प्राप्त जमीन पर सहकारी तरीके से खेती हो सके ?

श्री इया० नं० निधु : जी हां। मैं समझता हूं कि ग्रामदान की भूमि सहकारी खेती के लिए बड़ी उपयुक्त भूमि होगी, लेकिन इस बिल में इसके बारे में भी विचार किया जा रहा है कि व्यक्तिगत रूप से भी लोगों को जमीन दी जाये या नहीं दी जाये। शायद बिल के प्रणेतार्थों का यह लयाल है कि इस पर कोई प्रतिबन्ध नहीं होना चाहिए। अगर वह चाहे कि व्यक्तिगत रूप से भी खेती के लिए जमीन ले तो उनको जमीन दी जाये, लेकिन सहकारी खेती की व्यवस्था तो इसमें होगी ही।

सेठ गोविन्द दास : यह जो माडल बिल बन रहा है वह क्या लोक सभा और राज्य सभा में पास होगा या वह केवल नमूने के सदन राज्यों में भेजा जायेगा क्योंकि अभी मंत्री जी ने कहा कि राज्य सरकारें परिस्थिति के अनुसार इसमें परिवर्तन कर सकती हैं। तो मैं जानना चाहता हूं कि यह बिल यहां पास होगा या प्रत्येक प्रत्येक राज्यों में पास होगा।

श्री इया० नं० निधु : जहां तक भूमि का सवाल है बेरी राय में तो यह राज्यों का क्षेत्र है। इसलिये वहां हन भूमि के सम्बन्ध में

कोई कानून पास करें यह बात मेरे जहन में नहीं आती। पर यह कानूनी बात है। मैं इसके बारे में दरिवापत करूंगा।

Shri Panigrahi: May I know whether any of the State Governments have enacted by now any Gramdan Act? If so, what are the names of such States, and whether the enactment of a model Gramdan Act here will not defeat the very purpose of Gramdan?

श्री स्वा० न० बिष : मेरी जानकारी में भामवान ऐक्ट के लिए कोई ऐसी बात नहीं आती है लेकिन मैं इसके लिए इन्वयरी करूंगा।

SHORT NOTICE QUESTION

Northern India Amrit Bazar Patrika

S.N.Q. No. 23, Shri Ansar Harvani: Will the Minister of Information and Broadcasting be pleased to state:

(a) whether government are aware that an un-authorized publication known as 'Northern India Amrit Bazar Patrika' has started publication from Allahabad without the proper permission from the Registrar of Newspapers (under Government of India); and

(b) if so, the action proposed?

The Minister of Information and Broadcasting (Dr. Keskar): (a) and (b). On January 15, 1959, a paper called 'Northern India Amrit Bazar Patrika' started publication. The company owning this paper had applied to the District Magistrate, Allahabad for filing a declaration. But the publication was commenced without waiting for authentication of the declaration by the Magistrate, which is necessary according to the provisions of the Press and Registration of Books Act. The printer, publisher and editor were asked by the District Magistrate to show cause why action should not be taken against them for publishing the paper without conforming to the provisions of the Act. The paper 'Northern India Amrit Bazar Patrika' suspended publication on the 23rd January. It, however, resumed publication, again without getting the

necessary approval from the District Magistrate, on the 31st March.

The Registrar of Newspapers had, after careful consideration, advised the necessary authorities in Allahabad that the title 'Northern India Amrit Bazar Patrika' was similar to the 'Amrit Bazar Patrika' published from Calcutta and, therefore, its acceptance would contravene the proviso to Section 6 of the relevant Act. It is understood from information received from Allahabad now that the 'Northern India Amrit Bazar Patrika', which was being published without authentication, ceased publication on the 10th April.

According to the Press and Registration of Books Act, the duty of the Registrar is to advise the relevant authority, which is the District Magistrate, in this case as to whether a particular title is similar to one used by another and, therefore, should be allowed or not. Action has to be taken by the District authorities and not by the Registrar. It is understood that in this case, the District authorities, under the guidance of the State Government, are prosecuting the printer, publisher and editor of the paper, which started on January 15, and continued publication with one interruption, till the 10th of April. As far as the Government of India is concerned, relevant action was taken in consultation with the Department of Posts and Telegraphs and the Railways.

Shri Ansar Harvani: Does the Government propose to create an apparatus through which the Registrar of Newspapers would be fully competent and his advice would always be accepted by the District authorities so that the defaulting papers do not come out in this way?

Dr. Keskar: As the Act at present is, the Registrar has no authority to take any action. He can only advise the district authorities who are the ultimate persons to take action. It is possible that they do not accept the advice. This lacuna in the Act is being examined and it is possible that Government may introduce an

Dr. Keskar: I am not able to say anything definite about that. But I might inform the House that if the paper had continued it would not have been able to get an allotment of newsprint from the Ministry of Commerce and Industry unless it had been authenticated and approved.

Shri Braj Raj Singh: May I know whether it is a fact that the newsprint utilised for this edition of the Northern India 'Amrita Bazar Patrika' was the same that was meant for the 'Amrita Patrika', Allahabad, and the same premises were used and the printed, publisher and editor were also the same as those of the 'Amrita Patrika', Allahabad?

Mr. Speaker: The Minister has already answered so far as the printer is concerned.

Dr. Keskar: I do not know exactly who were the publisher and the editor. I will have to make enquiries before I can answer.

श्री भक्त वरदान : माननीय मंत्री जी ने अपने उत्तर में इस सम्बन्धी कानून की कुछ धाराओं का तो उल्लेख किया है, लेकिन वह स्पष्ट नहीं बताया कि उन मानिकों को क्या दण्ड दिया गया है और क्या प्रागे के लिये कोई चेतावनी दी गई है या कलकत्ते के एडीसन के प्रति कोई कार्यवाही की जा रही है ?

डा० केशकर : कार्यवाही करना पूरे तौर पर स्टेट गवर्नमेंट के हाथ में है और हमको यह इन्फॉर्मेशन मिली है कि वह इस बारे में कार्यवाही कर रही है। सेंट्रल गवर्नमेंट इस सम्बन्ध में सीधी कार्यवाही नहीं कर सकती।

श्री भक्त वरदान : क्या कार्यवाही की है, राज्य सरकारों ने इस सम्बन्ध में क्या सूचना दी है ?

डा० केशकर : उन का प्रासीक्यूशन हो रहा है।

Shri Achar: May I know whether Government has decided as to who should be the prosecuting authority—whether it is the local District Magistrate or the Registrar of Newspapers?

Dr. Keskar: It is the District Magistrate alone who can take action.

श्री रघुनाथ सिंह : "नारदन प्रभुत बाजार पत्रिका" का जो नया एडीसन निकला था, उसमें सरकारी एडवर्टिजमेंट भी छापे गए थे, क्या उनका बिल सरकार देगी ?

डा० केशकर : जहा तक मामूम है, इन मिनिस्ट्री से कोई एडवर्टिजमेंट उसको नहीं दिया गया।

WRITTEN ANSWERS TO QUESTIONS

Transfer of Evacuee Deposits in Criminal Courts

*1825. **Shri D. C. Sharma:** Will the Minister of Rehabilitation and Minority Affairs be pleased to refer to the reply given to Unstarred Question No. 159 on the 20th November, 1958 and state the further progress made in regard to the transfer of evacuee deposits in Criminal Courts between India and Pakistan?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): Since the last question on this subject was answered, there has been no further progress.

Gas Producing Plant, Sindri

*1826. { **Shri Aurobindo Ghosal:**
Shri Prabhat Kar:

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

(a) whether it is a fact that the new gas producing plant at 'Sindri' is only giving 50 per cent production of the stipulated capacity; and

(b) if so, what are the reasons therefor?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): (a) and (b). A statement is laid on the Table of the House.

STATEMENT

The gas producing plant recently installed at Sindri is still under commissioning. During the commissioning period, when the plant is being operated by the Contractors, the production is only 40 to 50 per cent of the designed capacity. The Sindri Management are not in a position to account for the low production as the plant has not yet been taken over by them or operated under their supervision.

It is the responsibility of the Contractors to demonstrate during test runs that the plant can produce gas to the designed capacity and the plant will be taken over only after such demonstration. The Contractors are at present making the required adjustments and modifications in the plant to step up the production.

Middle Income Group Housing Scheme

*1896. Shri Sanganna: Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether the Government of Orissa have applied for any financial assistance under the Middle Income Group Housing Scheme; and

(b) if so, with what results?

The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda): (a) and (b). Yes, the Government of Orissa applied for financial assistance to the extent of Rs. 10 lakhs under the Middle Income Group Housing Scheme, for the year 1958-59. The amount has already been advanced to them by the Life Insurance Corporation. The requirements of the State Government for 1959-60 are awaited.

Handloom Manufacturers

1896. { Shri V. P. Nayar:
Shri A. K. Gopalan:
Shri Punness:

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

(a) whether the attention of the Government of India has been drawn to the fact that the Handloom Manufacturers and especially those manufacturing exportable articles experience difficulties in getting adequate supplies of standard quality dyes and chemicals; and

(b) if so, the action taken thereon?

The Minister of Commerce (Shri Kanungo): (a) Yes, Sir.

(b) The quota for the import of coal tar dyes from soft currency areas has been increased from 12½ per cent to 20 per cent. The quota for the import of Hydrosulphite has been enhanced to 40 per cent from 33 per cent. In addition, the exporters in the co-operative sector of the Handloom Industry are allowed to import dyes to the extent of 10 per cent of the F.O.B. value of their exports.

सांभर नमक

*१८९६. श्री सुशबन्त राव : क्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह नमक है कि सांभर से जो नमक राज्यों में जिलो के एजेंटों को भेजा जाता है, उसका मूल्य नियन्त्रित होता है ;

(ख) क्या यह भी सच है कि सांभर के व्यापारियों द्वारा जो नमक सीमा जिलों में भेजा जाता है, इस पर कोई मूल्य नियंत्रण नहीं होता; और

(ग) यदि हाँ, तो इसके क्या कारण हैं और इस अन्तर को मिटाने के लिये क्या कार्यवाही की जा रही है ?

उत्तम बंधी (जी मनुबाई बाहू) :
(क) से (ग) एक विवरण समा की मेज पर
रखा जाता है ।

विवरण

सामर नमक जिला एजेण्टों और सामर
श्रील के व्यापारियों दोनों को १० आना प्रति
मन के भाव पर दिया जाता है जिसमें उपकर
और दुलाई का अर्ध शामिल नहीं है । यह
भाव कारखाने से माल चलते समय का है ।
राज्यों के अन्तर नमक के सुदरा मूल्यों पर
राज्य सरकारें चाहें तो नियंत्रण कर सकती
हैं लेकिन नमक की वर्तमान उपलब्धि स्थिति
अच्छी होने के कारण, अधिकांश राज्यों में
मूल्य का कड़ाई से कोई नियंत्रण नहीं किया
जाता । बहुसंख्यक व्यापारी (जिनमें सामर
और जिलों—दोनों के व्यापारी आते हैं)
नमक की बिक्री में जी प्रतिस्पर्धा करते हैं,
उनका नमक के भावों पर अक्ष्ण्डा असर पड़ता
है, जिससे वह उपभोक्ताओं को उचित मूल्य
पर मिल जाता है ।

Mineral Sands

*1904. { Shri V. P. Nayar:
Shri A. K. Gopalan:
Shri Punnesse:

Will the Prime Minister be pleased
to state:

(a) whether surveys made recently
by the State Geologist of Kerala and
Geologist of the A.E.C. in the Kovalam
region near Trivandrum have estab-
lished the occurrence of large quanti-
ties of mineral sands with over 60 per
cent of ilmenite; and

(b) whether Government of India
have been requested by the State
Government to set up a pilot plant in
the region?

The Parliamentary Secretary to the
Minister of External Affairs (Shri
Sadath Ali Khan): (a) Preliminary
surveys made by the Director of Geo-
logy, Government of Kerala and the

Atomic Minerals Division of the Gov-
ernment of India, showed that the
mineral sand deposits on Kovalam
beach contained ilmenite varying from
12 per cent to 60 per cent.

(b) The Director of Geology, Gov-
ernment of Kerala recommended to
the Government of Kerala that a pilot
plant may be set up for the com-
mercial exploitation of these deposits.
The Government of Kerala have refer-
red this proposal to the Government
of India for advice. The proposal is
being examined and it is observed that
detailed field survey and laboratory
tests are required to be carried out
before deciding whether the deposits
are suitable for commercial exploita-
tion.

Uranium from Sea Water

*1906. Shri D. C. Sharma: Will the
Prime Minister be pleased to refer to
the reply given to Unstarred Question
No. 2817 on the 25th September, 1958
and state the efforts made in India
for extraction of Uranium from Sea
water according to the method devel-
oped by the Soviet Union?

The Parliamentary Secretary to the
Minister of External Affairs (Shri
Sadath Ali Khan): No work has been
started in this line as calculations
show that there are more economic
ways of extracting uranium from
known uranium-bearing ores in India.

Stock of Handloom Goods

3191. { Shri Ram Krishna Gupta:
Shri Daljit Singh:

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

(a) the present stock of unsold
handloom goods in the private sector
and in the co-operative sector in
Punjab; and

(b) the steps proposed to be taken
to dispose of this unsold stock of
handloom goods in the State?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):
(a) At the end of January, 1968, the unsold stocks of handloom cloth with 182 cooperative societies amounted to 1.33 lakhs yards valued at Rs. 1.40 lakhs. The sales depots of the Apex Society had 3,61,415 yards of unsold stock valued at Rs. 4,23,678. Information relating to the sector outside the cooperative fold is not available.

(b) No accumulation of stocks in the State has been reported and no special steps are being taken to clear off stocks.

Handloom Industry

3192. Shri Ram Krishan Gupta:
Will the Minister of Commerce and Industry be pleased to state:

(a) the total quantity and value of yarn consumed by the handloom industry in 1958 (State-wise); and

(b) the estimated value of products of the handloom industry in India during the above period, (State-wise)?

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

(a) The total yarn consumed by the handloom industry in 1958 is estimated at 10,04,835 bales, valued at Rs. 91.42 crores. State-wise information is not available.

(b) Rs. 159.9 crores (estimated). State-wise information is not available.

Fountain Pens

3193. Shri Ram Krishan Gupta:
Will the Minister of Commerce and Industry be pleased to state:

(a) the total number of Fountain-pens manufactured in India during the year 1958;

(b) the names of the manufacturing companies; and

(c) the quantity and types of Fountain-pens produced by them during 1958, (company-wise)?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):
(a) to (c). A statement is laid on the Table.

Statement

(a) About 10.7 million fountain pens were manufactured in the organised sector in 1958. Precise information in regard to units in the small scale sector is not available.

(b) and (c). The names of firms manufacturing fountain pens in the Large and Small Scale Sector are given in a statement laid on the Table. [See Appendix VI, annexure No. 117]. Information regarding the types of fountain pens produced by the large scale units has been given in the statement laid on the Table. Information in respect of small scale units is not available. Company-wise production figures of different industrial units are not generally divulged. If however the Hon'ble member is interested to have the information regarding any particular unit, Government will be pleased to furnish the same.

Industrial Panels

3194. Shri Ram Krishan Gupta:
Will the Minister of Commerce and Industry be pleased to state the names of Industries for which Industrial panels will be set up during 1959-60 and the remaining period of Second Five Year Plan?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri):
Panels are set up as and when required, to make a study of certain specific problems in an industry or industries. It is therefore not possible at present to indicate the names of industries for which such panels are likely to be constituted during 1959-60 and during the remaining period of the Second Five Year Plan.

Heavy Industries

3195. Shri Ram Krishna Gupta: Will the Minister of Commerce and Industry be pleased to state.

(a) the details of heavy industries set up by his Ministry in Public Sector with foreign collaboration (country-wise) since April, 1956;

(b) the respective capital investments of the Government of India and foreign countries (industry-wise); and

(c) the terms and conditions of foreign collaboration in each case?

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

(a) to (c) Copies of all the agreements so far entered into by the Government of India in the Ministry of Commerce and Industry and also copies of agreements entered into by the public sector companies under this Ministry with the foreign countries and foreign manufacturers have been made available to the library of the House. However, if the Hon. Member is interested in any particular agreement or the details thereof, Government will be glad to furnish the same.

Foreign and Indian Investments in Indian Jute Industry

3196 Shri Ram Krishna Gupta: Will the Minister of Commerce and Industry be pleased to state:

(a) the amount of foreign investment in the Indian Jute Industry;

(b) the extent of Indian capital invested in the Industry at present; and

(c) the steps taken to increase the Indian capital investment in the above Industry?

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

(a) Foreign investment in the Jute Industry (manufacturing) as at the end of 1955 amounted to Rs. 12.40 crores, of which Rs. 8.87 crores were in the branches of foreign companies

and Rs. 3.52 crores in Indian Joint Stock Companies.

(b) On a very rough estimate, the Indian paid-up-capital of Jute Industry is about Rs. 28.5 crores.

(c) No special steps have been taken to increase the Indian capital investment in the Jute Industry.

Tests for Petroleum Products

3197. Shri Ram Krishna Gupta: Will the Minister of Commerce and Industry be pleased to state:

(a) whether the drafts on methods of test for petroleum and its products have been finalised and recommended for adoption by the Indian Standards Institution; and

(b) if so, whether these have been adopted?

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

(a) and (b) The Sectional Committee of the Indian Standards Institution have examined the draft in the light of comments received, and have recommended the drafts with suitable amendments for adoption. The drafts are now being further processed by the Indian Standards Institution Directorate and will be published for adoption after about four months.

Handloom Cess Fund

3198. Shri Pangarkar: Will the Minister of Commerce and Industry be pleased to state.

(a) the amount of handloom cess collected from the Textile Mills during 1958-59, and

(b) the manner in which it has been utilized?

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

(a) The amount of additional excise duty on mill made cloth collected in 1958-59 (upto January, 1959) was Rs. 5,60,88,000.

(b) The net collection of additional excise duty is transferred to the Fund for the Development of Handloom and

Khadi Industries. This Fund is utilised for the development of hand-loom and khadi industries. The expenditure incurred out of this Fund during 1958-59 is estimated as below:

Traditional Khadi:

Grants to the Khadi & Village Industries Commission: Rs. 812.50 lakhs.

Loans to the Khadi & Village Industries Commission: Rs. 287.50 lakhs.

Handloom Industry:

Grants to States: Rs. 355.10 lakhs.

Grants to Others: Rs. 23.79 lakhs.

Loans to States: Rs. 133.98 lakhs.

Miscellaneous loans: Rs. 20.75 lakhs.

Central Expenditure: Rs. 34.41 lakhs.

Rolling Mills in Bombay

2199. Shri Pangarkar: Will the Minister of Commerce and Industry be pleased to state:

(a) the number of rolling mills in Bombay at present; and

(b) the total yearly off-take of non-ferrous metals by these rolling mills?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) and (b). Information regarding the units looked after by the Development Wing of the Ministry of Commerce and Industry is contained in the statement laid on the Table. [See Appendix VI, annexure No. 118.]

Information regarding the other units is being collected and will be placed on the Table of the House.

Small Scale Industries in Bombay

2200. Shri Pangarkar: Will the Minister of Commerce and Industry be pleased to state the number and nature of small scale industries to be established in the under-developed and backward areas like Marathwada and Konkan regions of Bombay State in

order to help create employment during 1959-60?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): Information has been requested from the Bombay Government.

Cement Quota for Bombay State

2201. Shri Pangarkar: Will the Minister of Commerce and Industry be pleased to state the quotas of cement proposed to be allotted to Bombay State during 1959-60?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): Allocations of cement are made on a quarterly basis on receipt of estimated demands in respect of each quarter. A monthly quota of 60,000 tons has been allotted to Bombay for the quarter April-May-June, 1959 against demands received for the same quantity. For the subsequent quarters of 1959-60 allotments will be determined as further demands are received.

Competent Officers

2202. Shri M. C. Jain: Will the Minister of Rehabilitation and Minority Affairs be pleased to lay a statement showing:

(a) the number of properties entrusted with Competent Officers under section 6 of the Evacuee Interests (Separation) Act, 1951 as on the 31st March, 1958 and on the 31st October, 1958;

(i) by the Custodian of Evacuee Property; and

(ii) by non-evacuees;

(b) the number of claims received by Competent Officers so far;

(c) the number of properties in which adjudication orders have been made so far;

(d) the number of properties in which final separation has been made under section 10 of the Act;

(e) the number of properties which have been vested in the Custodian of Evacuee Property under sections 9(2) and 11 of the Act; and

(f) the number of properties in which notices under section 6 of the Act have been served on all non-occupies, co-sharers, mortgagors and mortgages in Form C?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna):

- (a) (i) on 31st March, '58.
2,82,679.
(ii) 13,837.
(i) As on 31st October, '58.
2,86,395.
(ii) 14,800

Information in regard to parts (b) to (f) is available upto 31st October, 1958 and is as below:—

(b) Claims in respect of 1,68,347 properties were received.

(c) 1,62,273.

(d) 1,39,821

(e) 94,652 under section 11, information under section 9(2) is not available.

(f) 2,99,372.

The rest of information is not available and the time and labour involved in collecting it will not be commensurate with the result likely to be achieved.

Off-take of Cloth in Uttar Pradesh

3263. Shri Sarju Pandey: Will the Minister of Commerce and Industry be pleased to state the total off-take of cloth from the textile mills in Uttar Pradesh during 1958 (mill-wise)?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): The total off-take of cloth for civil consumption and exports from the textile mills in Uttar Pradesh during 1958 is 38,22,26,000 yards (254,817 bales). Figures relating to mill-wise off-take of cloth are being collected and will be placed on the Table of the House as soon as possible.

Registered Companies in Mysore

3264. Shri Siddiah: Will the Minister of Commerce and Industry be pleased to state:

- (a) the number of companies registered during 1958-59 in Mysore State;
(b) the authorised and paid-up capital of each of these companies;
(c) the names of companies which went into liquidation during the same period in Mysore State; and
(d) the reasons for the same?

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

(a) to (d). During the first ten months of 1958-59, 21 companies have been registered in the State of Mysore and their total authorised and paid-up capitals (as reported to have been raised upto the end of January, 1959) are Rs. 3.61 lakhs and Rs. 6 lakhs respectively. The number of companies so far reported to have gone into liquidation during the same period is 27, of which 22 are by members' voluntary liquidation, 4 creditors' voluntary liquidation and 1 liquidated under courts' order.

(Figures are provisional)

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. are regularly published in the Monthly Blue Books on Joint Stock Companies in India, copies of which are available in the Parliament Library.

Manufacture of Acetic Acid

3265. Shri Krishna Chandra: Will the Minister of Commerce and Industry be pleased to lay a statement on the Table showing the following particulars

about the licences granted so far under the Industries (Development and Regulation) Act 1951 for the manufacture of Acetic Acid:

(a) the names and addresses of the parties licensed;

(b) the location of each unit licensed;

(c) the capacity licensed in each case; and

(d) the names of the units which have since gone into production and the quantity produced by them so far?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) to (d). A statement is laid on the Table of the Lok Sabha [See Appendix VI, annexure No. 119.]

Family Budget Survey

3296. { Shri S. C. Samanta:
Shri Subedh Hanada:

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

(a) whether any foreign trainees are associated with the National Sample Survey in connection with the All India Working Class Family Budget Survey; and

(b) whether any State or Institution have sent their trainees also to be associated with the survey?

The Deputy Minister of Labour (Shri Abid Ali): (a) No.

(b) The State Governments of West Bengal, U.P. and Rajasthan had desired to be associated with the Survey by deputing their staff for field work being organised by the National Sample Survey. The Governments of Rajasthan and Bombay have deputed some staff. Workers from U.P. are likely to join shortly.

Outer Space

3297. { Shri Ram Krishan Gupta:
Shri D. C. Sharma.

Will the Prime Minister be pleased to refer to the reply given to Star-

red Question No. 23 on the 17th November, 1956 and state:

(a) nature of decision taken by U.N. Assembly in its last session on the question of sovereignty in outer space; and

(b) the reaction of the Government of India thereto?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) The 13th Session of the General Assembly established an ad hoc Committee to study the problem further. A copy of the Assembly's resolution is placed on the Table of the House. [See Appendix VI, annexure No. 120.]

(b) The Committee has not yet met. India abstained on the resolution.

Miss Anita Bose's Visit to India

3298. Shri Ram Krishan Gupta: Will the Prime Minister be pleased to refer to the reply given to Unstarred Question No. 2184 on the 19th December, 1958 and state:

(a) places in India for which Miss Anita Bose has expressed a wish to visit;

(b) when is she coming on a visit to this country;

(c) whether any programme of her visit has been chalked out; and

(d) if so, the details of the programme chalked out?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) to (d). There is no present proposal for Miss Anita Bose to come to India.

Construction of Cafeteria and Fountains in Delhi

3299. Shri Ram Krishan Gupta: Will the Minister of Works, Housing and Supply be pleased to refer to the reply given to Starred Question No. 1246 on the 19th December, 1958 and state the progress since made in the construction of fountains and

cafeteria along the road leading from Vijay Chowk to India Gate in New Delhi?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): Since December, 1958, lighting around the cascades and flood-lighting of the fountains and the water-falls has been provided. Colour changers are expected to be fixed on receipt by about the end of June this year. The cascades have been thrown open to the public and the cafeteria in one of them allotted to the Bal Sahyog.

Labour Conditions in Sericulture Industry

3210. Shri Ram Krishan Gupta: Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No. 1001 on the 16th December, 1958 and state:

(a) whether the report submitted by the Committee regarding the conditions of service of labour engaged in Sericulture has been considered and examined; and

(b) if so, the decision taken by the Government thereon?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) and (b). The Central Silk Board propose to address the Government about the Report after it has been considered by the General Body of the Board due to meet on the 27th April, 1959.

Hostels for unmarried Central Government Employees

3211. { Shri Ram Krishan Gupta:
Shri Bhakt Darshan:
Shri Ram Saran:

Will the Minister of Works, Housing and Supply be pleased to refer to the reply given to Starred Question No. 1245 on 10th December, 1958 and state at what stage is the scheme to build two Hostels in Delhi for Central

Government Employees who are unmarried?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): Plans and estimates are under preparation.

New Industrial Units in Punjab and Himachal Pradesh

{ Shri Ram Krishan Gupta:
3212. { Shri Ajit Singh Sarhadi:
Shri D. C. Sharma:
Sardar Iqbal Singh:

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

(a) the names of the new industrial units which are likely to be established in the Punjab and Himachal Pradesh during the remaining period of Second Five Year Plan; and

(b) the amount sanctioned for the same by the Central Government?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) and (b). A statement giving the information is laid on the Table. [See Appendix VI, annexure No. 121.]

Small Engineering Units

3213. Shri S. M. Banerjee: Will the Minister of Commerce and Industry be pleased to state:

(a) whether Small Engineering Units are facing extreme difficulty in running their industries because of drastic reduction in their steel quota;

(b) if so, the percentage of such reduction; and

(c) the steps taken to protect these units from closure?

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

(a) No, Sir. Steel allocation to States for Small Scale Industries has been increased from 42,750 tons in January—March, 1959 to 55,250 tons in April—June 1959.

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

Slum Clearance in Orissa

3214. { Shri Panigrahi:
Shri P. K. Das:

Will the Minister of Works, Housing and Supply be pleased to refer to Unstarred Question No. 225 on the 14th February, 1958 and state:

(a) the amounts drawn by the Orissa Government so far from the allocations made to the State under the Slum Clearance Scheme during the Second Five Year Plan period; and

(b) whether the slum clearance project for re-housing 30 families at Bhubaneswar has been completed by now?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): (a) Out of the Central allocation of Rs. 9 lakhs made to the Orissa Government for Slum clearance during the Second Plan period, a sum of Rs. 3.07 lakhs was disbursed to them upto 31-3-58.

(b) According to the State Government, all the 30 tenements have been completed; except for the work on the external sanitary lines.

Textile Mills

3215. Shri Ram Krishan Gupta: Will the Minister of Commerce and Industry be pleased to state:

(a) the amount of foreign exchange required for the implementation of Plan targets for the setting up of textile mills in India;

(b) how much of the above has so far been sanctioned; and

(c) the amount of foreign exchange for which applications are still pending?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) During the Second Plan, installation of only additional spindles for cotton spinning was envisaged. It has been estimated that such installation of spindles in new textile mills

would involve a foreign exchange expenditure of about Rs. 2,028 crores.

(b) and (c). Import of textile machinery for new cotton spinning mills approved so far involves foreign exchange expenditure of about Rs. 80 lakhs. Applications pending in respect of import of textile machinery for the same purpose would cover a foreign exchange expenditure of about Rs. 1,228 crores.

Ambar Charkha Programme

3216. { Shri Padam Dev:
Shri S. C. Samanta:
Shri Pangarkar:

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

(a) the total amount spent on the Ambar Charkha Programme during 1958-59;

(b) the total number of Ambar Charkhas manufactured and distributed during the above period;

(c) the quantity of yarn produced from these Charkhas and the quantity of cloth produced therefrom;

(d) the number of persons engaged on these Charkhas and the total wages paid to them for spinning the yarn during the same period; and

(e) the target of Ambar Charkha Scheme for the year 1959-60?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) to (e). A statement is laid on the Table of the House. [See Appendix VI, annexure No. 122.]

Lokmanya Tilak Memorial

3217. { Shri D. C. Sharma:
Shri Rajendra Singh:
Shri Bhakti Darshan:

Will the Prime Minister be pleased to state:

(a) whether Government have any knowledge about the progress made so far in erecting a memorial to

'Lokmanya Tilak' by the 'Lokmanya Tilak Birth Centenary Committee' in London; and

(b) the total assistance given by the Government of India for this purpose to the said Committee?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) Government have no knowledge of any progress in the erection of a Memorial to Lokmanya Tilak by the Lokmanya Tilak Birth Centenary Committee in London. A Lokmanya Tilak Memorial Trust was however formed in London on the 11th November, 1958.

(b) Government of India have not given any assistance for this purpose so far.

State Trading Corporation of India (Private) Ltd.

३२१८. Shri Pangarkar: Will the Minister of Commerce and Industry be pleased to state:

(a) the quota of Manganese and Iron ore sanctioned to the State Trading Corporation of India (Private) Limited for export during 1959-60; and

(b) the total gross profit earned by the State Trading Corporation on mineral trade in 1958-59?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) Iron Ore: with effect from 1st July, 1957 exports are canalised only through the State Trading Corporation.

Manganese Ore: The policy for 1959-60 (July-June) will be announced in due course.

(b) The Annual Report of the Corporation will be placed on the Table of the House in due course.

Central and State Government Publicity Vans

३२१९. Shri Hem Raj: Will the Minister of Information and Broadcasting

be pleased to refer to the reply given to Unstarred Question No. 882 on the 3rd December, 1958 and state:

(a) what procedure is adopted to avoid duplication of operation of the Central Government publicity and State publicity vans in the same places; and

(b) the expenditure incurred during the year 1958-59 on the Central Government publicity vans?

The Minister of Information and Broadcasting (Dr. Keskar): (a) Periodical Co-ordination meetings are held between the local officers of the Ministry of Information and Broadcasting and the State Government concerned, and co-ordinated itineraries and programme of work chalked out, in order to eliminate possible duplication of effort and expense. But the publicity work of the Central Government Organisation is not necessarily identical with the State Governments publicity where the emphasis is largely on their local or regional aspects.

(b) About Rs. 17.00 lakhs on the Field Publicity Mobile Units as well as the Supervisory Regional Offices, set up by this Ministry.

Increase in Registrations

३२२०. Shri D. C. Sharma: Will the Minister of Labour and Employment be pleased to state:

(a) whether the number of persons registered with the various Employment Exchanges in the country has increased during the first quarter of 1959 as compared to the corresponding period in 1958; and

(b) if so, to what extent?

The Deputy Minister of Labour (Shri Abid Ali): (a) Yes.

(b) By 58,693 during the first two months of 1959 as compared to the first two months of 1958. Figures for March, 1959 are not yet available.

Export of Ores

3221. Shri Panigrahi: Will the Minister of Commerce and Industry be pleased to state:

(a) what is the target of export fixed for traditional items of ores like iron, manganese, chrome, kynite, manganese dioxide and silliminite and non-traditional items of ores like bauxite, cerium, rare earths, magnetite iron ore, high phosphorus and low grade manganese ores respectively during the fourth and fifth years of the Second Five Year Plan; and

(b) the estimated value of each of these items?

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

(a) The attention of the hon. Member is invited to page 382 of the Second Five Year Plan wherein the export targets for iron and manganese ores to be achieved by 1960-61 have been fixed at 2.0 million tons and 1.5 million tons respectively. For other ores no export targets have been fixed. Efforts are made in each year to export maximum quantities possible.

(b) No estimated value can be given as the prices of ores fluctuate from time to time and vary from grade to grade.

Aid to Indonesia

3222. Shri Eaghunath Singh: Will the Prime Minister be pleased to state what aid has been given up till now by the Government of India or Indian sources to the flood victims of Indonesia?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): The Government of India donated Rs. 20,000 worth of textile goods in the form of ready-made garments etc., as their contribution to the relief work for the flood victims in Java, Indonesia. The Government of India are not aware of any other aid having been given from any other sources in India.

Conference of Chairmen of Development Councils

3223. Shri Siddanajappa: Will the Minister of Commerce and Industry be pleased to state:

(a) what are the decisions taken at the meeting of Chairmen of Development Councils held in December, 1958; and

(b) how many of the recommendations of the conference have been implemented?

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

(a) and (b). A statement is laid on the Table. [See Appendix VI, annexure No. 123.]

East Vinay Nagar Quarters

3224. Shri N. B. Munsamy: Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether the same amenities have been provided in 'E' type flats of C and D Blocks in East Vinay Nagar as provided in the flats of A and B blocks in the same locality; and

(b) if not, how long would it take to provide all the facilities?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): (a) The difference in amenities provided in the Quarters in Laxmibai Nagar (East Vinay Nagar) consists of the following:

Iron bars have been provided in the windows and ventilators in the ground floor flats in all the four Blocks. In the first floor flats, they have been provided only in Block 'A' and 56 flats of Block 'B'. Separate store rooms have not been provided in these flats unlike in those in Blocks 'C' and 'D' and in 168 (out of 224) flats in Block 'B'.

(b) Iron bars could not be provided at present in all the 1st floor flats for reasons of economy.

The provision of store-rooms in the flats, having none at present, is not feasible at this stage because of structural difficulty.

