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Phalgun 16, 1885 (Saka)

# · L O K   S A B H A D E B A T E S

(Seventh Session)



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# C O N T E N T S

[No. 20.—Friday, March 6, 1964/Phalgun 16, 1885 (Saka)]

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



## LOK SABHA

Friday, March 6, 1964/Phalguna 18,  
1885 (Saka)

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

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Trade Agreement with East Germany

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- \*461. { Shri Vishram Prasad:  
Shri P. C. Borooah:  
Shri R. G. Dubey:  
Shri Jedhe:  
Shri P. B. Chakraverti.

Will the Minister of International Trade be pleased to state:

(a) whether Government have extended the period of Trade Agreements with East Germany;

(b) whether any Indian Trade Delegation is likely to visit East Germany to review the Trade Agreements; and

(c) whether any new Trade Agreements are also being negotiated with the East German Government?

**The Minister of International Trade (Shri Manubhai Shah):** (a) to (c). The trade agreement between India and East Germany dated 18-12-1959 which was valid upto 31-12-62 and was extended upto 31-12-63, has again been extended upto 31-12-1964.

**Shri R. G. Dubey:** May I know whether the extended agreement contains any fresh items or clauses, or whether the *status quo* is maintained?

2346(Ai) LSD—1.

**The Minister of International Trade (Shri Manubhai Shah):** In the recent talks we have added about nine more items, particularly engineering goods and heavy machinery.

**Shri R. G. Dubey:** May I know whether there is any attempt going on for a fresh negotiation?

**Shri Manubhai Shah:** No, Sir. There is no need to have a fresh negotiation. When the agreement is about to expire, there will be fresh negotiations.

**Shri Bishwanath Roy:** May I know whether, in view of the new agreement, the trade between Germany and India would increase?

**Shri Manubhai Shah:** Yes, Sir. It will doubly increase. From Rs. 9 crores it will go up to Rs. 17.5 crores.

**Shri Heda:** May we have an exact idea of the quantity of trade that will be increasing?

**Shri Manubhai Shah:** Before two years, it was only Rs. 3 crores. Now it is Rs. 9 crores. And next year it will be Rs. 17½ crores.

**Shri Sivamurthi Swamy:** May I know whether the khadi and village industries products will also be covered by this?

**Shri Manubhai Shah:** Not much. In those countries the khadi products are not so popular. But to the United States we export khadi.

**Shri Kapur Singh:** May I know whether the trade between East Germany and other countries within the Russian sphere of influence is on a State-to-State basis or whether any alternatives are possible?

**Shri Manubhai Shah:** There is some insinuation in the hon. Member's question. There is no influence except Indian influence as far as trade is concerned, and we are trying to extend it on a balanced basis.

**श्री यशपाल सिंह :** वेलेंस आफ प्रोमेट क्या है, निर्यात अधिक हुआ है या आयात अधिक हुआ है ?

**श्री मनुभाई शाह :** दोनों बराबर हैं ।

**Shri R. S. Pandey:** What are those commodities which we export and import in respect of this country?

**Mr. Speaker:** All those commodities are there. Next question.

**Shri Kapur Singh:** Sir, with regard to the insinuation accusation, may I be enlightened as to where exactly the insinuation arises in the simple question I asked?

**Mr. Speaker:** Order, order. The hon. Member is obviously denying it altogether—that there is any insinuation.

#### Export Credit and Guarantee Corporation

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\*462. { **Shri Bhagwat Jha Azad:**  
**Shri Bishanchander Seth:**  
**Shri Yashpal Singh:**  
**Shri Dhaon:**  
**Shri B. P. Yadava:**  
**Dr. L. M. Singhvi:**  
**Shri P. R. Chakraverti:**  
**Shri P. C. Borooah:**  
**Shri Mohan Swarup:**  
**Shri Vishwa Nath Pandey:**

Will the Minister of International Trade be pleased to state:

(a) whether an Export Credit and Guarantee Corporation of India has been formed; and

(b) if so, the precise functions of this Corporation?

**The Minister of International Trade (Shri Manubhai Shah):** (a) Yes, Sir. The Corporation started functioning from the 15th January, 1964.

(b) The functions of the Corporation are as follows:—

- (i) to administer the schemes of export risks insurance;
- (ii) to furnish guarantees that are approved from time to time to banks to enable them to provide credit to Indian exporters more liberally;
- (iii) to provide supplementary credit facilities for promotion of exports; and
- (iv) to perform such other functions as Government may assign to it for the purpose of promoting India's foreign trade.

**Shri Bhagwat Jha Azad:** To fulfil the functions which have now been narrated, may I know what is the initial capital with which it has been started?

**Shri Manubhai Shah:** Rs. 2 crores.

**Shri Bhagwat Jha Azad:** As a result of the functioning of this Corporation, may I know whether any assessment has been made as to how far it will help in increasing the export trade?

**Shri Manubhai Shah:** This is the first time we have modelled our export Corporation on the British, German and American model of the Export-Import Bank. It will now give all the facilities which are: give the difference between the international price and the local price in terms of credit, give a guarantee to the exporters about the long-term payment which is the system in other foreign countries, and also make the credit cheaper in terms of interest.

**Shrimati Savitri Nigam:** May I know whether one of the functions of this Corporation will also be to estab-

lish workshops in those countries where our goods are being exported, especially for goods like sewing-machines and other engineering goods?

**Shri Manubhai Shah:** There is no workshop involved. This is a credit corporation.

**Shri D. C. Sharma:** May I know whether the initial capital of Rs. 2 crores which has been allocated for this Corporation will be enough or whether this is only a fictitious sum and the manoeuvrability of capital is much greater than this?

**Shri Manubhai Shah:** The paid-up capital has no relation to advance. It is like a bank; normally a bank has an authorised or paid-up capital of Rs. 1 crore but it does transaction up to Rs. 100 crores. It is the same thing in this Corporation.

**Shri A. P. Jain:** May I know what are going to be the other possible sources of finance?

**Shri Manubhai Shah:** Discounting the vouchers, demand drafts, cited drafts, various letters of credit—all these will be possible by the Credit Corporation.

**Shri Warior:** May I know what steps the Corporation has taken to give these credit facilities in all other parts of the country?

**Shri Manubhai Shah:** This will be throughout the country.

**Shri P. Venkatasubbaiah:** May I know whether it is a fact that export quotas are confined only to a few big industrialists and businessmen, and if so, whether by this Corporation, Government is going to liberalise finance to small-quota people?

**Shri Manubhai Shah:** There are no quotas in this. This is a purely credit corporation. An exporter having secured an order wants certain finance to produce goods for export. This gives the money for pre-shipment finance and packing credit.

**श्री यशपाल सिंह :** जो एक्सपोर्ट रिस्क कारपोरेशन आप का काम कर रहा था उसको रिलेस करने की क्या जरूरत पैदा हुई ?

**श्री मनुभाई शाह :** वह खाली इश्योरेंस का काम करता था रिस्क के सामने, अब उस में गारंटी और क्रेडिट का एलिमेंट लाया गया है ।

**श्री तुलशीदास जाधव :** जो स्माल इंडस्ट्रियलिस्ट हैं वे भी एक्सपोर्ट करेंगे और जो बड़े इंडस्ट्रियलिस्ट हैं वे भी एक्सपोर्ट करेंगे । इस में से किसको कितना पैसा देना क्या यह नक्की कर दिया गया है ?

**श्री मनुभाई शाह :** सब नक्की है । वैसे तो यह कारपोरेशन छोटे एक्सपोर्टर्स को ज्यादा मदद करेगा क्योंकि बड़े एक्सपोर्टर्स को तो बैंक भी पैसा दे देते हैं । जिसको ओवर ब्याल कवर कहते हैं उसके मातहत छोटे एक्सपोर्टर्स जमा हो कर ८५ पर सेंट से ९० पर सेंट तक का क्रेडिट ले सकते हैं ।

#### Replantation of Coffee

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- \*463. { **Shri Warior:**  
**Shri Vasudevan Nair:**  
**Shri A. K. Gopalan:**

Will the Minister of International Trade be pleased to state:

(a) whether the United Planters' Association of South India has submitted any scheme for grant of financial assistance to estates for replanting coffee;

(b) if so, the main features of the scheme;

(c) whether Government have examined the scheme; and

(d) if so, the result thereof?

**The Minister of International Trade (Shri Manubhai Shah):** (a) and (b). Yes, Sir. The Scheme prepared by the

United Planters' Association of South India was for granting financial assistance partly in the form of subsidy and partly in the form of loans to enable planters to undertake replanting of about 120,000 acres of low yielding plants of coffee over a period of 12 years. The total outlay of the Scheme was estimated at 24 crores but the Coffee Board has limited the amount to Rs. 10 crores.

(c) and (d). The scheme as recommended by the Coffee Board is under examination.

**Shri Warrior:** May I know by what time this examination will be over and this scheme will be finalised?

**Shri Manubhai Shah:** I hope within about three months.

**Shri Warrior:** May I know whether in the meantime Government is proposing any other interim measures?

**Shri Manubhai Shah:** The hon. Member knows that there are several schemes going on. It is not as if this thing starts from here. We have the hire-purchase scheme, replantation scheme, subsidy for plantations and so many other things.

**Shri Shivananjappa:** May I know whether the same facility will be extended to other coffee plantations in other States?

**Shri Manubhai Shah:** Yes; it is for the whole country.

**Shri Bishwanath Roy:** May I know whether this is given for old planters only or for new planters also?

**श्री मनुभाई शाह :** ज्यादातर तो रिप्लांटेशन पर हम जोर इसलिए देते हैं कि हमारे पास फालतू जमीन नहीं है नया प्लांटेशन करने के लिए। लेकिन अगर किसी जमीन में नया प्लांटेशन हो तो वहां भी मदद मिलेगी।

### Geological Survey

**\*466. Shri Maheswar Naik:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether geological surveys are being carried out in some parts of the mountainous regions and also the sedimentary basins of the country;

(b) how the systematic geological mapping has been possible as a result of the survey operations; and

(c) whether any part of Orissa has at any time been brought under these survey operations?

**The Parliamentary Secretary to the Minister of Steel, Mines and Heavy Engineering (Shri Thimmaiah):** (a) Yes, Sir.

(b) Geological mapping is a part of the survey operations carried out by the Geological Survey of India to assess the mineral wealth of the country. Upto 1963, a total of about 1,068,000 square kilometres of the country has been mapped on 1:63,360 scale.

(c) Yes, Sir. A statement showing the work done by the Geological Survey of India in Orissa is laid on the Table of the House. [Placed in Library. See No. LT-2460/64.].

**Shri Maheswar Naik:** From the statement I find that a notable omission from the purview of the survey operations is my district of Mayurbhanj, which is responsible for the establishment of one of the biggest iron and steel factories that is at Jamshedpur. May I know the reason for this omission and whether any steps have been taken to bring this district under the purview of the survey operations?

**Shri Thimmaiah:** Which district?

**Mr. Speaker:** The question should be a shorter one.

**Shri Maheswar Naik:** My grouse is that my district . . .

**Mr. Speaker:** He need not start with a grouse. He should ask for information.

**Shri Maheswar Naik:** My simple question is why my district, which has been responsible for the establishment of the biggest iron and steel factory in India, i.e. TISCO, has been omitted from the operations of the survey?

**Shri Thimmaiah:** The Geological Survey of India has its own scheme of systematic mapping and detailed mapping. It is being carried out every year according to that scheme. I think the hon. Member's district will also be covered by the Geological Survey of India.

**Shri Maheswar Naik:** Recently it was stated on the floor of the House that the Government of India is having a great shortage of geological experts. May I know whether that shortage has been made good by now?

**Shri Thimmaiah:** It is true that there is shortage of technical personnel in the Geological Survey of India. The Ministry is making the best effort to fill up the gap.

**श्री शिव नारायण :** उत्तर प्रदेश में नैनी-ताल आदि स्थानों में भी क्या यह जिम्नोलाजिकल सर्वे कराई जायेगी ?

**Shri Thimmaiah:** The Geological Survey of India is carrying on a systematic mapping throughout the country according to its own scheme.

**Shri R. S. Pandey:** Since Madhya Pradesh has got a good lot of mineral wealth, I want to know whether a team of geologists has been invited from any foreign country to have a complete survey of Madhya Pradesh?

**Shri Thimmaiah:** No, Sir.

**Shri Ramachandra Ulaka:** May I know whether the Government are aware of the fact that large deposits of limestone are found in Kotpad and Malkangiri areas of Korapur District; if so, whether the Government have any proposal to start a cement factory there in the near future?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** Sir, we cannot be answering for every part of the country. There is a general scheme of survey and that would be followed.

**Shri Harish Chandra Mathur:** May I know what is the Government of India's programme for strengthening the department both with personnel as well as with equipment for aerial and magnetic survey?

**Shri C. Subramaniam:** Aerial and magnetic survey is a very important one. We have just taken it up and I hope it will be possible to get the equipment.

**Shri Kapur Singh:** May I know whether Professor Leo Picard's discovery that ground water could be found under hard limestone formation is being kept in view during this survey; if so, whether the services of U.N. Technical Assistance are being requisitioned for this purpose?

**Shri C. Subramaniam:** Ground water survey is also being made by the Geological Survey of India. I am not a technical man to answer the question as to under what conditions ground water could be found.

**Shri Kapur Singh:** Are the services of U. N. Technical Assistance being requisitioned?

**Shri C. Subramaniam:** Wherever foreign assistance is necessary we seek it. We have got sufficient manpower for ground water survey.

**Shri Kapur Singh:** Just now it was stated that there is a gap between the technical personnel and our requirements.

**Shri Himmatsinghji:** In view of the fact that aluminium will play a very important role in future, are Government thinking of working the mines particularly in Gujarat where bauxite is found?

**Mr. Speaker:** First the survey has to be done as per this question, and then we will start working.

**Shri Warior:** May I know the procedure followed by the Government of India in this mapping out for minerals and other materials? May I know whether it is done at the request of the State Governments or the Geological Survey of India goes to several places of their own accord?

**Shri C. Subramaniam:** The Geological Survey makes out a detailed programme with regard to the survey for each year and for each Plan period. According to that programme the survey is carried out.

**Shri Ranga:** Have the Government any plan at all to provide themselves with adequate staff in order to complete the survey, in view of the fact that 15 years ago Dr. Ambedkar had prepared a plan and then assured the House that the necessary personnel were being trained and the department was being strengthened, and yet we are told that they do not have enough people to complete the survey?

**Shri C. Subramaniam:** There are certain vacancies which have yet to be filled up for want of qualified persons. But we are constantly recruiting them, training them and filling up those vacancies.

**Dr. Sarojini Mahishi:** May I know whether any geological survey has been undertaken in the Ladakh area; if so, with what results?

**Shri C. Subramaniam:** I am sorry, I do not have the details in regard to that.

**Shri D. C. Sharma:** Sir, this is a very depressing statement. I have gone through it. It says that clay is being worked, copper is still to be seen, coal is not so good, gold is uneconomic.

**Shri C. Subramaniam:** It is with regard to Orissa.

**Shri D. C. Sharma:** I am also talking about Orissa.

**Shri D. C. Sharma:** The statement which the hon. Minister has laid on the Table of the House with regard to Orissa makes a very depressing reading.

**Mr. Speaker:** That is a comment; not asking for information.

**Shri D. C. Sharma:** May I know whether they have come across any mineral there which can be of economic value to the country? Otherwise, it will be uneconomic.

**Mr. Speaker:** He has put his question. He can make his comments on some other occasion.

**Shri C. Subramaniam:** The Geological Survey give facts. They cannot create new resources.

#### Supply of Jute Sacks to West Germany

\*468. **Shri Tridib Kumar Chaudhuri:** Will the Minister of International Trade be pleased to state:

(a) whether the attention of Government has been drawn to the complaint reported to have been made in Calcutta by Mr. Theodore Schwartz, President of the Import and Export Division of the West German Bags and Canvas Importers' Association that supply of jute sacks from India to West Germany was not in conformity with specifications and was also below the quality of goods supplied to U.S.A.; and

(b) whether Government have brought it to the notice of the Indian Jute Mills Association and the shippers concerned?

**The Minister of International Trade (Shri Manubhai Shah):** (a) Yes, Sir; in case of only a few consignments.

(b) Yes, Sir. The Indian Jute Mills Association have clarified that there is no discrimination. Now they are shortly introducing a quality control and pre-shipment scheme for exports of jute goods.

**Shri Tridib Kumar Chaudhuri:** May I know whether the attention of the Indian Jute Mills Association has been drawn to complaints of this type and whether the Government or the Indian Jute Mills Association have any special organisation to deal with complaints of this nature, in view of the fact that jute is now one of our biggest export earners?

**Shri Manubhai Shah:** I entirely agree with the hon. Member. But one has to appreciate that the exports of jute goods are expanding like anything and in the last two years we have earned a great deal more of foreign exchange than in the past. 130 countries of the world are buying it. If a stray complaint from a country which buys should come, we should not be alarmed about it. We are taking steps and already we have not quality control and pre-shipment inspection.

**Shri Tridib Kumar Chaudhuri:** My question was not that. I wanted to know whether there is a committee..

**Shri Manubhai Shah:** Quality control is not done by any committee. The specifications are prescribed by Government and there is an officer to see that all the consignments are adhering to the specification.

**Shri Tridib Kumar Chaudhuri:** Suppose the people or country to whom we export have a complaint. Whom should they approach? How does the Government of India come into the picture to help the buyers?

**Shri Manubhai Shah:** Firstly, they lodge a complaint with the supplier himself. If the contractual obligations are not fulfilled and they are not satisfied with the performance of the supplier, they go in for arbitration. Then, there is the international court of arbitration under which a final settlement is made. But I would like the hon. Member to appreciate that these qualities of goods have been going out in such tremendous

quantities with no complaints whatsoever. So, if a few complaints do come, we are certainly going to prevent them, but they should not cause us alarm.

**श्री विभूति मिश्र :** जो यह स्पैसिफिक सवाल है उस में क्या सरकार ने जांच कराई है कि क्यों यह माल घटिया निकला और उस में कौन जिम्मेवार है ?

**श्री मनुभाई शाह :** जिम्मेदारी तो होती है लेकिन गलती कभी कभी हो जाती है क्योंकि आखिर करोड़ों रुपये का माल जाता है । विलायत से यहां माल आता है तो सब अच्छा नहीं आता और उस में भी बुरा आ जाया करता है । इसका मतलब यह नहीं है कि हम उन का रक्षण करना चाहते हैं लेकिन साथ ही साथ हमें यह भी देखना चाहिये कि जो जायज कम्पलेंट्स हैं उन को ठीक करें और उन को रोकने की कोशिश करें लेकिन उस से हम घबरा न जायें ।

**Shri S. C. Samanta:** May I know whether there is any proposal to form an export promotion committee with power to check the quality and other specifications of goods?

**Shri Manubhai Shah:** There is no need to have an export promotion committee because we do not want to have too many committees. There is the statutory council which has been established by Parliament, and pre-shipment inspection and quality control are being enforced on all jute goods going out of India.

**Shrimati Savitri Nigam:** May I know the particular steps that have been taken to improve the quality, keeping in view the flourishing export of jute goods?

**Shri Manubhai Shah:** It is a very relevant question. We are taking so many steps. One is to improve the quality of the fibre itself. Then, the Agriculture Ministry gives a lot of incentives for better length of fibre

and better colour. All these steps will lead gradually to improvement of the quality.

**Shri Dinen Bhattacharya:** May I know whether the Government is in a position to state to the House whether the IJMA has got any of its committees which goes into the quality of goods exported?

**Mr. Speaker:** That question was asked and answered earlier.

**Shri Kapur Singh:** May I know whether Government propose to legislate penal deterrents in cases where exporters try to damage the trade reputation of India in this manner?

**Shri Manubhai Shah:** The Act which this august House passed last year provides for two years' punishment on a second crime. Even for a minor fault the fine is up to Rs. 3,000. As far as the second crime is concerned, both together are compulsory.

**Shri Kapur Singh:** Make these provisions harsher.

**श्री शिव नारायण :** मैं यह जानना चाहता हूँ कि इस कौंसिल में जितने मेम्बर हैं, क्या उन में कोई जूट के एक्सपोर्ट भी हैं ?

**श्री मनुभाई शाह :** हाँ, बहुत हैं ।

#### Trade Delegation to Manila

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- \*469. { **Shri Onkar Lal Berwa:**  
**Shri B. P. Yadava:**  
**Shri Bishanchander Seth:**  
**Shri Dhaon:**  
**Shri P. C. Borooah:**  
**Shri Bibhuti Mishra:**  
**Shrimati Maimoona Sultan:**

Will the Minister of International Trade be pleased to state:

(a) whether it is a fact that a team of Indian trade delegation visited Manila to explore the possibilities of expanding Indo-Philippines trade;

(b) if so, how far this team achieved success; and

(c) whether any agreement has been signed between the two countries?

**The Minister of International Trade (Shri Manubhai Shah):** (a) Yes, Sir.

(b) and (c). The Indian trade delegation, as a result of its discussions with the Philippine Authorities, identified the areas where expansion and diversification of trade and economic cooperation between the two countries is possible. The broad understanding reached was incorporated in the Agreed Minutes signed at Manila on the 14th February, 1964. No agreement has been signed nor was the delegation commissioned to conclude an Agreement. The Philippines Minister of Commerce and Industry has been invited by me to India for negotiating and entering into talks for expansion of trade and economic co-operation and for concluding an agreement between India and Philippines.

**श्री श्रीकार लाल बेरवा :** श्रीमन्, मैं यह जानना चाहता हूँ कि जिस व्यापार-संघि पर हस्ताक्षर हुए हैं, उस के अनुसार किस किस चीज का आयात-निर्यात किया जायेगा ?

**श्री मनुभाई शाह :** अभी हम ने यह सोचा है कि हमारे यहां से लाइट इंजीनियरिंग प्राडक्ट्स, प्रासेस्ड मैटीरियल, हाइड्रल एन्ड स्किनज, शूज और टैक्स्टाइल्ज, ऐसी चीजें भेजी जायेंगी और फ़िलिपाइन्ज से हम, जितनी चीजें वहां बनती हैं, जैसे, कोपरा, फ़ाइन ग्रायल, मिनरल ग्रायल, उन को खरीदेंगे ।

**श्री विभूति मिश्र :** मैं यह जानना चाहता हूँ कि जो सामान हम यहां से भेजेंगे, वह बार्टर सिस्टम के अनुसार भेजा जायगा या रुपये से उसका एक्सचेंज होगा—किस तरह एक्सचेंज होगा ?

**श्री मनुभाई शाह :** बार्टर नहीं होगा । हम स्टॉलिंग और डालर से एक्सचेंज करेंगे—फी फ़ॉरेन एक्सचेंज ।



**Shri Warrior:** At present itself the Government has some items. May I know whether any new items are coming up for import and export?

**Shri Manubhai Shah:** Yes; several items. As a matter of fact, we signed a contract when I was in Manila for supplying transmission towers and telephonic equipment to the Government of Philippines.

**श्री तुलसीदास जाधव :** क्या ऐसा कोई बन्दोबस्त किया गया है कि एक्सपोर्ट और इम्पोर्ट को बैलेंस करते हुए अपने यहां से जितना माल जायेगा, उसी कीमत का हम वहां से लेंगे, या हम अपने यहां से कम भेजेंगे और वहां से ज्यादा मंगावेंगे ?

**श्री मनुभाई शाह :** इस में बैलेंसिंग का सवाल नहीं है। जितना हम वहां भेजना चाहें, उतना भेजेंगे और जितना खरीदना चाहें, उतना खरीदेंगे।

**Shri Maheswar Naik:** May I know whether Government could give any idea as to the foreign exchange which we are spending on account of these foreign trade delegations sent abroad annually?

**Mr. Speaker:** That will be a different question altogether.

**Shri Sham Lal Saraf:** What are the items that the Government intend to import from there and, as a result of this export and import, will there be balance of trade with this country or not?

**Mr. Speaker:** That has been covered.

**Shri Ranga:** Are there bright prospects for the export of handloom goods to the Philippines and can we also import rice from there?

**Shri Manubhai Shah:** About handloom goods there is some difficulty

because they have a very big indigenous handloom and handicraft industry; but they are being induced to buy more of our handloom goods.

**Shri Ranga:** What about rice?

**Shri Manubhai Shah:** It is not a question of barter.

#### Grading of Coal

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\*470. { **Shri Heda:**  
**Shri P. R. Chakraverti:**

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

(a) whether Government have examined the Report of the Experts Committee on sampling and grading of coal submitted in June, 1962; and

(b) the views of Government in regard to the recommendations made for scientific classification and grading of coal in accordance with their useful heat content?