कीर्तिनगर कालोनी

३२२५. श्री नवल प्रजापति : क्या पुनर्वास तथा ध्वस्तसंरक्षक-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) दिल्ली के पुनर्वास भवावस निगम द्वारा कीर्तिनगर कालोनी में जो प्लाट विस्थापित व्यक्तियों को बेचे गये थे उनमें से कितनों की पूरी कीमत वसूल की जा चुकी है ;

(ख) इनमें से कितने व्यक्तियों को बैनामे दिये जा चुके हैं ;

(ग) यदि प्रश्न के भाग (ख) का उत्तर नकारात्मक हो, तो इसके क्या कारण हैं ; और

(घ) ये बैनामे कब तक दिये जाने की भाषा है ?

पुनर्वास तथा ध्वस्तसंरक्षक-कार्य मंत्री (श्री मेहर चन्द खन्ना) : (क) ३२०.

(ख) इन प्लाट लेने वाले व्यक्तियों में से किसी को भी अभी तक बैनामे नहीं दिये गये ।

(ग) इन प्लाट लेने वाले व्यक्तियों को बैनामे दिये जाने से पहले दिल्ली म्युनिसिपल कारपोरेशन के साथ आवश्यक सर्बिसिस के बारे में जो फंसला होना है, उसका ड्राफ्ट अभी तक दिल्ली कारपोरेशन से मंजूर होकर वापिस नहीं आया है ।

(घ) जब ड्राफ्ट का फंसला हो जायेगा ।

Ceiling on Land Holdings

3226. Shri Maniyangadan: Will the Minister of Planning be pleased to state:

(a) whether it is a fact that the Central Coconut Committee has passed

a resolution to the effect that while ceiling on land holdings is imposed as a part of the land reform policy of Government, coconut gardens should be excluded from the purview of the provisions regarding ceiling;

(b) if so, the reasons stated by the committee for these recommendations; and

(c) the steps, if any, taken in the matter?

The Deputy Minister of Planning (Shri S. N. Mishra): (a) Yes.

(b) The reasons mentioned were that it would affect production adversely and would speed up the process of fragmentation.

(c) The Resolution of the Committee referred to the provisions in the Kerala Agrarian Relations Bill and was, therefore, forwarded to the Kerala Government for their consideration.

Work-Charged Staff of the C.P.W.D.

3227. { Shri Easwara Iyer:
Shri A. K. Gopalan:
Shri Tangamani:

Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether any action has so far been taken to prepare a seniority list of the work-charged staff of C.P.W.D. in accordance with para. 3(C)(i) of the Ministry's Resolution No. 66/339/57/W.C.E., dated the 21st May, 1958; and

(b) if not, the reasons therefor?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): (a) The work has been undertaken.

(b) Does not arise.

Rehabilitation of Displaced Persons near Rajpura Village, Delhi

3228. Shri Ajit Singh Sarhadi: Will the Minister of Rehabilitation and Minority Affairs be pleased to state:

(a) whether it is a fact that 142-bighas and 4 biswas of land was acquired in Gurmandi near Rajpura

village, Delhi for rehabilitation of the displaced persons settled there;

(b) whether it is also a fact that some 'A' type quarters were constructed for rehabilitation of the displaced persons;

(c) whether all the quarters originally proposed for construction have been constructed; and

(d) if not, the reasons therefor?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) Yes, originally this much area was acquired but subsequently on account of a dispute with the owners of land the original notification was cancelled and an area of only about 68 bighas and 17 biswas was acquired.

(b) Yes, 136 'A' type tenements were built.

(c) No.

(d) The land which was actually made available was about 8 acres which was sufficient only for 136 'A' type tenements. The rest of the area is heavily squatted over.

हिमालय पर्वतारोही दल

३२२६. श्री भक्त बर्मान : क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि इस वर्ष की गमियों में अनेक विदेशी दलों ने भारत में हिमालय की चोटियों पर चढ़ने के लिये भारत सरकार से अनुमति मांगी है ;

(ख) यदि हा, तो क्या उन पर्वतारोही दलों के देश, दलनेता, गन्तव्य स्थान और आरोहण के उद्देश्य आदि के बारे में विस्तृत जानकारी देने वाला एक विवरण, समा-पटल पर रखा जायेगा ;

(ग) उनमें से किन-किन दलों को अनुमति दी गई है और किन दलों पर; और

(घ) उनके साथ भारतीय सम्पर्क-सचिवालयों को भेजने की क्या व्यवस्था की गई है ?

प्रधान मंत्री तथा वैदेशिक कार्य मंत्री (श्री जवाहरलाल नेहरू): (क) से (घ). इस साल, गर्मी के मौसम में भारतीय हिमालय का आरोहण करने के लिए किसी भी विदेशी अभियान दल ने भारत सरकार से अनुमति नहीं मांगी है ।

Ceiling Fans in Government Quarters

3230. { Shri Subman Ghose:
Shri J. B. S. Bist:

Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether there was any proposal to give ceiling fan in each room in two roomed Government quarters in New Delhi;

(b) if so, whether such fans have been provided in such quarters;

(c) if not, the reasons therefor; and

(d) whether it is a fact that in newly constructed three roomed quarters, ceiling fans have been provided in each room?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): (a) to (d). In two-roomed quarters, only one ceiling fan has been provided. Fans have been provided in all the rooms in three-roomed flats. Electric installations in Government residences are provided on the basis of prescribed percentages of their cost of building. The percentage fixed for two-roomed and three-roomed quarters is 12½. While this is sufficient for the provision of three fans in three-roomed quarters, it is not so for the provision of two fans in two-roomed quarters. Therefore, only one fan has been provided in the two-roomed quarters.

The question of providing a second fan in two-roomed quarters, having only one fan, was considered. As the

total financial outlay involved was found to be large, the proposal has been kept in abeyance in view of the prevailing financial stringency.

Trade in Sewing Machine Nuts and Bolts

3231. Shri Daljit Singh: Will the Minister of Commerce and Industry be pleased to state:

(a) whether Government have any scheme to improve our trade in export of sewing machine nuts and bolts; and

(b) if so, what are the main features of the schemes?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) and (b) Government has been taking from time to time a number of steps to improve our export of light engineering goods which include Sewing machines, nuts and bolts. The more important measures are set out in the statement laid on the Table. [See Appendix VI, annexure No. 124.]

Export of Wine

3232. Shri Daljit Singh: Will the Minister of Commerce and Industry be pleased to state the quantity of wine exported during the last three years?

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

1956—Export figures of wine were not separately recorded during this year.

1957—1,582 gallons.

1958—10 gallons.

Manufacture of Clocks and Watches

3233. Shri Rameshwar Tanti: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that watches and clocks are being assembled in India; and

(b) if so, the clock factories which were issued import licences for the

import of components for such purposes?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) Clocks are manufactured in India, but there is yet no assembly or manufacture of watches in the country

(b) During the licensing period October, 1958—March, 1959 licences for the import of parts of clocks were issued to different firms. List of all such licenses are published periodically in the weekly bulletin issued by the Chief Controller of Imports and Exports.

Pandara Road Flats

3234. Shri Elayaperumal: Will the Minister of Works, Housing and Supply be pleased to refer to the reply given to Unstarred Question No. 1653 on the 16th December, 1958 and state:

(a) progress so far made in the provision of amenities in 'A' Block Pandara Road 'E' Type Flats; and

(b) whether it is also a fact that no wash basins have been provided in all the flats of 'A' Block though these flats are in occupation for the last one year?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): (a) Cement platforms have since been provided. The work of changing of doors in store rooms is in progress. The shifting of wash basins from bath rooms to rear verandahs is yet to be carried out.

(b) Wash basins have been provided in 32 flats only. The C.P.W.D. have indented for basins for the remaining flats. These will be fixed on receipt of supply.

Import of Car Spare Parts

3235. Shri Ram Krishna Gupta: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the House of Birlas effectively control the business of import of car spare parts; and

(b) if so, the value of the foreign car spare parts imported by Birlas during 1958-59?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): (a) and (b). No, Sir. The Hindustan Motors, Calcutta are one of the manufacturers of cars. The import licenses issued to all firms including Hindustan Motors are published in the weekly bulletin issued by the Chief Controller of Imports and Exports.

राजस्थान-पाकिस्तान सीमा पर ग्राम

३२३६. श्री पद्म देव : क्या प्रधानमंत्री यह बताने की कृपा करेंगे कि .

(क) राजस्थान की सीमा पर ऐसे कितने ग्राम हैं जिनका कुछ क्षेत्र पाकिस्तान में पड़ता है ; और

(ख) इन ग्रामों में पाकिस्तान के साथ होने वाले अवैध व्यापार को रोकने के लिये क्या व्यवस्था है ?

प्रधान मंत्री तथा वैदेशिक कार्य मंत्री (श्री जवाहरलाल नेहरू): (क) और (ख). सूचना इकट्ठी की जा रही है और सदन की बैठक पर रख दी जायगी।

Jullundur Radio Station

3237. Shri Daljit Singh: Will the Minister of Information and Broadcasting be pleased to state:

(a) whether any additional improvements have been made in the Jullundur Radio Station during the year 1958-59; and

(b) if so, the details of the improvements made and expenditure incurred thereon?

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

(b) During the year 1958-59, a Drama Control Booth was provided at the Jullundur Studios at an estimated expenditure of Rs. 18,000 in order to facilitate better production of

feature programmes, plays etc. In addition, an expenditure of Rs. 40,473 was also incurred during that year on the construction of staff quarters at the 50 KW MW Transmitter at Jullundur.

Serou and Saiton Refugee Colonies

3238. Shri L. Achaw Singh: Will the Minister of Rehabilitation and Minority Affairs be pleased to state:

(a) whether the schemes for irrigation of land in Serou and Saiton refugee colonies in Manipur have been finalised; and

(b) if not, when these are likely to be finalised?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) and (b). Two schemes for providing minor irrigation in Serou and Saiton colonies were received from the Chief Commissioner, Manipur in February, 1959. The scheme for Saiton colony has been approved. The scheme in respect of the Serou colony is still under examination.

Construction of Bridges in Manipur

3239. Shri L. Achaw Singh: Will the Minister of Rehabilitation and Minority Affairs be pleased to state:

(a) whether it is a fact that two bridges over Khugh and Chakpi rivers have been constructed for Serou and Saiton refugee colonies in Manipur; and

(b) if so, the nature of the bridges, whether temporary or permanent?

The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna): (a) Bridge over Chapki river is under construction whereas the bridge over Khuga river has been sanctioned and work is now being taken up.

(b) The bridges are permanent ones with concrete piles and R.C.C.-Decking.

Airconditioning of Government Buildings

3240. Shri Harish Chandra Mathur: Will the Minister of Works, Housing and Supply be pleased to state:

(a) how many Government buildings in Delhi and New Delhi are air-conditioned at present;

(b) what is the cost incurred on the installation of airconditioning plants; and

(c) what is the annual recurring cost of air-conditioning?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): (a) 5 Government buildings are provided with central air-conditioning plants.

(b) Rs. 39,20,147.

(c) Rs. 4,62,855 on annual maintenance of the plants.

Propagation of Indian Culture Abroad

3241. Shri P. C. Boseiah: Will the Prime Minister be pleased to state:

(a) whether it is a fact that the Government send tape recordings of classical, vocal and instrumental Indian music to our Missions abroad as well as gramophone records for propagation of Indian culture; and

(b) if so, the number of tapes and records of Tagore songs and folk songs of Assam distributed abroad during 1957 and 1958?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) Yes. Tape recordings and gramophone records are sent to our Missions abroad generally in response to specific requests.

(b) We have received only a few requests for Assamese folk songs, but we have sent 82 records of Tagore music to our Missions abroad during 1957 and 1958.

In addition, we have sent 8 Tagore's songs and the 'Natir Puja' on tapes during this period.

Committees under the Ministry of Works, Housing and Supply

3242. Shri Daljit Singh: Will the Minister of Works, Housing and Supply be pleased to state the names of the Committees which worked under the Ministry of Works, Housing and Supply during the first quarter of the year 1959?

The Minister of Works, Housing and Supply (Shri K. C. Reddy): A statement is laid on the Table of the House.

STATEMENT

1. Advisory Committee on the decoration of important Central Government buildings.
2. The Committee on statues in Delhi.
3. The Standing Advisory Committee on the provision of general services in Government colonies in Delhi.
4. Rajghat Samadhi Committee.
5. The Workcharged Establishment, C.P.W.D., Ad-hoc Committee, for dealing with certain problems relating to the workcharged staff.
6. The Standing Committee of the National Buildings Organisation.
7. Standing Advisory Committee on Central Purchase.
8. Accommodation Advisory Committee.
9. The Special Accommodation Committee Nos. I & II.
10. The Special Accommodation Committees at Calcutta/Bombay.
11. The Ad hoc Committee on Sub-soil water level.
12. The Landscape Committee.

Newspapers in Himachal Pradesh

3243. Shri Daljit Singh: Will the Minister of Information and Broadcasting be pleased to state:

(a) the total number of newspapers published in Himachal Pradesh at present; and

(b) the languages in which printed?

The Minister of Information and Broadcasting (Dr. Kanwar): (a) Five, on 31st December, 1958 (as recorded by the Registrar of Newspapers for India).

(b) 3 in Hindi, 1 in English and Hindi and 1 (a school magazine) in English, Hindi, Sanskrit and Punjab.

Promotion of Export of Tea to Iran and Iraq

3244. Shri Daljit Singh: Will the Minister of Commerce and Industry be pleased to state the amount spent on propaganda and promotion of export of tea in Iran and Iraq during 1957-58 and 1958-59?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): The following amounts have been spent on propaganda and promotion of export of tea in Iran and Iraq during 1957-58 and 1958-59:

	1957-58 Rs.	1958-59 Rs.
I. IRAN:		
On Delegations	1,297/25	Nil
On Tea publicity	990/12	733/56
	<u>2,287/37</u>	<u>733/56</u>
II. IRAQ:		
On Delegation	Nil	582/94
On Exhibition	Nil	1,652/80
On Tea Publicity	Nil	1,033/77
		<u>3,269/51</u>

आकाशवाणी

३२४५. श्री जगदीश शर्मा : क्या सूचना और प्रसारण मंत्री यह बताने की कृपा करेंगे कि :

(क) पिछले तीन वर्षों में आकाशवाणी, दिल्ली के कार्यालय के मैदाव में कितनी बार विशेष कार्यक्रमों के आयोजनार्थ पंडाल निर्मित किये गये, और

(ख) इन पंडालों के बार बार निर्माण करने पर कुल कितना व्यय हुआ ?

सूचना और प्रसारण मंत्री (डा० केश-कर) : (क) और (ख) नीचे विवरण में सूचना दी गई है :

विवरण

वर्ष कितनी बार शामिलाने कुल व्यय लगाये गये, उनकी संख्या

		रुपये
१९५६-५७	८	५१,२६८ ९४
१९५७-५८	४	९,२३०.६१
१९५८-५९	१०	२४,४६९ ४०

11-57 hrs.

PAPERS LAID ON THE TABLE

AMENDMENT TO TEA RULES

The Minister of Commerce (Shri Kanungo): Sir, I beg to lay on the Table, under sub-section (3) of section 49 of the Tea Act, 1953, a copy of Notification No. G.S.R. 353 dated the 28th March, 1958, making certain amendments to the Tea Rules, 1954. [Placed in Library. See No. LT-1355/58].

AMENDMENT TO COFFEE RULES

Shri Kanungo: Sir, I beg to lay on the Table, under sub-section (3) of section 48 of the Coffee Act, 1952, a

copy of Notification No. G.S.R. 385 dated the 4th April, 1950, making certain further amendment to the Coffee Rules, 1955. [Placed in Library. See No. LT-1256/59].

ESTIMATES COMMITTEE

MINUTES

Shri B. G. Mehta (Gohilwad): Sir, I beg to lay on the Table a copy of the Minutes of the sittings of the Estimates Committee relating to the Forty-eighth Report on the Ministry of Home Affairs—Scheduled Castes, Scheduled Tribes and Other Backward Classes.

THIRTY-EIGHTH REPORT

Shri B. G. Mehta: Sir, I beg to present the Thirty-eighth Report of the Estimates Committee on the Ministry of Transport and Communications (Department of Transport)—Eastern Shipping Corporation Ltd., Bombay and Eastern Shipping Corporation (Private) Ltd., Bombay.

11.58 hrs.

BUSINESS ADVISORY COMMITTEE THIRTY-SEVENTH REPORT

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): Sir, I beg to move:

"That this House agrees with the Thirty-seventh Report of the Business Advisory Committee presented to the House on the 16th April, 1950."

Shri Braj Raj Singh (Ferozabad): Sir, may I submit that the time allotted for the discussion of the Press Registrar's Report is inadequate? Only an hour and a half is allotted. It may be increased to 2 hours.

श्री ब्रज राज सिंह : (फ़रोज़ाबाद) : श्री मन्त्री,
इसको छेड़ घंटे से दो घंटे कर दिया जाये ।
यै श्री इसका समर्थन करता हूँ ।

Shri B. K. Galikwad (Nasik): Last time two days were allotted for the discussion on the Report of the Commissioner for Scheduled Castes and Scheduled Tribes but now only 8 hours have been allotted. This time will not be sufficient. Only once a year we discuss this.

Mr. Speaker: Hon. Members must have tabled amendments which I could put before the House. Now, it is only an oral statement. Let us see as and when we proceed.

Now, the question is:

"That this House agrees with the Thirty-seventh Report of the Business Advisory Committee presented to the House on the 16th April, 1950"

The motion was adopted.

11.59 hrs.

BUSINESS OF THE HOUSE

Shri Satya Narayan Sinha: With your permission, Sir, I rise to announce that Government Business in this House for the week commencing 20th April will consist of—

- (1) Further discussion and voting on the Demands for Grants for the Ministry of Finance.
- (2) Submission to the vote of the House of the outstanding Demands for Grants at 5 p.m. on 20th April.
- (2-A) Consideration and passing of the Appropriation No. 2 Bill, 1950.
- (3) Consideration and passing of the Finance Bill, 1950.
- (4) Consideration of motion for reference of the Arms Bill, 1950 to a Joint Committee.
- (5) Consideration and passing of—
The Indian Lighthouses (Amendment) Bill, 1950.

[Shri Satya Narayan Sinha]

The Coal Grading Board
(Repeal) Bill, 1958.

- (6) Discussion on a resolution to be moved by the Minister of Railways to extend the operation of the recommendations of the Railway Convention Committee, 1954 up to 31st March, 1961.
- (7) Discussion on the Report of the Commissioner for Scheduled Castes and Scheduled Tribes for the year 1957-58 on a motion to be moved by the Deputy Minister for Home Affairs.
- (8) Discussion on the purchase of railway sleepers from abroad at higher prices and attempts that are being made to increase indigenous supply to be raised by Shri Vidya Charan Shukla on 23rd April at 4 p.m.

12 hrs.

DEMANDS FOR GRANTS—contd.

MINISTRY OF FINANCE—contd.

Mr. Speaker: The House will now resume discussion on the Demands for Grants relating to the Ministry of Finance. Out of 8 hours allotted for these Demands, 5 hours and 40 minutes now remain.

Shri Asoka Mehta.

Shri Asoka Mehta (Muzaffarpur): Mr. Speaker, Sir, we are today, as it were, in the mid-stream of our Plan and, therefore, perhaps this is the proper occasion when we can look back and forth and decide what lessons we have to learn in our planning before we settle down to draw up the Third Plan. The First Plan and more so, the Second Plan were drawn up on certain assumptions and approaches; some of them may be implicit and some of them explicit and a certain machinery was set up in order to carry through the task of economic

development. It would be of some advantage, I believe, for this House to consider how far these assumptions and approaches need to be reiterated or need to be modified in any manner and to what extent the machinery that we set up is adequate for the task that we had in view.

As I said, our planning has been based upon certain assumptions and approaches. Some of them might have been explicit and some of them implicit. Even those that are explicit may not be wholly understood and therefore, accepted by our people as a whole. We are probably one of the few countries in the world that is engaged in this epic effort of bringing about a massive transformation of our economy and our social life with the willing consent of our people. That ours is a democratic transformation differentiates us from most countries in the world. Somewhere it was an unconscious process; elsewhere it was a process put through by denying the people the right to express their views and their feelings. We are probably the one great country in the world that has deliberately tried to carry through this transformation with the conscious co-operation and the willing consent of the people. That is the reason why it becomes necessary from time to time for this august body to sift whatever evidence there may be before us and make it possible for our people to reach certain conclusions and help the process of crystallisation of public opinion in our country.

I believe basically there are two patterns of development. One is the pattern where the gains are almost immediate. These gains, though immediate, are, in perspective of time, limited. There is another pattern of development, where the immediate gains may not be as sizable as in the first pattern but over a period of time, the transformation would be much greater and surer and therefore the end product would be far more enriching than otherwise.

A Plan that is primarily concerned with the production of wage goods may be able to cater perhaps more satisfactorily over a short period of time to the needs of the people, but at the cost of neglecting to build up the very foundations of economy on the basis of which alone ultimately a strong and prosperous edifice of development can be erected. If the emphasis is upon the building up of that kind of strong foundation, the development is capital goods oriented. Naturally one tries to reconcile both the things. There is no question of choosing one and ignoring the other. But I believe we would be slurring over by trying to create or maintain the confusion that exists in certain sections of our countrymen even if we do not try to clear our minds on this subject. Sometimes, when clarity is to be sought, certain exaggerated emphasis needs to be put, an exaggerated emphasis that will not be there, I hope, when they settle down to implement our Plan. But the very need of clarification sometimes demands stating things in a bald manner, a baldness, which, I admit, need not exist when we come to practical considerations.

As I said, we have been sometimes favouring one pattern, sometimes another pattern. We should accept the world in which we live today, a world which is not very particularly friendly world, where peace is fragile. We have only a limited time at our disposal in which we may so build ourselves up that whatever happens to the world, we shall be a kind of a fortress, a fortress that can protect itself, a fortress wherein the people may be able to carry through the whole process, a self-generating process of development. Apart from economic and social conditions, there are these vital political and strategic considerations that we should have to keep in view. As the Prime Minister once said in a different context, the children of revolution are still on these benches. We may perhaps be able to put through the transformation which may not be so easy when the children

of revolution are not there. That is the reason why I have favoured usually, even at the cost of being misunderstood, a capital goods oriented transformation.

A capital goods oriented transformation would mean two or three things. Firstly, in such a transformation, the public sector has to play a very vital part. The public sector inevitably becomes the pace-setter. You cannot have a capital goods oriented transformation where you leave almost everything to the private sector. If it is purely a consumer goods oriented transformation, perhaps the private sector can be permitted to play a more or less decisive role.

Secondly, it does not mean that, if it is a capital goods oriented transformation, we are going to neglect the production of consumer goods. The production of consumer goods has to be organised more often, by and large, in the decentralised sector of our own economy which demands a tremendous effort at organisation that was a basic approach that we had adopted. When the Second Plan was drawn up we adopted this approach but to a considerable extent we seem to have forgotten it. I am not blaming this side of the House or that side of the House. These are such vital questions that nothing is gained by trying to discover scapegoats. Here is an issue on which a massive effort is to be undertaken.

Today, there is talk about development of co-operatives, of production co-operatives. The whole basis and reasoning behind it is that a tremendous organisational effort has to be put in in order that while the easily available resources are channelled in the direction of building up a capital goods base for our economy, the goods for the people, consumer goods, would be available more and more by the combined efforts in the decentralised sectors of our economy. Are we willing? The implications again are obvious that the resources the Government is able to mobilise will be

[Shri Asoka Mehta]

channelled up to a point. I am not saying: 'wholly'. As I said initially, I am trying deliberately somewhat to exaggerate the picture in order to bring out the point that I am making. The resources will be channelled to a considerable extent to the building up of the capital goods base of our economy while it is through the co-operatives, and the organised and a kind of a conscious initiative shown by the people that our needs for the consumer goods will be met.

This demands of us such a focus, this demands of us all the acceptance of a focus towards our economy and our political life. I do not know if all of us are willing to accept that. I would, therefore, suggest that this is the main point. Let us decide if we feel that we are not capable of that kind of a burden and let us have a 3rd Plan of an entirely different pattern. Then, probably, many of the hurdles that we have come across, many of the challenging questions that we have had to face in the past may not be there. But then, we shall be doing it at a price. All choices in matters of development are choices between difficulties, in a sense, between evils. One has to choose one or the other. This, Sir, is the first point that I would like to make.

The second point that I would like to make is—which is connected with the earlier—that there has been a certain rhythm of development all the world over. The rhythm of development left to itself is that the ratio between consumer goods industry and capital goods industry, the output of consumer goods industry and capital goods industry, is about 0.5 to 5. It keeps on changing. The first phase of development left to itself, if you look at the history of economic development of different countries of the world, is that the ratio is between, as I said, 0.5 and 5. Then it changes. When an economy has reached a certain stage of development, perhaps the output of consumer goods industry and capital goods industry becomes

more or less same. There is a further stage of development when the output of capital goods industry is higher than that of the consumer goods industry. The more roundabout the method of production becomes, the greater is the possibility for a society to be enriched, because it is not so much in the sectors of primary and secondary production but it is always in the tertiary sector of production that all kinds of services, all kinds of enriching activities of social life are developed, whether they are educational activities, or cultural activities, whether they are health services. The full flowering of the tertiary sector ultimately determines the character of the society, and the full flowering of the tertiary sector is dependent upon the extent to which this rhythm has been completed.

The essence of planning lies in altering the rhythm. Where do you alter it? Different countries have tried to alter it in different manners. Planning is not something which was discovered in 1927 when the Gosplan was set up. It is true that when the Gosplan, when the First Five Year Plan in the Soviet Union was drawn up, a great step forward was taken in the techniques of planning. But even before that, if we study the development of different countries, whether it be Japan, whether it be Sweden or many other countries, efforts were made to alter this rhythm. Here again, a conscious—it is a kind of corollary to the first point that I was trying to make—understanding of this rhythm and the extent of alteration that we are going to bring about needs to be made. If in future, in the next seven years which I think are going to be very crucial, very vital to this land of ours, we are not going to be working at cross purposes, let us not be engaged like Penelope weaving the web, which is woven in the day and undone in the night. It would be very unfortunate in this task of planning if we are a set of penelopes.

Then, Sir, there has been a considerable resistance to the development of steel industry. I do not know what importance we are going to attach to steel in the next Plan. It should not be done in any kind of an *ad hoc* manner, because we should try and carry the informed opinion of our country in this matter. In our country, unfortunately, the relevant data is not available. But in a number of countries in the world the relevant data has been collected, and it tends to suggest that the steel industry is that industry which, if you will pardon my using a somewhat precise expression which is used in this context, has the greatest forward linkage and backward linkage. All industries can be so listed together so that you find out which industry will be able to evoke the maximum creative efforts in the area of raw materials that are drawn and the area of further finished products for which the product of the industry concerned will become the base. Different industries are able to have different effects backward and forward effects. If we list all the industries that are available and assess the impact that they are likely to make backward on the economy, on the production of raw materials and on the energisation of the economy as far as the mobilisation of resources needed for the production of that particular industry are concerned, and its impact upon the output of other goods where the materials fabricated by the industries will be used, then, Sir,—here again, it is purely a question of objective analysis with no kind of attachment to one or the other—steel industry has the greatest amount of backward and forward linkage.

I do not know whether we would be interested in developing an industry which has the greatest amount of backward and forward linkage. If we develop it, automatically, inevitably, inexorably, we have a responsibility to develop large productive efforts based upon mutual aid and dedicated work in the decentralised sector in

order that we may be able to balance against the diversion of resources to things which may energise the economy but whose ultimate effect will be felt and will be enjoyed only after a long period of time.

Sir, I would like to say something about our machinery of planning. One of the great things in our country is that through planning we have been able to create a sense of national solidarity. In our country planning has been one of the instruments whereby the dissipated tendencies have been brought to a halt. And, somehow or other, in the context of the Plan we are all Indians first and Indians last. But there is the danger of this kind of a tendency being carried to such an extent that our planning itself becomes defective. Only the other way we heard a considerable amount of criticism. We have been hearing these criticisms about different regions feeling they are being neglected. I think this kind of feeling, if it remains ill informed, if it develops into some kind of grievances which are to be nurtured, will be fatal to the development of our country and to the stability of our nation.

The Ministers are in a better position to say than I can, but from what little I know I have a feeling that in the country as a whole, particularly in the States, there is such a dependence, there is such a kind of disturbing dependence upon the Planning Commission that initiative is practically drying up there. One might say we are in the danger of suffering from apoplexy at the Centre and anaemia at the extremities. If this danger is to be averted, and it needs to be averted, the machinery of planning needs to be revised.

Only recently, I am sure the Minister has seen, two very valuable studies have been brought out by the National Council of Applied Economic Research. The National Council of Applied Economic Research is an independent non-official organisation,

[Shri Asoka Mehta]

which has been set up with large resources made available by the Ford Foundation as well as through other sources. It is manned by some of the most competent men in our country. Dr. Lokanathan, who was formerly the Director General of the ECAFE, is now the Director General of this organisation. On the Board of its Governors there are men like Shri C. D. Deshmukh, Dr. John Mathai, Shri V. T. Krishnamachari and other distinguished men of our country. This organisation with its significant resources in expertise, both national and international, with adequate resources, has been carrying on for State after State, at the request of the State concerned, what are known as the techno-economic surveys. Two surveys are here: the techno-economic survey of Bihar and the techno-economic survey of Madhya Pradesh. It is an effort to find out by bringing together technicians, economists and other people, by studying, not the overall picture from Delhi as it needs to be studied for certain purposes, but by looking at the districts and regions and finding out what are the possibilities and what needs to be done, today the danger of our planning, particularly our State plans, becoming more or less need based is there. It is easy to draw plans saying that these are our needs, our people are hungry, our people want employment, more food and we want more industries. This is not planning. This is merely an expression of desire. There is not enough understanding behind it. The need-based planning has to be replaced to a great extent by planning based on clear understanding of the resources—resources-based planning. I am working on a Central Wage Board. The Government have asked us to consider—when we draw up the wages of the workers we have to consider—the need-based requirements of the workers and also the capacity of the industry to pay. But no structure of wages or no rational structure of wages can ever be created unless we are able to reconcile the need-based

expectations of the workers with the capacity of the industry to pay. Likewise, S.R. in any planning it is necessary for the people, at least those who are going to be the leaders of public opinion in our States, to reconcile and understand and bring to a common focus the need-based aspect of planning with the resource-based understanding of planning. That does not exist today. It needs to be done.

Take, for instance, Madhya Pradesh. As the techno-economic survey says, in Madhya Pradesh there are large forests. Almost a third of the State is under forests of one kind or the other. One-fourth of the total forests wealth in India lies in that State. But how strong is the forest administration there? What is being done to see that the forest wealth of the State which probably is one of its rare resources is really fully being utilised?

Talking of Madhya Pradesh once more, the survey has come to the conclusion that the real problem in Madhya Pradesh that is preventing today the agricultural development is the erosion of the soil. Erosion of the soil is the biggest problem. As in Madras, it is the provision of water which is the biggest problem, different States and different areas and different regions of the country have different problems. What is being done in Madhya Pradesh to fight this erosion? To what extent the administrative machinery has been geared up? If we are looking at this problem only in an all-India way, many of those local discrepancies tend to escape our attention.

In this report, for instance, Bihar has been discussed. It has been shown that different approaches will be necessary for the three parts of Bihar—North Bihar, South Bihar and Chota Nagpur. I do not want to go into the details of it. But I believe that if this kind of understanding is to be brought, a non-official organisation of this type may be able to

indicate only the directions, but further detailed work needs to be done. I suggest that two changes are necessary. Every State must have its planning council, and a group of men, technically and otherwise trained, must be made available to see that this planning becomes and has its base there.

Secondly, some kind of expert assistance will have to be made available by the Planning Commission. It should not be as if the Planning Commission merely deals only with one side—that the Planning Commission provides all the expertise at the Centre and the States are left more or less to fend for themselves. I had long discussions with those Indian and foreign experts who were entrusted by the Governments of different States to draw up techno-economic surveys, and their conclusion is that even the relevant data are not being collected. The statistical material that is available in the States is so inadequate. The statistical material that is being collected in the States is so routinised that it is almost impossible for anyone there to make any significant suggestions to the Planning Commission at the Centre. What is necessary is to collect the right kind of data, to process them and to understand them and analyse them and then to formulate plans and projects.

The techno-economic surveys have again shown and the techno-economic surveys—as I am sure the Minister knows—are a part of the recognised technique of planning in many countries of the world. These techno-economic surveys have shown that in different districts or in different small regions, there is one particular thing—what you may call, the bottleneck. If that bottleneck is removed there, development begins to move. All over India, the same thing does not act as a preventive or as a bottleneck. It is not the same kind of dam that closes up or blocks the outrush of the energies of the people. Somewhere it may be the necessity of more roads. Elsewhere it may be the necessity of

water. Somewhere else it may be necessary to see that there is a certain amount of counter-erosion work. Elsewhere it may be something else. Everywhere the precise bottleneck needs to be discovered. The State Governments are not in a position—the Planning Commission has not tried to equip the State Governments—to see that the bottlenecks are discovered and are set right. If in spite of all the things that we are doing, when the feeling is that we tend to succeed only where the national or the Union Government is responsible—that is, our large plans and our large projects are successful—and that we seem to stumble where smaller things are taken in hand, it is because the whole machinery is such that we have not provided the necessary counterpoise.

Another point that I would like to make within the two or three minutes that may be still at my disposal is that additional resources—by resources I do not mean just money but resources in men also—have to be made available to see that the administration is geared up. Take Madhya Pradesh. Madhya Pradesh is a State which has been brought together from a large number of other areas or States where even earlier perhaps the administration levels were somewhat low. The aptitude of the administration is not equal to the task of development. We want to remove regional disparities. There are some States which are fortunate in having a very highly developed administration with a high absorption capacity. The Madras Government, for instance, can probably utilise in three years the resources that are made available for five years. It has a remarkable absorption capacity. Madhya Pradesh, on the other hand, cannot utilise over a period of five years even the resources made available to it for three years.

Now, these divergent administrative capacities have got to be brought at a par. I do not know what attention is being paid in our machinery of

[Shri Asoka Mehta]

planning to see that the administrative capacities of our different States are brought up to a common level.

In the limited time at my disposal I can only indicate, as I have done, certain areas and aspects to which attention needs to be given. A crystallisation of opinion is necessary and also a willingness to revise our machinery in the light of the experiences we have encountered. If we do not do that, if we get on and go ahead as we have been going, then it will appear that we are getting into a rut, and planning and rut cannot go together. We are constantly to be prepared and vigilant and to see forward and backward and see where any changes are to be made, because, as I said, we are pioneers in undertaking a democratic development, and so the results of our enquiries have got to be made available to the people so that they become part and parcel of the organised public opinion in the country.

Shri P. C. Borooah (Sibsagar): Coming as I do from this side of the House, I rise to support the Demands of the Ministry of Finance. In doing so, I have to make a few observations. Those observations would make it clear that I am not an expert nor I am one who has vast ideas about finance. My observations are purely from the point of view of the layman.

We are going the way of socialism and we are going to establish a socialistic State in the country. In doing so, we have adopted a policy of mixed economy and we have also allowed the public and the private sectors, both, to function. While the public sector will work for the common good, of increasing the national wealth, the private sector will work for private gain. We cannot expect that the private sector will be entirely working for the social gains. As such, there will appear little bit of difference in the working of the public and the private sectors, and one may appear contradictory to the other.

Therefore, we have to admixture these differences, by adopting an integrated direct and indirect taxation policy and by which we have been able to tone down the differences between the public sector and the private sector. We shall have to be cautious about the future, because we shall not be able to depend much on direct taxation, because direct taxation is the means of raising funds of a capitalist country.

Much has been said about evasion. I admit that there is evasion, but not to the extent it is said. It has come to such a pass, as if we all people are dishonest and whoever pays tax is either a tax-dodger or a tax-evader. But we are forget absolutely that only a few lakhs of our 40 crores of people pay all the direct taxes the country has introduced. Of course there are some dishonest persons; one is enough to discredit one thousand. There is also some evasion which comes out of the rigours of heavy taxation. For example, if a man makes a profit of Rs. 1 lakh, he shall have to pay to the extent of Rs. 55,000 as income-tax; but, if he forms a partnership, the tax will come down to Rs. 15,000 and there is no bar in law to take a new born baby as a partner. What would you call it—evasion or human ingenuity? Many people are naturally able to evade taxes because of our tax structure and the procedure that we have adopted.

Our tax structures are very complicated and complex and as such, it has got loopholes for tax evasion. In today's Statesman, a news published to the effect that the income-tax Act is going to be simplified, and a new Bill is coming up before the House very soon. That is very good. I hope no more complications will find place there and the income-tax Act will be made simple and easy. In the present Act, we find that there are different rates of taxation and also different categories of assesses like married man, unmarried man, father of one

child, father of two children, companies, associations, partnerships and so on. These make the matter complicated and difficult to understand by the common people. As such, may I request the hon. Finance Minister to consider if it will be possible to have only two categories of assessee viz.— individuals and companies there be two different rates, one for the companies and the other for individuals. If partnerships are assessed at the rate applicable to companies or individuals, I am sure quite a lot of money will be found.

We find that the exemption limits of Rs. 3,000 in the case of income-tax and Rs. 50,000 for estate duty are still there. We thought some consideration would be given to this matter of exemption limit this year, because there was resentment expressed from many sides of the House and the country. Income of Rs. 3,000 or Rs. 250 per month is nothing in today's cost structure and expenditure. Such people may be called very well 'have-nots'. We do not want to have socialism of 'have-nots'. We do not want to socialise our poverty, but we want to socialise our wealth; we want our socialism to be of 'haves'. As such, I would request the hon. Finance Minister even now to raise the exemption limit from Rs. 3000 to Rs. 4,200 for income-tax on individuals and from Rs. 50,000 to Rs. 1 lakh in the case of estate duty.

Regarding taxation on companies, formerly companies were paying 20 per cent corporation tax and 31.5 per cent income-tax and behalf of the shareholders; i.e. this 31.5 per cent was refunded to the shareholders afterwards. But in the present proposal, it has been reduced to 25 per cent in place of 31.5 per cent and made non-refundable. In the former case, the company had to pay on behalf of the shareholders. But in the proposed scheme, it has been made to be paid by the company itself. That means, the incidence of taxation on the company comes to 45 per cent, while it was only 30 per cent formerly. The Finance Minister has said

and might say now that the same has been compensated by the withdrawal of the wealth tax and the excess dividend tax. But all the companies are not making excess dividends and all companies do not fall within the purview of the wealth tax Act; most of the companies are outside these taxation measures. So, most of the companies will not be able to take advantage of this compensation and they will be paying 45 per cent tax which is non-refundable. It will be hard on the companies. This point should also be considered by the Finance Minister.

We want money for financing our plans and for that purpose we are going round the world for loans. But we know that there is still a lot of money which may be called hoarded or concealed. Some years ago, Shri Tyagi introduced a disclosure scheme. We hope and wish that the said scheme is again introduced and another target date is fixed by which concealed wealth may be disclosed, with a bait that there will be no penalty if the money disclosed, is deposited in NSC or Government securities. This suggestion may also be considered by the Finance Minister.

About the excess profit tax deposit scheme, it was there in the Finance Bill of 1952. This may also be introduced again. The tax may be realised as a deposit refundable with interest after a period of 10 or 15 years. Bonds may be issued for this purpose, which may be made negotiable, but encashable only after the expiry of the period. This may bring quite a lot of money for financing our plans.

Coming to fiscal measures, I do not want to traverse all the points; I will restrict myself to only one industry, viz., tea industry. We all know the position of this industry in the country and what great part it plays in framing the economic life of the country. It has earned Rs. 137.4 crores of foreign exchange last year. It pays taxes to the extent of Rs. 120 crores to Rs. 140 crores in the shape of in-

[Shri P. C. Borooah]

come-tax, agricultural tax, corporation tax, etc. It employs more than a million and a quarter of our people and pays some Rs. 20 crores to Rs. 25 crores in the shape of excise duty, export duty, Assam carriage tax and West Bengal entry tax. It pays some Rs. 5 crores to the country's transport services including the railways. The Indian plywood industry is entirely dependent upon the Indian tea industry. About 100,000 tons of fertilizers produced in the country are being consumed by this industry. As such, this industry plays a great role in the economic life of our country.

It may be argued that we have produced more tea, we have exported more and we have earned more foreign exchange, and so there is no problem for the tea industry, specially when some relief has been given to common tea. But it will be a very wrong and dangerous thing if we depend totally on these temporary results. Although we did very well in 1955 compared to previous year, if we make an examination of the whole thing and compare it with 1956, we will find that we are far behind. We had a production of 711 million lbs. of tea in 1955 but exported only 507 million lbs, whereas in 1956 we produced only 680 million lbs. but exported 523 million lbs. That is to say, we exported 16 million lbs. more in 1956.

Similarly, in regard to the share of foreign exchange earned, we made an earning to the extent of Rs. 137.4 crores in 1955, but in 1956 we made an earning of Rs. 142 and odd crores.

Again, so far as the price of exported tea is concerned, it fetched Rs. 2.70 nP in 1955, whereas it fetched Rs. 2.75 nP. in 1956.

So, in the matter of earnings and in the matter of price or in the matter of export we are far behind compared to 1955. And all these losses have been borne by the tea industry itself.

In last year, when there was a fall in the price of common tea, Gov-

ernment gave some relief in excise duty and export duty. But that was very inadequate. At that time the hon. Minister of Civil Expenditure stated that the Government would lose thereby to the extent of Rs. 1.58 crores as a result of the relief granted, but that has not come true. It is not that we lost anything, but we made a profit of Rs. 1.80 crores in the excise duties.

So, although there was an overall fall in the export business of the country tea has done better, and that at the cost of the producers, some of whom have already collapsed and more are following suit.

For all these troubles of tea industry I say, with all respect, that the Finance Ministry is responsible; because, these fiscal measures on tea have hit the price of tea very hard. For example, a lb. of tea manufactured in a factory in Assam costs, on an average, Rs. 1.75 nP. As soon as it moves out of the factory, 12 nP excise duty has to be paid on it. And as soon as it begins to travel by road, rail or river in Assam, 6.25 nP is paid to the Assam Government as carriage tax. As soon as it enters the West Bengal port, we have to pay to the West Bengal Government a duty of 6.25 nP as West Bengal entry tax. As soon as it leaves the port, we have to pay 26 nP—a duty of 24 nP is now proposed—as export duty. A fiscal duty of 50 nP on a small unit like an lb., for a commodity whose volume exceeds several hundred million lbs., is a very rare thing.

While our tea at the Indian port costs Rs. 2.25 nP. per lb., African tea reaches the London market at Rs. 1.50 nP. As a result of this, the Indian common tea is priced out of the overseas market and some of the producers have closed down and others are following suit. So I submit that these fiscal measures on tea should go. This may sound a bit too much, but I say if we remove these

duties, the Indian tea will be able to compete with any tea in the world. Secondly, at the time of introduction of this duty, Government gave an assurance that these duties will be withdrawn when necessary. I say the necessity has now come and all these duties should go lock, stock and barrel.

Then again, the Plantation Enquiry Committee in their voluminous report have also recommended that the duties should not be there in the interests of the industry. In this way, if we withdraw these duties, I do not think we will lose much. On the other hand, we will be able to help this tea industry to rule high in the world and to earn for us foreign exchange and to benefit us. This will enable the industrialists to make more profit, and from the profit Government will be able to earn more Income-tax, more agricultural tax and more corporation tax. This way the Government will be compensated of the loss sustained in Excise and Export duties. So it is high time that the fiscal measures imposed on tea are considered afresh, sympathetically.

Next, I would like to say that there should not be any impediment imposed on remittances of tea money or tea dividends to the shareholders or recipients in England; because, the British tea industrialists are not only our very good producers, but they are also our very good customers. We should not fall out with them but be friendly with them and invite them, for working for the good of the industry and thereby for the good of the country. I may be permitted to say that India got independence, but Indian tea has not. Tea is still a British subject, because 90 per cent of Indian tea still finds market in England. So, if we estrange them, we will be losing our business very badly, and it will go against in the earning of foreign exchange or making this income from the tea industry.

With these words, Sir I humbly submit that Government will be pleased to see that some of these fiscal measures are withdrawn, and the other suggestions made by me may be sympathetically considered.

Mr. Speaker: Shri Heda.

Shri Damani (Jalore), Sir, I was out.

Mr. Speaker: Therefore, he is out.

Shri Damani: I must be given a chance.

Mr. Speaker: I won't give him a chance. How can any Member say, "I must be given a chance"?

Shri Damani: I request that I may be given a chance.

Mr. Speaker: That is all right. Nobody can say, "I must be given a chance". I tried to call him, because he belongs to the industry. Let him wait. Yes, Mr. Heda.

Shri Heda (Nizamabad): There has been a good deal of talk about this deficit finance and therefore first of all I would like to refer to this aspect. Yesterday Shri Khadilkar also referred to it. I think not only he, but most of us are suffering from our old knowledge and ideas of economic theories. The economic theories that we have read in the books which were prescribed, and which unfortunately are still prescribed, are enough old and I think they have no bearing on the economic trends that are available in our country at the moment.

Generally, the impression is that as soon as there is deficit finance, inflation takes place and prices rise. And whenever there is a little rise in prices here and there, immediately one thinks that inflation has taken place because of deficit financing and the whole blame is laid at the door of the measures taken to adopt this deficit financing. But it is not so.

In the first place, let me lay stress on a point, namely that deficit financing in the circumstances is inevitable.

[Shri Heda]

Even Shri Khadilkar yesterday referred to some articles by Mr. Averall Harriman, former Governor of New York, and he pointedly desired that the Finance Minister should take note of three words used by Mr. Harriman. Those words were "the tempo, the momentum and the altitude". If Shri Khadilkar is really sincere and wants the Government and the country to take note of these words, it only means that we have to maintain the tempo and the momentum of our development. Therefore even if there are little consequences here or there in the shape of rise in prices, we should not mind it; rather we have to bear with it.

He has further stated that "we have resorted to deficit financing which is now going to make inroads in the life of ordinary citizens at every point." Afterwards he referred to taxation to which I will come later on. So far as the inflationary tendencies are concerned—I do not say that there are no tendencies at all—there are two or three aspects. Though from one point they are very minor aspects. I think, they are quite important and therefore I would like to bring them to the notice of this House. One aspect of this inflationary tendency or the results of this deficit financing that we have to take up is that the country in which we are living is not a developed or industrialised country. Therefore the theories that we apply to the industrialised countries would not apply to the developing countries. Ours is a developing country and therefore deficit financing will not have those adverse effects which in the industrialised countries it would have because there is no matching increase in the production and in the consumption. This point was very well brought out by Mr. Jacobson, an international authority. He had pointed out that these disinflationary measures taken in industrially advanced countries to curb investment and discourage excess demand for goods caused by over-employment will ill suit under-developed countries like India. This does not, however, mean that there is no

need for monetary discipline in these countries. So, the international authorities on economics, who have interestedly been watching the economic developments in our country, I am quite sure are justifying the extent to which we have adopted deficit financing and the inflationary tendencies that are found here or there are being curbed by the other effects.

In the same way there is another aspect which we should take note of. In the economy of an under-developed country, as India is, where material and manpower resources are available for fuller utilisation, the risk of inflation can be warded off quite easily by acceptance of specified conditions. The programme of investment ought to be related to fixed criteria of additional income per unit of investment and investment must be directed towards productive projects. The anticipated production must be evenly balanced between different types of industries, making adequate provision for consumer goods to absorb the additional purchasing power. Because, in a democracy, planned expansion of production in successive periods would be impracticable unless there is a corresponding rise in consumption. This consumption would sustain the deficit financing and thereby the tendency of inflation would be warded off. Where we have found that consumption was not able to match the increased production there production has suffered. Take the case of textiles. Take the case of cement or at one time sugar. This year, of course, sugar production is less and therefore that problem is not there. But in the case of cement the problem is there that our production has gone a little beyond and consumption is not matching production. Therefore a circle of unemployment would start and that would retard the growth of economic development. Therefore my point is that by the adoption of deficit financing which is adopted for industries which would develop and which would produce the articles which will be

consumed to the fullest extent there will be no inflationary tendencies, rather there will be increased production, increase consumption and a new circle of plenty and prosperity would start.

Another point that is generally made is about savings. If we have to develop a country we have to develop it by one of these three main measures, that is, taxation, deficit financing or savings. So far as savings are concerned, we have been told by the much respected body, the Estimates Committee, that savings should be made compulsory. So far as savings at the higher level are concerned, it may be made compulsory. That is quite understandable. That would rather help in the expansion of the development programme. But whether savings at the lower level can be compelled or not in a democratic country like ours is also a point to be considered. Besides this point from which compulsion may become impossible or impracticable, I would like to bring to the notice of this House this aspect that in the lower strata our effort should be that the people consume as much as they earn. They need not compulsorily save. The point is that consumption is in the increased use of facilities like better food, better clothing, educational or health amenities, travel and all that. If we phase their consumption in such a way by which we create a further employment, further production is necessary, and consumption grows. If consumption grows more production becomes necessary. More production gives further employment and that is why whenever the crops fail—it is our experience—the farmer gets less money and he can spend less. Therefore a sort of unemployment is created. Everybody gets less employment and less business, less trade, less profits. Everybody suffers. Therefore if there is greater consumption—in fact, we should give an impetus to consumption at the lower level—there will be greater production. Therefore this compulsion for small savings from this angle, I think, would not be so desirable.

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Another point in this regard that we have to keep in mind is that if the money created by deficit financing is spent over different areas and different categories of industries, then the spread of the money is such that inflationary tendencies would not be felt. For example, if we dump Rs. 100 crores or Rs. 115 crores in one small area all of a sudden, so many revolutionary changes take place. Prices of everything, labour, milk, vegetables, food and everything go up with such rapidity that the whole economy is disturbed. But if this Rs. 115 crores is spread over different categories of industries and different parts of the country, the effects everywhere will be felt very negligibly. Therefore if we plan in such a way that whatever deficit financing we have to adopt, we adopt and spread it all over the country and in different types of industries and thereby we find that these inflationary tendencies are not there.

13 hrs.

So far as taxation is concerned, there are two points for it. One point is that we are not collecting the taxes that we should collect. To this, so many Members have referred. Some have gone to the extent of saying that the relationship between the tax collector and those from whom we are collecting the tax is not good; rather, it is at worst. I think it is not so. There is a marked improvement in recent months. There was a time when an Income-tax officer and an assessee were not able to talk to each other as man to man. They were rather at different ends and at each others throats. But, today, it is not so. A little change has come and there is better treatment given to the assesses.

But, if one goes to an Income-tax office or such other offices, he will find that even now much is lacking in the treatment. When I plead for better treatment, I do not mean that we should go by their words or explanation or by their statement. We need not. But, that does not mean that without having verified this way or that, simply because one is in a position to offend, one can offend a

[Shri Heda]

person by saying that all the assesses evade taxes and therefore everybody who comes there, he does not come with a clean hand or something like that. Many a time, more strong words are used. Use of strong words is not necessary though we should be quite careful and watchful to see that no tax is evaded. What I plead is only better treatment so far as making arrangements for seating or hearing is concerned. Hundreds of people are asked to come at 10 o'clock on a particular day. They have to stand there for the whole day, sometimes, the next day and another day and another day. Their turn does not come. Instead of this way of harassing, we can ask them to come at different hours. We can break the day into two or three parts and some may be asked to come in the morning and some in the afternoon. We can systematise that way. I am quite sure, if this is done, it will have its wholesome effect and we can have better results so far as tax collection is concerned.

By the various measures that we took in the shape of Wealth tax, or Gifts tax or Estate duty and so many other taxes, the system is so scientific that loopholes are being plugged day by day. Still, there may be some loopholes. But, I am quite sure that the major loopholes are being plugged and whatever small loopholes are there, they would be plugged. That may be a sort of routine matter. From this point of view, we should give credit to our former Finance Minister, Shri T. T. Krishnamachari for having adopted a system which is more scientific and which is more thorough than any other system in the country. I mean the bringing of all these taxations, one tax helping in the non-evasion in the other tax. For example, take the wealth tax. We may collect wealth tax to some extent or other. That is immaterial. It will help us to find out evasion in Income-tax and other taxes. This system of taxation is helpful and the country has benefited.

There is another feeling that there is excess of expenditure. I need not

refer to it. Many Members have referred to it. I think the Government, particularly the Finance Minister has taken this matter very seriously. So far as taxation measures are concerned, one problem was referred to since yesterday and I would like to refer to the same problem: khandsari. It was said that khandsari is an industry of cottage type and therefore, by taxing it, we are taxing the poor people, the small men who have got poor wherewithal to earn. It has been made very clear that the cottage type or village type of industry of khandsari is not at all taxed. It does not come under the purview of the tax at all. For the extraction of juice, if power is used, even then, that industry does not come within the purview of the tax. Only where the jaggery or near about jaggery changes itself into crystals or sugar, if that is done mechanically or by using some power and modern methods, that khandsari alone, which is not a small unit, for which more than Rs 5 lakhs investment is necessary in machines and in buildings Rs 60,000 to Rs. 1 lakh would be required, is being taxed.

Apart from that, there is a big factory, technologically developed; there is another factory which is not technologically developed. I am not in favour of semi-developed factories being allowed to continue as in the case of oil industry we have been doing that. Even then, there is another aspect so far as this matter is concerned. In khandsari, the total quantum of production of sugar from the same quantity of cane is far less than in the sugar factory. It is so much less that it is about 50 to 60 per cent. The extraction of juice is from 70 to 80 per cent and from the juice, extraction of sugar is about 55 to 60 per cent. If we look into their accounts, it may be possible that sugar extraction may be to the extent of about 75 per cent. If we take both these things into account, we will find that the nation is losing particularly when the sugar production is less. Khandsari unit as

18-06 hrs.

[Mr. DEPUTY-SPEAKER in the Chair] against the sugar factory need not be encouraged. Therefore, I have got a suggestion. The suggestion is that a khandsari unit which is not placed in the purview of a sugar factory may not be taxed and a khandsari unit which is started in the purview of sugar industry may be taxed. Because, in an area where there are no sugar factories, a farmer may be encouraged to grow sugarcane and earn a little more and produce extra sugar. In a sugar factory area, the same sugarcane which would have been utilised in a sugar factory, if it goes to a khandsari unit, the result will be that the total production of sugar would be far less. From this point of view also, we have to look at this question. Therefore, I think that this plea that a smaller man has been taxed more and the bigger man has been let off is not correct.

He has given another example and that was about road transport. As I stated earlier, I am of opinion that at the higher level, we may make a certain type of savings compulsory, as we are making a certain type of savings compulsory or automatic because of the system of reserve fund or depreciation fund. I think that even in the private road transport, if we evolve a system by which one who is in charge of one or two trucks and carries on his own business, is asked to save a certain amount and thereby expand his business, I think the country will benefit thereby. Instead of that, what is happening today is, whatever profits are made, they are spent and expansion of the business does not take place.

The last point that I would take up is, many a time, the private sector and the public sector are compared with each other and they are discussed. I think this discussion is unnecessary. Moreover, it is beside the point. They are not in competition with each other. In fact, we are having the public sector only where the private sector is not able to come or should not come. Therefore, there is no direct compe-

tion. Another factor is that there is no area in which the public sector alone or the private sector alone will work. They have to work hand in hand.

Take the case of the steel industry. Now it is in the public sector. The public sector has started it. Production is coming up. Although we will not be able to reach self-sufficiency in this respect, this will encourage the setting up of small engineering units and there will be more production and more employment. Both private sector and public sector should work hand-in-hand. There should be close link with each other. From the one the other will develop and *vice versa*. They need not harm each other. With these words I close.

Shri Jhunjhunwala (Bhagalpur): Mr. Deputy-Speaker, Sir, these two Ministries, the Finance Ministry and the Planning Ministry are the keynote of all the other Ministries which have already been discussed. On the efficient control and proper functioning of these two Ministries depend the well-being of the country.

I cannot but congratulate the hon. Finance Minister for having done very good work in securing foreign aid. I am late in congratulating him because I had no other opportunity to speak. But in this connection I would say that there are certain defects in these Ministries and the sooner these defects are looked into, the better it will be for the country.

References have been made to the present level of taxation. It is true that taxation is at its highest level. But what do we realise out of this taxation? The amount realised is very poor, because the tax-evaders always manage to evade the tax while the honest people who are prepared to pay the taxes are always harassed. This has been my experience. I do not want to go into the details on this point. There is a book written by Nandi. He has pointed out various things some of which need to be looked into. I hope our hon. Minister will take practical steps to remove those defects.

[Shri Jhunjhunwala]

As I said in the beginning, all the Ministries and their demands have been discussed. I have heard those speeches. Various hon. Members spoke of certain defects here and there—instances of waste, over-expenditure and corruption were given. I do not want to detail them here. But what I want to say is this. We advertise so much on the 'Socialistic pattern of society'. When we see the reality today, I am rather disappointed. We all want to work out a plan which will give us a Socialistic pattern of society and which will benefit all people, if not equally, at least, to some extent, equally. Of course, it is not possible in the present developing stage of our economy to see that all people are benefited on an equal basis, but there should be some proportion in which these benefits are to be shared.

The greatest defect in our Planning is that we do not look to small things. We are told "Here is a problem; if this problem is solved, poor people will benefit. Our national income will increase to a great extent" and so on and so forth. But we find that those steps are not being taken but that a deaf ear is given to some of the arguments advanced. I would like to refer to a speech made by my hon. friend, Pandit Thakur Das Bhargava. I do not want to repeat the point made by him in his speech. He has said that our national income will increase to a great extent if proper attention is paid to our Agricultural problems. Agriculture is intimately connected with animal husbandry. Unless we improve animal husbandry, it is idle to expect that we can have more food production and that the lot of the lowest class can be improved. I would therefore request the hon. Minister to go through the speech of my hon. friend Pandit Thakur Das Bhargava, go through it thoroughly, meet all the points, and to ponder over it to find out whether there is any substance in what he says, which I find most. If so, the Planning Commission and the Finance Ministry should come for-

ward at once to improve animal husbandry and our cultivation.

The Minister of Finance (Shri Morarji Desai): When was the speech made?

Shri Jhunjhunwala: At the time of the discussion on food production.

Shri Morarji Desai: That was at the time of the food debate.

Shri Jhunjhunwala: I am very much disturbed to hear that this speech was made at the time of the food debate and so it is not his concern.

Shri Morarji Desai: That is not the implication.

Mr. Deputy-Speaker: The latter portion is being added by the hon. Member himself.

Shri Jhunjhunwala: I am not adding myself.

Mr. Deputy-Speaker: He only enquired when the speech was made.

Dr. P. Subbarayan (Tiruchengode): That is all that he enquired.

Shri Jhunjhunwala: He asked when the speech was made. I said that the speech was made at the time of discussion on food production. He said that it was at the time of the food debate. I thought that because he said that this was made at the time of the food debate, this was no concern of his. I am very sorry, if that was not his implication. I did not catch his words. I apologise to him. But I do hope that he will thoroughly go through the speech to see whether there is any substance in it, and to see whether anything good can be done in the way of implementation of certain important suggestions which have been pointed out.

Then, so far as planning is concerned we see that the planning has been from above. I am convinced that this kind of planning is not going to solve the problems of our country. Planning must be employment-oriented. Unless planning is made employment-oriented, and all the persons, whether at the lower level or at the middle level or at the higher level, get some sort of self-generating employment, the problems of our country are not going to be solved.

As we are embarking on the Third Five Year Plan, I would suggest to the Planning Minister, who is probably not present here just now, that this aspect should be seriously taken into consideration, and we should try to understand whether there is any truth in it.

There have been so many suggestions made to the effect that our Government should be a coalition Government, that we should have in the Government people belonging to all the parties. But I do not say that it is a practical suggestion. So, I would not say anything to that effect. But so far as planning is concerned, it is very necessary that we get the co-operation and support of all the parties; people holding all sorts of opinions should be invited, and they should take an active part in the planning for our country.

Of course, there are parties which are represented here, and there are also parties which are not represented here. I am here referring to Acharya Vinoba Bhava. He has got his own philosophy, and we cannot say that there is nothing in it. We have to study it thoroughly at the time of framing our country's Plan, so that we can improve our planning and we can improve the well-being of our people.

Having stressed that employment-oriented planning is very necessary, I would then like to bring to the notice of the hon. Ministers what was said by Shri Asoka Mehta, namely that

something should be done in order to improve the administration at all levels. It is very easy to say that after all we are human beings, but that is no consolation. Rather, it is disquietening that hon. Ministers should also be saying, after all, we are also human beings. Nobody said that they are superhuman. They are human beings. But they are occupying very responsible positions, and, therefore, their responsibility is somewhat greater, and they cannot merely say, well, there are weaknesses, there is this particular corruption, that particular corruption and so on, and, therefore, there might have been some loophole here and there, after all, we are also human beings. The Ministers should be in a position to say, that, here is a thing which has gone wrong, due to a particular happening or due to some particular negligence, and this shall be put a stop to. The Ministers must be in a position to say this. Otherwise, there is no hope of the administration being improved.

The Ministers and those who are in charge should not indulge only in suggesting legislation here and there. They should set examples. They should create traditions. They should create good conventions so that these could be followed by each and every person in the Government and also by the people. I am not pointing out any particular thing on the part of any particular person. I do not say that our Ministers are bad or anything of that kind, or that there are weaknesses in them. I do not at all suggest that. But at least there is a talk among the people that the people above are not setting good examples, and that if they set a good example, then the people will follow it.

The other day, there was the Sugar Export Promotion Bill which came up for discussion. It was very good. An Ordinance had first been promulgated, and then the Bill was brought forward. We all welcomed it. We thought that it was right, and this was the thing which should be

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done. And it was done. But what was the result? We found that the millers and others were indulging in malpractices, and the sugar price had gone up. It had gone up by Rs. 2-50 or something like that. The reason is that the methods adopted by Government were not successful. We have to find out why they were not successful. The black market price of sugar has gone up just after the promulgation of the Ordinance by Rs. 3-50. I have had detailed calculations made on this aspect; they are not with me just now, but if the hon. Minister wants, I can give those detailed calculations. Government should consider why it has happened like this. If they think that they cannot have proper control, then it is better that they do not do that thing. If they do a thing, they have to find out where they have gone wrong, and where the people are making mistake.

The arrangement was made that Government would issue permits, and according to those permits, the people will be given delivery orders. They were getting delivery orders and everything, but then Government should find out to whom they were giving delivery orders. Sir, I am not against State trading. I am for State trading. In fact, I was a member of the State Trading Enquiry Comm.'tee, and we had recommended long before that there should be State trading in foodgrains, manganese etc. But then it required proper machinery. One hon. Minister calls others who are honest as crooks. He said, just as Shri Asoka Mehta had pointed out that he would be giving permit to people who will purchase for them some portion; but they will keep to themselves some portion of the grains, with which they can operate in the market in any way they like. Does he know how many people will be thrown out of employment as a result of this? As I have said already, I do not grudge State trading; I want that there should be State trading. But

the way in which this State trading is sought to be done will result in nothing but corruption, and Government will not succeed.

The hon. Minister then asked 'What is the other alternative then?' There is no question of any alternative or anything of that kind. We are in charge, and we should find out an alternative. If there is proper administration, even a defective scheme can be made successful, administered in a proper way, but if there is mal-administration, then even a good scheme will result in chaos.

Since you have rung the bell already, I do not want to take any more time of the House.

Mr. Deputy-Speaker: I have rung the bell thrice.

Shri Jhunjunwala: I have taken too much advantage of your indulgence. I shall conclude with only this remark that we sitting here should set examples before the public so that there is nothing wrong; we should gear up our administration properly, as Shri Asoka Mehta has said; otherwise, there will be so many suspicions about our administration, about State trading and all these things.

Shri M. B. Thakore (Patan): I thank you very much for giving me time to speak on the Demands of the Finance Ministry.

I will express my views on my cut motion No. 2137 on Demand No. 33 regarding the policy in regard to ceiling on agricultural holdings and income, secondly on cut motion No. 451 on Demand No. 22 regarding the need to appoint an independent officer to investigate into the allegations made against customs officers by responsible persons, and then, if I have time, I will speak on other cut motions.

The policy of the Government and the Congress regarding the ceiling

on agricultural land and income is extraordinary. It is unreasonable, illogical, ununderstandable and undemocratic. I fail to understand the Prime Minister when he says that ceiling on agricultural land does not necessarily mean ceiling on income. I know a little bit of economics, and I am convinced that the economics of the Prime Minister is unrealistic, unreasonable and full of emotion.

The fixation of land holding which does not yield more than Rs. 3,600 of income per annum, that is an income of Rs. 300 a month is not justifiable. This is undemocratic and against the specific provisions of our sacred Constitution, if we do not fix a ceiling on urban income also.

It is an irony of fate that we always blame the villagers for all our miseries, mis-doings and non-doings. We blame them for non-production of foodgrains. We fix the minimum price for the farmer for his agricultural produce below his cost price, without fixing the prices of other goods. So, there is too much disparity between the price of goods produced by the agriculturists and the other goods which are used by them.

We spend most of our revenue for the happiness and benefit of the urban area, that is cities and towns, and we forget the villagers. They do not have roads, they do not have hospitals, they do not have other modern facilities for which they are craving.

When we go to the villages we find misery all round. I have travelled throughout India. I find the agriculturists in the same condition. They eat the same food, they have only one pair of clothes, they live in the same small huts, in a miserable condition. Their children have no food, no milk and not sufficient clothing. They do not get education, and they do not have other facilities for the advancement of their children.

Shri Balmiki (Bulandshahr—reserved-Sch. Castes): Drinking water.

Shri M. B. Thakore: Supposing farmer has five children, one of them is studying in college, the other one is in the high school. It will mean about Rs. 150 by way of expense on these two children. In the remaining Rs. 150 he has to maintain his three other children and his wife. It is not possible in these days to maintain them within Rs. 150 even in a village. So, the monthly income of Rs. 300 for a farmer is too low. We have never thought about this, that Rs. 150 is not sufficient for a farmer even in a village.

Now, Rs. 300 is fixed as monthly income, or Rs. 3,600 per annum. After some time, supposing two children of the same farmer want to remain agriculturists, what will be their condition? When they separate, their condition will be miserable.

The Revenue Minister of Madras is realistic and wise. He understands the problems and the difficulties of the agriculturists. He says that ceiling on agricultural land will depend upon the category of land. He assured the Legislative Council of Madras on the 10th March that a very liberal ceiling would be fixed in the State. He said:

"We have to take a realistic view of the situation existing here. So, the Members will be satisfied when I say that in fixing the ceiling, the Government will fix a reasonable extent, an extent which will provide for the existence of life and the education of their children in the arts and professional colleges. If we do not fix a reasonably liberal limit, no landholder's son can get educated."

He further said:

"People need not be scared away by the ceiling as far as our State is concerned. We are not such an ignorant lot of people to

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fix ceiling like that. The ceiling may range and go up to 100 acres. It depends upon the category of land."

So, my suggestion is that the ceiling must be fixed at a higher level on the following grounds.

Firstly, we should see the category of land, which kind of land it is. Secondly, the income from the land must be such that with that the farmer can educate his children and have at least the bare necessities for the remaining members of his family, and when his children separate, they should have at least enough to maintain themselves and their children. Thirdly, we should take into consideration the extent of land. It should be borne in mind whether the State concerned is industrialised or not. If it is industrialised, then the other persons who are not engaged in agriculture may get something, that is they may earn something for their maintenance from working in an industry or a factory.

In Mysore State the ceiling is fixed at a maximum of 10 acres, and in Kerala it is fixed at 12.5 acres. Now this is too low a fixation, because I do not think with the yield from this land anybody can maintain his family if he has two or three children or more. The ceiling on land should be fixed liberally and reasonably high. If it is not fixed reasonably high, then I assure this hon. House that we will create a new category of depressed classes like Harijans by fixing very low ceilings. It will be a dead load on the village economy and it will ruin village life. It cannot give incentive to produce more.

I welcome a ceiling which is based on equitable and reasonable considerations. It is fixed in Pakistan and Egypt. It is about 500 acres to 1000 acres. If that is fixed here also on the same considerations, I will be happy.