**The Parliamentary Secretary to the Minister for Steel, Mines and Heavy Engineering (Shri Thimmaiah):** (a) and (b). The recommendations of the Expert Committee are under consideration.

**Shri Heda:** It is almost two years since the Report had been submitted. How long still will Government take to finalise the consideration of the Report?

**Shri Thimmaiah:** After the recommendations were made by the Committee the Ministry appointed a sub-committee to find out the formula to determine the heat value of coal and also to find out the matters contained in coal, whether chemical or otherwise, which can affect the heat value of coal and up to what extent. This committee has submitted its report recently and a decision will be taken as early as possible.

**Shri Heda:** Recently, Government have increased cost of coal of certain categories. Has that anything to do with this Report?

**Shri Thimmalah:** No.

**श्री यशपाल सिंह :** क्या इस कमेटी ने किसी क्रिशिंग मशीन की रीकमेंडेशन की है; यदि हां, तो क्या उस को इम्पोर्ट करना पड़ेगा, या वह यहाँ है ?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** Yes, Sir; certain equipments are necessary to carry out these tests and those equipments will have to be imported.

**Shrimati Savitri Nigam:** May I know when actually the action will be taken to implement the report of the second committee, or is it that any third committee is going to be appointed to see how it should be implemented?

**Shri C. Subramaniam:** No, Sir. Action will be taken immediately to implement the second committee's report.

**Shri A. P. Sharma:** May I know whether in view of the surplus coal being produced in the country there is still a shortage of proper grade of coal on account of which departments, like the Railways are not in a position to meet their requirements?

**Shri C. Subramaniam:** It is a different question. This is for the purpose of grading the coal.

कपड़ा मिलों के लिये मशीनें

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\*४७३. { श्री श्रीकार लाल बेरवा :  
डा० राजेन सेन :  
श्री बीनेन भट्टाचार्य :  
डा० सारावीश राय :

क्या उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि देश में कपड़ा मिलों को मशीनों का संभरण करने के लिए एक ब्रिटिश फर्म को १० करोड़ रुपये का आर्डर दिया गया है ;

(ख) यदि हां, तो ये मशीनें किन किन मिलों को मिलेंगी ; और

(ग) उनको मशीनों का संभरण कब तक कर दिया जायेगा ?

**उद्योग मंत्री ( श्री कानूनगो ) :** (क) इस बारे में अभी बातचीत चल रही है ।

(ख) और (ग) . इस अवस्था में प्रश्न ही नहीं उठता ।

**श्री श्रीकार लाल बेरवा :** माननीय मंत्री जी ने कहा है कि इस ब्रिटिश फर्म को ठेका देने की बातचीत चल रही है । मैं यह जानना चाहता हूँ कि क्या और देशों को भी टेंडर के लिए फार्म भेजे गये हैं ?

**श्री कानूनगो :** इस में टेंडर का सवाल नहीं है । हमारे यहां जितनी कपेसिटी है, वह काफी नहीं हो सकेगी और हम को इन मशीनों की जरूरत है । यह बैंक और मैन्युफैक्चरर हम को दस साल का क्रेडिट दे रहे हैं और इसीलिए हम उन से खरीदने की बातचीत कर रहे हैं ।

**श्री श्रीकार लाल बेरवा :** मैं यह जानना चाहता हूँ कि सरकार ने जिन मिलों को ये मशीनें देना तय किया है, उन से रुपये कितने साल में लिया जायेगा ?

**श्री कानूनगो :** अभी तो दस साल में पूरा भुगतान होने की बातचीत चल रही है ।

**Shri Dinan Bhattacharya:** May I know what is the national requirement of this textile machinery and how much is produced in the country and what is the gap between the requirement and what is available now?

**Shri Kanungo:** There is a tremendous gap. At present we have got to instal spinning capacity for 3 million spindles and, I believe, our annual production is about 5000.

**Shri Warior:** May I know what is the difference between the price of this imported machinery and that of the indigenous machinery and whether that will be made up by the cost of production?

**Shri Kanungo:** In fact, we are not importing all the machinery. We are only importing certain machinery which is not likely to be available in a short time, and the prices will be cheaper.

**Shri Firodia:** Is there a demand from old textile mills to get import licence for buying new machinery which would give better production in the mills with the same loomage?

**Shri Kanungo:** There is a demand, but we cannot meet that.

**Shri P. Venkatasubbalah:** May I know whether it is a fact that in view of the short supply of this machinery, many textile mills that have been licensed have not gone into production and, if so, what is the latest position?

**Shri Kanungo:** That is exactly why we are trying to obtain these credits, and in any case the licensed capacity is more than what the machinery manufactured can cope with as regards an increase of a year or two.

**Shri R. S. Pandey:** I want to know what are the kinds of those machines to be purchased?

**Shri Kanungo:** It will be mostly carding and preparatory machines and finishing machines.

**Shri Heda:** Apart from the gap in our production, may I know whether it is under consideration to import more technologically advanced machinery so that our manufacturers may also start the same?

**Shri Kanungo:** Well, the highest technology may not be necessary because replacement has got to be provided for. All these things are balanced and the machinery which will give the best results, under the circumstances, are being thought of.

**श्री रामेश्वरानन्द :** यों तो भारत में सभी मशीनें बाहर से आती हैं। लेकिन यह जो कपड़ा बुनने की मशीनें हैं, इनको आप कितनी देर में तैयार कर सकेंगे ?

**श्री कानूनगो :** मशीनें बन रही हैं लेकिन उतनी तेजी से नहीं बन रही हैं ।

**श्री रामेश्वरानन्द :** कितना समय लग जाएगा ?

**प्रम्यक्ष महोदय :** स्वामी जी जितनी तेजी चाहते हैं वह कब तक आ जाएगी ?

**श्री कानूनगो :** यह करीब चार पांच साल में आ जाएगी ।

#### Transport of Coal by Sea

\*474. **Shri Sham Lal Saraf:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether supply of coal by Sea to the southern and the western parts of the country to feed railway and industrial requirements is working satisfactorily;

(b) whether supply this way, is proving uneconomical to the consumers, so far as carriage cost of coal is concerned; and

(c) if so, the steps, if any, being taken to improve this position?

**The Parliamentary Secretary to the Minister of Steel, Mines and Heavy Engineering (Shri Thimimalah):** (a) Yes, Sir. During 1963, the quantity of coal moved by sea to the southern and western parts of the country to feed railway and industrial requirements was 1.87 million tons against a target of 2 million tons per annum.

(b) No, Sir. The supply is not uneconomic to the consumer because he gets from Government a subsidy almost equal to the difference between the actual cost of transportation and the cost which he would have had to incur if the coal had been moved by the all-rail route.

(c) Does not arise.

**Shri Sham Lal Saraf:** It is being said now that carrying capacity for coal on the railways is available. May I know whether Government would consider giving it a second thought and move coal to the southern and western parts of India by rail?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** No doubt, sufficient rail transport capacity is now available, but we have to develop coastal shipping also, and, therefore, the movement of coal by coastal shipping is continued.

**Shri Sham Lal Saraf:** Since the movement of coal by sea is a time-consuming thing, may I know what steps are being taken to ensure that the coal is supplied in time as far as the consuming industries in the south are concerned?

**Shri C. Subramaniam:** As far as the consuming industries are concerned, they do get their supplies now in time.

**Shri A. P. Sharma:** Since it is known that the carriage of coal by sea is not only more costly but also takes more time, is it not advisable that the spare capacity of the railways should be utilised for this purpose?

**Shri C. Subramaniam:** I have already answered that question.

**Shrimati Yashoda Reddy:** The Parliamentary Secretary, when he was answering the main question, had stated 'Yes' in reply to para (a), which reads thus:

"whether supply of coal by sea to the southern and the western

parts of the country to feed railway and industrial requirement is working satisfactorily;"

He has also said 'Yes' in reply to part (b) of the question which reads:

"whether supply, this way, is proving uneconomical to the consumers, so far as carriage cost of coal is concerned;"

**Shri C. Subramaniam:** He has said 'No' in reply to part (b).

**Shrimati Yashoda Reddy:** I am sorry. I thought he said 'Yes' in reply to part (b) of the main question also.

**Shrimati Savitri Nigam:** May I know whether it is a fact that an enquiry committee was set up to enquire into all these questions thoroughly, and if so, the recommendations of that committee which have been implemented so far?

**Shri C. Subramaniam:** I am sorry I do not have the facts regarding the committee with me just now.

**Shri Warior:** May I know whether Government have received representations from the foundry-owners in South India, especially from Kerala, that they are not getting sufficient coke for their foundries as a result of which the export of certain materials to other countries is being hampered, and if so, whether Government have taken any steps in this regard?

**Shri C. Subramaniam:** Coke is a different thing, and coke is in short supply and that is why there are difficulties.

**Shri Harish Chandra Mathur:** May I know the idle capacity of our coastal shipping before it was switched on to coal movement? Am I to take it that without coal there would not be adequate cargo for the coastal shipping?

**Shri C. Subramaniam:** As a matter of fact, coastal shipping was strengthened for the purpose of carrying 2 million tons of coal. If we withdraw

it, we would be creating difficulties in regard to coastal shipping.

**Shri Thirumala Rao:** May I know the amount of subsidy that Government have had to pay during one year for carriage of coal in Indian shipping?

**Shri Thimmaiah:** In 1961-62, we paid about Rs. 213 lakhs as subsidy to the railways, and in 1962-63 we paid to the railways Rs. 316 lakhs and to industrial consumers about Rs. 40 lakhs; in 1963-64 the amount due to be paid to the railways is Rs. 307 lakhs, and to industrial consumers, the amount due is about Rs. 174 lakhs, which is yet to be paid.

**Shri Thirumala Rao:** My question was about subsidy for Indian coastal shipping. He gave the figures about railways.

**Shri C. Subramaniam:** The freight is paid to the shipping concern. But the extra freight is paid to the consumers, the main consumer being railways and industrial concerns. The Parliamentary Secretary has given figures of the subsidy paid to the users.

**श्री यशराज सिंह :** क्या कोई ऐसी शिकायतें आई हैं कि बड़े लोगों ने ज्यादा सब्सिडी हासिल कर ली है ? सरकार ने क्या क्राइटीरिया रखा था, इसके एलाटमेंट का !

**Shri Thimmaiah:** The question of paying more does not arise. The difference between the actual cost of transportation by rail and by rail-cum-ship will be paid. There is no question of giving more to anybody.

#### Target for Automobile Components

\*475. **Shri Harish Chandra Mathur:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to refer to the reply given to Starred Question No. 92 on the 14th February, 1964 and state:

(a) whether Government have indicated the action to be taken if

automobile manufacturers do not achieve 90 per cent target for components by the end of the year;

(b) the extent to which this will cut down the cost of the car;

(c) the present requirement of foreign exchange of each concern and the allotment made during each of the last 5 years; and

(d) the amount of foreign exchange which will be needed by each when 90 per cent target is reached.

**The Deputy Minister in the Ministry of Steel, Mines and Heavy Engineering (Shri P. C. Sethi):** (a) The progress made by manufacturers is under constant review in order to ensure that no avoidable delay takes place in achieving targets of indigenous manufacture.

(b) The increase in imported content is not likely to result in any reduction in the prices of automobiles.

(c) and (d). A statement is laid on the Table of the Sabha. [Placed in Library. See No. LT-2461/64.]

**Shri Harish Chandra Mathur:** How is it that in spite of increase in the percentage of indigenous components the foreign exchange requirements of some of these concerns will go up rather than come down?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** It won't go up. It is with reference to the number of cars produced that we have to make the calculations. In 1962-63, production was at a very low level. When they produce at the maximum capacity, then even the 10 per cent would be more than what they were given for production in 1962-63.

**Shri Harish Chandra Mathur:** Are we going to stop at 90 per cent? Or has a programme been drawn up to see that we achieve cent per cent production indigenously and do away with the colossal foreign exchange that is still required?

**Shri C. Subramaniam:** There are certain components which cannot be produced economically here unless they are produced on a mass scale. When we reach the 90 per cent, we will have to consider whether any other components could be taken up for indigenous production.

**Shri D. C. Sharma:** From the statement, I find that M/s. Tata Engineering & Locomotive Co. Ltd., Bombay, get the largest quantum of foreign exchange, namely Rs. 626 lakhs. How is it that so much foreign exchange is required by this company and why is it that something has not been done to reduce the incidence?

**Shri C. Subramaniam:** As far as Tatas are concerned, we had to make extra foreign exchange allocation to meet the defence requirements. Certain changes had to be made in the trucks for which additional components had to be imported. Therefore, the extra amount has been paid.

**Shri Harish Chandra Mathur:** This was before the emergency.

**Shri A. P. Jain:** Has it been the general experience that after every increase in the percentage of indigenous parts, the automobile industry has made a request to Government for increase in prices?

**Shri C. Subramaniam:** That is true, because generally indigenous components are costlier than the imported ones.

**Shri Tridib Kumar Chaudhuri:** May I draw the Minister's attention to the fact that when only 10 per cent of indigenous content would be in use, the foreign exchange allotment would still be 81 per cent of the present total quantum of allotment made now? Keeping this fact in our mind, may I know what is the basis on which the indigenous content is calculated, on the basis of numbers of items or on the basis of value?

**Shri C. Subramaniam:** In many cases of cars and trucks they have reached nearly 76 per cent and in some other cases 79 per cent. So, when they reach 90 per cent there would only be a marginal saving. Secondly, when we increase the number of units for production, naturally the foreign exchange to be made available to them will increase to that extent.

**Shri Joachim Alva:** Government must have information that Mahindras have a monopoly of producing jeeps from 1950 and they have been given a large allotment of foreign exchange. When are they going to produce cent per cent jeep in this country?

**Shri C. Subramaniam:** They have already reached 79.15 per cent in indigenous content; they will also be reaching 90 per cent by the end of this year.

**Shri Ranga:** This ten per cent components—how does it compare in terms of the value of the car?

**Shri C. Subramaniam:** It is ten per cent of the production cost of the vehicle.

**Shri Firodia:** What encouragements are being given for ancillary industries to reach the 90 per cent target?

**Shri C. Subramaniam:** We are giving all assistance such as foreign exchange to get equipment, to produce more components in the ancillary industries.

#### Indianisation of Posts in Companies

\*477. **Shri D. C. Sharma:** Will the Minister of Industry be pleased to state:

(a) whether the targets set for Indianisation of higher posts in foreign-owned or controlled commercial and industrial companies in the country during 1963 have been achieved; and

(b) if so, the particulars thereof?

**The Minister of Industry (Shri Kanungo):** (a) and (b). A reference

is invited to the Press Note dated the 21st February, 1964, issued in this regard, a copy of which is available in the Parliament Library.

**Shri D. C. Sharma:** What are the salient features of this great Press note to which the hon. Minister has referred to? Does it refer to all the categories of employees or only to a few categories?

**Shri Kanungo:** It refers to all categories.

**Mr. Speaker:** If it is published and accessible to Members, it cannot be asked.

**Shri D. C. Sharma:** What has been the proportion of Indians so far as the topmost salary-brackets are concerned? The proportion is not given.

**Mr. Speaker:** Is the proportion given?

**Shri Kanungo:** Proportion is given.

**Shri Maheswar Naik:** Sometimes back it was stated that some foreign companies have not submitted their reports? May I know whether the reports have since been submitted?

**Shri Kanungo:** On the basis of these reports, the Press note has been issued.

#### Export of Iron Ore to Rumania

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\*478. { **Shri D. C. Sharma;**  
**Shri Vishram Prasad;**  
**Shri Ram Harkh Yadav;**

Will the Minister of International Trade be pleased to state:

(a) whether it is a fact that Government have signed an agreement with the Government of Rumania for the export of iron ore; and

(b) if so, the broad outlines thereof?

**The Minister of International Trade (Shri Manubhai Shah):** (a) and (b). Pending finalisation of 1964 contract for the supply of iron ore to Rumania,

Rumania has agreed to purchase 1.70 lakh tons of various grades of iron ore during January 1964-April 1964. Contract for the supply of this 1.70 lakh tons of iron ore has been concluded by the Minerals and Metals Trading Corporation of India Limited with M/s. Mineral Import-Export of Rumania. The contract is within the long-term Intergovernmental Agreement concluded between India and Rumania on the 22nd December, 1960 under which, a quantity of 34,50,000 tons (including 8,00,000 tons at Seller's option) of iron ore is to be exported during 1962-66 against the import of petroleum products, drilling equipments etc. from Rumania. The prices of iron ore to be supplied are to be negotiated from year to year.

A delegation of MMTC will shortly visit Rumania to negotiate and finalise 1964 contract for the supply of iron ore.

**Shri D. C. Sharma:** May I know the items of exports and imports exchanged between Rumania and our country?

**Shri Manubhai Shah:** In this contract iron ore versus mineral and petroleum products.

**Shri D. C. Sharma:** How much of iron ore is expected to be exported by our country and what is the worth of mineral products and their quantity to be imported?

**Shri Manubhai Shah:** The contract is for 3-4 million tons of iron ore against Rs. 15 crores worth of mineral products.

**Shri Thirumala Rao:** Is any clause incorporated in this agreement that a certain proportion of iron ore should be carried by Indian ships? If so, what proportion?

**Shri Manubhai Shah:** Yes, Sir; 50 per cent.

**Shri P. Venkatasubbalah:** Has the hon. Minister's attention been drawn to what Dr. A. L. Mudaliar has said

in the Madras Legislative Council that the State Trading Corporation is making 200 to 300 per cent profits over minerals that are exported and if so, would the producers get something?

**Shri Manubhai Shah:** Of course, this does not arise from this. But I had an occasion to read that. I sent a reply, as well as gave him a public reply when Dr. A. L. Mudaliar was on the same platform in Madras with me. This is an entirely inaccurate assessment made by Dr. Mudaliar.

**श्री राज बिहारी मेहरोत्रा :** क्या मंत्री जी का ध्यान और के बदले में रूमानिया से पेट्रोलियम के बजाये रिफाइनरीज की मशीनरी लावे का विचार है।

**श्री मनुभाई शाह :** हां, वह भी करेंगे ?

**श्री तुलशीदास जाधव :** भलग भलग देशों से ऐग्रिमेंट करने के पहले आप किस तरीके से व्यापार करते थे।

**श्री मनुभाई शाह :** व्यापार तो चलता ही रहता है। मशीनरी भी आती है, टेक्स्टाइल भी आता है, टर्बोको, रा बूल, सभी कुछ आता है। लेकिन यह एक स्पेशल इण्डेन्ट था जो कि खनिज लोहे के लिये था।

**Shrimati Savitri Nigam:** May I know whether the products which we are going to import from Rumania are cheaper than the world rates?

**Shri Manubhai Shah:** They are at international price; nothing like cheaper or more expensive.

**श्री प्र० प्र० शर्मा :** माननीय महोदय जी ने बतलाया कि ५० प्रतिशत इंडियन शिपिंग से भेजा है। मैं जानना चाहता हूँ कि १०० प्रतिशत क्यों नहीं भेजा गया।

**श्री मनुभाई शाह :** इस में कोई हर्ज नहीं है। अगर हमारा बाटम १०० परसेन्ट हो तो रूमानिया को कोई एतराज नहीं है १०० परसेन्ट हमारे ले जाने में।

**Shri Sivamurthi Swamy:** May I know whether in this agreement at least there will not be any such condition just like the one which was imposed in one of the agreements with Japan, namely, 75 per cent of the iron ore should be supplied through Dalmia only?

**Shri Manubhai Shah:** There is no Dalmia in this.

**Mr. Speaker:** Is there any such condition?

**Shri Manubhai Shah:** There was never a condition before, nor is it going to be there at all.

**श्री रामेश्वरानन्द :** मैं जानना चाहता हूँ कि जिस लोहे के लिए कहा गया है कि उनको दिया जायेगा वह किस प्रकार का है यानी क्या हम उस का कुछ नहीं बना सकते हैं। क्या भारत में उस की उपयोगिता नहीं हो सकती।

**श्री मनुभाई शाह :** यह पुराना सवाल है।

**अध्यक्ष महोदय :** जितने की हमें जरूरत है वह तो हम रखते हैं। जो फालतू होता है वह भेज देते हैं।

**Shri Warior:** May I know whether this export is undertaken by the STC and, if so, at what price, and whether the prices are comparable with the others?

**Shri Manubhai Shah:** It is done now through the new Corporation called the Minerals and Metals Trading Corporation which is split away from the STC for specialised mineral ores. All contracts are at the international price and the prices are to be negotiated



in the beginning of the year for the whole year every time.

**Import of Seed Potatoes from Burma**

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\*480. { **Shri Maheswar Naik:**  
**Shri S. C. Samanta:**

Will the Minister of **International Trade** be pleased to state:

(a) whether it is a fact that the State Trading Corporation has been allowed to import seed potatoes from Burma worth several lakhs of rupees during the current season; and

(b) if so, the factors which necessitated import of so much seed potatoes?

**The Minister of International Trade (Shri Manubhai Shah):** (a) The State Trading Corporation was allowed to import in 1963 seed potatoes worth Rs. 10.2 lakhs from Burma.

(b) The production of seed potatoes in the country is very much below the growing demand. The imports during 1963 were made at the specific requests of the State Governments.

**Shri Maheswar Naik:** May I know whether the seed potato nurseries we have started in different parts of the country, particularly in the Himalayan regions, do not yield the stuff which are not good enough in quality, and that is a factor which has necessitated the import of seed potatoes from Burma?

**Shri Manubhai Shah:** I can assure the hon. House that our requirements of seed potatoes are increasing. The quality of Burma seed potato is so very extraordinarily good, and it is only marginal imports that we are allowing in the interests of cultivation of potato itself.

**Shri Bhagwat Jha Azad:** The hon. Minister said that our supply at present is not in keeping with the demands. May I know what approximately is the shortage in our country?

**Shri Manubhai Shah:** The rough estimate is about Rs. 3 crores, and this import is for Rs. 10 lakhs. But I am not quite certain of the figures because they have been supplied to us through different agencies other than our own.

**Shri S. C. Samanta:** Is it not a fact that in 1963 there was a surplus of seed potatoes in the Simla and Darjeeling areas and they could not be moved, and if so, what attempt was made to move them?

**Shri Manubhai Shah:** The real demand has come from the Darjeeling potato growers. They pestered us and pestered us, and therefore we have to import.

**Shri A. P. Jain:** May I know at what rate per maund or quintal was seed potato imported from Burma?

**Shri Manubhai Shah:** There are different grades. If the hon. Member is interested—there are nine grades—I can certainly supply him the price in confidence, because it is not in the public interest to divulge it.

**Shri Joachim Alva:** There is obviously three crores of rupees of foreign exchange involved in this transaction. You know we have given a loan of Rs. 20 crores to Burma.

**Shri Manubhai Shah:** That has nothing to do with this.

**Shri Joachim Alva:** Is there any possibility of this amount being adjusted?

**Mr. Speaker:** It is a suggestion.

**Shri Bishwanath Roy:** May I know whether the suitability of climatic conditions in India for the imported potato seed was ascertained before it was imported?

**Shri Manubhai Shah:** Yes, we did that. If I may again clarify to the hon. Member who is in doubt, there

are 9 categories of seed potatoes that we have imported at international prices. I would not like to disclose the prices here, but if the hon. Member is interested, I can give him the prices.

**Shri Tyagi:** When the prices are international, what is the secrecy about it?

**Shri Manubhai Shah:** No buyer or seller wants unnecessarily to disclose the prices, because it affects the market.

**श्री विभूति मिश्र :** मैं जानना चाहता हूँ कि कौन कौन से इलाकों में यह बीज लाने की जरूरत पड़ी ? और क्या यह बीज जो लाया गया यह दार्जिलिंग और हिमाचल प्रदेश के बीज से ज्यादा अच्छा है ?

**श्री मनुभाई शाह :** दार्जिलिंग वालों ने ही तो कहा कि लाया जाये ।

**श्री विभूति मिश्र :** मैं जानना चाहता हूँ कि कौन कौन से एरिया है जहाँ के लिए इस बीज की जरूरत पड़ी ?

**Shri Manubhai Shah:** The West Bengal Apex Cooperative Society of Potato Growers, the Mysore State Cooperative Society, Bangalore, the Bihar State Cooperative Marketing and Producers of Potatoes, the Punjab State Cooperative Supply and Marketing Federation and the Director of Agriculture, Shillong, Assam.