The idea of ceiling is also, in my view, inconsistent with co-operative farming. Co-operative farming is resorted to by having bigger plots, I think, more than what the Kerala Government proposes to fix or what is fixed in Mysore—at least more than about 70 or 80 acres of land. But here the fixation is not uniform. All States vary. In Mysore, as I said, it is about 10 acres. In Kerala, it is about 12.5 acres. In Bombay, it is 48 acres (minimum) and 96 acres, if the family is joint. So the ceiling suggests fragmentation of land holdings. That is against the co-operative farming idea.

Now, I will say something about cut motion No 451 on Demand No 22. I wrote a letter to the hon. Finance Minister on 14th April, 1958 in regard to my bitter experience at the Dhanushkodi Customs on the 28th February 1954. The Finance Minister in his letter dated 28th April, 1958, denied all allegations made by me. The reasons given by him are the same as were given by the Collector of Customs long ago in 1954. There is little change in the wording. The substance is the same. My suggestion to the hon. Finance Minister is that he should not take it lightly when a responsible person writes to him for public justice and not for any personal benefit. The inquiry made by him and the Collector of Customs, Madras, is not proper and just. The customary procedure in an administrative inquiry is that the superior officer investigates into the allegations made by any person against his subordinate.

Shri Mararji Desai: May I say that this was a personal matter, not a public matter?

Shri M. B. Thakore: It is a personal matter, but it is of public importance, because I know the customs officers harass people. I was standing there. I assure the Finance Minister that they had harassed only

to take money. If he wants, I can give affidavits also.

Shri Morarji Desai: The hon. Member had not alleged that money was demanded from him.

Shri M. B. Thakore: The superior officer will shield his subordinate. This is also against the principle of natural justice. A person cannot be a judge of himself. I wrote to him relating the facts and today I also tell the hon. Finance Minister that I have no personal benefit in it. I have got the refund back and I have no grudge or prejudice against any person. But what I want to point out is that many persons are harassed. I think many hon. Members might have also had experience of this. The customs officers harass unnecessarily. So I request him that he should take a personal interest in the matter and have investigation made into the matter.

I had all proofs with me. But they never wanted to see them. I had passport, I had vouchers. But they would never look at them. They never told me anything to fill up the forms, nor did anything. But they were busy examining the other passengers.

Shri Morarji Desai: May I say that this was not mentioned in the first application?

Shri M. B. Thakore: No, I had mentioned everything in my first application. Not only that, but since 1954 I am continuously writing, and since I became a Member of Parliament, I got the refund; otherwise, they would never have even acknowledged my letter.

Shri Tangamani (Madurai): That is the thing. That is what is happening. I know of a case pending for two years.

Shri M. B. Thakore: I have told the whole story to the higher officer, i.e., the Chief Customs Officer—everything

about it. But he said the radio in question looked like a new one and he could not give me any exemption. He said that it was very costly here, about Rs. 700, and so I should pay at least Rs. 150. That was what he said.

Mr Deputy-Speaker: If it looked like a new one, then there could be an honest mistake also.

Shri M. B. Thakore: It was not so.

Mr. Deputy-Speaker: With this plea of his that it looked like a new one, there was ground for an honest mistake.

Shri Morarji Desai: He did not give the information at the time.

Shri M. B. Thakore: I request the hon. Minister to investigate the matter and take action for the sake of ensuring public justice on a matter of public importance.

Shri Damani: At the very outset, I want to congratulate the hon. Finance Minister and his colleagues on strengthening the financial position of the country. He has tried to create interest in our development plans on the part of foreign friends; during his visit abroad to attend the meetings of the International Monetary Fund, he also took opportunity to visit USA, UK, Canada and West Germany and explain the requirements of foreign exchange for our Second Five Year Plan, and clearing the doubts of the public of those countries regarding our development projects. Due to his able handling of these matters, an assistance of \$ 360 million has been received and it will be of great help about the Small Savings Scheme to the country in overcoming our foreign exchange problems.

I would like to say a few words. The collection in 1957-58 was Rs. 69.1 crores as against an estimate of Rs. 100 crores. In 1958-59 also, we expect a collection of Rs. 75 crores as against

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an estimate of Rs. 100 crores. And, in 1958-59 a collection of Rs. 85 crores has been estimated.

In this connection, I would like to mention that proper publicity and propoganda is not being done in the rural areas. As we are aware, the flow of wealth is towards the rural areas; and, if proper publicity and propoganda is done, I think, there will be no difficulty in getting more collections for investment in our Small Savings Schemes.

This view has also been endorsed by the Forty-seventh Report of the Estimates Committee just published, where they also feel the same. Therefore, I request that proper publicity be made through panchayats and co-operatives so that we can get the target fixed.

The people in the rural areas are not habituated to invest money in government saving schemes or in other deposits. It should be explained to them that these deposits are safe and can be obtained back when they like. It is essential to train them. If the State Bank and scheduled Banks are requested to open small branches in rural areas, it will enable the managers and other responsible persons of those branches to mix easily with the public of those areas and it would create more confidence in them. By that they can attract more deposits from those areas.

I want to say a few words about the expenses. Generally, it is seen that at the end of the year, that is, just two or three months before the close of the year, there is a rush in spending the budgeted amounts. By this rush many items are purchased at higher prices or purchased far in excess of requirements. In that way more money is being spent just to spend the amounts allotted to the different Ministries. Therefore, a proper scrutiny of expenditure—on an average basis—should be introduced so that such a rush is not made by the

departments and planned expenditure is made. That will save our money and will also create a good impression on the public because, due to this rush in purchasing things, many people criticise these things. Therefore, I would request the Finance Minister through you, Sir, to take proper action to channel the expenditure in a proper and well-planned way.

Then, about foreign capital and foreign participation. I not only endorse the policy of Government but I agree with it. Recently, Government has announced that preference will be given to build industries in the country if foreign participation is available where foreign exchange is required. Due to the vigorous efforts of Government and businessmen a cordial and confidential climate has been created in many countries and businessmen of many foreign countries are anxious to build industries in partnership with the country's businessmen. By adopting this policy, Government will not have to borrow money from other countries and will save foreign exchange. Both these things can be avoided and the industries in the country will come up

At present, we are importing 63 per cent. of raw material from other countries; we are importing 17 per cent. of capital goods from other countries and 20 per cent. of consumer goods. If more industries are built up in the country, we will be able to save a large amount of foreign exchange.

The trouble at present is that when representatives of other countries come forward and place some proposals or schemes, it takes a long time to come to any decision from the Government side because so many Ministries are concerned. They have to wait for a long time to know what will be the reaction of Government to their applications for different projects.

In this connection I want to suggest that when an industrialist or a businessman wants to start an industry, if it is delayed, naturally, his enthusiasm cools down and he may turn to some other country and we may lose the chance. When we are importing such huge amounts of materials into the country, it is essential that we must take quick decisions so that they can start building up the industries in the country.

For this, I want to suggest that a special committee of the Ministry including Secretaries, Joint Secretaries of various Ministries, should be formed to consider these applications and arrive at quick decisions which should be made known to them. Whatever our decisions are, they can go ahead and know the fate of their applications. I think some action should be taken for the quick disposal of the applications for starting new industries in the country.

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I want to say a few words regarding the Life Insurance Corporation. Since nationalisation, it has become important not only for insurance business but as an investor. This is the biggest investor in our country. The total investment of the LIC on 31st October, 1958 was Rs. 404.80 crores, out of which 73.1 per cent. was in the public sector and 26.9 per cent. in the private sector. This includes investment inherited from the unit companies. There are many such investments which do not give concrete results nor are they according to the specifications or according to the investment policy of the Government. So, these investments should be withdrawn and the money should be invested in other investments so that more money can be earned which will be helpful to the LIC. We would then be sure that the investments are quite satisfactory. I want to submit two more suggestions. Government should institute a compulsory insurance scheme for all

Government employees as has been done by the Rajasthan Government. It would be the most sound idea. It should be formulated in consultation with the LIC. Government should also study the advisability of introducing unemployment insurance. It is an open secret that there are large numbers of educated unemployed apart from the other unemployed and they are unable to get employment in spite of their best efforts. Unemployment insurance would help them. I do not venture to say that undue risk should be taken but this scheme would be very welcome to the country if it is implemented as is done in other countries.

Proper attention should be given to the middle-income-group housing scheme. The higher middle-class want to build their own houses in small towns and cities and we have agreed to advance loans for these houses. The problem should again be taken up and money should be advanced to them for building houses. This will yield satisfactory returns to the LIC and will satisfy the needs of the needy persons.

I want to say a few words regarding the taxation system newly introduced. Previously it was 51.5 per cent. including wealth tax. The dividend tax has been withdrawn and there is now a 45 per cent tax without rebate. This is definitely beneficial to the companies but it is doubtful how the shareholders are going to be affected. According to their calculations, they think that it is going to affect them adversely. In many instances, double or treble taxation will be required to be paid. It should be cleared so that there may not be confusion in the minds of the people. The hon. Finance Minister has told us that it is not to take more money by way of taxation: it has been introduced to simplify the system of taxation. So, I feel that this matter should be properly considered.

I also want the hon. Minister to increase the exemption limit which is

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at present Rs. 3,000 or Rs. 2,600. The cost of living index has gone up considerably and the prices are going higher. The position of persons who are earning Rs. 300 or Rs. 350 is very difficult. The limit was Rs. 4500 in 1957 but it was reduced to Rs. 3600 and for people having more than two children, there was a further, exemption of Rs. 600. But if we compare the price of the articles, it has gone up and there are chances of the prices going up further. It is therefore very difficult for a middle-class man to pay Rs. 20 or Rs. 25 for income-tax and therefore, some concession should be given to these persons. It would also reduce the work of our officers and they can concentrate on bigger cases.

There is a growing tendency among the technical hands to come to the administrative side. It is therefore imperative that proper grades should be provided and they should be attractive enough. Recently about 200 persons were selected for the industrial management cadre. If the list is scrutinised, I am sorry to say that there are many who are IAS officers and other persons occupying high positions; they thus debar the other technicians. So, these technicians should be allowed to go on to the administrative side. But they are going because they are not getting sufficient pay as they do in the administrative side. We require more technicians and their jobs should be paid more and made more attractive.

Shri Mulehand Dube (Farrukhabad): Mr. Deputy-Speaker, in rising to speak on the Demand of this Ministry, I think I am treading on unfamiliar ground. I do not know enough about the subjects the Ministry is responsible for, to be able to speak with confidence and I, therefore, beg to say that what I am going to say, not in a spirit of criticism but with a view to give some suggestions to the Minister and his advisers for their consideration. The Plans that we have

prepared are of a flexible nature. I do not think much harm will be done if they are changed. Now, we have finished the First Plan with significant success. If there have been any shortfalls in some of the commodities for which we had fixed targets in the First Plan period, there have been many others for which the targets have been exceeded. So, on the whole it may be said with confidence that the Plan has succeeded and we have reached the targets that we have fixed for ourselves in the First Plan. We have also completed three years of the Second Plan. Except for a period of about a year on account of difficulties due to the foreign exchange position, the success achieved has been significant. From the reports that we received for the last one year, it appears that our exports are also rising and the condition of our foreign exchange reserves has also improved. It was in the papers that more assistance is coming from foreign countries. Therefore, there is every likelihood of our achieving the targets that we have fixed for us in the Second Five Year Plan.

In the First Five Year Plan the total expenditure, as far as I could see, was of the order of Rs. 3600 crores. In the Second Five Year Plan the expenditure is going to be of the order of Rs. 6500 crores or Rs. 7000 crores—both in the public sector as well as in the private sector. The total expenditure in the two Plans is to be of the order of over Rs. 10,000 crores. In spite of the fact that we have completed nearly eight years of our planning, in spite of the fact that we have done well during these eight years, what is the position with regard to foodgrains and unemployment?

So far as foodgrains are concerned, we are still practically in the same position in which we were at the beginning of the First Five Year Plan. We still depend to a very considerable extent on the vagaries of the

monsoon. We built very big dams, completed very big river valley projects which are the admiration of the world. But they are only big projects. They are not likely to yield any significant results in the near future. It may be that after 15 years they may yield results. But in those 15 years the country is going to be in very great difficulties.

I do not know whether I am right in my figures, but I feel that if the amount that we are spending on the two Plans had been distributed among the villages each village would have got about Rs. 1.5 lakhs to Rs. 2 lakhs, and by constructing small or minor irrigation works the food problem would have been by now perfectly solved. In spite of the fact that we have spent so much, the food problem now remains where it was about eight or ten years ago.

With regard to unemployment also the position is exactly the same as it was about eight or ten years ago. There is no prospect of this position improving in the near future. I have not seen any waiting or any opinion expressed by experts in the Planning Commission or the Ministry promising to remove unemployment in the next 20, 30 or even 40 years. This is the position in which we are.

The question, therefore, is whether there is any defect in the planning, in the Plans that we have made. I am not an expert in this matter, as I have said before, but I do believe that the ABC of planning requires that we must first of all make a survey of our resources and a survey of our requirements. The requirements are bound to outrun the resources, and for that reason priorities have to be fixed with regard to the requirements.

So far as the monetary resources are concerned, I have no doubt that the planners have taken that into account. But they do not seem to have taken into account the one thing in

which we are surplus, the one thing in which we are second in the world. I mean our manpower. That manpower has not been taken as an asset at all. On the contrary it has been taken as a liability, and it remains a liability even now. The big projects that we have undertaken are to be worked by machines. A machine generally does the work of 10 or 20 persons and requires only one man to handle it. We are surplus in manpower. That manpower is going to waste. My submission is that unemployment is not only a misery to the persons who are unemployed, it is also a national waste, a national loss. It has to be used. Something has to be done to see that the employment potential which we have got is fully utilised. It may be that the development or the Plans may take a longer time to be completed, but we cannot afford to neglect the manpower that we have got, the chief asset that we have got, the chief asset in which we are surplus.

My submission is that this matter has to be considered seriously. Even the planners seem to have proceeded in the way in which the western countries have done. The conditions prevailing in the western countries were entirely different from those prevailing in our country. There was no excess of population. The population was much less than what it should have been. The result was that when industrialisation came about 200 years ago they did not have enough population. Therefore they began to use machines. With the machines they produced goods in excess of their own needs, and they had the entire world for their market where they could dump their surplus produce. Our position is entirely different. Even if we use machines and produce things, we have no market where we can dump them in competition with other industrially advanced countries. My submission, therefore, is that there is some defect in the planning, and it is necessary

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that it should be revised taking into consideration the problems of food and unemployment.

With regard to the use of surplus personnel I have some suggestions. Building of roads is one of the things in which we can use our manpower. Of course, I am not against big industries. For instance, we have the three steel plants. We need them. We do need them very badly. But they should not take the place of other things which are necessary for the development of our economy. Even if there are some things which cannot be done by manual labour and machines have to be brought, there are thousands of parts of these machines which can be manufactured on a small-scale or cottage industry basis. These small-scale industries and cottage industries can be so co-ordinated with the big industries that they provide employment to a very large number of people. This, I submit, is not being done, somehow or other, and I would request the hon. Minister to think over the matter and with the advice of experts in his Department change the Plan, if possible.

I do not see why there should not be any difficulty about this, because it has been said times without number that our Plans are flexible. If that is so, that is no good reason why this flexibility should not be taken advantage of for this purpose.

As I said, one of the things in which our manpower can be utilised is in the building of roads. The Nagpur Plan provided a target of 123,000 metalled roads and 208,000 unsurfaced or *kutchra* roads. That target has been achieved and the Ministry seems to be complacent on this fact that it has already reached the target that was fixed by the Nagpur Plan. But I should like to know how many missing bridges are still there. The roads were built 30 or 40 years ago, but the missing bridges have not yet been provided. I cannot say about others, but I can say about my own con-

stituency in which a road has been built from Shahjahanpur to Farrughamad 30 years ago or more and the two missing bridges over Ganga and Ramganga have not yet been provided. There is also no adequate provision for the maintenance of those roads. The result is that the roads are useless at least for six months in the year. The development works that are undertaken across those rivers or between those rivers remain unattended to without inspection or supervision for at least six months in a year. The Committee of Chief Engineers which has been formed and which has submitted its report—that is at present under consideration by Government—has suggested that these missing bridges should be given first priority.

I do not know if these bridges had been thought of earlier. First priority should have been given to them in the first Five Year Plan or even before that. If this could not be done in the first Five Year Plan period and is not done during the second Five Year Plan period, my submission is that it should be done at least in the third Five Year Plan period. Highest priority should be given not only to all the missing bridges over the roads but also to the particular bridge that I have referred to.

The next thing to which I should like to draw the attention of the hon. Minister is the excise duty that is being levied on *khandsari* sugar, tobacco and *ghani* oil. A tax on small industries like these should not be levied. These are small industries in which middle-class people are engaged for whom no adequate provision has been made during the last 15 or 20 years. These middle-class people are eking out some kind of existence by resorting to these small-scale industries. If excise duty is levied on these industries, though they are small-scale industries, it would mean that the persons who are engaged on

them would be driven out of the business that they have undertaken, and much harm will be done.

So, my submission is that there should be no duty on khandsari sugar and ghani oil. So far as tobacco is concerned, I would not say that there should be no duty on it but I would say that there should be no attempt to raise the duty as is being thought of now.

श्री आखर (रत्नागिरि) उपाध्यक्ष महोदय, परसों से इस वित्त मंत्रालय और प्लैनिंग के बारे में चर्चा हो रही है। मैं पहले प्लैनिंग के बारे में कुछ बातें बतलाना आवश्यक समझता हूँ। हमारी सेकेन्ड प्लैन पूरी होने के नजदीक था रही है लेकिन उस में हमें बहुत सी कठिनाइयों का सामना करना पड़ रहा है। इसका एक ही कारण है कि हमने सेकेन्ड प्लैन का स्ट्रक्चर बनाने समय अपने देश की स्थिति, अपने साधन तथा सम्पत्ति और देश की प्रथम आवश्यकता क्या है इस बारे में पूरा विचार नहीं किया। इसी कारण दो तीन वर्ष बीत जाने के बाद भी हमें अपनी सेकेन्ड प्लैन के बारे में बहुत सी कठिनाइयों का अनुभव हो रहा है। लेकिन जब हम इस बात की ओर ध्यान न देते हुए थर्ड प्लैन की चर्चा करते हैं तब हमारे लिए यह विचार करना आवश्यक है कि हमारी थर्ड प्लैन का स्ट्रक्चर कैसा रहे। हमारे मराठी में एक कहावत है :

“पुढच्यास ढेंच भागचा वाहाग।”

यानी जब पहली चीज हमें रोकती है तो दूसरी सफल रहती है। इस दृष्टि से जब हमें सेकेन्ड प्लैन में कठिनाइयों का सामना करना पड़ रहा है तो थर्ड प्लैन के बास्ते क्या क्या चीज करने की आवश्यकता है इस पर पूरा विचार करना चाहिए। सेकेन्ड प्लैन में यह आवश्यक था कि हम ऐंग्लिकल्बर के ऊपर बल देते लेकिन हमने बल दिया हेवी इंडस्ट्रीज पर। हेवी इंडस्ट्रीज पर बल देते समय हमने यह भी नहीं सोचा कि जो हमारा बहुत बड़ा

साधन है, यानी मैन पावर, उस का उपयोग हम क्यों न करें। यही कारण है कि आज जब सेकेन्ड प्लैन पूरी होने को था रही है, हमारे देश से बेकारी कम नहीं हो रही। न ही हम अनाज के मामले में स्वयं पूर्ण हो सके। इस लिए जब हम आज अपनी थर्ड प्लैन के सम्बन्ध में विचार कर रहे हैं तब वित्त मंत्री जी से मेरी प्रार्थना है कि थर्ड प्लैन का हमारा स्ट्रक्चर केवल इसी बात पर आधारित होना चाहिए कि हमारे देश की जो मनुष्य शक्ति है, उसका पूरा उपयोग कैसे किया जाय और साथ ही हमारे देश में जो-जो रॉ मैटीरियल है उसका पूरा उपयोग करने के लिए कौन-कौन से कारखाने खोले जायें।

आज भी हम थर्ड प्लैन के बारे में कहते हैं कि हमको जनता का सहयोग चाहिए। लेकिन जनता के सहयोग न देने का कारण यह है कि चूंकि यह प्लैन जनता की होनी चाहिए और उन की दृष्टि से इस पर विचार होना चाहिए, उसके न होने से जनता में एक फ्रस्ट्रेशन है और इस में सहयोग देने के लिए वह तैयार नहीं है। आज से बोडे दिन पहले हमारे वित्त मंत्री श्री मोरारजी देसाई ने हैदराबाद में भाषण देते हुए कहा था कि देश में छोटे उद्योगों को, गृह तथा कुटीर उद्योगों को हमेशा के लिए सहायता देना हमारे लिए अशक्य है। मैं भी मानता हू कि इस तरह से हमेशा के लिए छोटे उद्योगों, गृह तथा कुटीर उद्योगों को सहायता देना हमारे लिए अशक्य है, लेकिन आखिर यह क्यों हुआ ? इस का कारण क्या है, किस चीज का यह परिणाम हुआ है इस पर भी विचार करना हमारे लिए आवश्यक है। हम देखते हैं कि हमने सेकेन्ड प्लैन में हेवी इंडस्ट्रीज पर बल दिया। एक ओर तो हम हेवी इंडस्ट्रीज पर जोर देते हैं और दूसरी ओर हम अम्बर चर्खा को प्रोत्साहन देने के लिए १२ करोड़ रुपये खर्च करने हैं। हम आबी और ग्रामोद्योग पर करीब १२५ करोड़ ४० खर्च करते हैं। जब हम देखते हैं

[श्री भास्कर]

कि छोटे उद्योगों और कुटीर उद्योगों को सहायता देने में हम असमर्थ हैं तो ऐसे बड़े उद्योगों को बढ़ाने की क्या आवश्यकता है ? हम घरेलू उद्योगों को बढ़ाने के लिए भाज भाठ सालों से प्रयत्न कर रहे हैं। लेकिन हम भाज अपनी प्लैन को सफल नहीं कर पा रहे उस का एक ही कारण है कि हमारी जो औद्योगिक पालिसी है उस पर हम ने कमी भी पूरी तरह विचार नहीं किया। इस दृष्टि से विचार करते हुए यह आवश्यक है कि हम अपनी प्लैन में जो हमारी मनुष्य शक्ति है उसका पूरा उपयोग करे और थर्ड प्लैन में हेवी इंडस्ट्रीज को न रखा जाए।

दूसरी बात मैं खेती के बारे में कहना चाहता हूँ। इसके बारे में यह विचार करना बहुत आवश्यक है कि हमारा देश खेती प्रधान है लेकिन इसके बावजूद हम करीब १२५ करोड़ ६० का अनाज बाहर से मगाने हैं। यह हमारे लिए बड़े शर्म की बात है कि खेती प्रधान देश होते हुए हम करीब १२५ करोड़ ६० का अनाज बाहर से मगाये। इसका मुख्य कारण यही है कि हमने अपनी सेक्रेड प्लैन में खेती पर जोर नहीं दिया। इसलिए थर्ड प्लैन में हमें खेती पर जोर देना आवश्यक है। अगर हमारे मंत्री श्री देसाई इस बात पर विचार करेंगे और खेती को बढ़ायेगे तो इस से हमारा देश न केवल अनाज के मामले में स्वयंपूर्ण होगा बल्कि जो हमारा फारेन एक्स्चेन्ज खर्च होता है वह भी नहीं होगा और १२५ करोड़ रुपया हम अपने देश का बचा लेंगे।

जैसा मैंने कहा हमें अपनी मनुष्य शक्ति का पूरा उपयोग करने की आवश्यकता है। इसलिये हेवी इंडस्ट्रीज के ऊपर जोर न देने हुए हमको अपनी छोटी इंडस्ट्रीज को बढाना और सहायता देनी चाहिए। हम को छोटी इंडस्ट्रीज और कुटीर उद्योगों को बहुत अधिक महत्वपूर्ण स्थान देना चाहिए। इसको महत्वपूर्ण स्थान

देने का फल यह होगा कि हम को फारेन एक्स्चेन्ज की कठिनाई नहीं होगी और मशीनरी पर भी खर्च नहीं करना पड़ेगा। अपने देश की उपादा से उपादा मनुष्य शक्ति का उपयोग होने से हम अपना उत्पादन भी बढ़ा सकेंगे और जिस बेकारी का अभी तक अन्त नहीं हुआ है उसका भी अन्त होगा।

अभी श्री शुभशुभवाला ने अपने भाषण में बतलाया हम जो भी प्लैन बनाते हैं वह प्लैन जनता की होनी चाहिए और इस के लिए उन्होंने सुझाव दिया था कि देश के अन्दर जब थर्ड प्लैन की चर्चा हो रही है तो उसकी चर्चा करते समय देश की सब पार्टियों को एकत्रित किया जाय और उनके साथ चर्चा की जाय। सब को एकत्रित कर के थर्ड प्लैन का स्ट्रक्चर बनाया जाय जिस से कोई मतभेद न हो और सब लोग उस को अपनी प्लैन समझ कर इस काम में लगे, मैं भी इस चीज का पूरा समर्थन करता हूँ।

मैं ने यह भी बताया कि देश में अम्बर अर्से का प्रयोग हो रहा है। लाली के लिए हम करीब करीब १२५ करोड़ ६० खर्च कर रहे हैं। लेकिन दूसरी ओर हम देख रहे हैं कि रेशनलाइजेशन किया जा रहा है। इस का यह परिणाम होगा कि देश में बेकारी बढ़ेगी जो कि नहीं बढ़नी चाहिए। बेकारी को न बढ़ने देने का एक ही उपाय है कि घरेलू उद्योगों को सहायता दी जाय। जो लोग कहते हैं कि सरकार की ओर से छोटे और घरेलू उद्योगों को हमेशा के लिए सहायता देना असम्भव है उन से मुझे यह कहना है कि जब ऐसा करना असम्भव है तो घरेलू उद्योगों को बढ़ावा देना और भी आवश्यक है ताकि वे अपने पैरों पर खड़े हों सकें। इसलिए हम जो रेशनलाइजेशन करना चाहते हैं वह बहुत अनावश्यक है।

हमारे वित्त मंत्री महोदय के लिए एक बात की ओर ध्यान देने की आवश्यकता

है। उन्होंने अपने मंत्रालय के खर्च में २० प्रतिशत की कमी की है। यह बहुत अच्छी बात है, लेकिन मैं पूछना चाहता हूँ कि जब वित्त मंत्रालय अपने खर्च में २० प्रतिशत की कमी कर सकता है तो दूसरे मंत्रालयों को इस खर्च में कमी करने में कौन सी कठिनाई है? वित्त मंत्रालय को इस बारे में पूरा विचार करना चाहिए और जिस प्रकार उसने अपने खर्च में २० प्रतिशत की कमी की है उसी प्रकार अन्य मंत्रालयों के खर्च में उसको कम से कम २० प्रतिशत की कमी करवानी चाहिए। इस तरह से ठीक-ठीक कदम उठाकर अगर सब मंत्रालय अपने खर्च में कमी करेंगे तो हमारा बहुत माँगा गया बच सकेगा और बट प्लेन पर जब हम विचार कर रहे हैं उसमें जो रुपये की कमी पड़ रही है उसमें भी थोड़ी सहायता मिल सकेगी। अपनी प्लेन की रुपये की कठिनाइयों को कम करने के लिए हॉर जगह पर एकानमिक वाइड प्राफिट सामने रखना चाहिए और इस को सामने रखने हुए हर मंत्रालय के खर्च में कमी करनी चाहिए। जो हमारी एम्प्लॉयमेंट हैं विदेशों में, उनमें भी खर्च बहुत बढ़ रहा है। इस फिजूलखर्च को रोकने का बहुत आवश्यकता है और इस को रोकने के लिए बड़े तेज कदम उठाने की आवश्यकता है। इस लिए मंत्री महोदय से मेरी प्रार्थना है कि वे इस और भी ध्यान दें। अब जहाँ तक देश की एकोनोमी का सवाल है हमारे देश में बड़े बड़े विदेशी मेहमान आने रहते हैं और भारत सरकार द्वारा उनके स्वागत सत्कार आदि पर काफी रकम खर्च की जाती है और बहुत कुछ फिजूलखर्च भी उस सम्बन्ध में होती है। मेरा सुझाव यह है कि हमें अपने देश की आर्थिक स्थिति को देखते हुए इस फिजूलखर्च और रुपये के अपव्यय को बंद करना चाहिए और उसको कम करने के लिए सक्रिय कदम उठाने चाहिये। मुझे लगता है कि हमारे वित्त मंत्री महोदय ने इस दिशा में कुछ कदम उठाये भी हैं। मैं चाहता हूँ कि

सभी जगहों पर और दूसरे मंत्रालयों में भी जो भारी खर्च हो रहा है और रुपये का अपव्यय हो रहा है उसको खत्म करने की और ध्यान दें। मुझे आशा और पूर्ण विश्वास है कि हमारे वित्त मंत्री महोदय और उनका मंत्रालय प्रशासनिक व्यय में कुछ कमी करने का प्रयत्न करेंगे।

यह एक सदन में इनकम-टैक्स के बारे में बहुत चर्चा की गई है। इस अवसर पर मुझे इनकम टैक्स के बारे में कुछ विवेक नहीं कहना है। अलबत्ता एक बात मैं आपकी तरफ से कह देना चाहता हूँ कि जो हमारा प्राज का टैक्स स्ट्रक्चर है उसको बदलना आवश्यक हो गया है। यह हमारा इनकम-टैक्स ऐक्ट सन् १९२२ का है और सन् १९२२ के बाद में अब तक हम हर वर्ष उस ऐक्ट में मसौदा करते आ रहे हैं और प्राज हालत यह बन गई है कि ऐक्ट इतना छोटा और अमॉडर्न इतने बड़ गये हैं कि कारण हर आदमी को टैक्समेयर को और टैक्स चार्ज करने वालों को भी इसको ठीक से समझने में मुश्किल पड़ती है। इसलिए मुझे वित्त मंत्री महोदय से यह निवेदन करना है कि वे इस ऐक्ट को बिल्कुल रीसेट करके एक नया ऐक्ट लायें ताकि लोगों को उसको समझने में आसानी हो और करदाताओं को परेशानी अनुभव न हो और प्राज जो उनमें कुछ टैक्स प्रिन्सिपल की प्रकृति पैदा हो जाती है वह नष्ट हो जाय और उनसे बाजिब इनकम-टैक्स आसानी से प्राप्त हो जाय।

जैसे मैंने पहले सदन को बतलाया कि देश में आर्थिक संकट बिद्यमान है। इनकम-टैक्स के ऐरियर्स प्राज करीब करीब २६० करोड़ रुपये वैरिंग और अनरिक्वर्ड पड़े हैं और मैं सरकार से पूछना चाहता हूँ कि जब देश में आर्थिक संकट है तो वह यह २६० करोड़ रुपये जो कि इनकम-टैक्स का ऐरियर पड़ा है उसको रिक्वर्ड करने के लिए कोई ठोस और सक्रिय कदम क्यों नहीं उठाती? मुझे तो कम से कम पता नहीं है कि सरकार इस

[श्री माधव]

रेरियर को रिकवर करने के लिए क्या इंतजाम कर रही है। मैं चाहता हूँ कि वित्त मंत्री महोदय इस धोर विशेष ध्यान दें और इस हिंडेन इनकम को जल्द से जल्द धनधर्म करके देश में जो आर्थिक संकट आया है उसको दूर करने का प्रयत्न करें।

इनकम-टैक्स की बसूली के बारे में यहाँ वर्षा की गई कि इनकम-टैक्स के प्राक्सिस करदाताओं को बहुत हरेस करते हैं। इसके लिए जैसे मैंने पहले कहा हूँ टैक्स स्ट्रक्चर को बदलना आवश्यक है ताकि लोगों को इनकम-टैक्स भदा करने में कोई परेशानी अनुभव न हो और करदाता स्वेच्छा से टैक्स भदा करें। लेकिन आज चाहे वह व्यापारी हो घबघा और कोई व्यक्ति हो वह टैक्स को जो उस पर बाजिब रुपया भ्राता है उसको छिपाने की कोशिश करता है और आज देश का करोड़ों रुपया इनकम-टैक्स की शकल में लोगों के पास छिपा पड़ा है और यह टैक्स की चोरी इनकम-टैक्स के अधिकारियों से मिल कर होती है। इनकम-टैक्स डिपार्टमेंट में भ्रष्टाचार का बोलबाला है और वहाँ पर इनकम-टैक्स के मामलों की ठीक से पूरी जांच नहीं की जाती है। मेरा सुझाव है कि आज के इनकम-टैक्स ऐक्ट में आमूल बूल परिवर्तन किया जाय ताकि यह जो लोगों को परेशानी और भदायगी के बारे में गड़बड़ी चलती है यह बंद हो जाय।

कस्टम डिपार्टमेंट के बारे में मेरा यह कहना है कि बम्बई के कस्टम प्राक्सिस में बहुत गड़बड़ चल रही है। पिछले बजट के समय नॉक्सन वार्न पर १ रुपये ५० नये पीसे का टैक्स लगाया गया था लेकिन यह टैक्स लगने पर भी बम्बई के कस्टम प्राक्सिस में थोड़े दिन पहले तक इस पर केवल ५० नये पीसे का ही टैक्स बसूल किया गया। बाद में इन लोगों का ध्यान इधर गया और इन्होंने महसूस किया कि हमने तो गलती की है और बाद में उन्होंने रिकवरी के नोटिस भेजे हैं। अब मेरे बताने

का तात्पर्य यह था कि इस तरह का गड़बड़-घुटाला वहाँ कस्टम प्राक्सिस में चल रहा है कि नॉक्सन वार्न पर बजाब १ रुपये ५० नये पीसे टैक्स बसूल करने के केवल ५० नये पीसे ही बसूल किये जाते हैं और १ रुपया छोड़ दिया जाता है और १५ १६ महीने तक यह गलती हमारे ध्यान में नहीं आई।

बाहर से जो वहाँ माल भ्राता है उस पर एक्साइज डिपार्टमेंट द्वारा टैक्स लिया जाता है। अब उस में यह गड़बड़ चलती है कि माल मिलता नहीं, "नोट ट्रेसुबुल" ऐसे बहुत से सर्टिफिकेट स मिट किये जाते हैं और उस टैक्स का रिफंड मिल जाता है और टैक्स का रिफंड मिलने के बाद वह माल वहाँ से ले जाते हैं। इस तरह की गड़बड़ी बम्बई के कस्टम प्राक्सिस में उड़ले से चल रही है। मेरे पास बहुत इन्स्टांसेज हैं लेकिन समय की तंगी के कारण मैं उनको यहाँ पर पेश नहीं करना चाहता। मैं चाहता हूँ कि कस्टम प्राक्सिस में जो यह भ्रष्टाचार और गड़बड़ घुटाला चल रहा है इसको बंद करने के लिए वित्त मंत्रालय गम्भीरतापूर्वक ध्यान दे।

जहाँ तक एक्साइज ड्यूटी का सम्बन्ध है मुझे कहना है कि यह जो खंडसारी शककर पर एक्साइज ड्यूटी लगाई गई है यह उचित नहीं है। खंडसारी उद्योग १ लाख या २ लाख रुपये तक का है और ५ लाख रुपये तक के उद्योग स्मोल स्केल इंडस्ट्रीज की कैटेगरी में आते हैं तो खंडसारी का उद्योग चूंकि स्मोल स्केल इंडस्ट्री है इसलिए इस पर यह एक्साइज ड्यूटी लगाना उचित नहीं कहा जा सकता और यह छोटी इंडस्ट्रीज को बढ़ाने और प्रोत्साहन देने का तरीका नहीं है। आज खंडसारी उद्योग बंद हो रहा है और जाहिर है कि वह मिलों में बनने वाली फिस्टल शूगर इंडस्ट्री से कम्पीट नहीं कर सकती और मैं चाहता हूँ कि वित्त मंत्रालय इस धोर ध्यानदे और वह ड्यूटी हटाने के

लिए आवश्यक कार्यवाही करे ताकि यह बांधवारी उद्योग पनप सके और उन्नति कर सके। सरकार द्वारा इस छोटे उद्योग को प्रोत्साहन दिये जाने की आवश्यकता है।

तेल इंडस्ट्री एक छोटी इंडस्ट्री है और सरकार की पालिसी छोटी इंडस्ट्रीज को प्रोत्साहन देने की है लेकिन मैं पूछना चाहता हूँ कि गये साल तक ७५ मन पर टैक्स नहीं था उसके बाद था लेकिन अब जो धायल पर टैक्स लगाया गया है उसमें रो.री घाने और बेबी एक्सपेल्स भी एफे टेड हो गये हैं। हर एक स्थान पर यह बेबी एक्सपेल्स लगाये गये थे लेकिन इस टैक्स के उन पर पडने के कारण यह बेबी एक्सपेल्स बंद हो गये हैं और अगर यही स्थिति क़ायम रही तो उनको बेबी एक्सपेल्स को स्कैप्स की शकल में बेचना होगा। वह लोग बड़ी बड़ी मिलों के साथ तो कम्पीट कर नहीं सकते और तेल पर टैक्स लगने से उन पर बड़ा प्रतिकूल असर पड रहा है। अब छोटे छोटे रोटरी घाने गांवों में चलते हैं और यह मजूरी पर चलते हैं। लोग अपने अपने घरों से मूगफली और तिल लाते हैं और उस रोटरी घाने में मजूरी पर तेल पिरवाते हैं और इस टैक्स का उन रोटरीखानों पर भी बड़ा प्रतिकूल असर पड रहा है और हमारे महाराष्ट्र के सभी स्थानों पर सगे यह रोटरी घाने धायल पर टैक्स लगने की वजह से बंद हो रहे हैं। मैं चाहता हूँ कि इस पर गम्भीरतापूर्वक विचार किया जाय और इस टैक्स से यह रोटरी घाने एग्जम्प्ट कर दिये जायें ताकि यह अपना काम जारी रख सकें। डिजेल धायल पर जो ड्यूटी बढ़ाई गई है वह भी मेरी समझ में उचित नहीं है अब एक और तो हम सन् १९६० में टूरिज्म को बढ़ाने की बात करते हैं और दूसरी ओर जो यह डिजेल धायल पर टैक्स बढ़ाया है—तो यह दोनों चीजें कहां तक एक दूसरे से मेल खाती हैं और मैं नहीं समझता कि इस से टूरिज्म बढ़ेगी

कैसे उस्टे उस पर प्रतिकूल असर ही पड़ेगा। रेलवे की जो धामवनी बटी है उस बटती हुई धामवनी को बटने से रोकने के लिये डिजेल धायल पर टैक्स लगा कर बिल मंत्रालय जो रेलवेज की सहायता को दीठा है यह ठीक नहीं है और इस कारण जनता को कठिनाई अनुभव हो रही है। देहातों के अन्दर रोड-ट्रांसपोर्ट ही एकमात्र साधन है और वहां पर बसों का किराया बढ़ाने से जनता को परेशानी होगी। इसलिये डिजेल धायल पर जो टैक्स लगाया है उसको हटा लेना चाहिये।

डिजेल धायल पर टैक्स लगाने का हमारा साक्षात् के उत्पादन पर भी प्रतिकूल ही असर पड़ेगा और मुझे आशंका है कि इस तरह हमारे साक्षात् का उत्पादन नहीं बढ़ेगा। अब पहले डिजेल धायल की कीमत ४४ रुपये बैरल थी। और अब वह बढ़ कर १०० रुपये हो गई है। इसलिये मेरा बिल मंत्री महोदय से यह निवेदन है कि टूरिज्म और एग्रीकल्चर दोनों दृष्टि से देखते हुए यह डिजेल धायल पर टैक्स लगाना ठीक नहीं है और इस को कम करने का प्रयत्न किया जाय

एक आधुनिक सचिव्य : किसानों में कितने फीसदी किसान ऐसे हैं जिन के कि पास ट्रैक्टर्स हैं ?

श्री आक्षर : ट्रैक्टर्स के बारे में मैं कुछ नहीं कहता।

अब मैं एक्साइज ड्यूटी के बारे में एक बात कहना चाहता हूँ। आपने तम्बाकू पर एक्साइज ड्यूटी लगाई है। इस में मैं ज्यादा नहीं कहना चाहता। केवल इतना ही कहना चाहता हूँ कि जो आपने इस में श्रेडेशन रखा है इस को न रख कर तम्बाकू पर पनैट रेट पर टैक्स लगाया जाय तो इस में व्यापारियों को परेशानी नहीं होगी। हम कहते हैं कि ऑफिसर करप्शन करते हैं लेकिन इस में जो यह कैटेगोराइजेशन रखा गया है इस कारण करप्शन हा रहा है। अगर पनैट रेट पर

[श्री धानर]

एकसाइज इयूटी रखी जाये तो न करपान बढ़ेगा और न व्यापारियों को टैक्स छुटाने का प्रोत्साहन मिलेगा। और टैक्स भी घासानी से बसूल हो सकेगा। इस पर विचार किया जाये।

Shri Jaganatha Rao (Koraput): Mr. Deputy-Speaker: Sir, the other day my hon. friends, Shri Prabhat Kar and Shri Khadilkar, questioned the propriety of relying too much on foreign loans for the implementation of the Plan. I ask them: What is wrong in taking foreign assistance? We inherited a stagnant economy and we wanted to expand our economy. We did not have the necessary resources, we had to industrialise the country to expand our economy and industrialisation rapidly could be done only by the installation of basic industries. So, we had to rely on foreign collaboration.

Many countries in the West and also East European countries are interested in our Plan and the mode in which we implement it. Ours is the largest democracy in the world and we are achieving a task which is impossible for other countries to do. It has attracted the attention of the whole world. It is not correct to say or to think that our Plan is in danger. Those people who say that the Plan is in danger sound a warning of defeatism. It is not in the interest of the country to indulge in such criticism or loose talk.

We find that the steel plants will go into production very soon. The other day the hon. Home Minister lighted the open hearth furnace at Rourkela. In a few days time we will have steel ingots. In the field of industry we find that there is rapid industrialisation. We are in a position not only to expand but also to export several industrial products, more so in the field of engineering goods. Our export trade which has received a setback in recent months due to various reasons is bound to reach the

old figure or exceed the targets that have been fixed previously. Therefore it is not correct to say that we are not able to keep up to the targets of our Plan. In the field of industrialisation we are able to keep up to our targets. We are not taking loans which we are not in a position to pay. If the foreign countries realise that we are not in a position to pay, they would not naturally advance loans. The fact that all the countries have come forward to assist us is a sufficient indication that our economy is very sound and that we are in a position to pay up our loans.

Every country which embarked on industrial development had to take assistance from foreign countries. Even the Communist countries, Russia had the assistance from America. America in its early years of development had the assistance of European countries. We have not done anything which is wrong or which is not natural in the context of things.

Shri Khadilkar also said that there is inflation in the country. I respectfully disagree with him. What are the inflationary trends that he could notice in the country? It is true that now and then in certain areas of the country there is a rise in prices but we also find that prices come down. Therefore, it is not a question of inflation. It is only a question of demand and supply. It may be that foodgrains are not being sent to areas where they are needed. But these setbacks do not really go to show that there is inflation in the country. It is true, however, that while we are able to keep up to the Plan targets in the industrial sector in the agricultural sector we have not been able to achieve the targets. Because of this our Plan is getting a jolt now and then.

We find that our planners had embarked on major irrigation projects in several parts of the country. Those projects were really necessary. But one thing we find is that these

projects do not serve the entire country. They are not able to serve the needs of the people all round. Even in America the major projects took 15 to 20 years for maximum utilisation of the irrigation potential. We are in need of foodgrains. Therefore we cannot afford to wait for 15 to 20 years to achieve the targets. What is more important for us today is quick results. We want medium and minor irrigation projects which will give water to the cultivator at the time of need.

If we take the major projects, as I said the other day on another occasion, we find that if the commanding area is four lakh acres of land the water does not reach the land more than two lakh acres in extent for various reasons. There are no intermediate reservoirs and the land at the tail end of the channel does not get the same quantity of water as the land situated at the source gets. Also, there are no feeder channels constructed. At the same time, when people want water they do not get it. The levy of betterment tax also, even before there is betterment in production, is acting as a disincentive. But these are matters which can be gone into by the Governments and I am sure that the Governments also are looking into this problem.

Recently, the Congress at Nagpur has passed a resolution regarding the agricultural pattern of the country. This pattern envisages the establishment of service co-operatives in the first instance and co-operative farming after three years or so. Certainly, this will go a long way in relieving the agricultural difficulties of the country, but I do not mean to suggest that in three years' time we will be able to achieve surplus in foodgrains. The import of foodgrains, however, will necessarily be reduced to a great extent. In that way we will certainly be in a better position.

Now, what were the resources of the Plan? When we examine the Plan outlay, we find that 44 per cent of the Plan is financed by

foreign loans, about 31 per cent by deficit financing and the rest by internal resources. Taxation measures, of course, offer a good source of income. Then come small savings. In respect of small savings, during the First Five Year Plan we exceeded the target. The target fixed in the First Five Year Plan was about Rs. 225 crores and about Rs. 240 crores were realised. In the Second Five Year Plan the target fixed was Rs 500 crores but we find that we could achieve only 65 per cent of the Plan target. In the year 1956-57 we find that about Rs 61.6 crores were realised under this scheme. In 1957-58 it was only Rs 70.75 crores. In 1958-59 it would be roughly Rs 63 crores or Rs 64 crores. So, we have to mobilise the small savings scheme and we have to intensify our effort. I have just a few suggestions to make in connection with the small savings scheme.

There are several agencies that operate for the collection of small savings. First we have got the Central Government staff, then the State Governments' staff and then the non-official organisations. There is no co-ordination between these three organisations, rather on the other hand there is a sort of conflict, more so in the rural areas where small savings are very poor for various reasons. We have not got the institutional organisations, such as banks and post offices, who will cater to this. That has to be looked into. Then, I would suggest that there should be some propaganda and a mobile van should be organised at the time of harvest when the agriculturists have money. At that time if these people go, they would certainly be able to realise a considerable amount from these cultivators. I would also suggest that smaller savings should be made compulsory in that all Government servants and also employees in the private sector should be made to contribute some portion of their salary towards small savings. Again, I would also say that they should not impose limits on small savings. Now it is Rs. 50,000. Why should a limit

[Shri Jaganatha Rao]

be imposed? If a man has the capacity and wants to deposit more, maybe some lakhs, he should be allowed to do so. It does not cease to be small. It is a saving. The effort may be small but the amount recovered would be great. You may reduce the rate of interest after a certain amount. You give him the necessary exemption under the taxation laws. You require the money. The State does not stand to lose. I would respectfully submit that this suggestion of mine may be considered.

The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi): Income-tax exemption?

Shri Jaganatha Rao: Income-tax exemption; wealth tax. You will get the money. After a certain ceiling, you may reduce the rate of interest. When you are not able to collect by taxation measures, certainly this is a very convenient mode for the Government to collect whatever money you require. You may take away all the gold and silver and give them bonds. If you give them bonds, you will get all the hoarded wealth. You can promise them interest. You may be paying a little by way of interest. But, you will be having all the gold.

I would also suggest that the Government should consider the feasibility of having a Corporation for mobilising small savings on the lines of the Life Insurance Corporation. A Corporation can be floated which will take over the duty of collecting small savings. Unless government take some vigorous and intensive steps, the traditional methods which the Government are employing will not yield good results. Government have to seriously consider how best to implement the small savings scheme. We have to mobilise the efforts. Otherwise, internal resources are not sufficient to meet the requirements of the Plan. We also hear that the Third Plan is going to be bigger than the second, as it should be.

Shri Prabhat Kar questioned the propriety of amending the Tax laws every year. He said that every Finance Minister who comes, changes the tax pattern according to his whims and prejudices. As far as we know, the present Finance Minister has no whims or prejudices, has no likes or dislikes. The country may not acknowledge him as a financial wizard. He may not pose himself as a financial expert as some people in position may do. But, I am sure, the whole House will agree that he is equal to the task and he has set himself in right earnest. I think the country can feel assured that his efforts will lead to the successful implementation of the Plan. The tax laws are amended every year because, under the Finance Act, the rates are revised. Even in England, the Finance Act fixes the rates every year. For instance, I may take up the Wealth tax. Shri Prabhat Kar and Shri Khadilkar were members of the Select Committee. I was one of them. There was strong opposition in the Select Committee about imposing the wealth tax on companies. But, the Government would not yield. After the working of the Act, it has come to the notice of the Government that certainly this is not worth it. It is put correct that Government should come forward with an amendment. What is wrong with it? Fiscal enactments cannot be as rigid as any other laws of the country relating to property or persons.

I would like to say this. I appreciate the principle of grossing up of dividends. It is a very bloodless operation carried on by the Finance Minister, which gives a revenue, not of Rs. 1 crore as he said, but to the extent of Rs. 3 or 4 crores. I am glad the Government would get it. The Reserve Bank of India conducted a survey of the pattern of distribution of dividends in 1001 Joint stock companies. In the Bulletin of October, it is seen that these companies distribute about 61.3 per cent of the profits. The shareholders, by the abolition of this grossing up, of

dividends will not get the same dividend they were getting before. Some way has to be devised to relieve the shareholders because 80 per cent of the shareholders would be middle-class men. There are also some other anomalies which have crept in as a result of some of the amendments. I will have to say more about them while I speak on the Finance Bill.

Shri Harish Chandra Mathur, spoke about the need for introducing economy in the civil expenditure. I fully agree with him. May I submit, in all these projects also much economy can be effected. Every year, there should be an evaluation of the projects. For instance take the steel plants. I do not attribute any *mala fides* to any officer or anybody. If every year, evaluation is done, we will know where the project stands and if there is any shortfall or bottle-neck, it can be checked up. You have said in your speech that the country is suffering from a crisis of development and a crisis of resources. I would add one more crisis. The country is suffering from crisis of character. People in charge of public moneys do not act properly and we do not get the same standard as is expected from them, the result of it being that the country stands to lose.

I would take this opportunity of congratulating the Finance Minister on the way in which he has presented the Budget and I support the Demands fully.

श्री सखाराम लोह (फिरोजाबाद) :
उपाध्यक्ष महोदय, यह देख कर कि योजना मंत्रालय पर बहुत हो रही पर योजना मंत्रियों में से, जो कई हैं, एक भी सदन में नहीं है, दुःख होता है। इस से प्रघट होता है कि प्रत्येक योजना के लिये इतना झोला पीटा जाता है उस में मंत्रियों की कितनी विलचस्पी है। जो भी हो, लेकिन योजना के बारे में विचार करते समय यह विचार कर केना चाहिये कि यदि योजना सफल नहीं हो रही है, और इतना

खर्च करने के बावजूब भी बेकारी में बढ़ोतरी होती चली जा रही है और उमान परेशानियाँ पैदा हो रही हैं, तो इस का क्या कारण है और योजना में क्या मूलभूत गलतियाँ हैं। मुझे लगता है कि योजना को बनाते समय कुछ मूलभूत गलतियों की गयी है और अगर तृतीय योजना बनाने के पहले हम उन मूलभूत गलतियों को दूर नहीं करेंगे तो हमारी तृतीय योजना भी सफल नहीं हो सकेगी, उस से भी बेकारी दूर नहीं होगी, और हमारे मुल्क की जो कमियाँ हैं वे दूर नहीं हो सकेंगी। इसलिये मैं कहना चाहता हूँ कि हमें योजना की मूलभूत गलतियों की तरफ भी ध्यान देना चाहिये।

आसिर योजना ने हम को क्या दिया है। शायद एक फीसदी भादमी ऐसे होंगे जिन के लिये यह सारी योजना चल रही है। इन लोगों में कुछ एक ऐसे हैं जो सरकारी नौकरी में घा जाते हैं जिन को काम मिल जाता है। इन में से कुछ को अच्छा-बच्छा बेतन मिल जाता है, कुछ को साने भर को मिल जाता है, और कुछ को इतना ही मिलता है कि वे घाबे पेट रह सकते हैं। दूसरी तरफ कुछ उद्योगपति हैं जिन को हिन्दुस्तान की सरकार की तरफ से भी और विदेशी सरकारों से कर्ज के रूप में और अनुदान या सहायता के रूप में कुछ रुपया मिलता है जिस से वह अपने उद्योगों को चलाते हैं। बाकी ९९ फी सदी जनता ऐसी है कि जिसे टेक्सों के बोझ के नीचे तो कराहना पड़ता है, लेकिन जिसे योजना से कुछ नहीं मिल पाता। मैं निवेदन करना चाहता हूँ कि यदि हमारी योजना का यही ढांचा रहता है तो ९९ फी सदी जनता के लिये इस में कोई हिस्सा नहीं बाकी रहेगा। इसलिये हमें सोचना पड़ेगा कि हम योजना में कुछ ऐसे कान्तिकारी परिवर्तन करें जिस से सारी जनता को इस योजना से कुछ न कुछ फायदा हो सके। उसका विकास हो सके, उनका उत्थान हो सके।

[श्री व. राज गिहू]

एक बेकारी के सवाल ही को लें। हमारे मुल्क में जिस तरह से पूंजी लगती है, उस में १५ हजार पूंजी लगाने के बाद एक व्यक्ति को काम मिलता है। हमारे यहां एक तरफ तो हालत यह है कि देश में पूंजी के निर्माण की दिक्कत, है, और हमें विदेशों से पूंजी लेनी पड़ रही है। उस के लिये हिन्दुस्तान की सरकार की तरफ से कहा जाता है कि हम ऐसा करने में अपने विदेश नीति को गिरबी नहीं रख रहे हैं लेकिन मैं समझता हूँ कि ऐसा करने में कहीं न कहीं विदेश नीति पर कोई धाच धा ही जाती है, चास तौर से जब विदेशों के उद्योगपति हिन्दुस्तान के उद्योगपतियों के साथ समझौते करते हैं, हिन्दुस्तान की सरकार की सहमति से, और वे अपने मनमाने ढंग से उद्योग को चलाना चाहते हैं। यदि विदेश का रुपया सरकारी स्तर पर हिन्दुस्तान प्राये, यानी हिन्दुस्तान की सरकार को सीधा विदेशी सरकार से रुपया मिले और फिर उसे हिन्दुस्तान की सरकार पब्लिक सेक्टर में ही लगाये तो मैं समझता हूँ कि वह कोई इतना बुरा नहीं। लेकिन जब विदेशी उद्योगपतियों को हमारे हिन्दुस्तान के उद्योगपतियों के साथ मिल कर उद्योग चलाने की सहमति दी जाती है, जिसे कोलेक्टो-रेषन का नाम दिया जाता है, तो हमारी विदेश नीति पर कभी न कभी धाच धाने की धाशंका रहती है ऐसा मुझे लगता है।

तो हम १५,००० रुपया लगाने के बाद एक व्यक्ति को काम दिला पाते हैं। हम ऐसा उपाय क्यों नहीं सोचते कि एक हजार या आठ सौ रुपया लगा कर एक व्यक्ति को काम दे सकें। यदि हम छोटे उद्योगों की तरफ ध्यान दें तो मैं यह निश्चित रूप से कह सकता हूँ कि एक हजार या आठ सौ रुपया लगाने के बाद हम एक व्यक्ति को काम दे सकेंगे। यदि यह किया जाये तो उस का परिणाम यह होगा कि जहाँ आज १५,००० रुपया लगा कर एक आदमी को काम दिया जाता है वहाँ उत्तम ही रुपये से उस से १५ गुने ज्यादा

व्यक्तियों को काम मिल सकेगा। इस से निश्चय ही हमारी बेकारी की समस्या बहुत हद तक हल हो सकती है और बड़े उद्योग के कारण जो फारिन एक्सचेंज की घोर विदेशों से बड़ी बड़ी मशीनरी मंगाने की जो कठिनाइया होती है वे भी खत्म हो जायेंगी। मैं यह मानता हूँ कि कुछ बड़े उद्योग हैं जो कि बहुत जरूरी हैं। लेकिन हम अब तीन स्टील प्लांट लगा चुके हैं। इस के बाद हमें मूल उद्योगों को स्थापित करने में और ज्यादा रुपया खर्च नहीं करना चाहिये। हमें छोटे उद्योगों की तरफ चलना चाहिये। हम जब छोटे उद्योगों की बात कहते हैं तो हमारी सरकार की तरफ से कहा जाता है कि हम मूल उद्योगों को पनपाना चाहते हैं लेकिन प्रमल में हम इतने हैं कि खंडसारी के छोटे उद्योग पर टैक्स लगाया है जिस में एक करोड़ ७५ लाख की ग्रामदानी होने का अनुमान किया जाता है। इस उद्योग का तीन लाख व्यक्तियों के रोजगार में सम्बन्ध है। लेकिन हम उस को मारना चाहते हैं बिना हम बात के देखे हुए कि क्या खंडसारी का उद्योग इतना टैक्स दे सकता है। इस उद्योग को इनलिये मारा जा रहा है, मैं बहुत विनम्र शब्दों में कहना चाहता हूँ, कि हिन्दुस्तान के बड़े पूंजीपति सेठ यह चाहते हैं कि इस खंडसारी उद्योग को नष्ट कर दिया जाये ताकि उन के और किसान के बीच में मन्ने के लिये कम्पीट करने वाला कोई आदमी न रह जाये। यह तो मैं ने एक उदाहरण के रूप में बतलाया है। इस के अलावा तेल की बानी के उद्योग का भी सवाल है।

15 hrs.

कहा यह जा रहा है कि हम उसी उद्योग पर टैक्स लगा रहे हैं जो कि पावर से चलता है। लेकिन हम को यह देखना होगा कि जो छोटे उद्योग पावर से चलते हैं वह भी बहुत ही छोटी स्केल के उद्योग हैं, उन को भी कुछ कुछ

हम एम्प्लॉयमन्ट नहीं देंगे जब तक हम छोटे उद्योगों को पनपा नहीं सकते हैं।

तो प्रश्न यह उठता है कि क्या योजना द्वारा हिन्दुस्तान की जनशक्ति को काम दिलाने की कोशिश की गयी है। हम रूपया खर्च किये चले जा रहे हैं और बड़े-बड़े टैक्स लगाने के बाव भी हम देखते हैं कि हमारी बेकारी की समस्या बढ़ती ही चली जा रही है। तो मेरा निवेदन यह है कि जब तक हमारी सरकार छोटे उद्योगों की तरफ नहीं जाती और जब तक वह हमारी जनशक्ति को काम पर नहीं लगाती, तब तक यह निश्चित है कि केवल विदेशों के रुपये से हमारी योजना सफल नहीं हो सकती।

भाज कहा जाता है कि हमारे बिल मंत्री ने अमरीका की यात्रा क समय बड़ी सफलता प्राप्त की और हमारी योजना के लिये वह कर्ज प्राप्त करने में सफल हुए। लेकिन मैं निवेदन करूंगा कि जब किमी घर में कर्ज लेने की आदत पड़ जाती है तो हमेशा बड़े भोग कहते हैं कि यह बच्चों के लिये अच्छा नहीं हो रहा है, उन को कर्ज में बोधा जा रहा है। भाज की सरकार कर्ज ले कर आने वाली पीढ़ी को कर्ज में बोधा रही है और अगर हम आने वाली पीढ़ी को इस तरह से कर्ज में बोधते चले जायेंगे तो नतीजा यह होगा कि यह पीढ़ी तो चली जायेगी, लेकिन आने वालों के दिक्कत पैदा हो जायेंगी।

डिप्टी डेप्युटी (बीमती तारकेडवरी सिन्हा): भाप उतार बीजयेगा।

श्री ब. राज सिन्हा: हम तो उतार देंगे लेकिन जो मंत्राणि जी यह कह रही हैं वह तो बर्हा नहीं होंगी। और दूसरों के लिए दिक्कत पैदा होगी। हम यह नहीं कहते कि कर्ज लें ही न, लेकिन कर्ज को ढंग से खर्च करने की इच्छा है, हमें इस पर विचार करना होगा कि हम उसे किस तरह

से खर्च करें। मैं जब विषय में ज्यादा नहीं जाना चाहता क्योंकि मेरे पास समय नहीं है। लेकिन मैं भाप को एक उदाहरण देना चाहता हूँ। हमने जीवन बीमा निगम की स्थापन की और लाइफ इश्योरेंस का हमने राष्ट्रीयकरण किया। यह अच्छी बात है और मैं तो चाहता हूँ कि इसी तरह से हमको जनरल बीमा का भी राष्ट्रीयकरण करना चाहिए। और उसी के साथ-साथ बैंको का भी राष्ट्रीयकरण करना चाहिए। यही चीजें हैं जो कि हमारे भारी और बड़े उद्योगों में सम्बन्धित हैं। इनका राष्ट्रीयकरण करना चाहिए। लेकिन राष्ट्रीयकरण के बाद होता क्या है। हम देखते हैं कि राष्ट्रीयकरण करने से पहले जिन बड़ी-बड़ी कम्पनियों का जैसे न्यू लाइफ इश्योरेंस कम्पनी और आरियेंटल लाइफ इश्योरेंस कम्पनी, का जो खर्चा १२ परसेंट था उससे हमारा खर्चा ज्यादा है। भाज जीवन बीमा निगम का खर्चा १५.८६ परसेंट है। यह बात क्यों होती है। हमें यह देखना होगा कि यह खर्चा क्यों बढ़ रहा है। हमें इसको कम करना होगा। हम देखते हैं कि ऐसे व्यक्तियों को पद देने के लिए जो कि मरकारी पार्टी के हैं किमी न किमी तरह में पोस्टे क्रिएट की जाती हैं। मैं उदाहरण देकर बता सकता हूँ कि किस तरह से बीसियों नये पद कायम किये गये हैं इन लिए कि कुछ लोगों को बड़ी नौकरी दी जा सके। जिनको पहले ६०० रूपया माहवार तनखाह मिलती थी उनको नया पद कायम करने के बाद एक हजार रूपया माहवार दिया जा रहा है। इसी तरह से खर्च बढ़ते चले जा रहे हैं। तो हमें यह देखना होगा कि योजना में जो मूलभूत गलतियाँ हैं उनको किस तरह से दूर किया जाये।

कहा जा रहा है कि मुल्क के लोग योजना में सरकार का सहयोग नहीं कर रहे हैं। पर ऐसा क्यों है? जो लोग कि कच्चे से कच्चा मिला कर अन्धेरी दुकूलत के खिन्नाफ लड़े वे वे ही भाज योजना में क्यों अपना

[श्री ब्रज राज सिंह]

सहयोग नहीं दे रहे हैं। हमें यह देखना पड़ेगा कि इसका क्या कारण है। इसका कारण यह है कि जनता ने सरकार में जो विश्वास रखा था उसको वह खोती जा रही है। सरकार अपनी नीति इस तरह की बनाती जा रही है कि जिस से निहित स्वार्थों को फायदा होता है—ग्राम जनता को उस से फायदा नहीं होता है। मैं यह निवेदन करूंगा कि हम छोटे उद्योग-व्यवसायों को ज्यादा महत्व दें, उन की ज्यादा सहायता करें और खेती की भी ज्यादा सहायता करें। धातु क्या हो रहा है? किसान के लिए कितना कुछ कि १ जा रहा है? चाहे छोटी सिंचाई योजनाओं का सवाल हो और चाहे लगान का सवाल, किसानों की उपेक्षा की जा रही है। आखिर किसान से कितना लगान लिया जाता है? मुश्किल से सबा सौ करोड़ लगान लिया जाता है। हिन्दुस्तान की सरकार और राज्य सरकारों का जो २७ धरब का बजट बन कर बैठता है, क्या उस में से सबा सौ करोड़ रुपए इस देश की खाद्य समस्या को हल करने के लिए छोड़े नहीं जा सकते हैं? इस बात की मांग की जाती है कि किसान से लगान न लिया जाये और जिस तरह दूसरे देशों से इनकम-टैक्स लिया जाता है, उसी तरह किसान से भी इनकम-टैक्स लिया जाय। लेकिन यहां पर बात दूसरी ही चल रही है। प्लानिंग कमिशन के सदस्य कहते हैं कि लगान को खत्म करने का सवाल ही नहीं है, उस को दुगना किया जाना चाहिए, लेकिन इस के अर्थ ही यह कहते हैं कि किसी राजनैतिक पार्टी को धायद हिम्मत नहीं होगी कि वह लगान को दुगना कर सके। इस सरकार में धायद हिम्मत होगी, क्योंकि उस की जनता की चिन्ता नहीं है, उस को उन लोगों की फिक्र नहीं है, जो कि अपने पसीने से, अपने श्रम से हिन्दुस्तान को बनाया चाहते हैं। मैं यह निवेदन करना चाहता हूँ कि खाद्य संकट को दूर करने के लिए और उत्पादन बढ़ाने के लिए यह जरूरी हों

गया है कि किसान के दिल धीर विमल में यह विश्वास पैदा किया जाय कि सरकार की सब नीतियां धीर से योजनायें उस के लिए हैं। लेकिन स्थिति यह है कि हम बड़े पूंजीपतियों को सुविधायें दे सकते हैं, उन को कम व्याज पर कर्जा दे सकते हैं, लेकिन जब किसान का सवाल आया, तो उस को बोने के लिए बीज सबाए पर दिया जायगा। धीर सबाए के मानी क्या होते हैं? उस का मतलब यह है कि किसान से एक साल में सारे सत्तावन क्रीसदी बसूल किया जायगा, जब कि उस के मुक बले में पूंजीपतियों से तीन, चार, छः क्रीसदी बसूल किया जाता है। हमें सोचना पड़ेगा कि जिस योजना को हम सफल बनाना चाहते हैं, जिस योजना को हिन्दुस्तान की जनता के हित में सफल बनाना चाहते हैं, उस में अगर इस प्रकार की मूलभूत अतिथ हों, तो उन को दूर किया जाये। बड़े उद्योगों से एम्प्लिसिंस हट कर छोटे उद्योगों पर धाए, ग्राम उद्योगों से हट कर खेती पर धाए।

जहां तक जमीन और ग्रामदानी की सीमा नियत करने का अर्थ है, सरकार जो जमीन की सीलिंग लगाना चाहती है, उस का हम स्वागत करते हैं, लेकिन सरकार जमीन पर तो सीलिंग लगाए और शहरों की जायदाद और ग्रामदानी को बिल्कुल छोड़ दे, तो क्या किसानों में—गांवों में रहने वालों में विश्वास पैदा होगा? इस तरह उन में कभी विश्वास पैदा नहीं होगा। वे सोचेंगे कि हमारे साथ पक्षपात किया जा रहा है। इसलिए यह आवश्यक है कि क्रौरन ही दोनों के लिए यह तय कर दिया जाय कि एक हज़ार माहवार के अधिक ग्रामदानी और बेतन नहीं होगा। जब भी यह कहा जाता है, तो कहा जाता है कि ऊपर से समाजवाद नहीं, नीचे से समाजवाद आयगा। मैं समझता हूँ कि हज़ारों बरतों में भी नीचे से ग्रामदानी बढ़ा कर इतनी नहीं ले जा सकते हैं, इसलिए कम से कम का नीला

बना दी जाय कि एक हप्ता खपए माहवार से क्वादा किसी की धामदनी नहीं होनी। अगर यह सीलिंग कायम की जाती है, तब तो जमीन पर सीलिंग कायम करने की बात की जा सकती है।

जैसा कि मैं ने अभी कहा, जीवन बीमा निगम के बड़े बड़े भ्रष्टारों को उन्नी तन्खाहें देने के लिए नए नए पब कायम किए गए हैं, लेकिन जो नीचे के एम्पलाईज हैं, काम करने वाले लोग हैं, जब उन का सवाल आता है, तो उस को टाल दिया जाता है। इसी तरह से इनकम-टैक्स डिपार्टमेंट का सवाल है। उस के छोटे एम्पलाईज के लिए क्वांटरो की कोई सुविधा नहीं है। उन के लिए दफ्तरो में भी बैठने के लिए जगह नहीं है। अभी भी तीन घरब रुपया बकाया पड़े हुए हैं और उन को बसूल नहीं किया जाता है। लेकिन अगर किसान पर कहीं दस रुपए भी बकाया होगा, तो उस के लिए उस को हवालालत में बन्द कर दिया जाता है। मैं माननीय मंत्री जी से इस बात का जवाब चाहता हू कि इन तीन घरब रुपयों को बसूल करने के लिए क्या किसी को हवालालत में बन्द किया गया है। नहीं किया जायगा। क्यों नहीं किया जाता है? इस का क्या नतीजा होना है, लोगों में क्या क्या प्रतिक्रियायें और रीएक्शन्ज होते हैं? इस की साफ प्रतिक्रिया यह होती है कि निहित स्वार्थ के लोगों की मदद की जा रही है और धाम जनता, गरीब, किसान, मजदूर के लिए यह सब नहीं किया जा रहा है। मैं निवेदन करूंगा कि आज अरुण इस बात की है कि हम छोटे आदमी की दिक्कतों, कठिनाइयों और तकलीफों को देखें और उन को दूर करने की कोशिश करें। मुझे लगता है कि सरकार की तरफ से कोई इस तरह की बात करने की कोशिश नहीं की जा रही है।

ये कमीशन के सुपुर्दे हम ने यह मतलब किया कि ३५० रुपए माहवारी तक पाने वाले सरकारी कर्मचारियों को क्या अन्तरिम

सहायता दी जाये। अभी हमारे वित्त मंत्री महोदय ने क्रमाया कि जून तक वह अपनी रिपोर्ट देने वाले हैं। पहली बात तो यह है कि रिपोर्ट में इतनी देरी नहीं होनी चाहिए थी। हिन्दुस्तान की सरकार को उस से प्रार्थना करनी चाहिए थी कि वह इस विषय में जल्दी करे, लेकिन अगर अब देरी हो गई है, तो जैसे ही रिपोर्ट आए, उस पर विचार हो कर अन्तरिम सहायता दी जानी चाहिए और ऐसा न होता रहे कि उस पर विचार हो रहा है, एक्टिवली विचार हो रहा है, गम्भीरता-पूर्वक विचार हो रहा है, जैसा कि वर्तमान सरकारी ढांचे में होता है। लेकिन अन्तरिम सहायता देना कोई समस्या का हल नहीं है। उस का हल यह है कि हम चीजों के दाम गिराने की कोशिश करें। अगर हम चीजों के दाम नीचे नहीं करेंगे, तो इस तरह की भयावह स्थिति पैदा हो जायगी कि हम बार बार अन्तरिम सहायता देते जायेंगे, बार बार वेतन बढ़ाने की कोशिश करेंगे, लेकिन फिर भी लोग भूलो भरेगे और उन की हालत खराब होती जायगी। मौलिक समस्या यह है कि किस तरह हम चीजों के दाम कम करने की कोशिश करें। सरकार की तरफ से कोई ऐसा प्रयत्न नहीं किया जा रहा है, जिस से आवश्यक वस्तुओं के दाम कम हो सकें। उन के दाम लग-र बढ़ रहे हैं और उस के लिए हिन्दुस्तान की सरकार साफ तौर से जिम्मेदार है। सरकार अबाध गति से नोट छाप रही है। जब तक उत्पादन बढ़ाने की खास कोशिश नहीं की जाती है, तब तक चीजों के दाम बढ़ेंगे। चीजों के दाम घटाने की कोशिश करनी चाहिए, जिस से हम सब लोगों को राहत दे सकें।

अन्त में एक और निवेदन करके मैं बन्द करूंगा। वह यह है कि जिस तरह हम ने उद्योगपतियों के लिए कर्ज देने की व्यवस्था की है, इंडस्ट्रियल फ़िनांस कॉर्पोरेशन और रीक्रिमांस कॉर्पोरेशन कायम किया है, उसी

[श्री ब्रज राज सिंह]

तरह से हमें देश के उन भागिकों के लिए भी कर्ज देने की कुछ व्यवस्था करनी चाहिए, जिन पर उत्पादन निर्भर करता है, जो गल्ले का उत्पादन कर के हमारे कौमती फारेन एक्सचेंज को बचा सकते हैं। उन के लिए सस्ते व्याज पर कर्ज देने की व्यवस्था करनी चाहिए, जिस से वे गल्ले का उत्पादन बढ़ा सकें और खेती से उस सोने को उमल सकें, जिस से देश का निर्माण हो सकता है। मैं चाहूंगा कि हिन्दुस्तान की सरकार तीसरी पंच-वर्षीय योजना के बनाने से पहले यह देखने की कोशिश करे कि उस में मूलभूत गलतिया क्या हैं और उन को दूर करे और प्रायोजन नीचे से करे और एक चौखटा राज्य बनाने की कोशिश करे। यह नहीं कि सारे का सारा काम दिल्ली से हो। पंचायतो को कुछ अधिकार हो, जिला पंचायतो को भी कुछ अधिकार हो राज्य सरकारों को भी कुछ अधिकार हो और केन्द्र को भी अधिकार हो। आज यह प्रवृत्ति हो रही है कि सारे का सारा शासन केन्द्रित हो जाय, सार का सारा काम दिल्ली से चले और गावों, जिलों, राज्यों के अधिकार खत्म होते जायें। जब तक केन्द्रीकरण की बात को नहीं छोड़ेंगे, जब तक डीमैटलाइजेशन-विकेन्द्रीकरण—नहीं करेंगे, तब तक प्रायः दी के सही परिणाम, उस के सही नतीजे, जनता को नहीं मिल सकते हैं और न उस में विश्वास हो सकता है। मैं आशा करता हू कि तृतीय पंच-वर्षीय योजना को बनाने से पहले इन सब बातों पर विचार किया जायगा।

Shri Oza (Zalawad): As the report of the Finance Ministry tells us, this Ministry not only administers the finances of the Central Government but also deals with all financial matters affecting the country as a whole. We also know that it is exclusively in charge of our banking and currency system; and as such, I would say that it handles a very important and vital apparatus. It is an apparatus

which, in our present context, has to be handled not only delicately but also with some imagination and courage.