**श्री यशपाल सिंह :** क्या सरकार ने इस बीज को मंगाने से पहले यह देख लिया था कि उत्तर प्रदेश की जमीन में इस बीज से पैदावार बहुत थोड़ी होती है और यह वहाँ के लिए नुकसानदेह है ?

**श्री मनुभाई शाह :** यह सब देख कर ही मंगाया जाता है । जब दस गुना और बीस गुना ज्यादा इजफा पैदावार में होता है तभी इस को मंगाया जाता है ।

**श्री रामेश्वरानन्द :** मैं जानना चाहता हूँ कि इस बीज को मंगाने के पहले यह पता कर लिया गया था कि भारत के किसी कोने में इस तरह का बीज पैदा नहीं होता ? और क्या यह देख लिया गया था कि हमारी भूमि इस बीज को धारण कर सकेगी ?

**Shri D. C. Sharma:** The hon. Minister referred to 9 varieties of seed potatoes. May I know how many of these varieties are grown in our country and how they compare with the varieties imported from Burma?

**Shri Manubhai Shah:** It is a highly technical question. But I may say the varieties were such which the buyers at this end wanted to buy.

**श्री रामेश्वरानन्द :** मेरे प्रश्न का उत्तर नहीं दिया गया । मैं पूछता चाहता था कि जो यह बीज बर्मा से मंगाया गया है .

**अध्यक्ष महोदय :** जो सवाल आपने किया वह पहले किया जा चुका है और सदन को उस का जवाब भी दिया जा चुका है ।

**श्री रामेश्वरानन्द :** आप मेरी सुन तो लें । मेरे सवाल का उत्तर नहीं आया । मैंने पूछा था कि जो बीज बर्मा से मंगाया गया है इसको हमारी भूमि धारण भी कर सकेगी या नहीं ?

**अध्यक्ष महोदय :** इस का जवाब आ चुका है ।

**श्री ब्रज बिहारी मेहरोत्रा :** बीज हर साल न मंगाना पड़े क्या इसके लिए आप कृषकों की सहायता करेंगे जिससे कि वह इस बीज को कोल्ड स्टोरेज में रख सकें ?

**श्री मनुभाई शाह :** जो हाँ, करेंगे

### Coal Production

\*481. { Shri D. C. Sharma:  
Shri P. C. Borooah:

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

(a) whether Government have considered the question of balancing coal production in relation to demand; and

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

**The Parliamentary Secretary to the Minister of Steel, Mines and Heavy Engineering (Shri Thimmaiah):** (a)

and (b). Yes, Sir. The coal production target for the Third Plan was earlier fixed at 97 million tons, after taking into account the estimates of demand as then intimated by the sponsoring authorities of the consumers of coal. A review made during the mid-plan appraisal last year indicated that the revised estimate of demand at the end of the Third Plan is likely to be about 90 million tonnes, and the production too will be at that level. Recent trends, however, show that the demand may be even less, and consequently the industry may adjust production accordingly. The need to balance coal production in relation to demand will also be kept in view while fixing the targets of production from different coalfields in the Fourth Plan.

**Shri D. C. Sharma:** The hon. Minister said that the industry may be able to downgrade its demand. May I know what made the Minister think that the industry will not require that amount of coal which is wanted before the beginning of the third Plan?

**Shri Thimmaiah:** I did not say that only the industries reduced their requirements. I said that the sponsoring authorities including the industry reduced their demand of coal and, therefore, the production also is to be cut down.

**Shri D. C. Sharma:** Why has the demand for coal been reduced?

**The Minister of Steel Mines and Heavy Engineering (Shri C. Subramaniam):** It is not a question of reducing the demand, it is a question of assessing the demand. When we assessed the demand in the beginning of the Third Five Year Plan we found that we would require by the end of the Third Plan period a total of 97 million tons of coal. Now when an appraisal was made it was found that this was an over-estimate and, therefore, the demand is assessed at a lower figure.

**Shri Maheswar Naik:** May I know whether the gap between the demand and production of metallurgical coal has so far been met?

**Shri C. Subramaniam:** Yes, Sir; there is sufficient production of metallurgical coal also.

**Shri Bhagwat Jha Azad:** Since the beginning of the Third Plan the coal target has been revised thrice. How is it that a proposal for a revision for the fourth time is coming up now when we find that coal every day is costing more to the consumer? How does the hon. Minister reconcile these two things?

**Shri C. Subramaniam:** Cost of production is something different and demand is something different. We find there is less of demand now, particularly in respect of the various industries which intimated their requirements where we now find that the demand has gone down.

**Shri P. Venkatasubbaiah:** May I know whether it is a fact that the consumers are hesitant to increase their demand, the reason being that there is no rationalisation in the supply of coal because coal from the south goes to the north and coal from the north goes to the south with the result that they are not getting their coal in time?

**Shri C. Subramaniam:** It is not correct. As a matter of fact, it has been rationalised taking into account the transport pattern.

**Shri S. M. Banerjee:** When the price of coal was raised it was suggested that taking advantage of this increase in the price of coal the coal-mine owners will also give some benefit to the workers. I want to know whether this aspect of the matter has been considered by the Government and whether any relief has been given to the workers as a result of the increase in the price of coal?

**Shri C. Subramaniam:** Yes, Sir, in revising the prices that is always kept in mind.

**Shri S. M. Banerjee:** I want to know whether any relief has been given.

**Mr. Speaker:** Order, order— **Shri Bibhuti Mishra.**

**Shri Bibhuti Mishra:** May I know the total demand for agricultural sector received by the hon. Minister?

**Shri C. Subramaniam:** I do not know the demand of coal in the agricultural sector.

**Shri A. P. Sharma:** In view of the large quantities of coal lying surplus at various depots in the country, is it the intention of the Government to increase the quota to various States?

**Shri C. Subramaniam:** Yes, Sir; whatever quotas are asked for are now being given without any restriction.

**Shri S. C. Samanta:** May I know how much of the total production will be available for export?

**Shri C. Subramaniam:** I do not have the figures with regard to export readily available with me.

**Shri D. C. Sharma:** May I know how much of the demand was put upon the private collieries, how much was put upon the public collieries and

whether the private and public collieries have exceeded the demand or some portion of the demand is still to be met?

**Shri C. Subramaniam:** About 30 million tons were expected to be produced in the public sector and the balance in the private sector. The public-sector production is round about 9 million tons, the balance being in the private sector.

**श्री यशपाल सिंह :** क्या यह सही है कि अब तक प्राइवेट सेक्टर सरप्लस में चल रहा है और पब्लिक सेक्टर डेफिसिट में चल रहा है? यदि हाँ, तो सरकार इसको दूर करने के लिए क्या कोशिश कर रही है ?

**Shri C. Subramaniam:** It is surplus in both the sectors now.

**Shri Harish Chandra Mathur:** May I know in what specific areas of consumption it has gone down, the reasons for it and what steps the Government have taken to see that a correct assessment is made in future?

**Shri C. Subramaniam:** In steel plants it has gone down by 4.37 million tons, Railways 1.34 million tons, textile mills 1.39 millions tons, paper mills 0.44 million tons and there are some other smaller items also.

**Mr. Speaker:** Next question, No. 482, **Shri P. C. Borooah.** Absent. Both the Question Hour as well as the Question List are over.

Here I may say that if both the questions and answers are short and concise, certainly we can cover much more. And I would again suggest to my hon. friend, the learned Professor, that he should not pause after "May I know, Sir". Now, there is a pause always. He should put the question straight.

### WRITTEN ANSWERS TO QUESTIONS

#### Heavy Plates and Vessels Project and Heavy Structural Project

\*464. { Shri Subodh Hansda;  
Shri M. L. Dwivedi:

Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state:

(a) whether it is a fact that the heavy plates and vessels project and heavy structurals project have received a set-back for want of foreign exchange;

(b) whether it was not found possible to go ahead with them within the available U.K. Credit;

(c) if so, whether any other source for foreign exchange has been explored; and

(d) if so, which and whether it has been possible to get the foreign exchange?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b). Yes, Sir.

(c) and (d). We are at present discussing the possibility of setting up Heavy Structurals Plant in collaboration with M/s. Voest of Austria.

#### Prices of Tyres

\*465. **Shri P. C. Borooah:** Will the Minister of **Industry** be pleased to state:

(a) whether it is a fact that the tyre manufacturers have increased the prices of all types of tyres;

(b) if so, to what extent; and

(c) the main reasons for this increase in prices?

**The Minister of Industry (Shri Kanungo):** (a) to (c). Yes, Sir. Then prices have been increased by the manufacturers with effect from 2-1-1964 by six per cent due to increase in the cost of raw materials, wages, etc.

### National Industrial Development Corporation

\*467. **Shri D. J. Naik:** Will the Minister of **Industry** be pleased to state:

(a) whether it is a fact that Government have issued directions to the National Industrial Development Corporation not to entertain applications for loans exceeding Rs. 3 crores;

(b) if so, the reasons therefor; and

(c) whether jute and cotton textile industries have suffered a setback in recent times?

**The Minister of Industry (Shri Kanungo):** (a) and (b). Pending further examination of the general question regarding the financial allotment for the National Industrial Development Corporation during the Third Plan Period, instructions were issued to the Corporation in August 1962, not to enter into fresh loan commitments exceeding Rs. 3 crores during the financial year 1962-63. Meanwhile, in pursuance of the recommendations of the Estimates Committee (2nd Lok Sabha) contained in their 122nd report, the question of future functioning of the NIDC in the field of grant of loans to certain selected industries was considered in detail and a directive was issued to the Corporation, in February 1963, not to entertain any fresh loan applications; nor pending loan applications, where action was still in preliminary stages, were to be processed. Only cases which are at an advanced stage, either after the completion of the detailed surveys or after the recommendations of the Loan Advisory Committees have been received, are to be processed on their merits.

(c) There has been no material setback in the industries.

#### Production of Textiles

\*471. **Shri Ramanathan Chettiar:** Will the Minister of **Industry** be pleased to state:

(a) the present production of textiles in the country, mill-made and handlooms (figures to be given separately) and the per capita consumption; and

(b) when the country is expected to be self-sufficient?

**The Minister of Industry (Shri Kanungo):** (a) Production of cotton fabrics by mills and the decentralised sector comprising handlooms and powerlooms for 1963 was as follows:

Mills—4423 million metres

Decentralised sector (handlooms and Powerlooms)—2876 million metres

Total—7299 million metres.

(Separate figures for handlooms are not available).

After allowing for exports of cotton fabrics the net per capita availability was 14.6 metres.

(b) Self-sufficiency has to be related to *per capita* availability. By and large it would be correct to say that the country is self-sufficient. At present the *per capita* availability is 14.64 metres and this is expected to increase to 15.9 metres at the end of the Third Plan.

### Coal Industry

**\*472. Shri P. R. Chakraverti:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether Government have received representations from the coal industry for revision of price and for other facilities, e.g. higher depreciation allowance and liberalisation of subsidies; and

(b) the reaction of Government thereto?

**The Minister of Steel, Mines and**

**Heavy Engineering (Shri C. Subramaniam):** (a) and (b). The coal industry's requests for revision of price of coal and other facilities, received from time to time, are considered on merits and appropriate price increases or concessions are granted when justified. Their latest request for revision of prices was examined by a Study Group set up under the Chairmanship of Shri Swaminathan. Government considered the recommendations made by this Group, and announced certain price increases. I have already placed before the House a statement on the subject on 4-3-1964.

### Sale of Motor Cars

**\*476. { Shri A. V. Raghavan:  
Shri Kappen:  
Shri Pottekatt:**

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

(a) whether Government are aware of the practice of selling motor cars by executing possessory mortgages to circumvent the Motor Cars (Distribution and Sale) Control Order, 1959;

(b) the number of such mortgages executed since the control order was passed; and

(c) the steps taken to prevent such practices?

**The Minister of Steel Mines and Heavy Engineering (Shri C. Subramaniam):** (a) No, Sir.

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

### Cement Factory in Hindustan Steel

**\*479. Shri P. C. Borooah:** Will the Minister of Industry be pleased to state:

(a) whether the Hindustan Steel proposes to set up a cement factory for using the slag from the steel plants;

(b) if so, the broad outlines of the scheme; and

(c) the steps so far taken in pursuance of the scheme?

**The Minister of Industry (Shri Kanungo):** (a) to (c). The Government have received an application from Hindustan Steel Ltd. for the grant of an industrial licence for the manufacture at Bhilai of 600,000 tonnes of portland blast furnace slag cement per annum. This is under consideration.

### Price of Scrap Steel

**\*482. Shri P. C. Borooah:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to refer to the reply given to Starred Question No. 150 on the 22nd November, 1963 and state:

(a) the maximum price increase since the decontrol of scrap steel as compared to the controlled prices;

(b) how far the increased availability of scrap steel has brought down the prices;

(c) whether Government have received any representations from the User Industries to revive the control on prices and distribution of scrap steel; and

(d) if so, Government's reaction thereto?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) After de-control the prices of scrap have gone up. The increase varies from category to category and the market prices fluctuate from time to time.

(b). No definite figures of increase in availability as a result of de-control are available.

(c) and (d). Although Government have received representations from the scrap using industries for reviving control on price and distribution

of scrap, it is not considered necessary to do so as the prices of products manufactured from scrap are not under control and the manufacturers are free to adjust their prices according to market conditions.

### Techno-Economic Survey of Tea Areas

**940. Shri Hem Raj:** Will the Minister of International Trade be pleased to state:

(a) the names of the tea growing area in which techno-economic survey has been completed so far; and

(b) the names of such areas in which it is to be undertaken during the current year?

**The Minister of International Trade (Shri Manubhai Shah):** (a) Tripura Darjeeling Hills and Cachar in North East India and the Nilgiris, Annamallais and Kanan Devan in South India.

(b) Programme for 1964-65 has not yet been decided.

### Committee and Sub-Committees

**941. Shrimati Laxmi Bai:** Will the Minister of Industry be pleased to state:

(a) the total number of Committees and Sub-committees functioning in his Ministry; and

(b) the total number of members on these Committees/Sub-Committees?

**The Minister of Industry (Shri Kanungo):** (a) and (b). The information is being collected and will be placed on the Table of the House as early as possible.

### Geological Survey of Andhra Pradesh

**942. Shri E. Madhusudan Rao:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether Government made any survey of the geological conditions of Andhra Pradesh during 1963-64; and

(b) if so, the details of the findings, if any?

**The Deputy Minister in the Ministry of Steel Mines and Heavy Engineering (Shri P. C. Sethi):** (a) Yes.

(b) Besides undertaking geological mapping occurrences of asbestos, copper, lead, Limestone and coal were investigated. These investigations are still continuing and no definite conclusions have as yet been arrived at.

#### **Iron and Steel for Andhra Pradesh**

**943. Shri E. Madhusudan Rao:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(b) the total quantity of iron and steel allotted to Andhra Pradesh during 1963-64; and

(b) the total quantity of iron and steel to be allocated to Andhra Pradesh during 1964-65?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) *Steel:*

During 1963-64 allocation was restricted to cold rolled Black Plain Sheets of 16 to 20 gauge. The quantity allotted to Andhra Pradesh during this period was 9624 tonnes. No allotment of G.C./G.P. Sheets was made because of large outstandings on the Producers. Except for these categories, no allotments were made.

#### **Pig Iron:**

3723 tonnes were allotted to the State List (small-scale) foundries.

(b) Allocation for 1964-65 has not yet been made.

#### **Production of Coal at Kothagudum**

**944. Shri E. Madhusudan Rao:** Will the Minister of Steel, Mines and

**Heavy Engineering** be pleased to state:

(a) the total quantity and cost of coal produced in Kothagudum in Andhra Pradesh during 1963-64; and

(b) the steps taken for the increased production of coal at Kothagudam?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) 0.99 million tonnes of coal valued at Rs. 2.83 crores were raised during the year 1963-64 (upto January, 1964). The estimated output during February and March, 1964 is 0.20 million tonnes, valued at Rs. 0.48 crores.

(b) Steps taken for increasing production in Kothagudum include extra sand gathering arrangements, more mechanisation and intensification of underground mines, opening new mines and sinking of medium shafts for improving ventilation and production. Depending on geological conditions, it is expected to raise production in Kothagudum by about 1.6 to 1.8 million tonnes, by the end of the Fourth Plan period.

#### **Steel for Automobile Industry**

**945. Shri Harish Chandra Mathur:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether steel needed for automobile industry is available in the country; and

(b) if not, the programme for self-sufficiency in the matter?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) Not all categories of steel required by the automobile industry are at present available indigenously. Most of the requirements of Special Tool and Alloy Steels are being imported. However, bulk of the requirements of mild steel like Plates, Sheets, Rods, Wire, Strips, etc.



are being met from indigenous production.

(b) Steps are being taken to establish early production of Tool Alloy & Special Steels. It is likely that the production will commence before the end of the Third Five Year Plan. The requirements of automobile industry will also be taken into consideration while formulating the Fourth Five Year Plan.

#### Coal Traders of Delhi

946. { Shri Yashpal Singh:  
Shri Mohan Swarup:

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

(a) whether the coal traders of Delhi have refused to lift the coal from the godowns of the Delhi Co-operative Society on the plea that the coal is of inferior quality;

(b) whether any investigation has been ordered into this; and

(c) the action proposed to be taken against the society?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) In the last week of December, 1963, 32 wagons of beehive hard coke were procured by the Delhi State Central Cooperative Stores Ltd., Delhi. These wagons were allotted to the approved hard coke dealers. Only one dealer accepted the beehive hard coke and the remaining 31 wagons were refused on the plea that the coke was of inferior quality.

(b) and (c). On the receipt of a complaint from the Delhi Administration, a fuel inspector deputed by the Coal Board, collected a sample of the coke from the railway siding. On analysis of the sample it was found that the said hard coke had ash content even in excess of Grade II beehive Coke. The Delhi Administration have been asked to direct the Co-operative Society to sell this hard coke at the price of soft coke.

#### Asbestos Roofing Sheets

947. { Shri Warrior:  
Shri Daji:  
Shri Vasudevan Nair:  
Shri M. K. Kumaran:

Will the Minister of Industry be pleased to refer to the reply given to Unstarred Question No. 1985 on the 20th December, 1963 and state:

(a) whether Government have since received applications from any intending manufacturers for setting up new factories or expanding existing ones to produce asbestos roofing sheets; and

(b) whether Government intend to set up any such factory in the public sector?

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

(b) No, Sir.

#### Manufacture of Steel at Salem

948. { Shri Warrior:  
Shri Daji:  
Shri M. K. Kumaran:  
Shri T. Subramanyam:

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

(a) whether Dastur & Co. had submitted any report on the use of raw lignite in the proposed steel manufacture at Salem without carbonising lignite; and

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

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b). The Consulting Engineers, M/s. Dastur & Co. recently informed the Government that the tests conducted in the USA and West Germany had indicated the possibility of using raw lignite as a reductant for iron making in the Neyveli-Salem Steel Project. The tests conducted in Norway had, however, indicated that only carbonised lignite char could be used as reductant.

tant. The matter is being further studied and investigated by the Consulting Engineers.

#### Roads in Orissa Coalfields

**949. Shri G. Mohanty:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether any scheme for improvement of roads in the Orissa Coalfields to facilitate the transport of Coal has been accepted by the Planning Commission; and

(b) if so, the salient features thereof?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) No, Sir.

(b) Does not arise.

#### Small Scale Industries

**950. { Shri Karni Singhji:  
Shri Vishram Prasad:  
Shrimati Savitri Nigam:**

Will the Minister of Industry be pleased to state:

(a) whether the Delhi State Board of the All India Manufacturers Organisation has represented that small scale industries are experiencing acute shortage of raw materials and that licences are delayed in many cases upsetting production plans; and

(b) if so, the action taken by Government in the matter?

**The Minister of Industry (Shri Kanungo):** (a) and (b). No specific representation regarding acute shortage of raw materials experienced by the small scale industries and delay in issue of licences has been received from the Delhi State Board of the All India Manufacturers Organisation. The President of the All India Manufacturers Organisation, Delhi State Board, in his welcome address presented to the Minister of Industry at the 20th annual general meeting of the Board held on the 30th August, 1963 referred to the difficulties experienced by the manufacturers in get-

ting import licences, which include delay in the issue of licences and the curtailment in the quantum of licences issued on one ground or the other. It may be pointed out that the import licences are generally issued as expeditiously as possible and delay occurs only in cases where applications are not complete in all respects. As regards curtailment in the quantum of licences issued, it may be mentioned that in view of the shortage of foreign exchange it is not possible to issue licences to the full extent recommended in the Essentiality Certificates in all cases.

#### Heavy Mechanical Engineering Industries

**951. Shrimati Savitri Nigam:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that Heavy Mechanical Engineering industries will require 7,000 tons of Electric motors and 6,000 tons of ball bearings; and

(b) if so, how these requirements would be met?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b). *Electric Motors:*

The demand for Heavy Mechanical Engineering industries alone has not been separately assessed. The total demand for all industries is estimated at 2.5 to 3 million HP per year by the end of the 3rd Plan. Motors of the higher ranges will be supplied by the units of the Heavy Electricals (India) Limited and those of the lower ranges by the private sector in which an aggregate capacity of about 1.9 million HP has been licensed.

#### Ball Bearings:

No separate estimate has been made of the demand for ball bearings alone or for heavy mechanical engineering industries alone. The total estimated

demand by the end of the 3rd Plan for all industries in regard to both ball and roller bearings is 20 million Nos. per annum. Steps have been taken to license adequate capacity to meet this demand. The actual production during the year 1965-66 is, however, expected to fall short of the demand. The gap will have to be made good through imports.

#### Barium Chemicals

**952. Shri Eswara Reddy:** Will the Minister of **Industry** be pleased to state:

(a) whether the Barium Chemicals Ltd., Kothagudum, Andhra Pradesh has gone into production;

(b) the quantity of various Barium chemicals produced so far; and

(c) whether Government have received an application for the expansion of the factory?

**The Minister of Industry (Shri Kanungo):** (a) No, Sir. It is understood that only trial runs on the first stage of the production programme have started.

(b) Does not arise, in view of the answer to part (a).

(c) No, Sir.

#### Zinc Smelter Plant at Vishakhapatnam

**953. Shri Kolla Venkaiah:** Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state:

(a) whether it is a fact that Government are considering a proposal for the establishment of Zinc Smelter Plant at Vishakhapatnam in Public Sector; and

(b) if so, the details thereof?

**The Deputy Minister in the Ministry of Steel, Mines and Heavy Engineering (Shri P. C. Sethi):** (a) Yes, Sir. However, no firm decision has as yet been taken about the location of the plant.

(b) The details have not yet been worked out.

#### Central Handicrafts Department Centre, Bangalore

**954. Shri Rameshwar Tantia:** Will the Minister of **Industry** be pleased to state:

(a) whether it is a fact that a well-known ceramic artist of Japan visited or proposed to visit India to advise the Central Handicrafts Department Centre, Bangalore; and

(b) if so, the details thereof and the nature of assistance he is likely to give?

**The Minister of Industry (Shri Kanungo):** (a) No, Sir.

(b) Does not arise.

#### Export of Tapioca Meals and Chips

**955. Shri A. K. Gopalan:** Will the Minister of **International Trade** be pleased to state:

(a) whether it is a fact that the export of tapioca meals and tapioca chips has declined considerably in the last two years;

(b) if so, the reasons therefor; and

(c) the steps taken to step up the export?

**The Minister of International Trade (Shri Manubhai Shah):** (a) to (c). Exports of tapioca meal and tapioca chips have declined on account of high internal prices and competition from Indonesia and Thailand. Necessary steps to promote exports of manioc meal and chips through STC have been taken.

#### Mineral Deposits in Ocean Beds

**956. Shri Vishwa Nath Pande:** Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state:

(a) whether it is a fact that there are rich deposits of nickel, copper, cobalt, phosphates, manganese and

other valuable materials on beds of oceans including Indian Ocean; and

(b) if so, the steps Government propose to take in the matter?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) No. Only small occurrences of nodules which contain manganese, phosphates, copper, cobalt, and nickel are known to occur on the beds of the oceans including the Indian Ocean.

(b) The Geological Survey of India propose to undertake detailed study of the Indian Ocean bottom sediments while participating in the International Indian Ocean Expedition.

**जंग लगने से लोहे की बरबादी**

६५७. श्री श्रीकार लाल बरेवा : क्या इस्पात, खान और भारी इंजीनियरिंग में ये यंत्र बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि भारत में ५० अरब रुपये का लोहा हर साल जंग से खराब हो जाता है; और

(ख) यदि हां, तो इसको रोकने के लिए सरकार क्या कार्यवाही करने का विचार कर रही है ?

इस्पात, खान तथा भारी इंजीनियरिंग मंत्रालय में उपमंत्री ( श्री प्र० चं० सेठी ) :

(क) और (ख). इस्पात को प्राकृतिक कारणों से जंग लग जाता है। जंग लगने से होने वाली हानि के आंकड़े नहीं रखे गए हैं। जंग के असर को पेंट करने अथवा जस्ती और डब्बे की चादरों के इस्तेमाल से कम करने के लिए सभी सम्भव सावधानी बरनी जाती है।

**Manufacture of Light Engineering Goods**

958. { **Shri Dinen Bhattacharya:**  
**Dr. U. Misra:**  
**Dr. Ranen Sen:**

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

(a) whether at least 90 per cent self-sufficiency has been achieved in the manufacture of light engineering goods, in the matter of indigenous manufacture of components or whole machines;

(b) the indigenous content of the output of the automobile and bicycle industries and other branches of engineering industry (except heavy engineering); and

(c) the amount of foreign exchange saved in 1962-63 and 1963-64 as compared to 1952-53 and 1953-54 by indigenous manufacture of formerly imported items of engineering goods or by import substitution in this field?

**The Minister of Industry (Shri Kanungo):** (a) to (c). A statement is laid on the Table of the House. [Placed in Library. See No. LT-2462/64].

**Licences for Manufacturing Engineering Goods**

959. { **Shri Dinen Bhattacharya:**  
**Dr. U. Misra:**  
**Dr. Ranen Sen:**

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

(a) the number of licences issued during the last ten years for the manufacture of engineering goods in our country; and

(b) the extent of foreign participation in the industry, branch-wise?

**The Minister of Industry (Shri Kanungo):** (a) Particulars of all licences, including those for the manufacture of engineering goods, issued from time to time under the Industries (Development and Regulation) Act, 1951, have been published in (i) List of Industrial Undertakings licensed by the Central Government under the Industries (Development and Regulation) Act, 1951 (as on 31st December 1957); (ii) List of Industrial

Undertakings licensed by the Central Government under the Industries (Development and Regulation) Act, 1951 (during the year 1958); (iii) The Weekly "Bulletin of Industrial Licences, Import, Licences and Export Licences"; (iv) The Weekly "Indian Trade Journal"; and (v) the Monthly "Journal of Industry and Trade". Copies of these publications are available in the Library of the House.

(b) While information regarding foreign participation in any specific project can be readily given, collection of the general information required for all projects in the engineering field will involve considerable time and labour. This information is not readily available in any compilation.

#### **Khadi and Village Industries Board, Andhra Pradesh**

**960. Shri E. Madhusudan Rao:** Will the Minister of Industry be pleased to state:

(a) whether the Khadi and Village Industries Board, Andhra Pradesh have forwarded any plans for the development of village industries in the State during the next financial year;

(b) if so, the details thereof; and

(c) action proposed to be taken in the matter?

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

(b) The State Board has proposed an expenditure of Rs. 32.63 lakhs for the development of Khadi and Rs. 176.22 lakhs for village industries in 1964-65. Industry-wise details are shown in statement 1. [Placed in Library. See No. LT-2463/64].

(c) After joint discussions with the State Board's representatives in November, 1963, the Commission has tentatively allocated Rs. 32.63 lakhs for Khadi and Rs. 131.93 lakhs for village industries. Industry-wise details are set out in statement 2. [Placed in Library. See No. LT-2463/64].

#### **Small Scale and Cottage Industries in Punjab**

**961. Shri Daljit Singh:** Will the Minister of Industry be pleased to state:

(a) whether there are any schemes for the development of Small Scale and Cottage Industries in Punjab during 1964-65;

(b) if so, the amount proposed to be spent thereon; and

(c) the nature of the schemes?

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

(b) The proposed outlay for 1964-65 is Rs. 292.67 lakhs.

(c) (i) Handlooms;

(ii) Small Scale Industries;

(iii) Industrial Estates;

(iv) Handicrafts;

(v) Sericulture; and

(vi) Khadi & Village Industries.

#### **Jute Exports**

**962. Shrimati Maimoona Sultan:** Will the Minister of International Trade be pleased to state:

(a) what were exports of Jute during 1961, 1962 and 1963 respectively, both in terms of quantity and foreign exchange earnings;

(b) whether exports to any country have declined and if so, to what extent; and

(c) the steps taken last year to encourage exports of jute and to make it more competitive vis-a-vis Pakistan?

**The Minister of International Trade (Shri Manubhai Shah):** (a) to (c). A statement is laid on the Table of the House. [Placed in Library. See No. LT-2464/64].

#### **Public Sector Industries in Jammu and Kashmir**

**963. Shri Inder J. Malhotra:** Will the Minister of Industry be pleased to

state the nature and number of industries in Public Sector, now in operation in Jammu and Kashmir, financed and aided by the Central Government?

**The Minister of Industry (Shri Kanungo):** The required information is being collected and will be placed on the Table of the House in due course.

### Import of Materials

**964. Shri S. N. Chaturvedi:** Will the Minister of International Trade be pleased to state:

(a) whether before orders are placed for import of materials or manufactured goods from outside, the Council of Scientific and Industrial Research is consulted on possibilities of their indigenous production; and

(b) if so, in what manner?

**The Minister of International Trade (Shri Manubhai Shah):** (a) and (b). The Council of Scientific and Industrial Research is only a sponsoring authority for applications for import licences from scientific research institutions. Before forwarding such applications, the Council, as other such sponsoring authorities, obtains clearance from the Directorate General of Technical Development as to the indigenous availability of the items applied for.

### इस्पात का निर्यात

**९६५. श्री इ० मधुसूदन राव :** क्या इस्पात, खान और भारी इंजीनियरिंग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार विदेशों को इस्पात का निर्यात कर रही है ;

(ख) यदि हाँ, तो किन-किन देशों को ;

(ग) उस से कितनी विदेशी मुद्रा प्राप्त हो रही है ;

(घ) गत वर्ष कितने इस्पात का निर्यात किया गया ; और

(ङ) उससे कितनी विदेशी मुद्रा प्राप्त हुई ?

**इस्पात, खान और भारी इंजीनियरिंग मंत्री ( श्री चि० सुब्रह्मण्यम ) :** (क) जी, हाँ ।

(ख) १९६३-६४ (नवम्बर, १९६३ तक) निम्नलिखित देशों को निर्यात किया गया :—

१. अफ़ग़ानिस्तान

२. अदन

३. आस्ट्रेलिया

४. आस्ट्रिया

५. बाहरीन

६. बर्मा

७. कम्बोदिया

८. श्री लंका

९. साइप्रस

१०. फ्रांस

११. ज़न

१२. हांगकांग

१३. इन्दोनेशिया

१४. ईरान

१५. ईराक

१६. जापान

१७. कीनिया

१८. कुवैत

१९. मलय संघ

२०. मारीशस

२१. मस्कत

२२. नेपाल

२३. न्यूजीलैण्ड
२४. नाइजेरिया
२५. पाकिस्तान
२६. कातार और टर्किलोमेन
२७. साऊदी अरब
२८. सिंगापुर
२९. सूडान
३०. स्वेडन
३१. टांगानीया
३२. थाईलैण्ड
३३. ट्रिनिदाद
३४. संयुक्त अरब गणराज्य
३५. युगेन्दा
३६. संयुक्त राज्य अमेरिका
३७. साउथ वियतनाम
३८. जंजीवार

(ग) १९६३-६४ में (नवम्बर, १९६३ तक), १.१८ करोड़ रुपये।

(घ) १९६२-६३ में लगभग ३३,००० मीटरी टन।

(ङ) १९६२-६३ में १.३४ करोड़ रुपये।

### ट्रेडर

६६६ { श्री श्रीकारलाल बेरवा :  
श्री विश्वनाथ पाण्डेय :

क्या इस्पात, खान और भारी इंजीनियरिंग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि भारत को ४२०० ट्रेक्टरों की आवश्यकता है; और

(ख) यदि हां, तो ये किन-किन देशों से आयात किये जायेंगे ?

इस्पात खान और भारी इंजीनियरिंग मंत्री ( श्री चि० मुकुण्डय्यम् ) : (क) तृतीय योजना अवधि के अन्त तक ट्रेक्टरों की अनुमानित मांग लगभग १०,००० (संख्या) प्रतिवर्ष की होगी।

(ख) १९६४ में सोवियत समाजवादी गणतन्त्र संघ ( यू०एस०एम० आर० ), चेकोस्लोवैकिया और पोलैण्ड से ट्रेक्टर आयात करने का प्रस्ताव है।

### Export of Jute Sackings

967. { Shri Rameshwar Tantia:  
Shri Bishanchander Seth:

Will the Minister of International Trade be pleased to state:

(a) whether it is a fact that Indian Jute Mills are in an unfavourable position as compared to Pakistani Mills in regard to export of jute sackings; and

(b) if so, the steps Government propose to take in the matter?

The Minister of International Trade (Shri Manubhai Shah): (a) Yes, Sir.

(b) The matter is being examined.

### Export of Chemicals to Iran

968. Shri R. S. Pandey: Will the Minister of International Trade be pleased to state:

(a) whether there is a good demand for our chemicals in Iran; and

(b) if so, the steps taken to promote the export of these chemicals?

The Minister of International Trade (Shri Manubhai Shah): (a) Yes, Sir.

(b) (1) India had a Trade Agreement with Iran which included "Chemicals" as one of the items of export to Iran.

(b) For the information of Indian manufacturers/exporters the Chemicals and Allied Products Export Pro-

motion Council, Calcutta have published a pamphlet giving details of the chemicals and allied products for which there is a demand in Iran.

(3) Exports of chemicals are eligible for benefits under the various Export Promotion schemes.

(4) Through a Showroom maintained in Teheran, Indian goods, including chemicals, are displayed.

#### **Export of Blades and Torches to Egypt**

969. **Shri R. S. Pandey:** Will the Minister of **International Trade** be pleased to state:

(a) whether it is a fact that there is a very good demand for our blades and torches in Egypt; and

(b) if so, the steps taken to promote their export?

**The Minister of International Trade (Shri Manubhai Shah):** (a) and (b). In the last two years there has been no export of these two items to the UAR market although they have been exported to other countries. However, Indian firms are making an effort now to export to the UAR also. The trade has been kept informed of the opportunities that exist in the UAR for export of these products by supply of market information.

#### **Export of Cakes and Oils**

970. **Shri R. S. Pandey:** Will the Minister of **International Trade** be pleased to state:

(a) whether it is a fact that our exports of cakes and oils are affected by acute shipping space position; and

(b) if so, the steps taken to maintain the tempo of the export?

**The Minister of International Trade (Shri Manubhai Shah):** (a) Difficulties in securing shipping space for export of oils and oilcakes were brought to the notice of Government recently.

(b) Necessary action was taken to provide additional shipping space required to maintain the tempo of export.

#### **Export of Tea to West Germany**

971. **Shri R. S. Pandey:** Will the Minister of **International Trade** be pleased to state:

(a) whether the West German Government have abolished customs duty on unpacked Indian tea and reduced the rates by 5 per cent on tea packages; and

(b) if so, whether this will facilitate increase of our tea exports?

**The Minister of International Trade (Shri Manubhai Shah):** (a) and (b). Yes, Sir.

#### **Cement Machinery Manufacture**

973. **Shri P. C. Borooah:** Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state the progress so far made in manufacturing cement machinery in the country and the steps being taken to manufacture more and more of such machinery indigenously?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** At present seven firms have been licensed for the manufacture of complete cement plants in collaboration with well known foreign manufacturers. The total licensed capacity in terms of complete plants of capacity of 200,000 tonnes a year, is 12 numbers a year. Some of the firms have already secured firm orders for the supply of complete plants and the others are negotiating with parties who have obtained licences for setting up cement factories. The entire licensed capacity is expected to be in production by the end of the current Plan period and will be enough to meet the indigenous demand.

#### **Rourkela Steel Works**

974. { **Shri P. R. Chakraverti;**  
**Shri Jedhe;**  
**Shri P. C. Borooah:**

Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state:



(a) whether it is a fact that the General Manager of Rourkela Steel Plant recently visited West Germany to finalise arrangements for import of machinery for expansion of the Rourkela Steel Works;

(b) if so, the extent of machinery to be imported for the purpose; and

(c) the extent to which the capacity of the plant would be expanded thereby?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) to (c). The capacity of the Rourkela Steel Plant is being expanded from one million tonnes to 1.8 million tonnes. Orders for import of plant and equipment have already been placed. General Manager of the Plant left for West Germany on 22nd February, 1964, to sign the contracts with the various firms. About 78,000 tonnes of machinery is likely to be imported.

#### Small Industries in Assam

**975. Shri P. C. Borooah:** Will the Minister of Industry be pleased to state:

(a) whether the Minister of Industries of Assam State Government in his discussions in New Delhi with State Trading Corporation and Planning Commission's representatives appealed to Government to make increased allocations of raw materials for the small industries in Assam for the ensuing financial year; and

(b) if so, Government's response thereto?

**The Minister of Industry (Shri Kanungo):** (a) and (b). The Minister of Industries of Assam State has had discussions with the Chairman of the State Trading Corporation regarding allocation of certain raw materials to the Assam State for immediate requirements. In pursuance to those discussions an ad-hoc allotment of 50 tons of caustic has been made to the small scale industries in Assam State. Release of Mutton Tallow to eligi-

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ble small scale units of Assam will also be made by the State Trading Corporation from the shipment expected shortly.

The Minister of Industries, Assam State did not have any discussion with the Planning Commission regarding increased allocation of raw materials for small industries in Assam for the ensuing financial year. Some references regarding allocations of raw materials to Assam have, however, been received and these are being sympathetically considered.

12 hrs.

#### ARREST OF MEMBER

**Mr. Speaker:** I have to inform the House that I have received the following telegram, dated the 5th March, 1964, from the Magistrate, First Class, Cuddapah:

"Shri Y. Eswara Reddy, Members, Lok Sabha, was arrested by Inspector of Police, Cuddapah and detained in the sub-jail."

12.0½ hrs.

#### PUBLIC ACCOUNTS COMMITTEE TWENTY-FIRST REPORT

**Shri Tyagi (Dehra Dun):** Sir, I beg to present the Twenty-first Report of the Public Accounts Committee on Audit Report (Civil) on Revenue Receipts 1963.

12:01 hrs.

#### STATEMENT RE. RECOVERY OF EXPLOSIVES AT RANGIYA RAIL- WAY STATION, ASSAM

**The Minister of State in the Ministry of Home Affairs (Shri Hajarnavis):** Sir, on behalf of Shri Nanda, I make the following statement:

[Shri Hajarnavis]

In connection with a calling attention notice from Shri G. G. Swell, a statement was made in the Lok Sabha on February 27, 1964, on the reported seizure by the Assam police of certain quantities of explosives near Rangiya Railway Station. Further information has since been received from the Government of Assam and is to the following effect:—

On the morning of February 22, 1964, two unknown persons got into a rickshaw with a bed-roll and an air bag and came to a tea stall near Rangiya railway station. The unusual weight of the bed-roll and the air bag made the rickshaw puller suspicious and he reported this to a constable working under the Excise Department. The Excise Constable, on arrival at the tea stall, did not find the two persons; nevertheless, he searched the bed-roll and the air bag and found in the bed-roll 8 packets of gelignite containing 120 pieces marked "Special Gelatine Torch Brand" and 5 packets of 100 sticks of detonators each, bearing the marking "Mark six feet U.K." From the air bag, he recovered 1,365 detonators marked "Thistle Brand, Glasgow, Great Britain". No live cartridges were recovered with gelignite and detonators. The two persons, whom rickshaw puller had earlier seen near the railway station before reporting to the Excise constable, became untraced. The Excise constable reported the matter to the Rangiya police, who seized the explosives and registered a case under the Explosive Substances Act. The same afternoon two persons—Sepoy Kharag Bahadur of 3/3 Gurkha Rifles and Dhan Bahadur, a local carpenter—came to the tea stall and inquired about the bed-roll and the air bag left behind by the two unknown persons. The Police, who had been informed by the stall-keeper, came and interrogated them. It transpired that the uncle of Sepoy Kharag Bahadur had lost his bedding in the train and, therefore, having learnt that the Police had found one

unclaimed bedding, Sepoy Kharag Bahadur came to Rangiya to see if it was his uncle's. A preliminary inquiry established that a bedding was indeed lost by Kharag Bahadur's uncle and was traced at Tezpur railway station. However, on March 1, 1964, the police have taken Kharag Bahadur into custody and are continuing further investigation into this case.

I can assure Members that the State Government which is concerned with the matter of investigation will go into this case thoroughly with a view to finding out if the recovery of explosives has anything to do with internal security.

**Shri Hari Vishnu Kamath** (Hoshangabad): On a point of clarification, Sir. I am sorry to say that during the last so many months, though the emergency is still on, the Government has taken very lightly what many of us this side as well as on the other side have been saying in all seriousness and earnestness about espionage, subversion and such activities in Assam. I would plead with the House, and urge the Government to take very drastic steps—and take it in greater seriousness and earnestness—and smash this spy ring, either Pakistani spy ring or the joint Sino-Pakistani spy ring in Assam, West Bengal and other parts of India as soon as possible lest worse befall us.

**Mr. Speaker:** What is the clarification that he has sought?

**Shri Hari Vishnu Kamath:** Let him tell us what they have done.

**Mr. Speaker:** I am just telling the hon. Member that he stood up saying that he wanted a clarification. What clarification does he want?

**Shri Hari Vishnu Kamath:** What have they been doing about this matter so far?

**Shri Hem Barua** (Gauhati): I seek a clarification from you.

**Mr. Speaker:** From me?

**Shri Hem Barua:** From the Government then. As a matter of fact, I am very much perturbed about this because the security of Assam is in a very bad state and it is not for the first time that explosives, arms and ammunitions were discovered in this particular area. I might say that this area has become the honeycomb of anti-national elements.

**Mr. Speaker:** Hon. Members are only making statements.

**Shri Hem Barua:** The incident took place on the 22nd February and I just want to know from the Government whether Government have succeeded in establishing if any Pakistani or Chinese agents are involved in these nefarious activities now going on in the frontier State of Assam.

**Shri Hajarnavis:** Till the investigation is complete I will not be able to make any kind of a statement. But all possible clues are being followed. I might assure the House that the responsibility in the matter is realised both by the State Government and by the Central Government. Investigation has been undertaken and is being pursued vigorously and we will certainly try to bring to book the culprit.

**Shri Hem Barua:** May I make a very humble submission? The incident took place on the 22nd February; on the 27th I tabled an adjournment motion and some hon. friends tabled a call-attention notice and all that. Now, on the 22nd the incident occurred but on the 27th the Government could not give us any information. Today it is the 6th March and Government has not got the requisite information. If they fail to establish this very fact . . .

**Mr. Speaker:** What does he want me to do?

**Shri Hem Barua:** You should give them a direction that they should be prompt and quick. This particular place, Rangia . . .

**Mr. Speaker:** He will kindly resume his seat. The answer given is it is being investigated and pursued vigorously and both the Central and State Governments shall take steps . . .

**Shri Hem Barua:** They have already arrested two Nepalis connected with this incident. That is my information.

**Mr. Speaker:** That is what he has said.

**Shri Hem Barua:** Why is it that they have not been able to find out who are the connected persons?

**Mr. Speaker:** It has to be found out whether they are really guilty or not.

**Shri S. M. Banerjee (Kanpur):** From the statement of the hon. Minister it is clear that it is only the cycle-rickshaw puller who suspected something and informed the Police authorities. I want to know whether the cycle-rickshaw puller gave any statement to the Police, something in detail, about it. Secondly, according to the hon. Minister, it is written there "Made in Great Britain" or something like that. Is it a part of the ammunition which was supplied to us by Great Britain during the emergency?

**Mr. Speaker:** These are things that will be known after the inquiry and not now.

**Shri Jashvant Mehta (Bhavnagar):** The hon. Home Minister has said that the Assam Government have reported to the Central Government. I want to know whether the Central Intelligence Department has investigated this case and what is the finding of the Central Intelligence in this matter.

**Shri Hajarnavis:** Primary investigation is being carried on by the State Government into the offence that has been registered. That is their responsibility and that is being

[Shri Hajarnavis]

done. But we have our own source of information which will be made available for the purpose of bringing to book the culprits . . . (Interruption).

**Shri Hem Barua:** It is not a simple matter of law and order. Therefore, to say that the State Government is doing it is shelving the responsibility. This is a frontier State.

**Shri Tyagi (Dehra Dun):** As it has caused a lot of anxiety not only to this House but the country at large and there have been cases after cases of this nature in that area and also in Kashmir, may I know if the Government has taken some steps to reinforce their Intelligence Department in that area?

**Shri Hajarnavis:** If there is a further need, we shall certainly do it. I am grateful to the hon. Member for expressing his anxiety . . .

**Mr. Speaker:** The question is whether the Central Government has actually reinforced it or not.

**Shri Hajarnavis:** I would not be able to give . . . (Interruptions).

**Mr. Speaker:** Order, order. It is not a discussion on that.

**Shri Hajarnavis:** . . . exactly the figure. But I believe, we have got a fairly adequate service there.

**Shri Tyagi:** May I inform my hon. friend that intelligence is never carried on through paid servants and Government servants alone. We have to have many other sources.

**Mr. Speaker:** He can pass on that experience to the hon. Minister. But in this manner we cannot proceed.

**Shri Ranga (Chittoor):** May I make this suggestion that in view of the dissatisfaction prevailing among the various sections in this House as well as outside in regard to the failure and

inadequacy of arrangements made regarding intelligence and so on, the Minister concerned may take an early opportunity of inviting the leaders of different Parties and Groups in this House and take them into confidence and assure them about the various steps that are being taken in order to tighten up our own defence in regard to this matter?

**Mr. Speaker:** The Minister of Parliamentary Affairs.

**Shri Hem Barua:** The Central Government has taken no steps and they have left it to the State Government

**Shri Ranga:** It is for the Minister of Parliamentary Affairs too.

**Mr. Speaker:** The suggestion has been made and the Minister would take note of that.

**The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha):** What was the suggestion, Sir?

**Mr. Speaker:** That was for the Home Minister. He has taken note of it.

**Shri Hajarnavis:** Yes, Sir.

12-12 hrs.

## BUSINESS OF THE HOUSE

**The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha):** With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 9th March, 1964, will consist of—

- (1) Further discussion of General Budget for 1964-65.
- (2) Submission of Demands on Accounts (General) for 1964-65 to the vote of the House.
- (3) Discussion and voting of:  
Supplementary Demands for

Grants (Railways) for 1963-  
Supplementary Demands for  
Grants (General) for 1963-64.

- (4) Discussion and voting on Demands for Grants relating to the Ministries of:

Education  
Petroleum & Chemicals  
Information & Broadcasting.

I may also inform the House that the discussion and voting on the Demands for Grants of various Ministries will be taken up in the following order:—

Education  
Petroleum & Chemicals  
Information & Broadcasting  
International Trade  
Labour & Employment  
Defence  
Transport  
Law  
Posts and Telegraphs  
Food and Agriculture  
Irrigation and Power  
Supply & Technical Development Depts.  
Industry  
Health  
Works, Housing & Rehabilitation  
Community Development & Co-operation  
Steel, Mines & Heavy Engineering  
Home Affairs  
External Affairs  
Finance (including Planning).

A statement showing the likely dates on which the Demands are expected to come up for discussion on the basis of time allotted for each Ministry is being separately furnished to Lok Sabha Secretariat for circulation to Members.

**Shri Hari Vishnu Kamath** (Hoshangabad): Mr. Speaker, Sir, if I heard the Minister right, he has listed among

the other Ministries for next week, the Ministry of Petroleum and Chemicals. As far as the dak received by me shows—I do not know whether there is a mistake—the Report of the Ministry of Petroleum and Chemicals has not been received up till now. You, Sir, had directed the Ministers to furnish their Reports at least, if I remember right, a week before the concerned Demands for Grants come up before the House. I suppose the Demands for Grants of the Ministry of Petroleum and Chemicals—it is the second Ministry in the list—will come up on Thursday next. Today is Friday. I do not know when your directive will be complied with by the Ministry. The hon. Minister of Parliamentary Affairs may kindly take note of it and ask his colleague to furnish the report immediately by this evening at the latest.