Now, let us see what the performance of this Ministry during the past year has been, so far as the banking and currency system is concerned. We know that the monetary system has to play a sort of dual role. Not only have we to keep up the stability of the money internally and speaking from the external point of view, have we to keep up the reputation of our rupee, but it has also to play a sort of dynamic role.

Talking about the reputation of our rupee, it is really gratifying to note that on the whole the money is behaving well in this country. Internally, there is a lot of confidence in our currency; speaking internationally also, the rupee has been able to keep up its reputation.

When I say that stability has to be maintained. I do not take this too far, particularly in the present context of our currency operations. For, after all, in a progressive economy, and particularly when we have undertaken such huge plans putting a heavy emphasis on heavy industrialisation of this country, there is bound to be inflation. And I refuse to be preoccupied with any notion of inflation having set in. The only care that we have to take is that these inflationary tendencies are not such as would overpower the whole economic system. One does not mind this creeping in of the inflationary tendency; after all, it gives a spirit to the economic activity, as we have seen in the other countries also, and therefore, we should not make a fad of inflation, particularly when we are planning on such a huge scale.

As I said, the monetary system has also to play another role, and I said that it was a dynamic role. Let us see whether during the past year this system has played a dynamic role. What are the agencies through

which this system is playing that role? We know, as the report tells us, that there are so many institutions through which we want to stimulate economic and social progress in this country. We want to exert a sort of powerful influence not only on production, trade and consumption but also on distribution of wealth through our monetary system.

As the report tells us, so many agencies are engaged in this task. I would not take the time of the House by narrating what is contained in the report. But, on the whole, it does create a feeling of satisfaction that all these agencies are playing a very useful role in the promotion of our economy, though, of course, I have to say a word or two in connection with certain agencies.

Take, for example, the case of the Reserve Bank. The Reserve Bank is also entrusted with the task of providing finances to the co-operative apex banks of the various States. I had an opportunity to bring this matter up before the consultative committee attached to this Ministry. Since we have been putting more and more emphasis on co-operative movement in this country, both on service societies and also on joint farming societies, I think we have got to adopt a very bold policy in connection with co-operative finances. If we look at the figures, we find that it is not a happy performance, so far as the finances that we give to this co-operative movement are concerned. On the contrary, we are falling short of the targets that we had placed before ourselves. We see that in 1957-58, hardly a total credit of Rs. 48 crores was sanctioned; though, of course, the drawings were to the tune of Rs. 61 crores, yet, they fall short of the performance that was expected. Particularly I would like to draw the attention of the Ministry to the medium-term loans for agricultural purposes provided by the Bank. It is only Rs. 2.8 crores. I think all Members who have spoken on the Food and Agriculture Ministry and even today have drawn the attention of

this House to the problem of stepping up food production. How are we going to do it? Are we going to do it simply by providing short-term finances to the co-operative societies? I am afraid not, because these finances will be frittered away, or might be used only for seasonal matters. What is required in my humble opinion is long-term arrangement, medium-term also, for improving the quality of the land and providing agriculturists with money for putting up barns here and there, machines for lift irrigation and allied purposes. So, I think we should seriously consider how we can utilise this money so that the land may be improved and production may go up. Unless we provide adequate finances to these co-operative societies, I do not think we will be able to improve the character of our land and the soil; we will not be able even to conserve it against erosion that is taking place, and therefore I would urge the Ministry to pay utmost attention to this aspect of co-operative finance.

There is also one other agency, the Refinance Corporation. I agree that it has only recently been born. Even then, its performance is, to my mind, very poor, and I do not think we should be under any sense of complacency. With your permission, I will read only one line:

"The Corporation has sanctioned upto the end of November, 1958, a sum of Rs. 1.78 crores as loans to participating member-banks, but no amount has been disbursed."

I think we are not creating bodies simply to keep them on paper. If these agencies have to play an effective role in our economy, they have got to be bold and very dynamic also.

I was reading the speech of the Chairman of the Reserve Bank. Shri H. V. R. Iengar, and I must confess that I was a bit disappointed. He listed so many causes for our low performance, but one of them was

[Shri Oza]

that the private sector had already invested enough and therefore it was not possible to push up the investment. But the real difficulty seems to be, as in many other cases, about foreign exchange. I think negotiations are already afoot with the International Finance Corporation and the Commonwealth Finance Development Corporation. Let us hope that adequate finances will be supplied to this Refinance Corporation which, to my mind, has to play a very important role in the development of industries, particularly medium-sized industries, in this country. No finances should be lacking for this purpose, and I hope adequate attention will be paid to this aspect of the problem.

So, also about the Industrial Credit and Investment Corporation. There also, I have read the speech of the Chairman, and we have also looked at its performance. Finances are scarce, and I hope Government will take adequate steps to see that out of the P.L. 480 funds that are at the disposal of the State Bank, adequate funds are made available to this very useful corporation to promote industries. There also a credit line has to be developed in consultation with foreign agencies to give them some foreign exchange, because the 10 million dollar loan that was given has been exhausted, and I think it is necessary, in consultation with the International Bank for Reconstruction and Development, to see that this agency also does not languish, and that its activities are according to what we expect of it.

We know that concern has been shown here about our foreign resources and our position so far as foreign exchange is concerned. It is good, as the Report points out, that attempts are being made a favourable climate for attracting foreign investment. It says:

"To create a favourable climate for foreign investment in India, the possibility of concluding

agreements for avoidance of double taxation was discussed with representatives of other Governments."

I am very happy to learn that attempts are made and such agreements have been successfully concluded with various Governments. Let us hope that the other countries will also fall in line, because, after all, I am afraid unilateral action so far as foreign loan is concerned, will perhaps have some disincentive effect on investment, and therefore it is good that we are trying to have as many bilateral agreements as possible.

While on the question of foreign investment, I may say that in 1948 foreign investment in India was Rs. 288 crores, out of which Rs. 210 crores were from the U.K. In 1955 we know that Rs. 480 crores was the total investment of foreign capital here, out of which Rs. 391.99 crores is from U.K. At present we find that we badly need foreign investment. And we read in reports that it will be very difficult to get the same amount of foreign help as we have been getting till now. I was deeply concerned to read an article in the *Economist* of London, and if time permits I will come to that, but to my mind the solution is to attract foreign investment to the extent possible.

We know to-day that the international money market is a sort of sellers' market. So many countries are eager to attract foreign capital to their countries. We find that in the last 10 or 12 years private investment capital from the USA has gone to the tune of Rs. 4,400 crores. Out of this Canada alone has taken up 40 per cent, Latin America 30 per cent, Western Europe 15 per cent, and Asia, in which India is also included, has been to attract only 15 per cent. When we need this capital so badly, other more fortunate countries have been able to attract more money, and it is really sad that we have not been

able to attract private capital to the extent that we should.

In this connection I may say that sometimes I find there is a sort of resentment against foreign private capital coming to India. To my mind this is a sort of hangover of the colonial rule, a sort of inferiority complex. Why should we feel shy of attracting foreign investment to this country? After all, we are a sovereign nation, we have got all the powers, and it will be on our own terms and conditions. There is no reason why we should fight shy of attracting foreign capital to the extent we can.

Within the short time at my disposal, I only want to congratulate the Ministry for a very good innovation that it has made. I am afraid the attention of Members has not been drawn to it till now. On page 18 of the Report we find that the Ministry has given powers to the various administrative Ministries to spend to the tune of Rs 50 lakhs without taking any sanction from the Finance Ministry. I think this is the time when we want to get things going. After all, as I said on another occasion, in a fast developing economy, sins of omission should be considered more grave than sins of commission. If we sit with folded hands, I am sure we will not commit any errors, but that is not the way to look at things. If we want to develop the country, we have to grapple with problems. There is a lot of impatience about the removal of poverty and squalor, and we have got to go ahead as rapidly as possible. Does not matter if we commit an error here or there. Therefore, this relaxation of the Finance Ministry's grip over the other Ministries is very welcome. Let us hope the Ministries will use it properly, so that the Finance Ministry will be tempted to go a step forward and see that more and more powers are delegated.

I wanted to speak on the Third Plan also, because I am going away on Monday and it will not be possible for me to speak again.

Mr. Deputy-Speaker: At 3.30 we have to take up non-official business.

Shri Oza: With these words I conclude since Private Members' Business has to be taken up.

जी चाइक (खिदराबा) : उपाध्यक्ष महोदय, धनी सदन के सामने फाइनेंस मिनिस्ट्री की डिमांड्स पर चर्चा हो रही है और उसके साथ ही साथ योजना पर भी चर्चा हो रही है। इस सिलसिले में आपने मुझे जो बड़ा समय दिया उसके लिए सबसे पहले आपको बन्धुवाद है और साथ ही साथ मैं फाइनेंस मिनिस्टर साहब को भी धनकों बन्धुवाद देता हूँ।

उपाध्यक्ष महोदय : बाकी माननीय सदन पर चर्चा करें।

15.31 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

FORTY-SECOND REPORT

Sardar A. S. Saigal (Janjgir). I beg to move:

"That this House agrees with the Forty-second Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 16th April 1959"

Mr. Deputy-Speaker: The question is—

"That this House agrees with the Forty-second Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 16th April 1959"

The motion was adopted

INDIAN PENAL CODE (AMENDMENT) BILL* (Insertion of new section 383A)

Mr. Deputy-Speaker: Shri Balakrishna Wasnik is absent. Shri K. N. Pandey.

Shri K. N. Pandey (Hata): I beg to move for leave to introduce a Bill further to amend the Indian Penal Code, 1860.

Mr. Deputy-Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Indian Penal Code, 1860".

The motion was adopted.

Shri K. N. Pandey: I introduce the Bill.

ALL INDIA DOMESTIC SERVANTS BILL*

Shri Balmiki (Bulandshahr-Reserved-Sch. Castes): I beg to move for leave to introduce a Bill to provide for the registration of domestic servants and to regulate their hours of work, payment of wages, leave and holidays.

Mr. Deputy-Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the registration of domestic servants and to regulate their hours of work, payment of wages, leave and holidays".

The motion was adopted.

Shri Balmiki: I introduce the Bill.

15.33 hrs.

ARBITRATION (AMENDMENT) BILL (Amendment of section 2 and 39 and insertion of new Chapter IVA)—contd.

Mr. Deputy-Speaker: The House will resume further consideration of the following motion moved by Shri Raghunath Singh on the 3rd April 1959:

"That the Bill further to amend the Arbitration Act, 1940, be taken into consideration".

Out of 1½ hours allotted to the discussion of the Bill, one minute has already been taken on 3rd April 1959, and 1 hour and 29 minutes now remain

Shri Raghunath Singh may now continue his speech.

Shri Raghunath Singh (Varanasi): My amendment is a very small one. I want to say a few words about the history of the Arbitration Act. The law of arbitration in India is substantially contained in two enactments, first, the Arbitration Act (IX of 1899) which was based on the English Arbitration Act. This was applicable to the Presidency towns only and to such parts of India where it could be extended. The scope of the Act was confined to arbitration by agreement without the intervention of the court. The second enactment on this point is the Civil Procedure Code. The second schedule of the Civil Procedure Code deals with arbitration outside the operation and scope of the Act of 1899. It relates, for the most part, to arbitration in suit, but also makes a very brief reference to arbitration being possible also without intervention of the court.

In 1925, the Civil Justice Committee recommended some amendments and change in the law. The English law was amended in 1934 by the Parliament. In 1938, the Central Government placed an officer on special duty

*Published in the Gazette of India Extraordinary, Part II-Section 2, dated 18.4.1959.

to examine the question of the amendment of the Arbitration Act as passed by the English Parliament.

So the present Arbitration Act (X of 1940) is the result of three enactments—the existing law, English law and the recommendations of the Civil Justice Committee appointed by the Central Government. The scheme of the present Act is contained in Chapters II, III and IV. Chapter II deals with arbitration without intervention of the court, that is, sections 3 to 19. Chapter III deals with arbitration with the intervention of the courts where there is no suit pending, that is, section 20. Chapter IV deals with arbitration in suit, that is, sections 21—25. Chapter VI deals with appeals and orders, that is, section 38. The present Arbitration Act lays down provisions for supervision of the court at every stage from the time the parties enter into an agreement to refer the case of arbitration up to the stage of the order or decree. The arbitrator was empowered to refer the matter for the opinion of the court under section 13.

Now, as I said, my amendment is very short. There are a number of vakils, advocates or legal experts in the country. In the civil courts, whether they may be sub-judges or munsifs, they are also lawyers. They are recruited from the *lawyer* class. Their education and the education of the lawyers are practically the same. I have not brought this amendment to give some work to the unemployed lawyers; I have brought it in order that there may be speedy justice. There are a large number of cases pending before the High Courts and lower courts also. So India should utilise the legal services of the experts like advocates and vakils. They are working in the courts since 10, 12 and 15 years. Why should not their energy and talents be utilised?

An Hon. Member: With fee or without fee?

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Shri Baghunath Singh: No, no, with fee. As they have been working in this line for 10, 15 and 20 years, they can meet out justice. They can decide cases according to the law.

But there are apprehensions in the mind of the parties who agree to arbitration as well as of the arbitrator. The apprehension in the mind of the parties agreeing to arbitration is that there cannot be good justice. Therefore, I have put down in my amendment very clearly that any order or judgment of the arbitrator will be appealable. Moreover, section 39 is also there.

The second apprehension, that is, apprehension in the mind of the arbitrator, may be that if he does something, there may be a case of defamation against him. Suppose he takes evidence and passes some decree or judgment; then he will be open to a charge of defamation. Therefore, I have also incorporated in this amendment a provision to the effect that if an arbitrator is appointed, it should not be open to the parties or anybody else to sue him for defamation.

Therefore, to make the law easy and judgment also easy for litigants, I have brought forward this amendment. If my amendment is accepted, it will provide for speedy disposal of cases and relieve persons from the courts' delay. At present, cases are pending for 3, 4, 6 and 8 years. But if the cases are referred to the arbitrator, he will try to do justice quickly.

Thirdly, in my amendment, we are not disturbing any scheme of the Act. Only, if it is accepted, justice will be speedy.

My amendment simply relates to section 25A(i). That section deals with arbitration by agreement for deciding matters without the intervention of the court. Section 25A(ii) deals with pending suits or appeals where the parties agree to refer the matter to arbitration under section 21

[Shri Raghunath Singh]
of the Arbitration Act. Supposing a suit or appeal is pending then the parties are entitled to refer them also to arbitration.

Under section 25A(iii), the court may appoint a sole or more arbitrators. In this scheme I have provided that the arbitrators can be two or three or one as the parties like.

Section 25B provides that C.P.C. should be applicable. If a lawyer is appointed arbitrator, his status will be just like a court. Therefore, he should decide the cases according to the procedure outlined in C.P.C. That is why this amendment provides that C.P.C. should be applicable.

The amendment to section 25C—
that is the award—says

“The award of such arbitrators shall be subject to the control of court in the same way as if it were an award of arbitrators made under Chapters II, III and IV and shall be filed in court. . .”

My amendment to section 25D is this. Suppose a lawyer who is working as an arbitrator gives a judgment or passes an order, it shall be filed in court and shall be treated just like a decree or order of a court. Therefore, if it is a decree there must be an appeal.

So, 25E deals with an appeal.

“Any judgment or decree passed in accordance with the award under section 25C shall be appealable in the same way as if it were a judgment or decree of the court by which it has been passed.”

Then, there is the question of remuneration. If a lawyer is working, he must get something also. For remuneration, there are two provisions; either the parties should agree to give some remuneration to the arbitrator or the court should decide what should be the remuneration of the arbitrator.

Shri Eastwara Iyer (Trivandrum):
You have not forgotten that!

Shri Jaganatha Rao (Koraput): That is the main object of the Bill.

Clause 4 of my amending Bill says:

“(a) after sub-section 1, the following shall be inserted, namely:—

(1a) From the judgment and decree passed under section 25C a first appeal shall lie according to the provisions of section 98.”

Section 98, C.P.C. deals with appeals from the original decree or order; and there is a provision for second appeal also. That is section 100.

There is one provision also in my amendment that sections 109 and 110 of C.P.C. will be applicable. It means that the parties can go to the Supreme Court also. Therefore, according to my amendment, there is no apprehension that the arbitrator cannot do justice. According to the scheme of my amendment, any order or judgment passed by an arbitrator can be appealed against just like other cases—a first appeal can lie and a second appeal can also go to the Supreme Court. Therefore, I say, this amendment should be accepted.

This amendment was moved by Shri Kazmi in the first Parliament. He is an eminent lawyer of the Allahabad High Court and he asked me to move this amendment here. Therefore I move this amendment in the Second Lok Sabha and I request the House to accept it.

Mr. Deputy-Speaker: Motion moved:

“That the Bill further to amend the Arbitration Act, 1940 be taken into consideration.”

Shri Achar (Mangalore): Sir, I am afraid I cannot support this Bill.

Mr. Deputy-Speaker: It is not well begun.

Shri Achar: Mr. Deputy-Speaker, Sir, I feel this Bill will not serve the purpose of the Mover has in view. He repeatedly said that the most important consideration he was referring to was the speedier disposal of disputes. In the Bill, I find he not only provides—and I may say that this is almost against the general principles of arbitration law—a first appeal, but a second appeal and appeal even to the Supreme Court (*Interupt on*). I am afraid the sections are against the idea of speed disposal.

I may be permitted to submit that the very basic principle of arbitration is that the disputants settle upon a tribunal of their own and they agree to abide by wha ever it decides. When that is the case, then, if you provide for arbitration—and a judge of their own—and then subject his judgment not only to one appeal but to an appeal up to the High Court, I doubt very much whether any person would like to arbitrate in such a position

Apart from that, what is the advantage?

Mr. Deputy-Speaker: Shri Raghunath Singh wants to provide for judges who may be paid per case

Shri Achar: Probably it is also to give some employment to lawyers. The purpose is just what is better done by the present judiciary. He wants the Civil Procedure Code to be applied. I do not know why he has not mentioned the Evidence Act. I do not know whether he wants to have it or not because it is not clear from the Bill. Whatever it be, he wants the Civil Procedure Code to be followed by the arbitrator also (*Interupton*). He wants that everything should be done as it is being done by any court. If that is so, why have an arbitrator at all? The courts are there. Of course, Government will look into it and see that there are more Munsifs, Sub-Judges or District Judges or higher courts. So, it looks as if the basic principle of arbitration is ignored.

Formerly, of course, some portion of the arbitration law was in the Civil Procedure Code and some portion in a separate Act. But, after 1940, after the whole thing has been consolidated, all that may be done for getting these matters in dispute settled by arbitration has been fully provided in this Act. The sections are very clear; and it is only in exceptional cases that an award could be set aside. This is provided, I think, section 30 of the Arbitration Act, if I am not mistaken. Provision is there to set aside the decrees, or rather the awards, given by arbitrators. It reads:

“An award shall not be set aside except on one or more of the following grounds, viz.,

that an arbitrator or an umpire has misconducted himself or the proceedings....”

That is, it may be legal misconduct.

(b) an award has been made after the issue of an order by the court preceding the arbitration or after the arbitration proceedings have become invalid under section 35, and

(c) an award has been improperly procured or is otherwise invalid.”

As the law now stands, the award cannot be set aside except for these specific grounds. The persons select their own judges and are bound by the decision of the arbitrator. The whole basic thing which the amendment provides is that they select their own judges and the judgments must be subjected to all the processes of appeals provided under the ordinary civil law, the first, second and third appeals. If that is the position, I submit that it is not only against the law of arbitration; it is also against having settlement in a speedy manner. So I oppose this Bill.

Shri Kaswara Iyer: Mr. Deputy-Speaker, I start with congratulating the hon. Mover of the Bill and his

[Shri Easwara Iyer]

bold attempt for the purpose of amending the Arbitration Act and I submit that I cannot see eye to eye with the proposition put forward by my hon. friend who has just now been opposing the Bill on the ground that the provision for appeals against the decisions of the arbitrators will be very harmful. I am not going into the history of the Arbitration Act. It has been well explained by the Mover. Of course I would say that any reference to arbitration must not be done in an arbitrary manner, so that the provision contained in the Bill that in case an arbitration is submitted before the legal practitioners, the Civil Procedure Code shall apply is by way of abundant caution. Opposition seems to be vehement on this provision. I cannot under that when the proceeding is referred to an arbitrator he can proceed with the arbitration in any manner he thinks. There must be some form or procedure he should adopt. Particularly persons who have been well-versed in legal proceedings in courts as lawyers appearing before the courts should be aware of the procedure that is contained in the Civil Procedure Code and it is only necessary and expedient that they should adopt the Civil Procedure Code. I cannot see why there should be objection to this.

The second objection seems to be regarding the question of providing for appeal against the decision of the arbitrator. Much can be said on both sides, I certainly agree. The question whether it is against the fundamental notion of arbitration that the decision should always be subjected to a test by way of appeal is a matter for the lawyers and legal luminaries. For my own part, I would always say, whatever may be the decision of the arbitrators, whatever may be the qualification erudition or infallibility of the arbitrators chosen by consent of parties, there is every likelihood of an error, likelihood of a feeling with respect to the parties appearing before the

arbitrators that there is an error and it is always safe to subject the decision of the arbitrator chosen by the party to a court of correction, that is, a court of appeal. The decision may be tested on its merits by a court of appeal. There is nothing wrong in the procedure.

The whole question is based on this point, as to whether we must submit or we must encourage litigants to submit their case to arbitration. In my short experience as a lawyer, though it may not be as much as that of my learned friend from the other side, I have often found that in trial courts the suits are unnecessarily delayed, maybe, not due to the incapacity or inefficiency of the judicial officers. They are faced with 50 or 60 suits before them. When it comes up he has to take one suit and human nature is such that they take the easiest suits first so that they may be able to dispose of it and add to the number of disposals. Today there is clamour in the whole of India perhaps that there is a lot of delay in litigation. Judicial officers are also human beings and they are hearing this clamour so that the fervour on these people is to see somehow or the other suits are being disposed of. The reaction is seen that way. In Parliament you say there is delay in the disposal. People outside, Ministers, even lawyers, Members of the Opposition all speak that there is plenty of delay in litigation with the result they want to see that somehow or the other a disposal is given. The courts are now-a-days in the danger or in the tendency if I may say so with respect, of becoming courts of discipline rather than courts of justice. So, what do we find? When a party is late by a minute or two, the Judge takes up the case and disposes of it *ex parte*; either he dismisses the suit if the plaintiff is not present or decrees it if the defendant is not present. When an application to restore a suit is filed, on some flimsy ground that he has not given sufficient reason for non-appearance on that day the restoration application is dismissed, because he

wants to add to the number of disposals.

In these circumstances, let us look into the question as to how we can effectively dispose of these pending cases without resort to court by means of the legal luminaries. Arbitration is one such method. Certainly there are a number of defects in this Bill which we need go into one by one but I am certainly in agreement with the main spirit of the Bill. The Bill says that the legal practitioners may also be chosen as arbitrators. Apart from that, the Arbitration Act of 1940 does not put an embargo upon legal practitioners becoming arbitrators. So, even without this Bill legal practitioners can be appointed as arbitrators by consent of parties or by agreement.

The main point is whether their decision has to be the subject matter of appeal or a second or third appeal to the Supreme Court. I will come to it presently. I have come across partition suits. I have come across an instance in my career as a lawyer, when in a partition suit which had been instituted before I have seen the light of the day and which was perhaps been conducted by my father, I have to appear for one side for the legal representative as the decree for final partition has not been passed; it has been pending for more than a quarter of a century. Why is it that such a delay has been happening? It is because that courts cannot concentrate their attention on this single partition suit, with ever so many partition suits. Subsequent to this an enabling partition has been passed. In such cases, if the parties do agree that such a partition could be effected by the arbitration, the lawyers could certainly take them up and expeditiously dispose of them by taking evidence by following the procedure in the Civil Procedure Code. My friend on the other side was saying that there was no scope for taking evidence in the arbitration proceedings. Section 13 of the Arbitration Act gives power to the arbitrator to administer oath to the parties and witnesses appearing before him. All the powers

are given to the arbitrator. It is not as if the arbitrator can proceed in any manner he thinks. He must form a certain procedure in such circumstances where the suits involving partnership deeds, looking into the accounts, complicated system of accounts come up. In such cases it could be expeditiously disposed of if it is to be disposed of by one single personality or two personalities who have been concentrating their labour on that case for a short period.

16 hrs.

Certainly, another point which is in favour of this Bill is that there are cases where—of course, I do not want to travel beyond the purview of this Bill—even today the clamour is that some of these judicial officers are incapable or inefficient. I do not want to say anything beyond that. The Law Commission itself has reported that judicial officers are now not appointed on merits. The Law Commission says that regional, communal and other considerations have been made for the purpose of appointment of judicial officers. There is always a feeling in the mind of the party facing trial that the suit will not be correctly dealt with if the particular officer is inefficient or incapable. Under such circumstances both the parties would agree to fix a person whom both would think, apart from his legal erudition or otherwise, as a respectable personality who knows something about the case, and who could decide the case by giving an award without intervention of the court. There may be such cases. It depends upon the question of choice of the personnel. The choice of the personnel may be left to the parties. If the parties are satisfied with respect to the person who decides the case, the decision will be more in conformity with justice, and there will not be this criticism that the Judge has been inefficient or incapable.

Then there is the question of giving appeal. I am only on this question whether we should eschew the appeal

[Shri Easwara Iyer]

provision, the second appeal provision or the appeal to the Supreme Court. It is a matter that this House has to decide. For my part, I would ask, what is wrong in providing for an appeal? Certainly the decision of the arbitrator could be tested on merits by a court of appeal. A question may be asked, will there not be delay in the appeal, in the second appeal or in the appeal to the Supreme Court? We all as lawyers know that the disposal of a civil or criminal appeal or hearing both sides will not be of as much delay as in a case of trial proceedings where evidence is being taken, where witnesses are examined, where records and documents have to be produced and all the complicated procedure gone through. In the case of an appeal both sides appear by lawyer or otherwise and the matter could be argued out and decided. Therefore, the question of delay is not there. There is also this added advantage that the decision of the arbitrator will be tested on its merits by the appellate court. It is not that the appellate court is superior to the arbitrator, but always the fallibility of human judgment is there and it can be tested by a court.

Therefore, it is a case where appeal should be provided. Of course, my hon. friends on the other side might say that this would go against the fundamental notions of arbitration law. My respectful submission before this House would be, why should we be so conservative? What is the fundamental notion of arbitration law? Does the arbitration law say that the decision of the arbitrator shall always be final? It says that it can be set aside on error and other things. The power of the court to remit it back to the arbitrator is there. What is the fundamental notion of arbitration law? Why not enlarge on this fundamental notion? Legal institutions, like political institutions, should also grow. Why should lawyers be conservative? If political philosophy envisages a welfare State, why not we envisage a legal philosophy

which is suited for a welfare State based on sociological jurisprudence? If that is so, the scope of the arbitration law should also be enlarged to find place for arbitration by persons who are well versed in practice in courts.

The Bill may be lacking in its correct draftsmanship or the Bill may be wanting in certain other provisions. These are matters that have to be examined by this House. I would have welcomed my hon. friend to move for circulation of the Bill for public opinion. Anyhow, I would say that it is a bold venture and a good inroad into the law of arbitration.

Shri Mulchand Dube (Farrukhabad): Mr. Deputy-Speaker, Sir, my hon. friend does not seem to have noticed that the provisions of the Evidence Act do not apply to proceedings before an arbitrator. If that is so, how will the judgment be appealable. The arbitrators, whether they are lawyers or otherwise, if they are not going to follow the provisions of the Evidence Act and they are not going to record full evidence, how will an appellate court be able to decide the matter? My submission is that this point has been overlooked by my learned friend.

He says that the award should be appealable. Under Section 13 of the Arbitration Act, the arbitrators are not bound to give any reasons for the award that they have given. Section 13 is not touched by my hon. friend. If Section 13 is not being touched, another difficulty arises. He says that the procedure to be followed will be that provided by the Civil Procedure Code. That may be so. Under the Civil Procedure Code, reasons have to be given for judgment of the court. But Section 13 of the Arbitration Act still remains there. If Section 13 remains it is not compulsory for the arbitrator to give reasons for the award. Added to that, as I said, if the provisions of the Evidence Act do not apply, it would be impossible to decide the appeals.

Therefore, my submission is that the amendment that my learned friend has brought forward is not quite in order.

Shri Jagannatha Rao: Mr. Deputy-Speaker, Sir, I am not able to appreciate the principle underlying the Bill. My hon. friend, Shri Raghunath Singh, wants a clear provision which would enable the legal practitioners being appointed as arbitrators. The existing Act does not provide any prohibition. As a matter of fact, in many cases we know that in courts lawyers are being chosen as arbitrators and they decide cases.

Secondly, he wants the procedure to be as provided under the Civil Procedure Code. Then the very purpose of arbitration is lost. If arbitrators follow the same procedure as in the civil courts, where is the point in referring the matter to arbitration? The whole point in referring the matter to arbitration is that the matter in dispute will be decided speedily and to the best satisfaction of both the parties because both parties select as arbitrators persons in whom they have faith and confidence.