My second point is this. I would like, by your leave, to reiterate the demand that I made yesterday on the well-accepted parliamentary tradition and principle of no Demand being passed without adequate discussion. I am referring to the need for a discussion with regard to the Demands relating to Parliament, that is, to Rajya Sabha and Lok Sabha. You, Sir, pointed out a practical difficulty as to who would reply to the debate. I submit that a discussion could be held without any reply, but if that is impossible, I reiterate the demand that I made yesterday that a committee of the House be constituted immediately to scrutinise, for the first time and in the Fifteenth Year of our Republic, the Demands, and then the committee could meet you and discuss with you further this matter.

I submit that at an early date legislation also should be introduced by the hon. Minister concerned, under article 98(2) of the Constitution to that end.

**Mr. Speaker:** I am sorry I cannot agree there. As the hon. Member has

[Mr. Speaker]

said, it has not been the practice during the last fifteen or sixteen years. There were reasons behind it as to why the Demands relating to Lok Sabha and Rajya Sabha have not been discussed on the floor of the House.

First, in regard to the Rajya Sabha, that is a sovereign House itself, and we cannot discuss and criticise what they spend and how they spend; we cannot do it. Then, certainly, probably they would begin to discuss our Demands also. That is not proper and that is not our purpose. That is about the Demands relating to Rajya Sabha.

Then, about the Demands relating to Lok Sabha, I expressed to the hon. Member the difficulty, and the embarrassing position in which the Speaker would be put if those Demands are discussed. If his Department is criticised here, who is to answer? The hon. Member said that criticism might be made but nobody might reply. Is it possible? Then, what results will be achieved in that respect?

The accounts of the Lok Sabha and Rajya Sabha are annually audited by the Comptroller and Auditor-General and the reports are there. The Demands are all put down in the budget papers. Any Member can see them, and he can just come and discuss with me if he finds any fault with it or any difficulty with it; we can sit down and discuss it, and I can explain my position wherever he feels that he has some doubts about any expenditure whether it was justified or not; I am prepared to do that. But if it is taken up here in the House, then the Speaker cannot escape criticism and comment shall have to be offered. If the Members have not that faith, of course, that is a different matter. But as I said the other day, there are only two occasions when comments can be offered, either complimentary or critical, so far as the Speaker is

concerned, complimentary ones only when he is elected and critical ones only when he is to be removed. There is no intermediate stage between the two.

Therefore, I would request the hon. Member that he can come and just look into the accounts and examine them; in fact, any Member who wants to examine them can come and see, and if he is not satisfied with any particular item, he can discuss with me, and bring it to my notice, and I shall try to explain to him. And if I am convinced that there is something that should be set right, certainly I shall be prepared to do it. But it would not be a good practice to have them discussed here; then, the independence of the Speaker or of his Department would be absolutely gone, if that is subjected to criticism in this manner.

**Shri Hari Vishnu Kamath:** On a point of clarification. I am sorry I have to say this; I would not question your observation, but certainly, I would like to have a further clarification of the remark that you have made in the course of your observations that the other House is sovereign. In our set-up, I believe we are governed by the Constitution,—the Constitution alone is sovereign and not either this House or the other House, and if any Demand is submitted to the vote of the House, certainly, the House is within its rights to examine that Demand in whatever way is feasible and practicable. No Demand, in accordance with Parliamentary conventions and traditions all over the world, can be and should be passed without a scrutiny of the Demand as best as possible.

Therefore, at the meeting we had with the hon. Minister of Parliamentary Affairs, the other day, I asked him whether it was possible to have a discussion in the House with regard to the Rajya Sabha and Lok Sabha Demands for Grants. He said what you have just now said. But he was

agreeable on that occasion to having a Committee of the House to go into these Demands before they are submitted to the vote of the House.

**An Hon. Member:** Where is the need?

**Shri Hari Vishnu Kamath:** This is not a personal matter. I am sorry to say there is some misunderstanding. It is the whole House that is interested.

**Mr. Speaker:** I did not mean that way. Shri Kamath or any Member. That was what I said.

**Shri Hari Vishnu Kamath:** Therefore, what objection can there be in principle or in practice to it?

**Mr. Speaker:** To it being discussed here?

**Shri Hari Vishnu Kamath:** Discussion by a Committee of the House, not here. Not one individual but all groups here, all parties here, should go into these Demands. Then the Committee will meet you and discuss the matter, in case there are any doubts. It is not a question of just one Member meeting you. This would be more authoritative.

**Mr. Speaker:** When I say any Member can come, any groups of Members can also come. Any Members who desire to come have certainly the complete option, and I will welcome them. They can come and look into the accounts. I will be glad.

**Shri Hari Vishnu Kamath:** If you think so, I will give notice of a formal motion. I will move that a Committee of the House be constituted.

**Mr. Speaker:** That I will see when the motion comes.

**Shri D. C. Sharma (Gurdaspur):** I think what you have said about the Demands of the Lok Sabha and the Rajya Sabha being discussed on the floor of the House is unexceptionable.

But there are certain types of minds which can argue, even though they are convinced—or even though they are not convinced.

I think from what you have said it is obvious that no useful purpose will be served if those Demands are discussed on the floor of the House. Moreover, you have kept the door open for members, and for groups of Members, to see you and to have their doubts clarified whenever they like. But I take strong exception to the principle which has been enunciated by an hon. Member, the principle that any Demand can be discussed by a Committee of Members. Now, fortunately or unfortunately, we are in the majority . . .

**Mr. Speaker:** He will be brief.

**Shri D. C. Sharma:** What prevents me, if this is conceded, from saying that the Demands of the External Affairs Ministry or the Demands of the Ministry of Petroleum and Chemicals or the Demands of the Labour Ministry or the Demands of any other Ministry, should not be discussed on the floor of the House, but should be discussed by a Committee of the Members? I think this is a principle which runs contrary to democratic principles, to parliamentary practices and to the canons of decent parliamentary scrutiny.

Therefore, I think this is a principle which cannot be accepted. So I submit very respectfully that King Charles' head is always there. There are some persons who want King Charles' head always on a plate. But I think without having King Charles' head, we see King Charles every day, and we know what King Charles is . .

**Mr. Speaker:** Order, order. I will allow only two or three minutes to any hon. Member.

**Shri D. C. Sharma:** Therefore, I think what you have said is the correct thing.

**Shri P. K. Deo (Kalahandi):** I respectfully bow to your ruling. At the

[Shri P. K. Deo]

same time, I would like to point out that any observation from you saying that this House is not competent to discuss these Demands means curtailing the sovereignty of this House.

I would like to bring to your notice that all these Demands are under two heads—charged items and voted items. So far as discussion on both types of items are concerned, this House has got the supreme authority. The House cannot divide on the charged items but on the voted items the House has got the supreme authority even to divide.

So when the House has got the authority to divide on Lok Sabha Demand No. 108, I think any observation from you saying that this House should not discuss it may constitute a curtailment of the sovereignty of the House.

**Mr. Speaker:** That is not so. The House is sovereign. Nobody denies it. But when I am to be discussed, it is also provided that I should not be discussed in this manner in this House. Straightaway there ought to be a motion for removal . . . (Interruptions) If grants are to be discussed and comments shall have to be made, I am responsible for every expenditure here. Are not the Ministries criticised when the demands are discussed? The hon. Members should realise the consequence of their action.

**Shri Hari Vishnu Kamath:** It can be done in a committee of the House.

**Shri Surendranath Dwivedy (Kerdrapara):** We quite realise the embarrassing position in which you are placed if a discussion is held in the House. But you just now also observed that the accounts of this department are audited and the Auditor-General's report is there and the Auditor-General's report should be looked into by the Public Accounts Committee.

**Mr. Speaker:** I can do so; I have no objection. The Public Accounts Committee shall go into it.

**Shri Tyagi (Dehra Dun):** I submit that I do not feel hurt by the so-called ruling of the Chair. It was not a ruling; it was only a remark from the Chair. We have abided by a convention that these demands be not discussed in the House. The convention of so many years' standing cannot be done away with in a moment like this. The Speaker has only supported that convention. My suggestion is that instead of any Committee of the House discussing these demands, in the first place—many things come to me but I can say that this is the one organisation which is working so efficiently.

**Mr. Speaker:** No compliments.

**Shri Tyagi:** That apart, my submission is that the Estimates Committee generally looks into all the estimates; it is elected by single transferable vote and all parties are represented there and their comments are made available to the House. They should look into these things.

**Shri A. P. Jain (Tumkur):** Sir, we have been following a certain convention and the convention is that these particular demands are not discussed by the House. I have attentively heard Mr. Kamath but he has not said a word to show that the old procedure has either been misused or needs alteration. Your observations do not at all mean any infringement of the sovereignty of the House. The sovereignty of the House is there but it is up to the House to abrogate any part of that sovereignty or to exercise it in a particular manner. For the last 16-17 years, we have abrogated this sovereignty in the sense that we did not carry on the discussion here.

**Mr. Speaker:** Can any hon. Member say that it has ever been discussed in the British Parliament?



**Shri Hari Vishnu Kamath:** We will look it up.

**An Hon. Member:** No.

**Shri A. P. Jain:** You have said that if any Member or group of Members have got any doubts or want clarification, they may see you and I do not think that any useful purpose will be served by formally appointing a committee for the purpose of discussing that. There has been a healthy convention and no reasons have been advanced whatsoever why it should be changed.

**Shri H. N. Mukerjee** (Calcutta-Central): Sir, I am constrained to say that I am somewhat distressed on account of my friend, Shri Kamath, having brought up this matter in this way. I do realise like everybody else that our House is sovereign but we have, according to our experience, good, bad or indifferent, tried to work out certain conventions in regard to how that sovereignty is going to be exercised and the position of the Speaker has come to be at a certain level on account of that experience. You, representing the House, have certain rights for instance, which no other personality in this country has got. You have complete control over the entire precincts of the House, on whoever is moving about. That is because of certain objective reasons. Now, I do not see how we can in this House or anywhere, on a formal pattern, discuss the Demands on account of the expenses or your Secretariat or the Secretariat of the Rajya Sabha Chairman. I do not see how we can do so. We are sovereign, but we are not sovereign in such a rigid fashion that whatever conventions have been developed on account of experience has got to be given the go-by. I do not quite understand, but I do have a feeling that perhaps from time to time certain reports reach our ears—they may be right or they may not be right—which cause certain misgivings and it may be that, no human institution being perfect, the administration over which you preside also may

not be perfect. I feel substantially what Shri Kamath has in mind might be satisfied if without having any formal arrangements in this regard,—nothing like a discussion in the House, nothing like a discussion by a Committee which will be open to everybody, open to the press to report—if we have an informal arrangement which you after consultation with the different parties and groups in this House can decide, we can have an informal understanding by which certain things may be brought to your notice. If we do that, we shall be content. Otherwise, if we are going to interfere in the administration by the Speaker of his own Secretariat, then all kinds of complications would arise. Quite apart from what you have said, I do feel that in terms of our Constitution which is sovereign—not only one House or the other but the Constitution is sovereign—the Constitution gives room for the development of certain conventions following the British pattern, which is actually mentioned in the Constitution. We can do that and thus satisfy ourselves in this regard. (*Interruption*).

**Shri Raghunath Singh** (Varanasi): I do not know to what report he refers.

**Shri Ranga:** First of all, I must preface my remarks by saying that I have not so far heard any rumours or otherwise about the way in which the Parliament Secretariats have been behaving. (*Interruption*). I wish this issue had not been raised at all. Now that it has been raised, naturally it becomes a matter of conscience also. Would we be right in saying to ourselves that Shri Kamath's suggestion is entirely out of court? If we say that, there is some substance in it. Then, would I be doing the right thing in agreeing to your suggestion that if we feel like it we can go to you and seek a clarification? We can say yes to either of these two questions. That is why I think on the whole there is much merit in the suggestion made by my hon. friend

[Shri Ranga]

Shri Tyagi that the Estimates Committee may be asked to informally look into it and place before us what you call the Demands for Grants. Whatever suggestions they wish to make, let them make them informally to you, so that we can leave it to your judgment to carry out such of those recommendations which you consider to be in the interests of the House and the prestige of Parliament.

**Dr. M. S. Aney (Nagpur):** What is the informal way in which the Estimates Committee can do it?

**Shri Ranga:** It is a Committee of the House. The only thing is they need not make again a formal report to the whole House here. They need only make a report to you and it will be open to any hon. Member to look into it whenever they wish to see. That is all I can recommend to my fellow Members of the House in this matter.

Lastly, I wish to say that it is fortunate for us that while in all other departments there are proposals for an increase of 20 per cent or 30 per cent in expenditure, this is one Department—I wish to congratulate you and congratulate ourselves—where we do not find any such demand being made on the public exchequer.

**Mr. Speaker:** I may submit here one thing. Three years ago, a committee was appointed by Mr. Ayyangar and I headed that committee. The Chairman of the Public Accounts Committee and the Chairman of the Estimates Committee were two other Members of that committee. We went through all the expenses and all those things and tried to find out whether we could bring about any retrenchment ourselves. We had then recommended some retrenchment and we have carried that out.

Then again, I may inform the House—probably it is aware of it already—that last year, when the Chinese at-

tacked our frontiers, at that time, though we wanted every hand that we had, we spared about 20 men. This Secretariat was the first to offer the services of 20 members of our staff, so that they might be utilised for emergency purposes there and then.

Then, I wrote to every Legislative Assembly, to every department, everywhere, that no recruits from outside might be taken and we should try to spare from our own personnel that we have. So, far as these suggestions that have now been made are concerned, I am thankful to hon. Members that they have done that and drawn my attention also. I will consider what is feasible and proper under all these circumstances.

**Shri M. R. Masani (Rajkot):** With your permission, I wish to make a submission to the hon. Minister. I hope that now that he has announced the order of the Demands for Grants under the various Ministries, he will be good enough to adhere firmly to it and not allow himself to be pushed off it under pressure from his cabinet colleagues.

**Shri Hari Vishnu Kamath:** The hon. Minister has not answered the point about the Report of the Ministry of Petroleum and Chemicals,—when it will be presented to the House. We cannot discuss it without the report.

**Shri Satya Narayan Sinha:** Whatever is humanly possible, we will do.

12.38 hrs.

STATEMENT RE: ARREST OF SHRI MUZAFFAR HUSAIN, M.P.

**The Minister of State in the Ministry of Home Affairs (Shri Hajarnavis):** The matter regarding the arrest of Shri Muzaffar Husain, a Member of this House, was raised in the House on February 17, 1964. I have now obtained the necessary information

from the Government of Uttar Pradesh. According to them, Shri Muzaffar Husain Kichauchi delivered an objectionable speech on July 2, 1963 at Tanda, District Faizabad, *inter alia* saying that the Government was out to destroy Muslims and looked on them with suspicion. He is also alleged to have said that the Muslim women folk were given injections for effecting birth control which would make them sterile without their knowledge so that the number of Muslims might be reduced. He is reported to have complained further that Government was going to effect changes in Muslim Personal Law to convert Muslims to Hinduism. According to the State Government, he exhorted all Muslims to rise and accept the challenge because they (Muslims) would not tolerate any change in the Islamic Law.

This speech of Shri Muzaffar Husain Kichauchi was considered objectionable by the State Government and as attracting the definition of "prejudicial report" contained in Rule 35 of the Defence of India Rules. After collecting necessary evidence and consulting their Law Officers, the State Government issued orders in November, 1963 for launching prosecution against Shri Kichauchi under Rule 41 of the Defence of India Rules. The Police accordingly registered a case against him on 25th January, 1964. After the investigations were over, a warrant of arrest was issued by the Magistrate and in pursuance thereof, Shri Kichauchi was arrested at about 4:30 P.M. on the 15th February, 1964 at his village Kichaucha, Police Station Baskhari, District Faizabad and was put into an *ekka*. When the accused and the police escort had moved only 150 yards, Shri Kichauchi slipped from the *ekka*. He complained of pain in the hip and chest and was given first aid locally. He was also subsequently examined by the Medical Officer, Baskhari. The Medical Officer found only superficial bruises on Shri Kichauchi. Shri Kichauchi was allowed to stay for the night in his house.

He was brought to Faizabad next morning in a Police Pickup Van. In the jail, he was given necessary treatment for pain of which he complained. The treatment was stopped when it was no longer found necessary.

**श्री रामसेवक यादव (बाराबंकी) :**  
अध्यक्ष महोदय, मैं एक जानकारी चाहता हूँ। जैसा मंत्री जी ने कहा, जुलाई में श्री मुजफ्फर हुसैन ने कोई भाषण दिया था टांडा में। उसके बाद नवम्बर में राज्य सरकार इस नतीजे पर पहुँची कि उन का भाषण अराजक-तलब था और उस पर उनके विरुद्ध भारत प्रतिरक्षा कानून के अन्तर्गत कार्रवाई हुई, इतने दिन सोचने विचारने के बाद। उसके बाद जा कर फरवरी में उनकी गिरफ्तारी होती है। इसी तरह से बहुत पहले के मामलों में एक माननीय सदस्य श्री मौर्य के बारे में...

**अध्यक्ष महोदय :** माननीय सदस्य...

**श्री रामसेवक यादव :** अध्यक्ष महोदय, मैं इसलिए आप का ध्यान दिला रहा हूँ कि आप इस मदन के मालिक हैं। सदस्य लोग आपके परिवार के लोग हैं और जब किसी के साथ अन्याय होया तो हम आप से निवेदन करेंगे

**अध्यक्ष महोदय :** आप एक मेरी अर्ज सुन लेंगे? जब कि एक केस का चालान अदालत को कर दिया गया है तो क्या हम यहां तै कर सकते हैं कि आया मेम्बर के साथ अन्याय हुआ है या नहीं। क्या हम इस बात पर सोच सकते हैं। क्या इस हालत में हम या आप कोई राय दे सकते हैं? केस तहकीकात के बाद अदालत में गया है, जब तक अदालत उस पर कोई फैसला न दे दे हम कुछ नहीं कह सकते। इस वास्ते इस बात पर यहां बहस कैसे की जा सकती है।

**Shri Abdul Ghani Goni (Nominated—Jammu and Kashmir):** Why did it take such a long period—6 or 7 months—to take action?

**श्री त्यागी (देहरादून) :** यह मामला जल्दी में तै नहीं किया गया। सोच समझ कर किया गया है।

**श्री रामसेवक यादव :** अध्यक्ष महोदय, मैं न तो अपनी कोई राय दे रहा हूँ और न चाहता हूँ कि इस मामले पर मदन अपनी कोई राय दे। लेकिन जो परिस्थिति है उसको आपके सामने रखना चाहता हूँ। मैं यह जानना चाहता हूँ कि क्या इसी तरह से इस सदन के एक माननीय सदस्य श्री मौर्य को भी गिरफ्तार नहीं किया गया था। वह भी रिपब्लिकन दल के सदस्य थे और यह भी उसी दल के सदस्य हैं। रिपब्लिकन दल का एक चुनाव भी रद्द हो गया, लेकिन वह अलग बात है। मैं जानना चाहता हूँ कि ऐसा तो नहीं है कि उत्तर प्रदेश सरकार रिपब्लिकन दल पर खास तौर से मेहरबानी करके उसको इस तरह समाप्त करने का प्रयास कर रही है ?

**अध्यक्ष महोदय :** इसका मैं क्या जवाब दे सकता हूँ। आप कह रहे हैं कि उत्तर प्रदेश सरकार झूठा मुकदमा बना कर रिपब्लिकन दल को नीचे लाना चाहती है। इस मामले पर, जो कि अदालत में गया हुआ है, फैसला होने से पहले हम कैसे राय जाहिर कर सकते हैं कि पुलिस झूठा मुकदमा बना रही है।

**Shri Hem Barua (Gauhati):** Sir, what perturbs me is that this gentleman is alleged to have made some statement in July and he has been arrested, as announced by the Minister, in February. There is a long gap, although the Defence of India Rules are operating. Therefore, the suspicion is that the police might have built up the case against him. Or else, why did the police take such a long time, after the man is alleged to have made the speech?

**Mr. Speaker:** At this stage, when it is before the court for trial, we cannot say whether the police cooked it up or it was a real and genuine one.

**Shri Tyagi:** The delay is obvious. It shows that the allegations were thoroughly examined and therefore, time was taken.

**Mr. Speaker:** Already we have taken 45 minutes.

12.43 hrs.

GENERAL BUDGET, 1964-65—GENERAL DISCUSSION—contd.

**Mr. Speaker:** The House will now take up the General Discussion on the General Budget. Shri A. P. Jain.

**Shri A. P. Jain:** (Tumkur): Sir, I will start with the generally accepted truism that our budget is not a mere statement of the receipt and expenditure; it is a purposeful instrument for fulfilling certain objectives, namely, to promote the economic development and attain certain social objectives. So far as we in the Congress are concerned, we defined our social objectives at Bhuvaneswar in a big resolution. It was not merely an attempt or an essay on theoretical discussion or philosophical discussion but we took a solemn pledge to fulfil the resolution which we adopted there. We are dedicated to that resolution and in judging the present budget, at least my point of view is going to be, to what extent this budget fulfils the objectives laid down at Bhuvaneswar. ration.

Analysing that resolution in a very broad way, its main attributes are (a) higher production, both industrial and agricultural; (b) equitable distribution of income and (c) reduction in inequalities of wealth. These are the three broad criteria which I proposed to use as an acid test to find out the real nature and the quality of this budget. Let me take first higher production in the industrial sector. I am glad that the Finance Minister has paid adequate attention to this problem. Mostly he has brought about certain readjustments, rationalisations and changes in the tax structure of the corporate sector. I do not agree with some hon. Members of the House who said that his objective was to

give relief to the corporate sector. In fact, the net result of his taxation proposals has been an additional levy of Rs. 11 crores during the budget year, which the corporate sector will have to pay. But there are certain points which have caused me a little worry and I would like the Finance Minister or the Minister of State to clarify those points in their reply.

The first point is relief in inter-corporate taxation. This relief, among other things, has taken two broad shapes. The first is exemption of companies from super-tax on dividends received from other Indian companies. The second is reduction of sur-tax by 20 per cent on dividends received from certain types of specified industries including companies generating or promoting electricity. It is well-known that this type of concession leads to inter-locking. Inter-locking means concentration of wealth. Recently we have come across a summary of the report of the Mahalanobis Committee though it has not been published formally. There is a significant remark in the report that has appeared, namely:

"As evidence of concentration in the corporate sector, the committee points out that 1.6 per cent of the total number of companies in 1960-61 claim 53 per cent of the total paid-up capital. It is evident that one of the factors that have contributed to the growth of big companies is the financial assistance rendered by public institutions like the Industrial Finance Corporation, the National Industrial Development Corporation and the Life Insurance Corporation.

The Finance Minister, in Part A of his budget speech has specifically said that he is opposed to monopolies and to concentration of wealth and he proposes to appoint a commission to find out the extent and the details about the monopolies and concentration of wealth, with a view to deal with that problem. So far as the proposal goes,

I welcome it. But one thing I want to ask from him is, until the report of that commission comes, what is he going to do? It has been our experience that it takes several years for a report of that nature to come. Then Government will deliberate upon it and it comes to the House, after which a final decision is taken. What is he going to do in order to stop the increase of monopolies or concentration of wealth until that report comes? If we wait for that report it means that we are going to do anything. So, the first thing that has occurred to me is that this inter-locking, although it has a certain objective, will lead to further concentration of wealth and I would like the Finance Minister to enlighten the House as to how he proposes to combat it. It is my humble request to the hon. Finance Minister that though he may wait for the report for the final steps he proposes to take, at least he should see that no further increase in monopoly or concentrations of wealth take place. If it is allowed to take place for three or four years more, then it will increase in volume and our difficulties in tackling may become unsurmountable.

My second point is about the replacement of super profits tax by the sur-tax. So far as super profits tax is concerned the rate of deduction was 6 per cent. The Finance Minister has raised it to 10 per cent. Well, that is a sort of incentive. The capital base for the super profits tax was the capital and reserve. The Finance Minister has extended the base and he has included he equity capital, preference capital, reserves, debentures, loans both internal and external and loans from banks for a period of ten years. Now, Sir, I want to put one question to the hon. Finance Minister. I have not known of any preference shares or of debentures which are being floated at the rate of 10 per cent or more. All the debentures or the preference capital that I have known of are floated at a much smaller rate of interest. Similarly the loans advanced

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by the governmental agencies or loans raised abroad or the loans from the banks also carry a much lower rate of interest than 10 per cent. How is it then that he has included all these things and allowed a deduction, the aggregate at 10 per cent irrespective of the actual outgoings? This is one part of my objection. Rightly enough, the Finance Minister has been very keen to stimulate savings. If a person stands to benefit by getting a higher deduction on the preference capital or the debentures or on the loans—that is, he gets a deduction of 10 per cent whereas he pays less than 10 per cent—than to that extent it will be a disincentive to build the reserves. I would like the Finance Minister to clarify these two points because they have caused a considerable amount of misgiving in my mind.

Then I come to the foreign equity capital. A report had appeared in the *Patriot*, and I am glad the Finance Minister has taken prompt steps to contradict that report. That report was causing a lot of misgiving and worry to persons like me. Foreign investments have some peculiar features which I do not like. I do not say that constituted as we are the old maxim that “flag follows trade” holds good. We are sufficiently conscious. We have sufficient courage and strength not to be influenced, not to be subordinated to other countries, merely because we import some capital from there. But there is one thing, that foreign capital, particularly equity capital, means the hands of the foreigners in our economic system, and in the ultimate result may also mean other kinds of pressures. We have got the example of South America where the United States is controlling the South American independent States in various ways through the investment of capital. I do not look upon the investment of foreign capital with very great favour yet I do not altogether oppose it. Our approach towards equity foreign capital has been a selective one. Mostly it has

been confined to industries which require big capital—that is, big capital based industries or heavy industries. There has also been another condition, and that is, where we do not have the technical know-how. I hope the hon. Finance Minister will take care.....

**The Minister of Finance (Shri T. T. Krishnamachari):** That is exactly what is intended.

**Shri A. P. Jain:** Then I congratulate you on that. I hope that the approach of the Finance Minister would be selective and foreign equity capital will not be allowed to enter into an unnecessarily large number of industries and it will be confined to the minimum. I am glad that that is the view of the Finance Minister also.

Now, Sir, I come to my third point, namely, agriculture. I do not hesitate to say that agriculture has received an extremely cold treatment from the Finance Minister. In the whole of his long speech of 20 pages there is a very scanty reference to agriculture. There is one reference on page 3, paragraph 6 Para A, where he says that “80 selected districts covering 1500 blocks will be taken up for package programme”. This is nothing new. The package programme is being tried for a number of years, and after the experience we have gained it was but natural that this scheme should be extended further. Then, in the same paragraph he refers to the setting up of an Agricultural Production Council—just an administrative measure. Again on page 5, paragraph 11, Part A, he makes a casual observation “keeping the prices too low may defeat the objective of raising agricultural production”. But he does not go any farther than that, and that too is only a side reference. He further goes on to say: “but wages cannot also be controlled”. I was expecting something more than that. There used to be time when the Indian budget used to be called

a "gamble in monsoon". I am glad it is no more so, because we have got other sources of revenue. Even so, agriculture constitutes about 50 per cent of our economy—national economy—and our budget is but a reflection of the economic conditions of the climate of the country. I feel that the Finance Minister should have attached much greater importance to agriculture in his budget speech.

Now, Sir he has talked about supplies. When an hon. Member who was speaking the other day, criticised the agricultural aspect of the budget the Finance Minister interrupted him and said that he has made ample provision in the budget estimates. Well and good. But there are two parts of it. One is making the supplies available as is also done for industry. The hon. Minister has set up the Unit Trust. I welcome it. He has also moved a Bill for setting up a Development Bank. I also welcome it. Now, so far as the supplies go. I trust and believe that more of the resources are going to be placed at the disposal of the farmer. But, Sir, are there not budget incentives which the farmer deserves? Just as the Finance Minister has given budget incentives for the purpose of stimulating industrial production, he should have given budget incentive for the purpose of stimulating agricultural production. I am not making a vague observation. I want to point out certain specific things. Last year, when the duties on kerosene oil were being discussed, many of us made a proposal to reduce the duties on the inferior kind of kerosene oil which is being used in the countryside. During the current year he has realised a much larger revenue from kerosene than what was estimated. What is the reason for his not reducing the duty on inferior kerosene oil, which gives a little light to the poorer sections of farmers and remove the darkness of their wretched homes?

13 hrs.

Now I come to diesel oil, which is

very necessary for the farmers for their pumps and tractors. I do not see any reason why some reduction in duty for diesel oil should not have found a place in the budget. On the basis of past performance or requirement, a farmer who has a pump or tractor and is using diesel oil could be given coupons. It is big companies which are selling oil and so there would not be any difficulty about refund or accounting etc. The farmer can be given concession on diesel on presentation of coupons and the company can get a refund from the Government.

Then there is the question of fertilizers, which is very costly. They are cheaper everywhere else in the world. There is a fertilizer pool which is making unconscionable profits. Is there any reason why the price of fertilizer should not be reduced? Is that not one of the incentives which the farmer deserves?

The Reserve Bank advances credit to co-operative societies at the rate of 2 per cent, but when it reaches the farmer the rate of interest he has to pay comes to 8 to 10 per cent. Why? Because, there are several intermediary societies. There is the Apex Bank, the Central Co-operative Bank and the primary society. Here I make a very humble suggestion to the hon. Finance Minister. Since he deals with the Reserve Bank, he can lay down the financial pattern and eliminate at least one of these links. Either the Apex Bank should have its own branches in the regions and districts which should advance loans to the primary co-operative societies or there should be regional banks covering a division and doing away with the Apex Bank so that these regional banks may advance credit direct to the primary societies. I think that this will reduce the processing of credit through intermediaries by about 2 to 3 per cent, which will mean a great relief to the farmer.

Then, he has talked so much about the corporate sector but he has not said a word about the co-operative

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societies. I am referring to large co-operative societies like co-operative sugar mills or co-operative societies for ginning or pressing cotton of even some co-operative mills which may undertake the manufacture of textiles. This scheme of co-operative sugar mills was started during my time and I am glad to find that as many as 25 per cent of the sugar mills of this country are owned by co-operative societies. Now, what was the object of these co-operative societies? The object was that the farmer owner becomes also the manufacturer of sugar. Some of these co-operative societies have done excellent work. They are efficient, earning good profits, and their method of working is at least as efficient as that of the sugar mills in the private sector. But they are being given a step-motherly treatment in the matter of income-tax. Some of these co-operative societies have evolved a system under which they make it obligatory upon their farmer members to compulsorily supply to the mills all the sugarcane produced by them. It is a long term contract. They have got another scheme. They control the production of sugarcane. They lay down the programme, they themselves harvest it and transport it to the mills. What is the income-tax department doing? If a privately owned mill buys sugarcane at a price higher than the statutory price—they are doing it in Western UP, where they are now paying Rs. 2-6-0 instead of Rs. 2—UP Government is giving a concession of three annas and the mill is paying another three annas—all this is liable to be deducted from the income-tax return as the price of the primary product for sugar. In the case of the co-operative societies, they are making a long-term contract with the sugarcane producers, introducing certain improvements and exercising certain controls. So, they are paying a higher price for the sugarcane. But the income-tax department says: no, the deduction will be allowed only to the extent of the statutory price. Is

it the manner in which we are going to develop co-operative societies? Not only in India but elsewhere, both in the capitalist and communist countries co-operation has a big role to play. I request the Finance Minister to introduce a provision in his Finance Bill, acquiring to himself the power to give adequate relief to the co-operative sugar mills and other processing industries in the co-operative sector to give them a definite stimulus, to give them definite encouragement so that we may come nearer the socialist pattern by which he swears and I swear

Here I am reminded of our revered and devoted friend, Pandit Govind Ballabh Pant. He said during the course of a discussion—I do not know whether the Finance Minister was present but I positively remember that the Prime Minister was there—that the best way of helping a farmer is to give him subsidy because if you link the subsidy with the productive input the farmer necessarily makes good of the subsidy. I do not find anything of it here. I think he should give some thought to it. He will be introducing many more budgets—I wish him long life as Finance Minister....

**Mr. Speaker:** He should conclude now.

**Shri A. P. Jain:** Sir, I speak only once or twice in a session. So I should be given more time.

**Mr. Speaker:** I have no objection to that, but the difficulty is that the Congress members give a long list and I cannot accommodate them all.

**Shri A. P. Jain:** I will sit down if you want.

**Mr. Speaker:** I do not want that. But I do not want him to take too long.

**Shri Hari Vishnu Kamath:** (Hoshangabad): It can be deducted from the total time given to his party.



**Shri A. P. Jain:** I am not likely to speak for the rest of the session so that others will have more time.

**Mr. Speaker:** When should I ring the next bell then?

**Shri A. P. Jain:** Whenever you like. I am always in your hands. I want the Finance Minister to pay earnest attention and devise a scheme by which the co-operative sector is not only strengthened but it is further widened. I know that he will agree with me and do something. I know his heart.

I am skipping over some points for want of time. Then I come to another point, the equitable distribution of income. I am sorry to say that I do not find anything about it in this budget. I know that it is not possible to bring about any radical change in the distribution of income in one budget. It will require a series of budgets spread over a number of years, but I expected him to make a beginning at least, a notional beginning, a nominal beginning. Let me hope that he will do it in his next budget.

I want to make one observation about his budget speech. In paragraph 60, on page 10, under B, he says that his budget proposals mean a reduction of taxes at all levels. I am sorry, I cannot agree with him. Let me examine the figures. I have tried to work them out. On an income of Rs. 5,000 the income-tax on 1963-64 was Rs. 91 whereas under his budget proposals it will be Rs. 84. On an income of Rs. 10,000 it was Rs. 670 in 1963-64 and would be Rs. 709 next year. On Rs. 15,000 it was Rs. 1,521 in 1963-64 and would be Rs. 1,584 next year. So, there is increase in all cases. So far as the Compulsory Deposits Scheme is concerned, that is quite independent of it. He has scrapped the CD Scheme and I congratulate him on it. He took a very fine and bold step in regard to some part of C.D.S. and now he has extended it.

2346 (A) LSD—4.

Who gets the relief? It is the higher income bracket. On Rs. 25,000 the income-tax last year was Rs. 4,800; this year it will be Rs. 3,834. On Rs. 1 lakh last year it was Rs. 54,250; this year it will be Rs. 44,615.

**Shri Rameshwar Tantia (Sikar):** Last year there was a compulsory deposit included in that.

**Shri A. P. Jain:** I have excluded that.

**Shri T. T. Krishnamachari:** He need not go into detail. I have got it examined only this morning and I can supply the statement to hon. Members. If you take out the compulsory deposit excepting in three cases where there is an increase of a very fraction of a per cent, in all other cases there is a decrease in regard to amounts below Rs. 15,000. So far as higher incomes are concerned, if he takes into account the annuity deposit, it will be slightly more excepting in one particular bracket where it is a fraction less. If you do not include the annuity deposit, the hon. Member will be correct.

**Shri A. P. Jain:** I am excluding the annuity deposits which is refundable and every year the amount of annuity deposit will go on decreasing. If I have to deposit Rs. 1,000 as annuity deposit this year, next year I will be entitled to a refund of Rs. 100 and therefore I will have to deposit only Rs. 900. That is another feature.

**Shri T. T. Krishnamachari:** That Rs. 100 will be taxed.

**Shri A. P. Jain:** Then, about excise duties I am sorry that there is no relief to the common man. Perhaps, he is hard pressed and I quite realise his position because our defence expenditure continues to be high.

Then, I come to the reducing of inequalities. I am glad that the hon. Finance Minister has not only rationalised the Capital Gains Tax and made

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it lower for the low income group and place a little more burden on the higher income group. But he has also done away with the maximum limit of 25 per cent. I welcome that proposal.

I also welcome his proposal to increase the Estate Duty and Gifts tax rates. In a socialist society a man must live by the sweat of his labour. It is a fundamental principle of socialism that everybody must get according to the work he does and not live on unearned income, rents and taxes. So, to the extent that he has reduced the heritable wealth and the wealth which can be transferred by gifts, it is a move, although a slender move, towards socialism and I congratulate him on this set of measures.

About the rise in prices the hon. Finance Minister says that the rise in prices is 7.2 per cent during the ten months intervening between March 1963 and January 1964. But those are the wholesale prices. The consumer is not at all concerned with wholesale prices. I have no manner of doubt in my mind that the consumers' prices have gone up by 20 to 25 per cent so far as necessities are concerned. I will earnestly request the hon. Finance Minister to give up this age-long but unrealistic approach of depending upon wholesale prices. He should work out a system—that is not difficult because we have made a considerable advance in our statistical system; we have got Professor Mahalanobis—and basis of his future estimates on retail prices.

**Shri T. T. Krishnamachari:** May I point out to my hon. friend that at one time I had sent a letter which was forwarded to him about retail prices in Madras and I got a reply that was written by him and sent by the hon. Prime Minister to me suggesting to me that the price Rs. 1.4 per measure of rice that I gave was wrong because the Hindu quoted the price of rice as Rs. -[13]- per measure. The official

figures, unfortunately, happen sometimes to blur the situation so far as the retail prices are concerned. Now, unfortunately, perhaps the boot is on the other leg; but, nevertheless, the hon. Member had the boot on his leg at one time.

**Shri A. P. Jain:** The hon. Minister had the boot at one time; he lost it and again he has got it. I do not know how long he will retain it.

**Shri T. T. Krishnamachari:** I hope, the hon. Member will get the boot again.

**Mr. Speaker:** There is a race for getting the boot. Shri Jain has taken half an hour.

**Shri A. P. Jain:** Only five minutes more. I will request the hon. Finance Minister to keep in mind that the lot of the common man is very hard. Our planning is democratic planning and it depends upon the willing support of the people. I am sorry to say that the people are becoming frustrated and disillusioned. If planning has to succeed, prices have to be controlled.

**Shri T. T. Krishnamachari:** I am entirely in agreement.

**Shri A. P. Jain:** I am sorry to say that in all the proposals of the hon. Finance Minister there is nothing positive which indicates how he is going to control prices. In the long run prices can be controlled by increased production. But even in the field of agriculture, the team which has examined the package scheme says that the final results of increased production can be attained only in three to four years and not in one year. What are we to do during the interim period?

The world has known of only three ways of controlling prices in the shortest period. One is physical controls. The hon. Finance Minister has correctly pointed out certain administrative and technical difficulties. But what should be our approach? We

should improve the administration rather than give up controls. Then, there are monetary controls. They have not proved to be very effective. As regards fiscal controls, experience has shown that they are not effective in controlling prices. In other words, either we give in to a sense of frustration and say that prices are not going to be controlled or we have to reorganise and improve the machinery to control them.

Now I come practically to the last point. The hon. Finance Minister has indicated a very alarming aspect so far as the States are concerned. The arrears of loans due from the States amount to Rs. 3,600 crores. In the Budget year he is going to give an assistance of Rs. 559 crores to the States. This will include both subsidy and loans. So, the amount of loans will be less. Even if we calculate on the basis of the loans which are going to be advanced during the Budget year, it will mean that our arrears would total to the amount which has been advanced during five or six years. Since in the past the amount of loans to the States was much smaller than what we are giving now, my own feeling is that out of whatever we have paid to the States during the whole term of the Plan nothing has been recovered. Here is the weak point. We are being taxed more. When we want relief in direct taxes, we are told that the Budget is tight. These recoveries are not made. Is it the intention that the Central Government should go on raising resources for the States and never recover them? This is an aspect to which very quick and very intense attention should be given. I hope, the hon. Finance Minister would do it.

On the whole, I welcome the Budget.

**Shri T. T. Krishnamachari:** Thank you.

**Shri A. P. Jain:** I know, there are indications in it and I know that the hon. Finance Minister is a man of

imagination and courage. He has left many thing undone; I hope, he will do them and will lead us on. We follow him and under his guidance we will go towards the destined goal of the Bhubaneswar resolution. But there is one thing. In a report of his interview to the *London Economist* which has been reproduced in Indian papers he is reported to have said that he has full freedom to frame his budgetary policies subject to the control of the hon. Prime Minister.

Sir, I am a Congressman. I owe my loyalty to the Congress and to the Bhubaneswar Resolution. Let him not take up an attitude which may create double loyalties for me. Let him obey the Bhubaneswar Resolution, let me obey the Bhubaneswar Resolution and let us proceed towards this goal.

**Shri Vasudevan Nair** (Ambalapuzha): Mr. Speaker, Sir, listening to the debate for the last three days, sometimes I felt sympathy for the Finance Minister because mostly he was receiving only brickbats during the General Discussion on the Budget. I also sympathise with friends, like, Shri Ajit Prasad Jain because such friends have to conclude their speeches by saying, "I welcome the Budget". But I would request the Finance Minister not to go by the last sentences in the speeches made from the Congress benches. I would like him really to read through the whole speeches made in the House during the last three days.

Sir, in a sense it is heartening to see that from all parts of the House, from all sections of the House, basic criticism was made about the approach, the outlook, that is contained in the Budget presented by the Finance Minister. When my colleague Mr. Homi Daji, was speaking and when he made some reference to Bhubaneswar, somehow the Finance Minister got very agitated and he was asking Mr. Homi Daji not to speak about Bhubaneswar and that it should be left to him and to his own friends.

[Shri Vasudevan Nair]

Now, I should make it plain that we have no illusion about Bhubaneshwar or Jaipur.

13.22 hrs.

[MR. DEPUTY-SPEAKER in the Chair.]

**Shri T. T. Krishnamachari:** You have no illusions at all. Have you any illusions?

**Shri Vasudevan Nair:** But I am sure the Finance Minister will have to settle accounts with his own friends.....

**Shri T. T. Krishnamachari:** Certainly, we have settled.

**Shri Vasudevan Nair:** .....as far as Jaipur and Bhubaneshwar are concerned. At the same time. I would like him to remember that Bhubaneshwar and Jaipur have significance not only for the Congress Party, but for the whole country because you are the ruling Party. Not only that. The ideals of socialism, of equitable distribution of wealth and such other things are not the ideals of any particular Party. But they are ideals already accepted by this very Parliament. They are national policies that we are bound to implement.

I would like the Finance Minister, if possible, to read every day, for example, the Directive Principles of the Constitution. Let him refresh his memory. I think, it is very necessary for him to do that. Let him, again and again, read the Industrial Policy Resolution adopted by this very House. I am sure these are not very revolutionary documents about which he need be afraid or frightened. Our charge is that this Finance Minister is trying to subvert the Industrial Policy Resolution, that this Finance Minister is trying to sabotage the very national policies accepted by this House and he is even going against the spirit of the Directive Principles of the Constitution.

**Shri T. T. Krishnamachari:** Not quite as sufficiently as you are trying to subvert the State.

**Shri Vasudevan Nair:** He gets a bit restless when the things are told in his face. He will become restless. That I can understand. But he has to listen. As far as the Industrial Policy Resolution is concerned, I say this for his benefit specially for I do not think he is reading it these days. He should know that there is a complete and comprehensive picture presented there as far as the future industrial development of this country is concerned. He cannot take something out of it and reject the rest. It is a complete picture. He cannot distort the whole thing. In Para 5, it is said:

"In order to realise this objective...."

It is given in the earlier paragraphs.

"....it is essential to accelerate the rate of economic growth and to speed up industrialisation and, in particular, to develop heavy industries and machine making industries to expand the public sector, and to build up a large and growing cooperative sector....."

About it a mention was made by my hon. friend Mr. Ajit Prasad Jain.

"These provide the economic foundations for increasing opportunities for gainful employment and improving living standards and working conditions for the mass of the people. Equally, it is urgent, to reduce disparities in income and wealth which exist today, to prevent private monopolies and the concentration of economic power in different fields in the hands of small numbers of individuals. Accordingly, the State will progressively assume a predominant and direct responsibility for setting up new industrial undertakings and for developing transport facility. It will also undertake State Trading on an increasing scale...."

Underline this thing. It says:

"It will also undertake State

trading on an increasing scale..."

And what is the role of the private sector?

"At the same time, as an agency for planned national development, in the context of the country's expanding economy, the private sector will have the opportunity to develop and expand. The principle of cooperation should be applied wherever possible and a steadily increasing proportion of the activities of the private sector developed along cooperative lines."

Our charge against the Budget, against the ideals formulated by the Finance Minister is that he is distorting the whole concept in favour of the private sector. I do not have the time to quote the various passages that occur in his Budget speech. The various statements that he has made previously in this House and outside, right from the beginning when he gave the talk over the All-India Radio about the economic situation in this country, he was step by step trying to move away from this Policy Resolution of this Parliament and this country. Now, his fear is that provided we give sufficient incentives to capital, the whole problem can be solved. We all know that the Finance Minister is facing a crisis. This country is facing an economic crisis. He is moving from difficulty to difficulty. In spite of planning for so many years, as it is being mentioned by every Member in this House, the cost of living is going up, the purchasing power is going down, the prices are going up, unemployment is a very huge problem that we face even today and these are the problems that should get answer even after all these years of planning and in order to solve the crisis, the Finance Minister has his way of helping, prodding on supplementing the energies of the private sector. It is a one-sided approach and a very wrong fundamental approach. What is the situation in

this country? In the Economic Survey, it is pointed out:

"The index of variable dividend industrial securities (1952-53—100) came down from 195 in May 1962 to 173 by the end of December 1962 and further to 158 by the end of June 1963. A considerable part of the decline in share prices was in the nature of a corrective to the earlier boom...."

The Government itself has to agree that of the decline was in a way justified because it was a corrective to the earlier boom.

"...but since the decline had been sharp a number of measures were taken to stimulate activity in the stock markets."

The Finance Minister's solicitude for the industrialists is well known.

Then, what did he do all these months? The *Economic Survey* further says:

"Forward trading was resumed in June, 1963, financial assistance was given to the Industrial Finance Corporation and the Industrial Credit and Investment Corporation to enable them to increase their under-writing operations and the selective credit controls were relaxed in so far as advances against shares were concerned. The modification in the credit policy of the Reserve Bank in October, 1963, as also the announcement of Government's decision to establish a Development Bank led to a recovery in share prices and the index by 25th January, 1964 was 169, i.e., the level prevalent a year ago."

In 1952-53, the index was 100, and Government themselves felt that a certain decline was justified as a corrective to the boom, but the index again went up to 169, the level prevalent a year ago.

After all this, the Finance Minister thinks that it is again necessary to

[Shri Vasudevan Nair]

give many more incentives to the private sector, and he has come forward with all these proposals.

One of his pet schemes is the Unit Trust. He was pleading in this House for the establishment of the Unit Trust as he said that it would really help the middle-class people, the not very rich people, also to come into the field of industry. But what has happened in actual practice? He has constituted a board of trustees for this Unit Trust. There again, the real purpose of Government is revealed; with whom the Government and the Finance Minister are linked is again divulged in the constitution of the board of trustees for the Unit Trust. Is it to help the ordinary shareholders? Is it to help the middle class people also to come into the field of industry that such people are put in control of the Unit Trust which will have a lot of money from Government? That is again handed over to the monopolists. That is our charge against the Finance Minister. Mr. Wagle, who is one of the trustees of the Unit Trust represents the Karamchand Thapar group of companies whose web is entangling every available field of industrial production. Another gentleman, Mr. Mitter is on Messrs. Andrew Yule & Co. which has 200 Indian companies under its control, all directed and managed from London. The Unit Trust is being controlled by such people. Then, there is Mr. Tuli of the Punjab National Bank who should be taken as representing the Sahu-Jains about which the Vivian Bose report had much to say. Still, the Finance Minister wants us to believe that he really wants to expand the base of industry so that it is not controlled by a few business-houses. I should say that he has without shame come forward in his budget speech giving a kind of theoretical explanation that today the business-houses are not really controlled by the old families in whose names they stand. Of late, even in the Western countries, in the classically capitalist countries there is

a lot of talk about people's capitalism. Perhaps, they think that they can dupe people by such talk. It is regrettable that the Finance Minister of India, the Finance Minister of a Government which is run by a party which claims to stand for socialism should come forward as an apologist of the private sector and without shame try to tell the people of our country that these big business-houses and these big companies are today not really controlled by these few monopolists, but really the ownership is passing down to the broader sections of the shareholders. This runs counter to facts. This is a propaganda which the Finance Minister of this Government ought not to have taken up on himself to carry on.

Now, let us compare the Finance Minister's solicitude for the capitalists or the private sector with what he has done in the field of controlling the price-line or of boosting up agricultural production or of at least prevention the upward trend in unemployment and such other fields.