Thirdly, he wants a provision for providing appeal against every award. That again goes against the spirit of arbitration. It is not a conservative opinion as my hon. friend, Shri Baswara Iyer, said. But the very object of arbitration is defeated if every award becomes the subject matter of an appeal. The existing Arbitration Act of 1940 provides for cases where the award can be remitted or set aside by the court in certain circumstances. Barring that, if we make the award a judgment of the civil court and provide for first appeal, second appeal and appeal to the Supreme Court, the very principle of arbitration is lost.

Shri Baswara Iyer: What is the principle of arbitration? There is no such principle.

Shri Jagannatha Rao: The object of referring a dispute to arbitration is to

have speedy justice. That purpose is defeated by this.

Then, about remuneration of arbitrators also he wants to introduce a provision. There is already a provision in the existing Act—Section 38—whereby it is open to the arbitrators not to submit the award unless the fees are paid. Therefore, I do not see any need for such an amendment.

Lastly, he wants provision for first appeal, second appeal and appeal to Supreme Court against the awards of arbitrators. Here again I do not see any reason for it. I do not think that any need has arisen after the passing of the Arbitration Act in 1940 to have such a provision. As a matter of fact, as stated by my hon. friend, Shri Mulchand Dube, it is open to the arbitrators to record evidence and examine witnesses after administering the oath, but they are not bound to record evidence *ex tunc*. In the absence of such evidence it is not possible for the appellate court to come to a different finding. As a matter of fact, if reasons are assigned the award is set aside by the court. They can only give their findings. I know of a case where the late Shri N. N. Sircar, Law Member of the Government of India, gave an award in a very important matter. He gave the reasons also. The award was quite justifiable, but the Calcutta Court set aside that saying that he was not bound to give reasons and having given the reasons the award is vitiated. So, Sir, the Arbitration Act of 1940 is all comprehensive and it meets with the needs of the litigant public. I do not see any reason or any urgent necessity why the amendments which my hon. friend Shri Raghunath Singh seeks to incorporate should be agreed to by the House.

The Minister of Law (Shri A. E. Sen): Mr. Deputy-Speaker, Sir, much that I intended to say has been covered by my esteemed friend Shri Jagannatha Rao. I have frankly not been able to appreciate the necessity of this Bill or the uncertainty which it

[Shri A. K. Sen]

seeks to serve. The main provisions are sought to be incorporated in Chapter IV of the Indian Arbitration Act of 1940. Chapter IV deals with references made in a pending suit and I presume that though it is not very clear from a reading of the Bill Chapter IVA is intended to cover only those references which are made in a pending suit.

The first section or rather clause in the proposed Bill under Chapter IVA is the appointment of legal practitioners as arbitrator or arbitrators. Under the present Act the parties may choose legal practitioners if they so desire, and the Arbitration Act provides that if the parties so agree then the arbitration shall be in accordance with that agreement. That is section 22 of the Arbitration Act which says:

"The arbitrator shall be appointed in such manner as will be agreed upon between the parties".

So, there is no prohibition against parties choosing a lawyer if they so desire, and in that event the court is bound to refer the matter to the lawyers so chosen.

Shri Raghunath Singh: That is for the arbitrator in a suit under section 22. There are three kinds of suits.

Shri A. K. Sen: I presume that Chapter IVA is intended to cover arbitration in pending matters, in suits pending in courts. So far as the Arbitration Act relating to disputes which have not reached the courts is concerned, there is equally no prohibition in choosing lawyers or a lawyer. We are not concerned with that really because the Bill seeks to confine itself only to arbitration references in pending suits.

The next clause is designed to provide for reference to one or more legal practitioners. That also is covered by the present Arbitration Act because if the parties agree to refer it to more than one arbitrator who are legal practitioners they can do so. If instead of one legal practitioner they

intend to refer it to two, three or four, they can do so.

Then, thirdly, whenever the court has to appoint a sole arbitrator or arbitrators under this Act, it may appoint one or more legal practitioners as the sole arbitrator or arbitrators, as the case may be, for deciding the dispute. I take it that this is with regard to the appointment under section 8 or section 20 of the Indian Arbitration Act where the parties to an arbitration agreement cannot agree the appointment of arbitrators and they apply to a court for appointing an arbitrator. After the original arbitrator has died or has become incapable of acting when the arbitration agreement is filed the court is approached for appointing an arbitrator or an umpire. In both cases the court has power to appoint a legal practitioner.

I know of many cases in which I had appeared myself in proceedings under either section 8 or section 20 of the Indian Arbitration Act where the court has appointed reputed legal practitioners in whose award the parties had respect regard. I have done it in innumerable cases, I think, and most often when a court is approached under section 8 or section 20 usually, unless the parties themselves are thinking of a common friend or a person who has influence in the community or in the family, the court usually appoints a legal practitioner. But that does not mean that in every case a legal practitioner should be appointed. There are many cases even in pending suits where I remember brothers belonging to a business family were quarrelling so that every day there used to be fresh proceedings in court, and after protracted proceedings, I remember myself and the counsel for the other side, without consulting the client, agreed to nominate the uncle, the maternal uncle, of the brothers to arbitrate. This gentleman entered into the reference and decided the whole matter in one week. I remember, to the entire satisfaction of the brothers. - Though the original

clients were cursing us when we referred the matter to arbitration, without consulting them, after one week they came with sweets to me and thanked me heartily for having referred the proceedings to the maternal uncle. That shows there is necessity for having arbitrators who are not legal practitioners in the sense in which we really accept that term.

The next provision of importance is about the procedure to be followed. Shri Rag'unath Singh wants the arbitrators to convert themselves into courts to be governed by the Civil Procedure Code. I think that will be completely negating the very essence of arbitration. Arbitration means the parties voluntarily set up a forum which, unfettered by the rules of procedure of ordinary courts, deals with the matter in accordance with the principles of natural justice and with the desire of bringing about substantial justice between the parties and giving an award. The only requirement under the present law is that the arbitrators have to follow the principles of natural justice, which includes various things. That means the arbitration cannot shut out evidence. If the party seeks to adduce evidence, the arbitrator must hear him and allow witnesses to be called. He cannot shut out the evidence. He must hear the parties and then decide.

I was told that the arbitrators can proceed without calling witnesses or things of that sort. I do not think that anyone having experience in arbitration matters can agree to that proposition because if a party desires to call a witness, the Arbitration Act, 1940, gives power to the court under section 43, I think, for issuing processes and for the attendance of witnesses. If the arbitrator refuses to hear witnesses, he will be guilty of misconduct in the sense in which the word misconduct is used. Therefore, I do not think there is any ground whatsoever for apprehending that arbitration proceedings can be conducted arbitrarily without following the principles of natural justice. In fact, it will other-

wise be completely upsetting the entire fabric of arbitration if we convert or seek to convert the arbitrators into regular courts of law bound down by the rules of procedure.

Look at the consequences which will emerge if this provision is accepted. There will be applications for documents, inspection, interlocutory commissions, this that and the other. The whole paraphernalia of the courts of law will be open.

Shri Easwara Iyer: Is it not a case where these procedures are specially prescribed for the proceedings under Chapter IV? It does not generally deal with arbitration.

Shri A. M. Sen: For any arbitration. I have done it myself. Even for arbitration proceedings which are not in relation to pending suits, if I want to call a witness, I just approach an arbitrator and make an application to a court, and the witness is sent for in the sense that he does not come voluntarily. But he is to be compelled to come. I remember in one case I had a witness called from Bihar right up to Calcutta by issuing a process. This is not confined only to cases or arbitration references in relation to proceedings which have already been initiated in courts, or in other words, reference under section 21. This covers all sorts of arbitration and if the whole paraphernalia, particularly under the Civil Procedure Code, is thrown open, the consequence will be that we shall really carry the court into the arbitrator's room. It is done in no country in the world in which arbitration has been accepted as a good form of settling disputes. It is mostly confined as a potent instrument of settling disputes in commercial communities.

For instance, take the hundreds of cases which are decided in Calcutta or Bombay either by the Bengal Chamber of Commerce or by the Bombay Cotton Growers' Association and the various other arbitration forums which had

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been set up under the different chambers of commerce and which are compulsorily incorporated in certain forms of contracts like jute contracts, cotton contracts and so on, where there is compulsory arbitration, making it obligatory for the parties to go to the forums set up. Hundreds of thousands of arbitration cases are decided every year. Imagine those forums being converted into courts. I think it will be completely destroying the whole system which has been set up with care and which has been serving the commercial community very very usefully.

Really that disposes of the main substance of this Bill. Coming to first appeals, second appeals, etc., I concede that if arbitrators are converted into courts of law bound to follow the Civil Procedure Code, it will follow logically that we should have the entire gambut of the appellate procedure, first appeal, second appeal, Supreme Court and so on, on merits. But again it would be destroying the whole concept of arbitration and the whole structure which the Arbitration Act envisages under its provisions. That means, arbitrators will have a right of judgment in every case, give their findings on facts, points of law, etc. In other words, they will have to be trained judges, if the appellate court can really function as an appellate court. Otherwise, there will have to be a remand in order that the appellate court may deal with the matter properly. I personally think that it is anything but arbitration. Everywhere, it has now been well settled that arbitrators have to act quickly according to their own terms and according to their own notions. Take the famous case regarding the arbitrator's power to award damages in commercial contracts. It was argued at one time that arbitrators are not really required to follow the golden rule governing the question of damages, finding out the market rate, the difference between the market rate and the contract rate, etc., in awarding it on their own knowledge, without examining witnesses.

I remember it was the Chief Justice of England who said that commercial arbitrators are appointed for their own special knowledge. If they have to depend on evidence, market rates, contract rates, and so on, it will be the end of commercial arbitration. They are chosen because they have special knowledge and they can deal with it firmly and speedily, without the inconveniences or infirmities from which courts of law would normally suffer.

Shri Saswara Iyer: Commercial arbitrators will not be hit by this Bill; they will not come within the ambit of this Bill.

Shri A. K. Sen: Of course, they will. There is no difference between commercial and other arbitrators. Really arbitration is more important for commercial cases rather than for ordinary family disputes, which hardly go to arbitration, because they always find their way into courts of law.

That, therefore, disposes of the entire argument which seems to lie behind this Bill. It seems that we have been obsessed by our notions as to how courts of law should function and we have failed to appreciate that arbitrators are really different from courts. They are chosen because of their special skill, aptitude and other qualities which appeal to the parties to the dispute, so that they find it is a better forum than a court of law voluntarily. But if you compel these parties to seek in a different form the same type of forum which the law provides for compulsory adjudication in the form of courts, I think that will destroy the entire fabric of arbitration.

For these reasons, I oppose the Bill on behalf of the Government.

Shri Saswara Iyer: As far as arbitration appeal is concerned, we have got the Panchayat Act in U.P.

in which the Evidence Act is not applicable, but there are appeals—first appeal, second appeal, etc.

Shri Raghbir Sahai (Budaun): They are not appealable; they are only revisable.

Shri A. K. Sen: I do not know about this case, but majority of panchayat laws provide for a revision and not an appeal.

Shri Raghbir Sahai: Yes; only revision is provided; there is no appeal.

Mr. Deputy-Speaker: The Law Minister's appeal has had no impression on Mr. Raghunath Singh? Shall I put it to the House or is he withdrawing it?

Shri Raghunath Singh: It should be put to the vote of the House.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Arbitration Act, 1940 be taken into consideration."

The motion was negatived.

12-27 hrs.

**CODE OF CRIMINAL PROCEDURE
(AMENDMENT) BILL. (Amendment
of sections of 342 and 502).**

Shri Raghbir Sahai (Budaun): I beg to move:

"That the Bill further to amend the Code of Criminal Procedure, 1898, be referred to a Select Committee consisting of Shri Sitabhan Singh, Shri Upendranath Barman, Shri Shree Narayan Das, Pandit Munishwar Dutt Upadhyay, Shri Raghubar Dayal Mishra, Shri Jaganatha Rao, Shri Khushwaqt Rai, Shri Yadav Narayan Jadhav, Shri Ramesh Lal Jangde, Shri Ganpati Ram, Shri Kalyandras Narayan Shinde, Shri K. T. K. Tangamani, Shri Sumat

Prasad, Shri Raghunath Singh, Shri Uma Charan Patnaik, Shri Naushir Bharucha, Shri Harish Chandra Mathur, Shri Radeshyam Ramkumar Morarka, Shri Shivram Rango Rane, Shri Vutukuru Rami Reddy and the Mover, with instructions to report by the last day of the second week of the next session."

This Bill was introduced on 7th March, 1958 and on 5th September, 1958, after discussion in the House, a motion was adopted for its circulation. It was provided that opinions may be invited till the 31st December, 1958. Opinions have been received and are now available to the hon. Members of this House. I take this opportunity of expressing my gratitude to the Secretariat of the Lok Sabha for promptly executing this onerous task of securing opinions from almost all the States, tabulating them, publishing them and supplying them to hon. Members with the greatest possible expedition.

I am making this motion because it is provided in the Rules of Procedure that after the opinions have been received the Mover of the Bill should make a motion for its reference to a Select Committee. 181 opinions have been received from 13 States and five Territories. It is only Andhra, opinion from where has not so far been received. I am told that they are in transit. Out of these opinions.....

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): Then why not we wait?

Shri Raghbir Sahai: Because I learn that they have been despatched by the Andhra Government. They might have been received by now or they might be received in the course of a day or two and they can then be made available to us.

Mr. Deputy-Speaker: How did this news reach the hon. Member?

Shri Braj Raj Singh (Ferozabad): Was it intuition?

Shri Raghbir Sahai: When this matter was discussed in the Business Advisory Committee there was a note that opinions have been received from all the States.

Out of these, 103 opinions are in favour of the Bill. The rest are against the amendments proposed in the Bill. Thus more than half the opinions are in favour of the amendments that have been proposed in the Bill. Out of these 103 opinions that have been received in favour, 55 have agreed with both the amendments, that is, the amendment proposed under section 342, sub-section (2), of the Criminal Procedure Code as well as the amendment proposed under section 562, while 34 have favoured the amendment proposed under section 342(2) with a comment that the necessary change be made in the Production of Offenders Act wherever the provision under section 562 has been replaced by that provision.

Now, if we add all these opinions, we would find that in favour of the amendment proposed under section 342(2) only and 14 with the amendment under section 562 Cr P.C. the total number of opinions would be 54 plus 34, that is, 88 and in favour of the amendment proposed under section 562 the total number of opinions would be 54 plus 14, that is, 68. I may also state that these opinions have been received from 13 States and five Territories.

With regard to these opinions that have been received in favour of the amendments I might say that these opinions have been received from very eminent persons—the State Governments, judges of the High Court, District and Sessions Judges, District Magistrates, I.G.s of Police, Commissioners of Police, Bar Associations, eminent advocates, advocates-general, individual advocates and so many others.

Shri Raj Raj Singh: Since when did the district magistrate become eminent persons?

Shri Raghbir Sahai: There might be two opinions.

In fact, these opinions have been received from all those competent to express opinions on such a legal subject. From these opinions that have been supplied to us, I can say that a very encouraging response has been made. I am sorry, more opinions could not have been offered by interested persons. But, everybody knows that the difficulty with the lawyers and Bar Associations always is that they do not take seriously proposed legislations when they are on the anvil either of Parliament or of State legislatures seriously. It is only when a legislation has become an Act that they take it seriously.

Mr. Deputy-Speaker: Does he also hold the same view when he is there in the Bar?

Shri Raghbir Sahai: With regard to the supporters of the Bill, I can only say that they have appreciated the spirit of the Bill and have thoroughly understood it. Because, it was never suggested in my Bill that after these amendments have been accepted, pre-jury would be wiped out altogether. It was never my contention. Nor was it the contention of those who were pleased to speak in favour of this Bill last time. All that was submitted was that telling the truth in the courts should be encouraged and, in no circumstances, telling a falsehood should be encouraged. The suggested amendments are merely a step in that direction. Other such steps may follow in due course.

With your permission, I would like to say a few words about those who have opposed these amendments.

Mr. Deputy-Speaker: They may not have understood the provision.

Shri Raghbir Sahai: Yes, exactly. At the time when the Bill was being discussed here, although a large number of Members were pleased to offer their

support to the Bill, there were a handful who opposed.

Shri Braj Raj Singh: Handful?

Shri Raghbir Sahai: At that time, when I was winding up....

Shri Braj Raj Singh: Last time, could we know the number who spoke for and against this Bill?

Shri Raghbir Sahai: You may consult the proceedings of the debate. But, they were quite a few and the hon. Member Shri Braj Raj Singh was one among them.

I said at that time, let us wait till opinions have arrived from all over the country and then, perhaps, it may be time for them to reconsider their views. I will make that submission again. After receipt of these opinions, I will beg of those who opposed my Bill last time to go through them and revise their opinions. I admit that those who have opposed these amendments also are very eminent persons. For instance, one ex-Judge of the Federal Court, who was pleased to offer his opinion about this Bill says that the burden of proof in any criminal case lies wholly on the prosecution, and that the accused is under no obligation to help the court. It is possible to agree with the first part of his contention. When the ex-Judge of the Federal Court says that the accused is under no obligation to help the court I respectfully submit that it is a very pre-posterous and fantastic proposition to be agreed to.

Why then has Section 342 been enacted? What is the need of it if the accused is under no obligation to help the court? It may not be a legal obligation; it is a moral obligation. After the entire prosecution evidence has been recorded, it is definitely stated in Section 342 that the court will ask the accused to make a statement and it is for him either to make a statement or not to make a statement. (An Hon. Member: But what is the purpose?) The purpose is to help the

court to arrive at the truth. Otherwise what is the court therefor? The prosecution says that it is under no obligation to help.

Mr. Deputy-Speaker: The law as it stands secures the accused against all moral obligations.

Shri Raghbir Sahai: With due respect, my own interpretation is that there is clearly a moral obligation on the part of the accused to help the Court in arriving at the truth, because there can be instances....

Mr. Deputy-Speaker: Not in the law.

Shri Raghbir Sahai: Otherwise, according to my own interpretation there would have been no necessity to enact a provision like Section 342. It was entirely unnecessary. This is my submission.

Mr. Deputy-Speaker: Does it put a moral obligation on him? Rather, it gives him freedom from that obligation.

Shri Raghbir Sahai: There is moral obligation as well. There may be fabricated cases where the prosecution concocts a cent per cent false case against the accused.

Mr. Deputy-Speaker: In that case the accused would not come to the help of the court.

Shri Raghbir Sahai: That is what I say. If he keeps mum, it means, he gets his own fate sealed. I say that there are occasions when the accused should come to the rescue of the court. The court is there to find out the truth. Therefore, I submit that I can not appreciate this contention that the accused is under no obligation to help the court.

There are some persons who say that if the word 'false' is removed from Section 342 of the the Criminal Procedure Code, then Article 20, sub-clause (3) of the Constitution would

[Shri Raghbir Sahai]

be violated. I cannot possibly understand how the Constitution would be violated. The provision in the Constitution says:

"No person accused of any offence shall be compelled to be a witness against himself."

I cannot possibly understand how if the word 'false' is removed from section 342, this sacred article of the Constitution would be violated. It appears that all these eminent persons who have expressed their opinions against the suggested amendments....

Shri Easwara Iyer (Trivandrum): All the Bar associations also have done so.

Shri Raghbir Sahai: ...are tied up with words; they are not prepared to consider a single change in the law as it stands at present. Some of them have objected to the amendment of section 562 as well, and they say that if the suggested amendment is accepted, then the court will be under an obligation to discharge every accused and to let him off after admonition on probation. Others say that if this amendment is accepted, then so many confessions would be forthcoming because of police intervention. I appeal to you, Sir....

Mr. Deputy-Speaker: I expressed the same view last time.

Shri Raghbir Sahai: So many confessions are coming forth every day, but every confession is not being accepted by the court. The court is there to sift whether the confession coming from the accused is a bona fide confession or a genuine confession or not. What is the court there for?

Even after the suggested amendment is accepted, if these confessions are coming, the court is not bound to accept every such confession. Section 562 is not mandatory; it is discretionary, and it will be one of the extenuating circumstances such as age, character, antecedents, and also the

fact whether he has stated the truth or not. So, where is the harm?

Shri Easwara Iyer: Does it not fetter the discretion of the court?

Shri Raghbir Sahai: Certainly not, even after his having made a completely true statement, the court can say that it is not going to release him on probation. This is no mandatory provision.

I am not going to discuss each and everyone of the opinions. But these are some of the positions that they have taken up, and I cannot possibly appreciate them.

On the other hand, those who have supported the Bill have put forward very cogent and very convincing reasonings. For instance, I might quote the opinion of the Director of Public Prosecution, Bombay.

Shri Braj Raj Singh: A policeman?

Shri Raghbir Sahai: Let my hon. friend not be afraid of a policeman.

Mr. Deputy-Speaker: The only fear with Shri Braj Raj Singh is that the policeman would be interested in getting these confessions.

Shri Raghbir Sahai: Now, let hon. Members judge these opinions on merits. The Director of Public Prosecution, Bombay, says:

"I agree generally, with my experience of a long time as an advocate and a judge, with the observations made by the Mover of the amending Bill. The proposed amendment in no way impinges on these two principles. All that it seeks to do is to take away a statutory invitation to the accused coupled with an assurance of complete immunity to make a false statement. I am at a loss to understand how a feeling of safety and security can be created in the minds of the accused by permitting him to

make a false statement. Is falsehood so very essential for creating a feeling of safety and security?"

This is what he says; he is not only a policeman but an ex-judge as well. Then, there is the opinion of the District Judge of Poona.

The District Judge of Poona says:

"In order to inspire confidence in the accused that justice will be meted out to him, the legislature have given him not only immunity but a sort of encouragement to speak falsehood. A statutory provision that the accused may give false replies is likely to undermine the confidence of the public in the administration of justice. It will thus be seen that the provision is not merely redundant, but is mischievous and repugnant to the modern notions of jurisprudence. By deleting the same provision, the legislature will not in any way deprive the accused of any of his legitimate protection and at the same time rehabilitate the confidence of the public in the administration of justice."

I will quote only one more opinion, that of the Chief Secretary of the Delhi Administration.

Shri Braj Raj Singh: Is he also an ex-Judge?

Shri Raghbir Sahai: He says:

"The word false occurring in section 342, sub-clause (2) is, I have no doubt, jarring to modern ears, and the objective can be met by substituting the words 'or by giving such answers to the questions as he considers, necessary'."

Shri Subman Ghose (Burdwan): It is not to modern ears, it is to Macaulay's ears.

Raghbir Sahai: I have only quoted a few opinions. There is no time for me to quote other opinions, and the hon. Members would be well-advised to go through the papers that have been supplied to us.

The only conclusion to which we can come is that the amendments are really very necessary, and by accepting the amendments we shall be removing this jarring word "false" from our legislation. In fact, many eminent persons who have offered their opinions have suggested that the word "false" should be removed.

It might be said that there are State Governments which are stoutly opposing these amendments. I went through their opinions again, and I find that out of so many State Governments who have been pleased to supply their opinions, four State Governments, namely, U.P., Madhya Pradesh, Orissa and Bombay, are entirely in favour of the spirit of the Bill. There are other States, Kerala, Bihar, West Bengal, Mysore, Rajasthan, Madras and Punjab, who have opposed these amendments. While these State Governments have opposed the amendments, very powerful support has come from these States, for instance from Kerala,—from District Magistrates, District Judges, Bar Associations. It will be worth while for hon. Members to go through the opinions received from Kerala.

Similarly, although the Government of Bihar has opposed these amendments, the entire High Court, all the Judges of the High Court, have supported these amendments. The District Judges, Bar Associations and District Magistrates have supported the amendments.

Shri Kaswara Iyer: What about the Bombay High Court?

Shri Raghbir Sahai: It is really a matter of misfortune that so many State Governments have not seen eye to eye with these amendments.

[Shri Raghbir Sahai]

Out of five Territories, as many as four have entirely accepted the spirit of the amendments. There are two other Territories, the Laccadive and Miricoy Islands.

Mr. Deputy-Speaker: Then, the Territories are more far-sighted than the States!

Shri Raghbir Sahai: Opinions were invited from them as well, and we might attach whatever value we may like to them. So in fact the consensus of opinion is in favour of these amendments. I would simply wish that the hon. Minister would take a sympathetic view, as he did last time. Let it be referred to a Select Committee. Even after these amendments I have proposed are considered, there will be some other consequential amendments also to be made. But that will be only in the Select Committee itself where they can be drawn up. I would request the hon. the Home Minister to be good enough to accept the motion that I have moved.

Mr. Deputy-Speaker: Motion moved:

"That the Bill further to amend the Code of Criminal Procedure, 1898, be referred to a Select Committee consisting of the following members namely: Shri Sinhasan Singh, Shri Upendranath Berman, Shri Shree Narayan Das, Pandit Munishwar Dutt Upadhyay, Shri Raghubar Dayal Mishra, Shri Jaganatha Rao, Shri Khushwaqt Rai, Shri Yadav Narayan Jadhav, Shri Resham Lal Jangde, Shri Ganpati Ram, Shri Satyendra Narayan Sinha, Shri K. T. K. Tangamani, Shri Sumat Prasad, Shri Raghunath Singh, Shri Uma Charan Patnaik, Shri Naushir Bharucha, Shri Harish Chandra Mathur, Shri Radhesham Ramkumar Morarka, Shri Sivram Rango Rane, Shri Vutukuru Rami Reddy, and the Mover, with instructions to report by the last day of the second week of the next Session".

May I know from the Minister what is to be his statement in regard to section 342? Are Government agreeing to reference to a Select Committee?

The Minister of State in the Ministry of Home Affairs (Shri Datar): No. I am put in the position of accused under Section 342. You are giving me an opportunity to explain whatever appears against me in the speech of the hon. Mover.

Shri Tangamani (Madurai): I support the motion of my learned friend that this Bill be referred to a Select Committee.

Shri Subman Ghose: He is a Member of the Select Committee. How can he speak?

Shri Tangamani: When this was taken up during the last session, I was one of those who opposed it, though I did not have the opportunity to oppose it openly in the House.

Mr. Deputy-Speaker: What has happened in the meanwhile? Only the inclusion of the hon. Member on the Committee?

Shri Tangamani: The circulation of the Bill for eliciting public opinion has shown how divergent are the views of very eminent Judges and other legal luminaries.

My main point in supporting the motion is briefly this. For some time, the Code of Criminal Procedure is being taken for granted. There are many sections—obnoxious sections at that—which need drastic revision also—section like 144, 107, 151 etc. These were the sections which were used in the past against political opponents and these are the sections which are being used even to this day. When we have been opposing preventive detention, we find that power is given to detain a person for 15 days by a sub-inspector under

section 151. Section 144 has gained notoriety. Section 107 is also one of the sections which is being abused to this day. I know many of the hon. Members here would have been caught by any or all of these sections. I am mentioning this to show how there are sections in the Criminal Procedure Code itself which need drastic revision.

So far as section 342 is concerned, my personal opinion is—and it is also the opinion of some of the Judges of the Madras High Court—that it is more an ornamental section. The evidentiary value of section 342 is practically nil. If a particular District Judge or Sessions Judge fails to observe rigorously the procedure laid down in section 342, it is not going to materially affect the case one way or the other.

17 hrs.

The whole question is, the prosecution has got to prove its case beyond all reasonable doubt; and the defence establishes its case by cross-examination, by admissions from the witnesses. And, now, it is given colour by the accused when he gives a statement under section 342, and when some defence witnesses are examined. So, a pattern has grown that the suggestions made in the cross-examination or the admission of witnesses in cross-examination will have to be supported by the witness himself under Section 342.

Sir, you know very well that this section 342 is a departure from English law under which it is not permissible to ask the accused any questions other than questions incidental to the trial in court. Here he is asked whether he wants to cross-examine the witnesses or whether he has got any witnesses to be examined. These are the questions which are posed before him. Here now, it is incumbent on the Sessions Judge to draw the attention of the accused to the evidence which has been tendered and the accused is asked to say 'Yes' or 'No'. The questions are so framed that they are

not in the nature of cross-examination. All that the Judge does is to invite the attention of the accused to the evidence against him. So, naturally, whether he says 'Yes' or 'No', it is not going to materially alter the conviction that he is going to face. The answer given by the accused in this case has little evidentiary value, if at all it has got any. That being the case, it would be welcome if the whole of section 342 is deleted.

Section 342A which has now come gives authority to the accused himself to go into the witness box and give evidence on oath. So, 342 is redundant. Till freedom the accused was not a compellable witness. He was not a competent witness against himself. In British courts, even to this day, a spouse is not a witness who can be compelled to give evidence against the husband or the wife. Sub-section (4) of section 342 says that the accused is not to be examined on oath. This is an ornamental section and having this will have to be canvassed and people told also. Eminent Judges and practitioners have given their opinion. I am at a disadvantage because the entire Bar Association of Madras and the Judges of the Madras High Court and also the Sessions Judges have opposed it. But, here is one Mr. V. T. Rangaswamy Aiyangar, who was Public Prosecutor for some time, who has given his opinion. He says:

"In my opinion the amendment proposed for omission of the words 'or by giving false answers to them' in Section 342(2) Criminal Procedure Code is a salutary and necessary one for there could not be any provision in any statute countenancing or encouraging perjury when on the other hand there is the endeavour to put down perjury in courts of law."

It may be argued that any statement under 342 will not come under 199 I.P.C. because it will not be perjury as it is not evidence on oath. At the same time must we have on the

[Shri Tangamani]

Statute book that we will give statutory protection to a person for making a false statement knowing it to be false? If I am asked to make a false statement that will not help to raise the moral standard of the people. So this has got much wider scope. I believe the object which my hon. friend has given may not be the correct one. The object, he has stated is to stop perjury. No lawyer will argue that any statement made under 342 will constitute perjury. But for many years the Britishers wanted to din into our ears that we are a people who would generally go even into the witness box and commit perjury. If it is not on oath statutorily, we will be giving anything which we know to be false. It is really not in consonance with the honour of our country. A section like this should be deleted and suitably amended also. There are certain suggestions made by those who have given their opinion at least to delete the word 'false' and replace it by 'any statement'.

About the second point on the question of probation, I am not in full agreement with this agreement.

Mr. Deputy-Speaker: He may be brief; there are a large number of hon. Members.

Shri Tangamani: It is for this reason that when we are going to give admonition or excusing them with a warning for the first offence for such an offence we need not extract a confession from them. The view has also been expressed that these two sections deal with the character of the individuals and a procedure laying down a criminal law cannot be separated from the society. It is really focussing the attention of the public to certain things which are now developing in this country. Although the scope is very limited, I do believe that if it is referred to the Select Committee, the opinions and the report of the Select Committee will certainly help the House to direct its attention to further amendment of the Criminal Procedure Code.

Pandit K. C. Sharma (Hapur): Sir, I rise to support the amendment on the simple principle that the Fundamental Rights in our Constitution are the cornerstone of the structure of our State.

Mr. Deputy-Speaker: Hon. Members shall be very brief.

Pandit K. C. Sharma: Those Fundamental Rights have implied duties or liabilities on the citizens. There is no right, rather nothing in relation to human way of doing things, where a man can enjoy a right without any corresponding duties or liabilities as against it. So, when we have got the Fundamental Rights and the freedom enumerated in article 19, there are fundamental duties cast on the citizen in apposition to rights that he can claim. For instance, the right to freedom of speech and expression is there but there is a duty that he will not speak or express himself in a way which may endanger the security of the State or friendship with foreign States or public order, decency, morality or contempt of court or defamation or incitement to offence. These are the limitations. He will not so behave as in any way to help in the commission of these injuries which may be harmful. This section in the Criminal Procedure Code has its origin and birth at a place where the notion or idea of a State has not been in the form as it exists today. The individual has a right to freedom but the State too has a right to stability and that implies that its important institutions would be helped and respected and a sort of a dignity and honour would be given thereto. There is the remedy; under article 32 there is the right to constitutional remedies. This right of constitutional remedy has to be guaranteed by the Supreme Court. If the judges of the courts go to help the citizen in guaranteeing the fundamental rights and also help him by the establishment of judicial courts in getting a fair and independent justice, then the citizen has to help the courts. It is a simple principle "Ye shall water the tree whereof Ye will

eat the fruit". If the courts and judges are to administer and guarantee justice to the citizen, the citizen on his part has to help the court and not abuse the process of the court. My respectful submission is that speaking a lie or making a false statement is an abuse of the process of court. Therefore, this abuse of process of court should in no way be allowed to any citizen whatsoever.

It is a wrong notion to say that a citizen has a right to freedom or to security, and even on making a false statement he can get out of the clutches of law. Because he owes a duty to that very court, he owes a duty to the administration of law that he would be helpful and would give a true statement of facts so that justice could be meted out to him as a person and the administration of justice as an instrument of the State would be helped.

My humble submission, therefore, is that every citizen owes a duty to the State so far as the administration of justice is concerned, that justice should be free and independent and he will claim the justice in accordance with the law whether against himself or in favour of himself.

With these remarks, Sir, I support the motion moved by my hon. friend

Pandit Munishwar Dutt Upadhyay (Pratapgarh): Mr. Deputy-Speaker, Sir, in stating the objects of the Bill the Mover really laid emphasis on certain points and it is on that account, I feel, that there has been so much opposition to this Bill as I find from the opinions that I have seen. In the Statement of Objects and Reasons, he has said:

"A statutory guarantee to the accused for making a false statement as provided for in section 342 of the Code of Criminal Procedure, 1898 is repugnant to modern notions of jurisprudence and should be deleted."

This is, of course, all right. But in the very beginning he says:

"The object of the Bill is to eliminate perjury from law courts...."

I should say, he has undertaken a difficult task. Having stated that he was trying to eliminate perjury from law courts, which appears almost impossible, he has put himself against so many people who think that it is impossible for him to achieve the object. That is why so many opinions have come up against him.

He has stated the other object later, that it is repugnant to modern notions of jurisprudence. It is only on that account that I want to support this Bill, this part of the Bill. In fact, it is not so easy. Although we might try to create an atmosphere so that people may tell the truth in the court, yet it is not so easy. Of course, the atmosphere that is created by this word "false" is that it is a statutory provision for a person to tell lies in the court. It is almost obnoxious, abominable, that the word "false" should remain on the statute book and one should be allowed, encouraged as a matter of fact, or given liberty to tell lies and it should be provided in a section of the Cr. P. C. Our hon. friend on the other side was posing a point and he said that it was an ornamental section. As a matter of fact, this section is not going to serve any purpose according to him, and is not going to help either this way or that way. Even then, where no purpose is served, when nothing is gained by it, still, if we keep that word "false" on the statute, how far that would be justified. That is the aspect which I want to consider.