As far as the agricultural sector is concerned, most of the Members in this House including many Members of the ruling party have drawn attention to the fact that there is practically no concern shown in this budget as far as the agriculturist is concerned. We from our party have been arguing in this House all these years that if we really want to make a breakthrough, the fundamental and basic thing that we should give attention to is the question of the institutional reorganisation in agriculture? What has happened in this regard in this country during all these years? During all these seventeen years, what has happened is that in the name of agrarian reforms, various State Governments have really tried to sabotage the very legislations passed by themselves. I do not have the time to go into the details. But, apart from the institutional reorganisation in agriculture and the relations of production in the country, there are various other steps that should be taken to

help the peasant to get out of the rut in which he was remaining for the last many centuries. Government claim that they have taken steps. It is true that a lot of money was spent over it; during the first two Five Year Plans nearly Rs. 1750 crores were spent on agriculture, community development and irrigation, and in the Third Five Year Plan it is proposed to spend nearly Rs. 2000 crores on all these three items. But it still remains a fact that even during the period that we have spent nearly Rs. 3000 crores for increasing agricultural production, we have been importing foodgrains to the tune of about Rs. 2000 crores. Look at the huge amount that we have invested and look at the shabby results that we have got. We should go deeper into the causes why this stagnation still remains in the field of agriculture. Some Members plead for more money. That may be necessary. But before that, I would urge Government to make a study as to whether the money that is being pumped into the villages really goes into the hands of the real cultivators or not. That is the basic question. I am sure that you will see that in every block or in every village, not more than 10 to 20 per cent of the richer sections of the cultivators get the benefits either by way of credit or fertilisers or seeds and so on. I cannot say that it is a monopoly there, but it is again a combination of certain vested interests in the villages together with the officials that really grab a large part of the amount that we are trying to push down to the villages. A very interesting study was made in this behalf by no less a person than Shri Jayaprakash Narayan. A committee had been appointed by Government to study the welfare of the weaker sections of the village community, and a report was submitted to the Ministry of Community Development and Co-operation. There are very many revealing things in that report where he has pointed out that nearly 50 per cent of the village community, who, according to him, belong to the weaker sections, are completely out of the picture as far as the com-

munity development projects are concerned, and as far as the credit facilities are concerned. So, my point is that not only shall we have to give a new reorientation to our agricultural projects and programmes, but we should really try to see that the grip of the richer sections in the villages over all the projects is removed and the real benefits go down to the real tiller of the soil or the weaker sections in the villages. Unless that is done, and unless genuine efforts are made to reach the larger sections of the people in our country, whether they be in the villages or in the towns, we shall not be able to turn the corner and we shall be going in the vicious circle and in this rut. If we really want to make a break from this situation, then, the fundamental approach and outlook of the Finance Minister and this Government have to change. We are sorry to find that instead of that, under the leadership of the present Finance Minister, there is an attempt being made to distort the vision that is before this country, to distort and sabotage the policies and programmes which are national policies and programmes adopted by this Parliament and this country and by all the political parties in this country.

**The Minister of Planning and Minister in the Ministry of Finance (Shri B. R. Bhagat):** Mr. Deputy-Speaker, before I take up some of the points raised during this discussion, I would like to clarify one or two personal allegations made by the hon. Member, Dr. Ram Monahar Lohia. In his speech yesterday, he referred to the alleged impropriety of the appointment of a certain Member of the UPSC. The allegation is completely unfounded, and I should have ignored it but for the fact that it is necessary that public confidence is not allowed to be undermined by unfounded allegations, particularly when such allegations are made on the floor of this House.

**श्री किशन पटनायक (सम्बलपुर) :**  
उन्होंने इस बारे में जो शब्द कहे थे वह कोट किये जायें

उपाध्यक्ष महोदय : भाई, भाई ।

आप सुन लीजिये ।

**Shri B. R. Bhagat:** I am giving the facts. The House will judge.

The appointment was made purely on the basis of merit and the requirement of work, and any kind of relationship had not the remotest bearing on it. This gentleman was not removed from the Bihar Service, as alleged by Dr. Lohia. He belonged to the Indian Service of Engineers and was allotted to Bihar.

**Shri R. S. Pandey (Guna):** Do not take Dr. Lohia seriously.

**Shri B. R. Bhagat:** He completed his five years' tenure as Chief Engineer in Bihar. Thereafter his services were transferred to the Central Government for six months in the first instance, later extended with the concurrence of the UPSC. On retirement from this post, he was selected for another assignment under the Central Government on the recommendation of UPSC. This assignment was not in any department under Nandaji's charge. He held it till about the middle of 1962.

His case for appointment as an Engineer Member of the UPSC was sponsored by the then Minister of Food and Agriculture, who said that he had high regard for his integrity, uprightness and professional ability. Later he added that with his knowledge, experience, competence and integrity, he would fill the office of Member of UPSC with distinction. Then again the then Minister of Commerce—now the Minister of Industry,—who had known this gentleman's work as a Minister in Orissa, also commended him for his high integrity.

After consulting the Chairman, UPSC, his appointment in the vacancy of the Engineer Member was recommended by the Home Minister to the President.

About the relationship, may I say that I would like the House to determine it? For example, if there is relationship between A and B in this way, that B is A's mother's sister's son's son's wife's uncle, 'the learned Doctor calls it a close relationship!

**An Hon. Member:** What is it?

**Shri B. R. Bhagat:** I can repeat it.—mother's sister's son's son's wife's uncle. 'This relationship the learned Doctor calls as close relationship!

**Shri Sidheshwar Prasad (Nalanda):** A real research work.

**Shri B. R. Bhagat:** Similarly, he made another allegation in regard to the National Projects Construction Corporation, a public sector enterprise, and its former Chairman, Shri L. N. Mishra, who is now Deputy Minister in the Home Ministry. I am sorry to say that here also his allegations are baseless and unfounded.

**Shri Kishen Pattanayak:** How?

**Shri B. R. Bhagat:** The facts will speak for themselves.

He referred to the construction work done by the NPCC at Darbhanga airfield. This particular work was given to the NPCC on a tender basis. The NPCC's tender was the lowest. As against the tender of the Hindustan Construction Company for Rs. 2.16 crores, the NPCC's tender was Rs. 1.46 crores, very considerably lower. In this was included supplies, cost of cement and other materials, and hence the nett value of the contract was only Rs. 80 lakhs. The NPCC was allowed Rs. 80 per 1000c. ft. by CPWD for the items of work in question, and not Rs. 110 as alleged by the learned Doctor. For the earthwork and other things the NPCC called for tenders and the rate quoted by the lowest tenderer, Messrs. Khanna Construction Co. of Lucknow, that is Rs. 69 per 1000c. ft. was accepted. The balance of Rs. 21



was kept by them for some items of work which they did themselves.

The point is that this is a public sector enterprise. Any profit made by it comes to the public exchaquer and not to any private person.

**श्री किशन पटनायक :** लोकन मजदूरों को कितना दिया गया ?

**Shri B. R. Bhagat:** The normal procedure was followed. Everything was allotted by tender, whether to the NPCC or to the subcontractor. It would be wrong to conclude that any excess profit was allowed to anybody at any stage or any irregularity was committed.

These are the facts. If you compare similar work done in other air-fields, either Ranchi or Gorakhpur or Lucknow, it will be found that the rates allowed to the NPCC were 10—15 per cent lower—for similar construction, work of a similar type.

So from any point of view, the conclusion emerges that the NPCC has done a good work and because of its participation, the public exchaquer was saved to the tune of Rs. 70 lakhs straightway. As for the work of the former Chairman, under his chairmanship it has done good work, and the work increased from Rs. 16 crores to Rs. 47 crores, and it could declare a dividend of 4½ per cent.....

**श्री रामसेवक यादव (बाराबंकी) :**  
उपाध्यक्ष महोदय,

**उपाध्यक्ष महोदय :** आर्डर, आर्डर ।

**Shri R. Barua (Jorhat):** On a point of information.

**Mr. Deputy-Speaker:** No clarification now. He is not yielding.

**श्री रामसेवक यादव :** उपाध्यक्ष महोदय, इस सिलसिले में मैं मंत्री महोदय से जानना चाहता हूँ क्योंकि इस सम्बन्ध में कुछ चर्चा हमारे दल की ओर से चली थी . . . .

**उपाध्यक्ष महोदय :** आप बैठ जाइये ।

**Shri B. R. Bhagat:** Coming to the budget discussion....

**श्री रामसेवक यादव :** उपाध्यक्ष महोदय, मैं इसकी जानकारी चाहता हूँ . . . .

**Mr. Deputy-Speaker:** As long as he does not yield, I cannot allow the hon. Member to intervene.

**श्री रामसेवक यादव :** मंत्री महोदय मुनने जा रहे हैं ।

**उपाध्यक्ष महोदय :** आर्डर, आर्डर ।

**Shri Nambiar (Tiruchirapalli):** He is most unyielding.

**श्री रामसेवक यादव :** जब मंत्री महोदय मुनना चाह रहे हैं तो मुझे कह लेने दीजिये ।

**Mr. Deputy-Speaker:** When a Member is on his legs, he cannot speak like that.

**Shri Yallamanda Reddy (Markapur):** He has yielded.

**श्री रामसेवक यादव :** उपाध्यक्ष महोदय, डा० लोहिया ने यह कभी नहीं कहा कि यह जो फायदा हुआ है वह उस कारपोरेशन को नहीं गया है और वह मिश्रा जी को गया है । उन का यह मतलब नहीं था । उनका मतलब यह था कि समाजवाद में मजदूरों को क्या मिल रहा है जब इस तरीके से उनकी भी फायदा उठाने की मंशा है ? यह एक बात रही । दूसरी जो अभी मेहता के बारे में कहा गया तो मैं चाहूँगा कि मंत्री महोदय सन् १९५६ का सारा रेकार्ड, वहाँ की सारी कार्यवाही, वह सारी चीज मंगाये और तब उस पर चर्चा होनी चाहिए । श्रीमन्, कब उन की नियुक्ति हुई है जब नन्दा साहब हमारे गृह मंत्री हुए तो जो पहले गृह मंत्री रहे उन के समय नियुक्ति क्यों नहीं हुई ? यह जानकारी रखी जाय सदन के सामने तब ज़रूर असलियत मालूम होगी । बिहार

[श्री राममेवक यादव]

राज्य विधान सभा में उस पर क्या चर्चा हुई थी और क्या बहस चली थी वह सब मंगायी जाय

**उपाध्यक्ष महोदय :** आर्डर, आर्डर ।

The hon. Member was not here while I was speaking. For his benefit I repeat that the labourers were paid Rs. 48 and not Rs. 15 or Rs. 20 as was stated by Dr. Lohia.

**श्री त्यागी (देहरादून) :** उन्होंने यह बात साफ़ कर दी है कि डॉ० लोहिया ने कोई एस्पेशन मित्र साहब पर नहीं किया था ।  
आई एन स्लैड कर दें ।

**Shri Sheo Narain (Bansi) :** On a point of order, If I make an allegation against the Government, I should be present in the House.

**Mr. Deputy-Speaker :** There is no point of order..... (Interruptions). Order, order. Let the Minister proceed.

**Shri B. R. Bhagat :** Many hon. Members said that the budget proposals of the Finance Minister did not conform to the objectives of the Congress and also that what he said in part A was unexceptionable but that the budget proposals do not conform to those economic policies. I wish to join issue on this aspect because the proposals will be found to subserve four interests: economic growth, sustained defence effort, meeting the ends of social justice and avoiding the inflationary pressure in the economy. It is not enough to look at the specific tax incentives in isolation from the expenditure which the Government propose to incur during the year. It should be looked at from an integrated point of view. Progressively, the plan outlay is being stepped up and priorities are being determined so as to stimulate growth in the most desired direction. This year, plan outlay has been stepped up by Rs. 330 crores, from Rs. 1654 crores to Rs. 1984 crores and

this has been distributed over key sectors including agriculture, irrigation, power and basic industries. Defence outlays are also being maintained at a high level which was reached last year. As compared to the revised estimates, for 1963-64 there will be an increase in defence outlay by Rs. 46 crores. Central assistance to the States have been stepped up and this year Rs. 559 crores have been provided. All this has been done precisely with a view to stimulate the growth of the economy and growth in the particular sectors necessary for increasing output. So that, the provisions relating to the raising of the resources have an anti-inflationary effect and the inflationary effect is neutralised to the maximum extent. The overall deficit is much less. It has been stated by hon. Members that new taxes should be proposed only when the revenue expenditure could not be covered by revenue receipts; that is an outmoded approach. It was a common phenomenon that the overall deficit in the past several years was yawning gap. Through a very tight budgeting the Finance Minister has reduced that gap to Rs. 86 crores, which is the smallest for the last 7-8 years, except for the year 1961-62 when the budgeted deficit was Rs. 64 crores. This has been done precisely with a view not to add any pressure on prices.

Then again, the taxation proposals serve the policy enunciated in part A. The most important objective is to promote economic growth and the proposals in regard to the corporate sector serve the main idea: to make more resources available to industrial companies for the purpose of investment and expansion along approved lines. The same is the intention in the case of the tax on dividend distribution because if the surplus is distributed instead of being taken to the reserves for the future investment, the process will be defeated. The concessions given to selective

industries are all done with a view to promote the growth in the most desired sectors from the point of view of the overall economy. So, the twin principles of growth and prevention of inflationary pressure have been very ably looked after in the Budget proposals.

Many hon. Members said that the Finance Minister has emphasised giving relief to the private sector and thus eroded the existing industrial policy resolution. If you look at this charge and considered the facts, you will find that it is not correct. For instance, it was said that the concessions given to the sectors like aluminium, fertiliser, bauxite, etc., which are listed in schedule 'B' of the Industrial Policy Resolution are also given to the private sector. If you read schedule 'B' of the industrial policy resolution in which these industries are listed, you will find that it is what may be called the mixed sector in which the State will enter progressively and enlarge its operations but the private sector will at the same time have an opportunity to develop either on its own or with State's participation. That is what the industrial policy resolution says. Industries covered under schedule 'A' for which concessions are given are coal, lignite, iron ore, iron and steel and certain items of machinery. The industrial policy resolution states that in the industries listed in schedule 'A', the existing privately owned units are not precluded and the State is free to secure co-operation of private enterprise in the establishment of new units whenever national interest so requires. As the House is aware, public sector has already made rapid strides in iron and steel; considerable progress has been made in machine-building; to permit the existing units to expand in these industries is not contrary either to the letter or to the spirit of the Industrial policy resolution. The remaining industries for which concessions have been given are all industries whose development, the resolution envisages, will ordinarily be

undertaken through the initiative of the private sector. So, the main consideration is to stimulate and help growth in these sectors and the concessions given have been guided by the considerations of growth, and not to give uncalled for concessions to the private sector. The charge that the industrial policy resolution has been eroded is, on facts, completely unfounded.

14 hrs.

Then I come to the third principle of the budget proposals and that is the principle of social justice. Many hon. Members have said that this principle has been ignored: that the spirit of Bhuvanewar is not there. They just look at the whole picture from a single or a peculiar angle and do not have an integrated view of the whole thing. That is why such charges are levelled. It has been said, and I think it is being repeatedly recognised that the concentration of wealth and economic power can be prevented only over a period of time and by a number of policies, not only fiscal policies but also other. Merely one budget proposal in a single year cannot check the concentration of power. It cannot be done in one stroke, but a number of things has got to be done. A number of policies has to be taken. What is much more important is, in this respect, a positive policy of promotion and a strong public sector. You will see that only through development and creation of public sector that this problem can be tackled.

In this respect, the House will be glad to notice that in the present position, the public sector has for the first time come to occupy a much more dominant position than the private sector. For example, in the sector of industries and minerals, the key sector, the public sector investment is today much more than in the private sector. In the third plan it is Rs. 1,754 crores in the public sector and Rs. 1,335 crores in the private sector. So, the public sector has gone ahead. This picture was not there a few years

[Shri B. R. Bhagat]

before. Take any component; for instance, iron and steel. A few years before, iron and steel was entirely in the private sector. But it has now become a dominant public sector. Machine building and such other industries are largely public sector industries or enterprises. The basic industries are in the public sector. Even in coal, the public sector is assuming an increasingly important role. Therefore, this is the correct way of tackling the problem of concentration of economic power and achieving the ends of social justice. But, all the same, in this budget itself, the Finance Minister has taken care to see that the existing concentration of power is tackled, and that is why he has taken steps to see that the existing fortunes are reduced. That is why again the most progressive taxes in respect of capital gains or estate duty or wealth-tax have been imposed. I think the fortunes can disappear in one generation instead of two or three generations, which was the position before.

Secondly, he has taken very stringent measures to put down tax evasion. Very stringent powers have been taken in respect of where actually the unaccounted money accumulates. All these powers have been taken. Thirdly, he has tried to put effective checks on conspicuous consumption in this budget itself. He has taken care to see that ample powers are taken and various steps are taken to control the concentration of economic power and of wealth, although the House must bear in mind the fact that these can be tackled only through the creation of a dominant public sector and it is the Government's policy to pursue this increasingly.

Then I come to the question of public enterprise itself. Several hon. Members have said rather conflicting things about the public sector enterprises. Some hon. Members opposite have said that the public sector enterprises are not only run ineffi-

ciently but they are not giving adequate returns and they have complained about this. On the other hand, we heard yesterday Shri K. D. Malaviya who said that to talk that public sector enterprises will give profits is nonsense. I approach this question purely from this point of view. While some Members say that public sector enterprises are not making profits, the hon. Member probably took the opposite view, namely, that those who say that the public sector enterprises should give adequate returns are opposed to that. It is not the point. To say that because public sector enterprises subserve other interests than economic interests, that, is to develop an area or indulge in promotional or other activities, and therefore adequate returns should not be expected of the public enterprises is, I think, a very incorrect view. If we accept this view, I think there would not be any growth of the public sector, because it is an accepted socialist principle in any country,—whether it is communist or socialist or a democratic socialist country, and you may not call it profit—that certainly the surpluses or the resources have increasingly to come from this public sector. Therefore, once you accept this principle that the public sector should not yield adequate returns, then you say good-bye to all socialist principles.

**Shri Tyagi:** He only wanted to help the private sector through cheaper supply of tools, etc.

**Shri B. R. Bhagat:** It may not be the intention but I think it will lead to that. Therefore, I think, to judge this whole question in the correct perspective is, as I said, this: that the public sector has got to give adequate returns. He mentioned particularly the railways. He said, how do we expect the railways to give adequate returns. I think probably he does not know that repeatedly, the Railway Convention Committee has been stepping up the dividends from

the railways. Last time, when the Committee sat, the dividend was fixed at 4.25 per cent on the capital at charge, and this year we have taken 5.75 per cent over a portion, as contribution of the railways to the general revenues. I say that if you take into account the capital investment in the railways and the working of the railways, and if you exclude those are as in which for strategic or other reasons the railway lines have to operate, then the return from the railways will be 10 per cent. Posts and Telegraphs was also referred to. We have fixed a return of 5.75 per cent for a portion in that respect also. In the case of the enterprises which are under construction or which have not reached the level of production, the hon. Members add up the figures and say that the return is two per cent or say that on those which are under construction the return is 0.7 per cent. I think that merely shows an animus against the public sector. You must see the enterprises which are earning. There are examples in the private sector enterprises which even for a long time have not yielded any dividends or profits. To expect the Hindustan Steel to give profits at once is not proper. All over the world, the iron and steel industry has a very long gestation period, and once the steel plant goes into production of one million tons, another expansion of one million tons also goes into operation. Therefore, when production and operation go both at a time, to expect those industries to yield the maximum return is to expect the impossible. And that is why in the Explanatory Memorandum, these have been categorised: these running industries and the rests. If you take their dividends, you will find they are giving very good dividends. Some of them like the Hindustan Machine Tools are paying for their own future expansion. I think to judge this question in the correct perspective will be to take the gross profits be-

fore taxation, after providing for depreciation, plus interest on the capital employed. If you judge like that, then what is the picture? During the year 1962-63, the rate of return so calculated worked out to 37 per cent for Hindustan Insecticides, 22 per cent for Hindustan Antibiotics, 21 per cent for Hindustan Machine Tools, 20 per cent of Indian Rare Earths, 15 per cent for Hindustan Cables and 12.5 per cent for Indian Telephone Industries. If you judge on the same basis, according to a recent survey by the Reserve Bank of India of 1333 non-government public limited companies for 1961-62, they have shown an average return of 10 per cent. Therefore, it is borne out by facts that a public enterprise runs efficiently if it has come to the level of a running industry, it can yield the same amount of return which a larger group of private enterprises, which are also run on similar conditions can be expected to yield. Therefore to say that these enterprises should return 10 per cent on the capital employed is a reasonable expectation. Therefore, to say that if a public sector project yields a return of 10 per cent it is a capitalistic idea and if it yields very little, it is a socialist idea is completely misleading. I think Malaviyaji will think twice before saying so. Being a socialist, I think he will have to revise his opinion in the matter.

A large number of hon. Members have spoken about agriculture. Mr. Jain also referred to this. A misunderstanding is being created by their speeches and the Finance Minister has given a cold treatment to agriculture, because not enough is being mentioned in the budget speech. Malaviyaji said yesterday that the budget was industry-oriented and agriculture was completely ignored. He pleaded for massive aid to the cultivators, since marginal concessions will not help to deal with the huge problems posed by agri-

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culture. If hon. Members see it in a proper perspective, this charge will be completely unfounded, because the House should realise that agriculture is a State subject. The Finance Minister has considered the basic problem about it. Whether it is the promotion of agriculture through intensive development in 80 districts or giving adequate price to the farmers or various other means; what important role agriculture has to play in the growth of the economy—all these are there. I think to expect more will not fit in the scheme of things of a Central Budget, because agriculture is entirely a State subject. If you look at it from that point of view, here I would like to enter into caveat with the hon. Members who have said that Government is trying to ignore agriculture. If you see the recent provisions made in the Plan outlay, it will be found that repeatedly the Plan provisions for agriculture have been stepped up.

For example, in this year's budget, the plan outlay for 1964-65 is Rs. 25 crores more than last year for agriculture. Last year it was Rs. 121 crores; this year it is Rs. 146 crores. The Finance Minister has very kindly said that he would be prepared to give more assistance to the extent of Rs. 15 crores or so this year. Similarly, if you take the provision for irrigation, there again, the outlay this year has been stepped up from Rs. 121 crores to Rs. 136 crores; i.e. by Rs. 15 crores.

**Shri Tyagi:** It also includes community projects.

**Shri B. R. Bhagat:** No; that is not true. In power also, there has been a very big step up. Part of it goes to agricultural promotion. There has been a step up by about Rs. 24 crores. So, the financial outlays for agriculture have been increased. Similarly efforts are being made to push up the agricultural production programmes so as to create the quickest

possible returns in terms of increased agricultural production. The Finance Minister referred to the 80 districts in which agriculture will be taken up on an intensive basis.

**Shri R. S. Pandey:** In order to give incentives to the farmers, it is high time to appoint a high-powered Agriculture Commission, to go thoroughly into the details of agricultural problems, as the Royal Commission on Agriculture, which was appointed in 1926.

**Shri B. R. Bhagat:** I think the hon. Member is completely out of date, because it is not lack of knowledge about the causes which is halting agricultural production. The causes are known. The only thing is how to provide the remedies. What incentives and facilities for farmers are required and what sort of organisation has to be created so that every facility reaches the field level? For that, no fact-finding Commission is required. They are all known. The point is how these coordinated and integrated activities could be made to reach the field level and they have got to be provided in efficient manner.

What was the experience of intensive agricultural development over a smaller area is now being done on a crash programme basis in 80 districts and 1500 blocks spread all over the country. It will deal with not only foodgrains, but various other cash crops, which are very good raw materials for our industry and which find export also.

Therefore, in these areas the necessary organisation is being created and not only the official machinery, but non-official machinery like district production board and agricultural production board, are being created, so that agriculture may get the benefit of the organisation that has been lacking till now.

Now I come to the question of prices, which is a very important

question, because it gives great incentives to the producers. Several measures have been taken by Government in recent years towards achieving the objective of providing the minimum prices. For example, minimum price has been fixed for rice, wheat, and jowar and minimum price has been fixed for major commercial crops like jute, cotton and sugarcane. These prices are also revised from time to time to reflect the market conditions, so that the return which the cultivator gets is not out of tune with the costs. About market and provision of credit, it is true that the credit required by the farmer is to be augmented on a bigger scale. The smaller farmers, who often times do not have the requisite security to offer are to be looked into, because they form the larger majority of the population. This is being precisely looked into and action is being taken in these 80 districts so as to provide credit on a crop security basis, instead of on land security basis, so that this difficulty to the small farmer about security can be taken care of. Similarly regarding marketing facilities, every year more credit is being given on a percentage basis to the farmers who come to the co-operative societies. The hon. Member laid stress that the Government should encourage co-operative societies and he offered several suggestions. These are being precisely done and it is expected that the co-operative marketing societies will be created in these districts and they are being helped through credit and regulated markets all over the country.