I was looking into the opinions that we have received. We have received a number of opinions no doubt including opinions from prominent judges and also administrators and others. From these opinions, as I could sift them, I find that the opinions generally are that no useful purpose would be served by removing this word, because the object of removing this word, in the mind of the mover, could

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be that the accused should be exposed to prosecution for making a false statement. The accused would not be exposed to prosecution even if he makes a false statement and even after the removal of the word "false". Therefore, the very intention of the mover is being misunderstood. The whole thing appears to be shrouded in misunderstanding. As a matter of fact, I find from the opinions, almost all the opinions, that the persons who have given the opinions feel that the mover means, firstly, perjury should be eradicated. That by itself is not so easy. Secondly for that accused should be exposed to punishment. Really, the mover of course has made his points. I find from his speech—all that he has said today and also on the other day—that his intention was not the same that has guided these opinions in the case. Some of the opinions are such that they support the mover, but they support the mover on quite a different ground. As a matter of fact, I do not think that those opinions should really be acceptable to the mover himself. Some of those opinions, as I found them here, say that because the circumstances have changed now the accused should feel the responsibility; that we are now independent, and because it is now an independent country, nobody should tell lies and, therefore, the accused also should not tell lies and so on. But that is not the meaning.

The meaning of the mover is, that the accused is absolutely at liberty to say whatever he likes to say. What he probably wants to say is that this word "false" is obnoxious and objectionable and it is not consistent with the dignity of the nation. It is not consistent with the dignity of our statutes and, therefore, that word should not be there. It creates a bad atmosphere. That is what the mover means.

Those who have followed that view and understood him properly have said, instead of 'false', why not have 'any'? They had asked that that word

could be substituted by some other word. They appeared to have understood the meaning, but I do not know why they make that alternative suggestion that instead of "false" the word "any" could be substituted. Of course, some people who have misunderstood him have made the suggestion.

I was reading the opinions of some of the judges of the high courts. As regards the opinions of others, I did not very much care to go into them, because they are too many and I did not have much time.

Reference was made to Madras and to an ex-Judge of the Federal Court. I would like to read a few sentences from these opinions. I would refer to the opinion of one of the judges of the Rajasthan High Court. His opinion seems to be based only on this ground that the lower courts shall be misled by it; they will think there is some change in the law and so we should be strict against the accused, because the word 'false' is now removed. He says:

"By the proposed amendment, subordinate courts are likely to get the erroneous impression that there has been a change in law, whereas in fact, there is no intention to make any change in the existing law."

Even if this word 'false' is removed, there shall be no change because no oath is administered to the accused and any statement made without oath will not be punishable and there can be no prosecution. Section 193 will not apply there. He goes on to say:

"The subordinate courts are likely to get the impression that the mere fact that the accused pleads guilty is sufficient to entitle him to release on probation of good conduct."

He has gone to the other point and says the lower courts are likely to be

misguided. I do not think so. The lower courts consist of learned people—double and triple graduates—and many of the opinions of lower courts given here are very sound.

An ex-Judge of the Federal Court has said:

"No purpose will be served by amending clause 2 alone because a false statement by the accused will not be punishable even after the amendment as long as clause 4 prohibiting the administration of oath stands."

It is a sort of misunderstanding under which he is labouring; otherwise he would not give an opinion like this. The object is not that the accused should be exposed to prosecution. The opinion says by removing the word 'false', the accused shall not be exposed. The purpose of the mover will not be served then.

One or two more judges of the High Courts have argued on the same lines. One of them has said:

"I am opposed to the amendment proposed in section 342 of the Code of Criminal Procedure, as, in my opinion, it is one of the cardinal principles in the administration of criminal justice that an accused person should not render himself liable to punishment even if he gives false answers when he is questioned generally on the case against him."

That is the impression that the judges have been carrying and that is why they have given these opinions. Most of the judges have said, the object appears to be laudable, viz., the atmosphere of the courts should be such that the people tell the truth, but really the purpose of the mover would not be served. So far as these opinions go, the purpose itself is being misunderstood; that is the whole trouble.

So, according to these opinions, mere change of the word will not do and it does not expose the accused to

prosecution because it is a statement not made on oath. I have also gone through some of these opinions from Kerala and Madras. I would refer only to the Madras opinion, to which reference was made.

"In the opinion of this Government...."

It is the opinion of the Government. I am now talking of the opinions of the Governments because it was said that some of the Governments were opposed—rather most of the Governments are opposed. It is about the Madras Government:

"In the opinion of this Government the object of the Mover of the Bill, namely, to eliminate perjury is not likely to be achieved by merely dropping the words 'or by giving false answers to them' from section 342(2) of the Criminal Procedure Code. There is not going to be any change in the legal position even after the amendment proposed."

So, that is the impression under which the Government was labouring and that is why they gave this opinion.

Then, there is the Government of Assam also. There also appears to be some sort of a misunderstanding. They say:

"....amendments are not necessary at this stage and such piecemeal amendments also are not advisable in any case. Under the Criminal Procedure Code, as it now stands, though the accused is a competent witness for the defence and may give evidence on oath in disproof of the charges against him, it is specifically provided that he shall not be called as witness except on his own request in writing and his failure to give evidence shall not be made the subject of any comment by any of the parties or the court or give rise to any presumption against himself or any person charged together with him at the same trial."

[Pandit Munishwar Dutt Upadhyay]

This Government is also labouring under the same impression.

Shri Braj Raj Singh: It is very difficult to understand the hon. Mover.

Pandit Munishwar Dutt Upadhyay: Yes. I do not know, but really from the opinions it appears that if there had been no misunderstanding, there would not have been very many opinions against the removal of this word 'false'. This word 'false' to remain on the statute, I would submit, is not very desirable and some of the opinions have also been quite strong on this point that this word is not desirable and that this should be removed.

So far as the other point goes—I will not take much of your time—my submission is that this word 'false' should be removed from the statute. I think that much must be done to maintain an atmosphere of truthfulness in the courts and also to give the statute the dignity that it deserves.

Shri Easwara Iyer: Mr. Deputy-Speaker, Sir, in speaking on this Bill, I would like to be understood as voicing my own opinion on this matter. Of course, I have no objection for this Bill to be considered by the Select Committee but I would like to submit my observations on the provisions of this Bill.

The hon. Mover of the Bill seems to be having a sort of righteous indignation of the amount of perjury that is prevailing in this land, and rightly so. Because, I could only learn the object of the Bill from the statement of objects and reasons contained therein, and the object of the Bill seems to say that there must be a move for eliminating perjury. Of course, my hon. friend on the other side seems to be labouring on the point that it is not the object. Then what is the object? I could only say that heaven only knows if it is not

the object that is contained in the statement of objects and reasons. What does it say? I am reading.

"The object of the Bill is to eliminate perjury from law courts and encourage among the litigant public the habit of speaking truth."

Certainly, it is a very laudable object, but I regret to say that his righteous indignation seems to have been unburdened on the shoulders of the accused in a criminal case. On the point whether section 342 is an ornamental section or not, I would hold a difference of opinion; I would rightly say that it is not an ornamental section, particularly after the decision of the Supreme Court very recently, saying that statement under section 342 is a very vital statement in the conduct of a criminal case. Quite apart from that, when an accused is questioned under section 342, that very section says that oath shall not be administered. So, if by the deletion of the words "or give false answers to them" the object of the hon. Mover of the Bill is to render the accused open for prosecution for perjury, then I would take him to section 191 of the Indian Penal Code.

Shri Raghunir Sahai: It is never the object of the Bill.

Shri Easwara Iyer: Then I cannot understand as to what the object of the Bill is. If the hon. Mover of the Bill corrects me by saying that it is not the object but it is some other object, I do not find that in the statement of objects and reasons. If his object is founded on mere sentimental reasons of having the word 'false' therein, I would say, the amendment is not expedient as my hon. friend put it; it is most innocuous and futile.

Coming to section 342, sub-section (4), it is said that the accused shall not be examined on oath. Section 191 of the Indian Penal Code, which

deals with prosecution for perjury, deals with the categories of persons who could be proceeded against under the law. It takes into consideration—subject to correction by the hon. Minister of Home Affairs on the other side, I am saying—all persons who make a statement under an obligation to speak the truth under an oath or are legally bound to speak the truth on oath and takes into consideration also persons who are statutorily enjoined to speak the truth. Also section 191 deals with persons who by law are declared to speak the truth. Whether an accused examined under section 342 comes under these categories of persons may be examined.

Under section 342(4), an accused is not examined on oath. The first part of prosecution for perjury under section 191 goes to the wall. Whether the removal of these words "or by giving false answers" occurring under section 342, will render it obligatory on the accused to speak the truth by virtue of the removal is also open to question. An accused is not by necessary implication bound to speak the truth. So that, there is no statutory obligation on his part to speak the truth, to come within the ambit of section 191. Neither is there any declaration contained in the Criminal Procedure Code on the part of the accused to speak the truth.

What exactly is speaking the truth, is the matter. Supposing an accused is charged with murder or robbery or dacoity and the prosecution case is that he has committed robbery or dacoity or murder, what is truth? Supposing the accused denies and the court on shifting the evidence before it finds that he has committed robbery or theft, does it mean that the truth is that he has committed robbery or theft? Let us assume for the sake of argument that truth is the prosecution story when he has been convicted of the offence. What is the scope of the amendment proposed? Supposing the words, "or giving false answers to the questions put by the court", are deleted, so that the accused may be rendered liable for prosecution for

perjury, what will be the effect of this? Supposing the prosecution is found by the court to be true and a conviction is entered and the accused has pleaded not guilty to the charge, under section 342, he can be proceeded against for perjury, over again, on the very same set of evidence. On the very same evidence the trial will proceed and on the same evidence, he will be put on the dock. Again, in the statement, he says, "I have not committed the offence." Again, he can be proceeded against for perjury. There will be a chain of prosecutions against the accused with the result that he will not find himself anywhere.

My respectful submission before this House is, if it is only a question of sentiment as my hon. friend would say, that the word 'false' should be removed, to say, "any answers", I have practically no objection. If it is a legal obligation of the accused not to commit perjury and speak only the truth and nothing but the truth, then, certainly, I would oppose this Bill on the ground that, if at all, there is one golden thread throughout the criminal law of this country, that is that the accused is presumed to be innocent until the prosecution has beyond reasonable doubt established his guilt. If any more amendment to the Criminal Procedure Code is attempted or is sought to be attempted to whittle down this presumption which is existing in the country for the last so many years, it is certainly something which is against the fundamental principle of Criminal jurisprudence. The accused is presumed to be innocent and it is for the prosecution to prove beyond reasonable doubt that the person is guilty. Take for example the proposed amendment under section 562. If the person makes full disclosures without concealing any facts, that has to be taken into consideration for releasing him on probation. Now, the question of releasing him on probation comes into existence only after the Court has heard the evidence and convicted the accused. His age, his character, his antecedents are all being examined. The court is also enjoined to examine.

[Shri Easwara Iyer]

the question whether he is speaking the truth or not. There may be over-zealous police officers who will go about asking him to confess as being guilty. The Police officers may stand on the shoulders of the accused and make the accused confess the prosecution case. Such instances cannot be overlooked in the state of affairs in which our police is being managed.

Another point which goes against the amendment that is proposed is this. This relates to the question of assessment as to whether the accused is speaking the truth or not. Who is to decide whether the accused is speaking the truth or not? The Court may come to the conclusion on prosecution evidence that the accused may be guilty or not guilty. How does it in fact establish the truth or otherwise of the stand? After the passing of Probation of Offenders Act, 1958, Section 20, this Section 562 itself becomes innocuous. In the light of the opinion that comes up on this matter, this requires to be studied. The opinion is divided. There are some legal luminaries who are in favour of this Bill. There are some legal luminaries who are against this Bill. But I would frankly submit for the consideration of the House that the preponderance of legal opinion from the Bar Council or the Bar Associations or the High Court Judges is against the proposed amendment. That is also a fact which may be taken into consideration by the Select Committee, if the Bill is referred to it.

Shri Datar: Mr. Deputy-Speaker Sir, I have to sympathise with the hon. Mover of this Bill. When this Bill was circulated for eliciting public opinion, he was presumably under the impression that he would be getting a preponderating opinion in his favour. Unfortunately for him, the opinions that we have received are, both in volume as well as in substance, entirely against him. I should like to point out that so far as Section 342 and the amendment is concerned, there are as many as nine out of fourteen States

which are opposed to it. Secondly, there are only two States which have supported his amendment to section 342(2), namely the Government of Bombay and the Government of Madhya Pradesh, though here also, I may point out that the Bombay High Court have not seen their way to accept this particular amendment.

Shri Raghbir Sahai: What about U.P.?

Shri Datar: Then, may I point out that nine important States, including U.P.—let my hon. friend remember that—have expressed their opinion against this amendment? So far as those who are in favour are concerned, may I correct myself by saying that three Governments are in his favour, and they are Bombay, Madhya Pradesh and Orissa? Let us for the time being keep aside the Territories. There are three Territories which agree, and there are some others which do not agree at all.

Shri Tangamani: Government may oppose, but many judges have supported.

Shri Datar: Let my hon. friend allow me to speak.

Then we might also note that so far as the State of Jammu and Kashmir is concerned, the Code of Criminal Procedure does not apply. The Andhra Pradesh Government have not favoured us with their opinion.

Thus, you will find that there is a large preponderance of opinion, so far as the States are concerned, against this particular amendment.

So far as the other amendment to section 562 is concerned, there also, the strength of opposition is more voluminous. 10 States have not agreed to this amendment at all, while, with great deference to my hon. friend, there is only one State which has agreed, and that is the Orissa State. The Kerala State has not given any comments at all, and

the comments of the Andhra Pradesh State have not been received.

So, you will find that we have the largest preponderance of opinion of the States against both the amendments that are sought to be introduced in the Code of Criminal Procedure.

Let us also understand one more circumstance. So far as the Code of Criminal Procedure is concerned, it is in the Concurrent List, and naturally, the administration of the criminal law has to be carried on almost completely by the various State Governments, and, therefore, we are bound to accept the views of the State Governments, so far as any amendment in Parliament is concerned, for, as I have stated, they are the authorities which have to administer the law.

So far as the Bombay State is concerned, may I point out that though the Government of Bombay are in favour of the first amendment, the Bombay High Court are not in favour of it? In respect of the High Courts, I may point out that a number of High Courts like Madras, Bombay and Kerala and others....

Shri Easwara Iyer: And Mysore.

Shri Datar.... have expressed their opinion which has to be taken into account.

In these circumstances, so far as the first point is concerned, the position is entirely against my hon. friend. There might be a few judges here and there, and there might be some officers here and there who must have taken a view like that of the hon. Mover that perjury has got to be removed from our courts.

Therefore, as I have stated, both in quality as also in the strength of public opinion, the nation is not in favour of these amendments.

Then, I would pass on to the next point. It was pointed out rightly by a number of hon. Members that there ought to be an atmosphere of truth-

fulness in our courts. That is certainly a matter which has to be taken into account. So far as the maintenance of an atmosphere of truthfulness is concerned, there are two factors to be taken into account. One is the statements that are made on oath by the various witnesses. Hon. Members are aware that we have tightened the law to a large extent when we had a general amendment of the Code of Criminal Procedure about three years ago, when we introduced certain provisions for making the offence of perjury as summarily cognizable as possible. All the same, there are a number of factors which are against us so far as truthfulness is concerned, and truthfulness in courts will increase accordingly as we have truthfulness in the country around. That also has to be taken into consideration.

The hon. Member wants the inculcation of truthfulness by removing the word "false" from section 342(2), as *சான்ற மூலையால்* *புது*, Upadhyay rightly pointed out, there is a considerable misunderstanding about the manner in which the hon. Mover has expressed himself. He desired that there should be no perjury at all. For the sake of argument, let us follow this particular line. If perjury has to go, it has also to disappear from the statements of the accused persons according to him, because he is laying in this case the greatest stress upon firstly removal of the word "false", and incidentally upon the inculcation of the principle of truthfulness, or, in ordinary language, the giving of true information whether it is in his favour or against him, by an accused person.

May I point out that he has stopped just in the middle? He has not followed it up. If the particular line that he has a view of having truthful statements from the accused is followed up, he will have to make any untruthfulness or falsity and offence by the law itself. In other words, he will have also to make it compulsory for an accused person to go into the witness box, and naturally if he goes into the witness box, the other results

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follow as a matter of course when he is telling lies

I may point out here that even in a number of western countries, where the law has been developed to a very large extent, it is not necessary for an accused person compulsorily to go into the witness box. I have read a number of professional biographies of great advocates and there you will find, as for example in Marshal Hall's case, that the advocate for the defence considers hundred times before putting the accused in the witness box, though there is a provision to that effect, as we have also introduced one in the Code of Criminal Procedure

Shri Raghunath Sahai: May I ask the hon Minister if there is any specific provision in any other country for the accused to make a false statement?

Shri Datar: In dealing with the question of defence, certain principles have been laid down. We are bound by certain principles of criminal jurisprudence, and these principles have been noted by some of the Judges as also others, including Shri Varadachari, one of the most brilliant Judges not only of the Madras High Court, but of the Federal Court of India as well. He has pointed out the various principles. One principle is that the accused should have no obligation to give any particular version that might be against him. He owes no duty to the prosecution at all. It is entirely 100 per cent the duty of the prosecution to prove the case, and that is the reason why we have got here a provision in section 342 where it is not compulsory for the accused to give the information. But, as I shall point out by reading it, it is open to him to give an explanation because this is an opportunity offered to him, and therefore, only for the purpose of having an opportunity to himself, to explain certain circumstances that are *prima facie* against him, section 342 has been introduced in the Code of Criminal Procedure

Shri Tangamani suggested that so far as section 342 is concerned, it is not a compulsory provision. May I bring it to his notice that we have got two parts of that provision? In the earlier part, it has been stated that the Magistrate or the Judge may, and in the latter portion after the prosecution evidence is over, he shall put questions to the accused for the purpose of giving him an opportunity to explain the circumstances against him. Thus that is a compulsory provision, an imperative provision, which the courts of criminal law have got to follow

Therefore, the whole scheme of the defence is that the accused should, in the first place, be not subjected to another prosecution after he has undergone this particular prosecution. Otherwise, if for example, he has the Sword of Damocles hanging over his head, naturally he will not be in a position to defend himself properly in this prosecution, because if whatever he says is likely to lead to another prosecution for perjury, he would not be in a position to defend himself effectively, as under criminal jurisprudence he has the unrestricted right to defend himself as he likes, and this right naturally includes no obligation on him necessarily to tell the truth. That is a point we have to understand very clearly. Here, for example, there are two obligations: one is the obligation of truthfulness and the other is the right to defend himself as he pleases. Under this criminal jurisprudence, we have to allow him the absolute right to defend himself

Therefore, it would not be proper to put one thing against the other, because it is likely to cause prejudice to his right to defend. What is necessary is that nothing should be there to prejudice him, and secondly, nothing should be done to create an impression in the mind of the accused that thereby he is likely to be prejudiced in his defence. This is the most important point which has been stated by a number of High Court

Judges and a number of State Governments also. Now, if we analyse the various expressions of opinion, we shall find that the largest number of opinions say that it is unnecessary. Some opinions go further and say that it is inadvisable. Certain members of the Bar or Judges of the High Court have also gone to the extent of pointing out that this would create a dangerous precedent, and two or three opinions are there which say that it would be mischievous to take away this right, as it has been understood down the century.

Even though the hon. Mover has a laudable object in view, namely, to introduce truthfulness to the largest extent possible, that particular object will not be achieved at all merely by removing the word 'false'. As I have stated, I do not agree with it, to go to the extreme length of making untruthfulness an offence or of making it obligatory on the accused person to be put into the witness box. If he is put into the witness box, he has naturally to face the consequences that flow from any statement he makes which is untruthful, that is, prosecution for perjury. My hon. friend is not prepared to go to that extent. Neither is it advisable to go to that extent. Therefore, Pandit Munishwar Dutt Upadhyay was perfectly right in pointing out that the objection that is there is largely due to the pious or perhaps—with due deference to my hon. friend—impracticable, desire of my hon. friend to have truthfulness by merely removing the word 'false' from section 342.

We are anxious, and almost all the State Governments are anxious, that the rights of the accused, as they have been understood nearly over 100 years, should be maintained as they are.

It is not necessary to bring in here British Imperialism or other ideas as one hon. Member needlessly brought in. This is a system which has been perfected to a large extent; and, so long as we are bound to have the

Criminal Procedure Code on the basis of hallowed principles, principles hallowed by time and by experience, I believe, we have to maintain this principle of giving unfettered freedom to the accused to defend himself effectively according to his likes—it does not matter even if for the sake of his defence he has to depart from truth.

I may point out to my hon. friend that even in our moral code, even in our ancient texts, it has been stated that there are circumstances where a man is entitled to depart from truth. If a man is after a cow to kill it and if one knows where the cow has gone, in that case he is not bound to tell the truth at all. Therefore, let the hon. Member understand that even in the moral and spiritual code that has been developed, we have got certain exceptions to truth. It is stated that if a man states something other than the truth, then, he will not be liable for untruthfulness or for the sin of untruthfulness. This is an exception and I am, therefore, going to defend the provision on moral ground, though it is not necessary. The highest objective that we should have is the protection of the accused and the feeling of confidence in the accused that he is entitled to protect himself in any manner he likes. This right should not at all be affected in any manner because we are anxious that the fundamental principles of criminal jurisprudence are properly maintained. That is the reason why Government oppose even the reference to a Joint Committee.

When is reference to a Joint Committee to be allowed? When we accept the principle of the Bill. Here, in this case, with due deference to my hon. friend—though the object is perfectly laudable—it is impracticable in the manner he has put it; and, therefore, I have to oppose the reference to a Joint Committee, not only so far as 342 is concerned but also as far as 562 is concerned.

In 562 also, he has said 'completely true statement'. He has put in some

[Shri Datar]

expressions which it is very difficult to understand 'Completely true' means there can be 'partially true' or something else. Based on 562, there is also a new section which has been introduced in the Probation of Offenders Act. We have laid down a number of circumstances to be taken into account and, therefore, we have got his antecedents, his way of life and all these things even put in. These are the words.

"Regard being had to the age, character and antecedents of the offender and to the circumstances in which the offence was committed".

These words are wide enough to include also the enquiry by the magistrate as to whether the accused has been a truthful person or whether he has departed vitally from truth. That cannot also be taken into account. But, let us take into account the other side.

If, for example, this amendment is accepted and a provision is made for the insertion of 'complete truthfulness on the part of the accused', as the hon. Member wants us to have it, then, in that case, there are occasions which we have to take into account. Sometimes, the accused is in a position which is not necessarily normal. There are occasions where he commits an offence and after committing the offence, with a view to protect himself *bona fide* he does not necessarily follow the rule of complete truthfulness. Should that be a disqualification? Should that be a handicap disentitling him to get the benefit that has been laid down in section 562? Therefore, may I point out that the object of the framers of the Criminal Procedure Code was more human than academic or—I would not say anything further—theoretical. I would not say, unreal. My friend has a good object in view.

18 hrs.

Lastly, I may also point out that when we had a thorough amendment of the Code of Criminal Procedure, about three years ago, my hon. friend had moved an amendment, if I mistake not, to section 324 and also perhaps to section 562. I am not sure.

Shri Raghbir Sahai: Yes, I did.

Shri Datar: Possibly, he is an active Member and he must have moved it. After a full discussion, both these amendments were negatived. During the last three years nothing has happened for the Parliament to make a change from the view that it has taken. Therefore, I oppose reference to the Select Committee.

Mr. Deputy-Speaker: Shri Sahai may have a couple of minutes
(Interruptions.)

Shri Raghbir Sahai: Sir, you will allow me to say that I am not disappointed with the speech of my friend Shri Easwara Iyer, but I am really disappointed with the speech the hon. Minister has made.

Mr. Deputy-Speaker: In one's life, disappointment often comes.

Shri Raghbir Sahai: I am not going to place him in an embarrassment but he would bear with me when I say that some of his remarks were not correct.

Shri Datar: I forgot to say that I request him not to proceed with this Bill.

Shri Raghbir Sahai: While he was dealing with the opinions offered by the State Governments, he tried to create an impression that almost every State Government was opposed to these amendments and he included the name of U.P. also.

Mr. Deputy-Speaker: The hon. Member stated that he would not embarrass the Minister; now he is going to embarrass him.

Shri Braj Raj Singh: Is he withdrawing or not? Let us know.

Shri Raghunir Sahai: I only wanted that the wrong impression created by the Minister's speech should be removed. The U.P. Government has, in the course of this memorandum, said that the purpose can be achieved by the substitution of the word 'any' for 'false' occurring in that section.

Shri Datar: Sir, my hon. friend is almost like an advocate here. They have said that any policy likely to prejudice the accused of his defence..

Shri Raghunir Sahai: After that paragraph, this is what is said.

Mr. Deputy-Speaker: Now, Shri Sahai and the hon. Minister both agree that there is no difference of opinion; both are right. What is the ultimate objective?

Shri Raghunir Sahai: The other point.. . .

Shri Braj Raj Singh: The real point is whether he is going to withdraw or not.

Shri Raghunir Sahai: Wait and see. The hon. Minister has said that the object of the Bill would not be achieved. I had stated in the very beginning that the object of my Bill was not to eliminate perjury at the very start. It is to make a beginning. On the one hand everybody is anxious that perjury should be eliminated and on the other hand there is a specific provision in the Code that false statement can be made. I beg to submit that this is a contradiction in terms and I only want by this amendment that this contradiction in terms should be removed.

Again, my hon. friend the Home Minister says.....

Mr. Deputy-Speaker: Is it necessary to meet every argument that he has advanced?

Shri Raghunir Sahai:that if I want that the word 'false' should be

removed and the accused may be expected to tell the truth, I should go to the logical limit that if he speaks untruth he should be punished. I say this is not a logical corollary. This was never my contention. Even if the accused makes a false statement, according to Shri Datar himself in his previous speech he says that he is not liable for any conviction. Shri Easwara Iyer has placed forward a preposterous proposition that he would be liable to so many convictions and so many prosecutions. This is preposterous, fantastic. It is not possible. When the statement is not under oath, how can he be prosecuted, how can he be punished? Therefore, the suggestions of my hon. friends from this side as well as from the other side are misplaced.

Now, I quite agree.....

Mr. Deputy-Speaker: If he is to have much more time.....

Shri Raghunir Sahai: I am finishing, Sir. I quite agree that the local administration is responsible for working out this Act. I entirely agree with him, and if most of the local administrations are opposed to it, of course, there is a lot of weight in that argument and we ought to consider whether these amendments should be carried out or not. After all, this is a Government of India Act—the Indian Penal Code and the Criminal Procedure Code—and it was time for the Minister to have considered these amendments rather sympathetically. I am really surprised that this previous speech was more sympathetic than his latest speech. But, as I said in the beginning, I do not want to create embarrassment for him. I am prepared to withdraw the Bill.

The Bill was, by leave, withdrawn.

12.05 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, April 20 1959|Chaitra 30, 1881 (Saka).

[Saturday, April 18, 1959/ Chaitra 28, 1881 (Saka)]

ORAL ANSWERS TO QUESTIONS

S.Q. No.	Subject	COLUMNS
11977-12014		
1884.	Nagas	11977-79
1886.	Indian Handloom Delegation	11979
1887.	Export potentiality of onions from Veraval Port	11980-82
1889.	Alagappa Textiles Alagappanagar, Kerala	11982-83
1891.	Steel quota to Punjab	11983-84
1892.	Recruitment in private firms through Employment Exchanges	11984-85
1893.	Export of leather goods to Russia	11985-87
1894.	Export of Indian textile goods	11987-88
1895.	Report of the Actuarial Committee	11988-89
1896.	Export of tea	11989-91
1897.	Employees' Provident Fund Scheme	11991-92
1900.	National Development Council	11992-12000
1901.	Retrenchment of workers of Andhra Cement Company	12000-03
1902.	Rephrasing of the Second Five Year Plan	12003-04
1903.	Manufacture of photographic materials and 35mm film strip projectors	12005-06
1905.	Model Gramdan Act	12007-09

S.N.Q. No.

23.	Northern India Amrit Bazar Patrika	12009-14
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WRITTEN ANSWERS TO QUESTIONS.

S.Q. No.	Subject	COLUMNS
12014-48		
1885.	Transfer of evacuee deposits in Criminal Courts	12014
1888.	Gas producing plant, Sindri	12014-15
1890.	Middle Income Group Housing Scheme	12015
1898.	Handloom Manufacturers	12016
1899.	Sambhar Salt	12016-17
1904.	Mineral sands	12017-18
1906.	Uranium from sea water	12018

WRITTEN ANSWERS TO QUESTIONS—contd.

U.S.Q. No.	Subject	COLUMNS
3191.	Stock of handloom goods	12018-19
3192.	Handloom industry	12019
3193.	Fountain pens	12019-20
3194.	Industrial panels	12020
3195.	Heavy Industries	12021
3196.	Foreign and Indian investments in Indian Jute Industry	12021-22
3197.	Tests for petroleum products	12022
3198.	Handloom cess fund	12022-23
3199.	Rolling mills in Bombay	12023
3200.	Small Scale industries in Bombay	12023-24
3201.	Cement quota for Bombay State	12024
3202.	Competent Officers	12024-25
3203.	Off-take of cloth in Uttar Pradesh	12025
3204.	Registered companies in Mysore	12026
3205.	Manufacture of Acetic Acid	12026-27
3206.	Family Budget Survey	12027
3207.	Outer space	12027-28
3208.	Miss Anita Bose's visit to India	12028
3209.	Construction of cafeteria and fountains in Delhi	12028-29
3210.	Labour conditions in Sericulture Industry	12029
3211.	Hostels for unmarried Central Government Employees	12029-30
3212.	New Industrial Units in Punjab and Himachal Pradesh	12030
3213.	Small Engineering Units	12030
3214.	Shm Clearance in Orissa	12031
3215.	Textile mills	12031-32
3216.	Ambar Charika Programme	12032
3217.	Lokmanya Tilak Memorial	12032-33
3218.	State Trading Corporation of India (Private) Ltd.	12033
3219.	Central and State Government Publicity Vans	12033-34

WRITTEN ANSWERS TO
QUESTIONS—contd.

U.S.Q. No.	Subject	COLUMNS
3220.	Employment Exchanges	12034
3221.	Export of ores . . .	12035
3222.	Aid to Indonesia . . .	12035
3223.	Conference of Chairmen of Development Councils	12036
3224.	East Vinay Nagar Quarters . . .	12036-37
3225.	Kirtinagar Colony . . .	12037
3226.	Ceiling on land holdings	12037-38
3227.	Work-charged staff of the C.P.W.D. . . .	12038
3228.	Rehabilitation of dis- placed persons near Rajpura Village, Delhi	12038-39
3229.	Himalayan expeditions	12039-40
3230.	Ceiling fans in Govern- ment Quarters . . .	12040-41
3231.	Trade in sewing machine nuts and bolts . . .	12041
3232.	Export of wine . . .	12041
3233.	Manufacture of clocks and watches . . .	12041-42
3234.	Pandara Road flats . . .	12042
3235.	Import of car spare parts . . .	12042-43
3236.	Villages at Rajasthan- Pakistan Border . . .	12043
3237.	Jullundur Radio Station	12043-44
3238.	SEROU and SAITON refugee colonies . . .	12044
3239.	Construction of bridges in Manipur . . .	12044
3240.	Air-conditioning of Government buildings	12045
3241.	Propagation of Indian Culture Abroad . . .	12045
3242.	Committees under the Ministry of Works Housing and Supply . . .	12046
3243.	Newspapers in Hima- chal Pradesh . . .	12047
3244.	Promotion of export of tea to Iran and Iraq . . .	12047
3245.	All India Radio . . .	12048

PAPERS LAID ON THE
TABLE

- (1) A copy of Notification No. G. S. R. 353 dated the 28th March, 1959, under sub-section (3) of Section 49 of the Tea Act, 1953, making certain amendments to the Tea Rules, 1954.

PAPERS LAID ON THE
TABLE—contd.

- (2) A copy of the Notification No. G.S.R. 385 dated the 4th April, 1959 under sub-section (3) of Section 48 of the Coffee Act, 1942, making certain further amendment to the Coffee Rules, 1955.
- (3) The Minutes of the sittings of the Estimates Committee relating to the Forty-eighth Report on the Ministry of Home Affairs—Scheduled Castes, Scheduled Tribes and other Backward Classes were laid on the Table.

REPORT OF ESTIMATES
COMMITTEE PRESENTED

Thirty-eighth Report was pre-
sented.

REPORT OF BUSINESS AD-
VISORY COMMITTEE
ADOPTED

Thirty-seventh Report was
adopted.

DEMANDS FOR GRANTS 12051—12134

Further discussion on Demands
for Grants in respect of the
Ministry of Finance con-
tinued. The discussion was
not concluded.

REPORT OF COMMITTEE
ON PRIVATE MEMBERS
BILLS AND RESOLUTIONS
ADOPTED

Forty-second Report was
adopted.

PRIVATE MEMBERS' BILLS
INTRODUCED

- (1) The Indian Penal Code
(Amendment) Bill, (Inser-
tion of new section 383A)
by Shri Kashi Nath Pandey.
- (2) All India Domestic Servants
Bill, by Shri Kanhaiya Lal
Bahmiki.

PRIVATE MEMBER'S BILL
NEGATIVED

Further discussion on the
motion to consider the Arbi-
tration (Amendment) Bill,
(Amendment of sections 2
and 39 and insertion of new
Chapter IVA) by Shri
Raghunath Singh concluded.
The motion was negatived.

12048-49

12136-57

	COLUMNS	
PRIVATE MEMBER'S BILL WITHDRAWN.	12157—94	<p>AGENDA FOR MONDAY, APRIL 20, 1959/CHAITRA 30, 1881 (SARA)—</p> <p>Further discussion on the Demands for Grants in respect of the Ministry of Finance also consideration of Demands for Grants in respect of the Department of Parliamentary Affairs, Lok Sabha, Rajya Sabha and the Secretariat of the Vice-President and consideration and passing of the Finance Bill, 1959 and the Appropriation (No. 2) Bill, 1959.</p>
<p>Shri Raghbir Sahai moved that the Code of Criminal Procedure (Amendment) Bill (Amendment of sections 342 and 362) be referred to a Select Committee. The Bill was withdrawn by leave of Lok Sabha.</p>		