Therefore, whether it is in the matter of physical targets or by way of increased pesticides for fertilisers, more foreign exchange has been allotted by the Finance Minister for these things, more credit is being made available in these districts for increased agricultural production, better prices are being given and coopera-

tives are being encouraged. From every point of view, if you look at the problem of agriculture you will find that it is not being neglected. The country cannot afford to neglect agriculture and every effort is being made to improve agriculture.

**Shri D. S. Patil (Yeotmal):** Sir, may I ask the Minister.....

**Mr. Deputy-Speaker:** Order, order. May I know what time the hon. Minister is likely to take? He has already taken 40 minutes.

**Shri B. R. Bhagat:** I will take only a few more minutes.

I was saying, Sir, that every effort is being made to push forward the programme in the agricultural sector. The hon. Member said that the budget does not say anything about any incentive or relief being given to the farmer. In a central budget, actually there are very few items in which the farmer is directly concerned, very few taxes are levied. He referred to kerosene and diesel oil. The primary consideration is the consideration of foreign exchange. Whatever levy we have done is with a view to conserve foreign exchange in respect of these things. It is true that some of these direct subsidies may help the farmers, but there are other considerations also like the consideration of foreign exchange. Therefore, on the balance of it, it is recognised to day that whatever is possible should be done and it is being done to help the farmers in producing more. Therefore, to say that the Finance Minister has either not cared for the objectives of the Congress, or whatever objects he has laid down in part 'A' of his speech...

**Shri D. S. Patil:** May I ask one information from the hon. Minister? The creditworthiness depend on the capacity of production.....

**Mr. Deputy-Speaker:** Order, order. The hon. Member may resume his seat.

**Shri B. R. Bhagat:** In conclusion, Sir, I would say that the hon. Members, because they have looked to

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the whole economy, which is a complex and many faced phenomenon, from their specific angles and narrow point of view, some of them have found that concessions have been given to the private sector. Although the corporate sector has been induced towards growth there has been no concession. Actually the net tax levied on the corporate sector is Rs. 11 crores more than what was levied last year. Hon. Members have forgotten that there has been definite relief given to the lower income groups. The Finance Minister has given special benefits to the lower income employees of the Government and other categories. In the past this has been the practice and I think in the future also he will come forward with increasing direct benefits to the weaker section and lower income groups of our society so as to subserve the common objective of social justice to provide incentives where it is due.

Therefore, whether it is agriculture or basic industries, they fit in a definite pattern, and the pattern is of planned development that has been adopted in the Third Plan. The objective is the objective that has been propounded in the Bhuvaneshwar resolution, the objective of providing a minimum to the people of this country by the end of the Fifth Plan. Everybody recognises that you can divide a cake in as many parts as you like, but the more important thing today, at this juncture, is how to increase the size of the cake. Therefore, that is what is being done all the time. At the same time, through fiscal measures, through other measures, through the promotion of agriculture, by giving relief to the farmers and by providing incentives to them and to the industry, we are trying to see that social justice is being done and we are able to enlarge the cake, the size of the cake. We also try to set in motion the distribution

process through fiscal and other measures so that the objectives of socialism and social justice laid down in the Bhuvaneshwar resolution is achieved.

Therefore, Sir, from whatever angle you may look, through whatever facts you may see, the picture is that this budget conforms to the resolution of Bhuvaneshwar and it is a socialist budget.

**Shri Nambiar:** Question.

**Shri B. R. Bhagat:** It will promote the growth, defence and the larger well being of the country.

**Shri Bhagwat Jha Azad** (Bhagalpur): Mr. Deputy-Speaker, Sir, while I was hearing the intervention of the State Minister for Finance, I was thinking that I will have to make some changes in my speech or the brief which I am holding after the budget has been presented in this House. I regret, Mr. Deputy-Speaker, I have nothing to change. It is nothing but the enunciation.....

**Shri B. R. Bhagat:** You are so unchangeable?

**Shri Bhagwat Jha Azad:** The hon. State Minister said that those who are not seeing that there is something socialistic in this budget, which is there, mean to say that who do not see them are blind. Like the king in new clothes, he should have said: "Those who cannot see are blind". That is the only thing he did not mention.

Sir, like my other hon. friends in this House, belonging to all sides, I would like to examine this budget on a broad perspective and examine its broad aspects. Unlike in other years, I do not propose to go into the detailed measures, especially the tax concessions, the deletions and substitutions that have been made. That need not be done, because I feel that this budget is raking up some sort of fundamental things which are to be examined very thoroughly.



Last year, I congratulated the then Finance Minister, Shri Morarji Desai, for his boldness and courage of conviction, though I had difference with him on many points. I must congratulate the present Finance Minister for his cleverness and intelligence with which he has tried to re-shape the economic policy of this country according to his conviction.

Sir, I see in this budget a gradual erosion of the Industrial Policy Resolution of 1956. Not only that I feel that it will in the long run bring a change in the relationship of the social good and individual prosperity—what we call in other words the public sector and the private sector—I do not find that this Budget proposes any measures to reduce the prices for which the hon. Finance Minister has shown great concern. It goes to appoint a commission, but it does not show the awareness about concentration of economic power in the form in which it has grown. I think this Commission would enquire from the very ABCD of our country. These are the broad aspects on which I would like to examine the budget.

Coming to the Industrial Policy Resolution, speaking during the debate on the mid-term appraisal of the Third Five Year Plan I quoted detailed statistics to show that there has been a gradual erosion of the Industrial Policy Resolution of 1956. I make bold now to say that that erosion is very fast and unless we get another statement from the Prime Minister as was done in 1948 and in 1956, we feel that it may change so much that it may be a piece for the museum or the archives and it may be impossible for us to recognise the Industrial Policy Resolution.

**Shri Namblar:** That is right.

**Shri Bhagwat Jha Azad:** Thank you very much, Shri Namblar, but I do not want any praise from you.

2346 (A) LSD—5.

**Shri Namblar:** He is speaking the truth.

**Shri Bhagwat Jha Azad:** My party Members understand me and that is why they do not cheer me. I was saying, Mr. Deputy-Speaker, that the time is fast approaching when, unless we do something, it may not be possible for us to recognise the Industrial Policy Resolution of 1956 and it may be a piece for the museum or some archives.

The Minister of State has taken great pains to explain that there is nothing said in the budget to show that there is something wrong with the public sector, and anything wrong said about the public sector is unacceptable! I feel that this Budget has pulled down the image of the public sector. If I had the 50 minutes time as he got, I would have also quoted from the Budget speech. We also do not hold, nor did Shri Malaviya who spoke yesterday to which he made repeated reference, that the public sector should not make some profit. This Budget gives the impression that the public sector should make enough profit, much more profit than the private sector, to contribute to the general revenue, to the general resources and also to build a reserve for its own expansion. I think the public sector should make profits. But the public sector must sit a norm for making profits. Otherwise, if the public sector undertakings are supposed to make profits, it indirectly justifies the huge profits that are being made by the private sector for the gain of a few individuals. And, therefore, what we object to is this.....

**Mr. Deputy-Speaker:** We have to take up non-official business at 2-30. But I would like to give a chance to more Members, if the House agrees, and then we may take up the non-official business a forty-five minutes later. There are only two resolutions.

**Shri Namblar:** Then the programme may be upset, because after the

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hon. Minister replies there is one resolution which has to be completed, and then another resolution has to be taken up.

**Mr. Deputy Speaker:** We will take up both those resolutions.

**Shri Nambiar:** Otherwise that will get lapsed.

**Shri Thirumala Rao (Kakinada):** Is it your proposal, Sir, that we should sit till 5.45?

**Mr. Deputy-Speaker:** We can take up the third resolution also.

**Shri Thirumala Rao:** There are a number of engagements, and not knowing of this proposal about extension we have agreed to these programmes.

**Mr. Deputy-Speaker:** If the House agrees we can sit half an hour late.

**Some Hon. Members:** No, no.

**Mr. Deputy-Speaker:** Then Shri Bhagwat Jha Azad will continue on Monday. We will now take up non-official business.

14.32 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS  
THIRTY-FIFTH REPORT

**Shri Muthiah (Tirunelveli):** Sir, I beg to move:

"That this House agrees with the Thirty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 4th March, 1964."

**Mr. Deputy-Speaker:** The question is:

"That this House agrees with the thirty-fifth Report of the Committee on Private Members'

Bills and Resolutions presented to the House on the 4th March, 1964."

*The motion was adopted.*

14.32½ hrs.

RESOLUTION RE: PROCLAMATION OF EMERGENCY—contd.

**Mr. Deputy-Speaker:** The House will now proceed with the further discussion of the following Resolution moved by Shri Tridib Kumar Chaudhuri on the 21 February, 1964:—

"This House is of opinion that the Proclamation of Emergency declared by the President on the 26th October, 1962 need not be continued any further and hence recommends to the Government to advise the President to revoke the same."

The hon. the Home Minister to continue his speech. Thirty-one minutes are left for this Resolution. The Home Minister has already taken eight minutes, so twenty-three minutes remain out of which I have to give some time for the reply also.

**Shri Tridib Kumar Chaudhuri (Berpampur):** I must have some time for reply.

**Mr. Deputy-Speaker:** Yes, he will have seven minutes.

**The Minister of Home Affairs (Shri Nanda):** Mr. Deputy-Speaker, Sir, I intervened in the discussion on the resolution tabled by Shri Tridib Kumar Chaudhuri recommending that the Government should advise the President to revoke the Proclamation of Emergency and I had made a few observations when the House adjourned on the last occasion. I stated then that I was very keenly conscious of the fact that the Proclamation of Emergency armed the Government with very wide powers.

powers of an exceptional character of an extraordinary character. Naturally, these are not powers for ordinary times or for ordinary purposes. This is true, Sir.

But the approach of the hon. Member sitting there, Shri N. C. Chatterjee, was inexplicable to me. What he said about it was rather surprising. I may not have fully grasped the intent or the meaning of his observations. It appears to me, Sir, that according to him it is inconceivable that in any situation the fundamental rights of the citizen which are enshrined in the Constitution should at all be taken away. And he reminded us of the British times when, he said, nothing of this kind had happened and even that autocratic power had not taken away the civil liberties of the people to this extent. Sir, when the Constitution was framed.....

**Shri N. C. Chatterjee (Burdwan):** I want to make one position clear. I stressed the point that the access to the Supreme Court and the High Court should not be blocked as has been done this time, and that was not done even in the British time.

**Shri Nanda:** I do not want to enter into the Constitutional niceties in view of the limited time available. But if the Constitution arms the Government with certain powers which override certain rights, and if special laws are made under those provisions, then certainly the Government has to be protected against any kind of claims against it arising out of the exercise of those powers. We are not discussing the amendment of that Article of the Constitution. That is not the purpose here. The

question before us is this. According to my hon. friend, irrespective of the question whether those provisions are repugnant to the Constitution or not, Fundamental Rights in no case should be contravened.

My limited purpose now, Sir, is this. The framers of the Constitution provided for the full plenitude of freedoms in the Constitution. And if they had not then felt that occasions may arise when these very freedoms this latitude may become a handicap, then they had not visualized they had not pictured to themselves—the treacherous role of China. But they certainly had in mind that some such situations may arise when there may have to be a suspension of certain rights provided in the Constitution.

Now, those circumstances arose. When those circumstances arose, for this Government or for any Government, it is inconceivable that they should not have had recourse to the exercise of those powers. That would have been a betrayal of the interests of the people, of the country. It was indeed very heartening to see that the House responded with such great enthusiasm, it was very heartening, and there was no reservation at all in the minds of anybody about arming the Government with all the powers which the Proclamation of an Emergency makes provision for.

The question now is whether conditions have so changed in the intervening period that it is now no longer necessary to have the exercise of those provisions and therefore the Proclamation should be revoked. That is the question. Before we come to any conclusion about it, let us look at what those provisions are, what the rationale behind it is, what the purpose is.

[Shri Nanda]

In these various provisions in the Constitution pertaining to the Emergency there is an approach that things which have to be done in the interests of defence should proceed—those activities should proceed smoothly. And, because certain obstructions might otherwise arise on account of the varying laws in the different States in the country and because certain other powers which the States exercise might hinder the implementation of certain programmes, therefore certain Articles have given power that laws can be made which will remove that barrier, so that the Central Government can have laws which enter into the sphere of the States also. Similarly regarding the executive power. This is in order that those activities may proceed, and without any kind of delay or hindrance. Then there are other provisions which are meant to enable certain Defence activities to proceed, which otherwise might not have been carried out. There might be delays, and those delays are to be avoided. I do not want to go into all those details. Certain procedural restrictions—those which would prove to be dilatory—they have been overcome. Penalties have been made more deterrent. These are the kind of things which constitute the armoury for the purpose of making the preparations for defence more smooth and more effective.

Questions have been raised on one side that we have not made full use of certain powers, and on the other side that there has been misuse of those powers. The question about the misuse of those powers relates primarily to the operation of those provisions which relate to the powers of detention. When we look at the manner in which this power is exercised, the extent to which this power is exercised, it will be very clear that there has been no such extreme or excessive use of

those powers. The number of persons who have been detained is not so large as to create any kind of suspicion that there has been sweeping use of those powers. Out of a total number of 1,323 persons detained up to 10th February, 1964, as a result of the review 1,041 have been released, leaving only 282 persons under detention.

**Shri Nambiar (Tiruchirapalli):** That proves that detention was wrong, *mala fide* and unnecessary.

**Shri Nanda:** That proves something else. That proves that reviews were made frequently and wherever it was found that there was less danger from certain sources because of better sense dawning on certain people, there was greater relaxation and more releases.

**Shri Tyagi (Dehradun):** They are not thankful at all.

**Shri Nanda:** Of the persons under detention it is understood that 186 did not have any political affiliation. Of the remaining 96, there were 61 Communists, 9 Congressmen, 4 Jamait-e-Islami, 2 Jan Sangh and 1 Socialist members; others 19.

**Shri Ram Sewak Yadav (Barabanki):** So, Socialists are more patriotic than Congressmen.

**Shri Nanda:** The Socialists are so microscopic that even one would have been too many.

**श्री रामसेवक यादव :** इस को देखने के लिए नजर चाहिए ।

**Shri Tyagi:** Did the hon. Minister say Congressmen also?

**Shri Nanda:** Yes.

**Shri Tyagi:** I protest. Why should Congressmen be there?

**Shri Nanda:** Out of millions of Congressmen, a few could not be as

good as the hon. Member Shri Tyagi is.

श्री रामसेवक यादव : बुरे ज्यादा होते हैं,  
अच्छे कम होते हैं ।

**Shri Nanda:** I have very little time at my disposal and so I have to proceed.

**Shri Gauri Shankar Kakkar (Fatehpur):** How can a Congressman do wrong!

**Shri Nanda:** So, it is a totally erroneous notion that these powers have been used to suppress any party, or to strengthen any other party, or for any other political purposes. It is very clear from the figures. Since the number also is very small, I hope...

**Shri Dinen Bhattacharya (Serampore):** What about the two M.Ps. of our House—Shri Dasaratha Deb and Shri Biren Dutta of Tripura?

**Shri Ram Sewak Yadav:** What about Shri Maurya?

**Shri Nanda:** Members of Parliament are very much better persons than the normal run of people in this country. Still, they are also fallible.

**Shri Dinen Bhattacharya:** They were here before the day they were arrested.

**Shri Tyagi:** There must be some grouse.

**Shri Nanda:** There was also a feeling or suspicion that labour activities were suppressed and certain trade union workers were arrested and detained under the exercise of these powers. Now, being a trade union worker myself, I am particularly sensitive on this point. I was also detained during an earlier period.

**Shri Dinen Bhattacharya:** By the Britishers.

**Shri Tyagi:** So, you are taking revenge.

श्री राम सेवक यादव : तब तो मंत्री  
महोदय को पता होगा कि वह ब्रिटिशर्स से  
भले हैं या ब्रिटिशर्स उन से भले हैं ।

**Shri Nanda:** I can say with absolute confidence that no trade union activity as such and no trade union worker as such has been penalised. It is incidental. If some arrests have taken place and some persons have been detained, it is incidental to the fact that their activities were prejudicial to the security of the country. In a certain part of the country, an attempt is made to paralyse the means of communication and they are disrupted. It may be hundreds of miles away from the border area, but it will affect the effectiveness of our defence, it will affect or undermine the preparations that are afoot for the purpose of strengthening our defence, it will affect the integrity of the economy of the country. A very few such cases have occurred. But when you look into them, when you closely examine those cases, it will be found that there was no case of bias against any trade union worker and there was no intention at all to stifle any trade union activity in any manner.

There were also some cases of newspapers. There also the number has been very few. Arrangements that have been made are such that it is not at all possible for any kind of hasty action to be taken without the fullest consideration of any impropriety that might have been committed—any violation of the spirit of the emergency provisions that might have taken place. There is the initial scrutiny, then the show-cause notice and so on—all these processes are there. So, actually the press has not been affected. Of course, there is a direction that these provisions have to be exercised with due regard to the purposes for which they have been made available to Government, but nothing will be done in excess of the absolute needs of the situation.

But that is not the main question. The main question is the misuse of those powers. The purpose of the members who spoke for the Resolution would be to go at the Government and to see that the misuse is stopped. That is perfectly all right. But that is

[Shri Nanda]

not at all relevant to the main purpose of the Resolution. If it is the suggestion that because there is misuse, therefore, the proclamation of emergency should be revoked, that is an independent question. There should be no misuse. Let us try to prevent it.

If there has not been enough use of those powers, as has been urged by some hon. Members, it may be that those powers are kept in reserve and not being used. If occasions do not arise for their use or exercise, well and good. But they are there and the fact that they are there has a deterrent influence. Many things do not happen because the powers are there and can be exercised. So, that also is no reason for the revocation of the proclamation of emergency.

Then, there is the other argument that while the situation calls for some stern action and the Government should be armed even more effectively than is being done, there is something lacking in the efforts of the Government. There is some such feeling in the country. Then again, the answer is not to revoke it, but to castigate the Government so that they may take prompt action. After all, it is not a matter for the Government alone. It is a matter for the whole of the people of the country. Let us all with one voice say that more should be done than is being done now. It is not an argument at all to say that because it is not done, so, there should be no emergency provisions at all. That approach is totally wrong—if that is the object of the hon. Members.

But if their object is something else, that is a different matter. If the hon. Member who has moved this Resolution and those who supported him feel that the situation has so changed that the emergency ceases to exist and, therefore, we need not have those powers, then, the hon. Member will have to look at the facts. Is the position so? Is it that the threat posed against this country now is any bit less than it was at that time? I think it is very

much more, much graver now than earlier. I need not go into all the facts of the case as to the quantum of Chinese forces now and at the time when they made the massive attack.

**Shri D. C. Sharma (Gurdaspur):** And the Pakistani forces also on our border.

**श्री राम सेवक यादव :** क्या इमर्जेंसी कोई तोप है, जिस से चीन और पाकिस्तान का मुकाबला करेंगे ?

**Shri Nanda:** There is the additional factor that they are also entrenching themselves. They are making some kind of permanent arrangements there,—communications, roads and all that,—so that it does not appear as if they have no hostile intentions, they have no evil designs.

Is it any hon. Member's case that they are not there? They are visibly there. Or, is it the case that being there they do not intend to do any mischief? It cannot be. Then what is all this for?

In addition, there is this new and sinister development of Pakistan and China aligning together and coming to some kind of an understanding which is now open. That might possibly have been a secret some day but now there is no secrecy about it. With all that, I think, the threat now is manifold compared to the earlier time.

**Shri Tyagi:** Despite that your arrangements seem to be rather slack.

**Shri Nanda:** Then you can abuse us for that; but let nobody say that the Proclamation of Emergency should be revoked. Bring out those things and let us have a discussion on that.

I believe, we have not been sitting idle. I am sure, the hon. Defence Minister has occasionally presented whatever information it was possible for him to give how during this period we have strengthened our defence arrangements. We have not been sitting idle. We are in a much better position to deal with the enemy than we were before and this respite has

been used to good purpose. If that is so—during whatever more breathing time we have—it should not be that we should get rid of those powers and sit still but we should use them more vigorously and more effectively. That should be the suggestion; that should be the approach.

Then, another reason could be that it might be that those people are still there and are strongly placed; it might also be that with Pakistan and China coming together, this threat and danger to the independence and integrity of this country has become graver still, but other things have happened and there are other developments and we have no intention of fighting because some shift in policy is occurring. That could be another argument. But it has been made very clear that there is no such shift at all. China has never come out with any kind of a pledge or assurance that it is going to accept the Colombo proposals in full. It may have its own version and interpretation, but that is not the way we have accepted them and they are not prepared to accept them still. This is their position now. They are not even prepared to accept the other efforts that we have made of taking the dispute to the International Court. Therefore there is no inclination at all to have a peaceful settlement. That is the position now. Therefore we cannot relax our efforts, vigilance, and preparedness for defence.

In these conditions, therefore, for anyone to suggest that we give away these powers the use of which, as I have shown briefly, is helpful for the purpose of defence arrangements—will be losing sight of the needs of the country for the purpose of defence.

Then, there were some other arguments. It was said that we might have the powers when the situation again arises; there is nothing now, therefore do not have the powers. We can resume these powers when the situation arises. That, I believe, no serious person would have thought of. It means that immediately the fighting

stopped—it stopped months ago—we should have revoked the emergency and then we should have waited till fighting started. That is certainly no way of dealing with a serious situation like that. It is this period when there is no fighting which is much more important for our purpose of facing the situation later on.

Then, there was the question of acclimatisation. It was said that if we keep the emergency provisions when there is not so much seriousness about it, then, when actually the situation arises when these are very much needed it will not serve the purpose because people will have become acclimatised to it. That is only on the supposition that there is no real emergency. But that supposition is not correct. Therefore, if it is that people have now lost the sense of emergency anywhere, let us try to revive it by whatever means that are available to us and not say the other way about,—namely,—that we leave them to themselves and do nothing about it.

There was one more argument and that was about something which I am supposed to have said. The actual words were different.

**Shri D. C. Sharma:** Why are you always misreported?

**Shri Nanda:** Not always; it is only on rare occasions when it suits the purpose of somebody to misreport. I was supposed to have said that the emergency is going to be ended soon.

**Shri Tridib Kumar Chaudhuri:** You said, "We want to end the emergency soon". That is what you said towards the end of December.

**Shri Nanda:** I know, what I said and I am going to explain what it means. It was in the context of the discussion of the Preventive Detention Act. I was told, "Here you have got the Defence of India Rules; why, therefore, have the Preventive Detention Act also? The answer was that these are a different set of circumstances—that is—Preventive Detention Act and Defence of India Rules,

[Shri Nanda]

and it may be—we will welcome that day—it should come as soon as possible—that the Defence of India Rules are not required because we are free from that menace to the security of the country. And still internally such a situation may be there that we might require the Preventive Detention Act. In that context I said that I will be very happy if the emergency is ended soon. That was the idea; it was not that I had promised. How could I promise? It is for those people to promise who may know about the Chinese intentions and can make a prophesy to say that things will not flare up again; they will go back and therefore there will be no need for any emergency. But since we do not know those intentions, it is not possible to end the emergency.

**Shri Tridib Kumar Chaudhuri:** Mr. Deputy-Speaker, Sir, I am afraid, the hon. Home Minister has missed the central point of the demand that was raised during the course of the debate on my Resolution. Sir, this Resolution is really an expression of the want of confidence in the way the Government have used the emergency powers. These emergency powers were given in their hands to gear up the defence and to mobilise the national resources and manpower for driving out the enemy from our sacred soil. But, unfortunately, by their policy of drift and vacillation, by their policy of weakness and their abuse of the powers that were given to them they have completely killed the sense of emergency.

I may also remind him of the fact that India is not the only country which is fighting a war. There have been other countries which fought their wars—and fought them successfully—and they did not have recourse to such powers for gearing up their defence resources. They did not have the need for them because they were serious people and they knew business.

15 hrs.

But so far as our Government is concerned, I will here refer to some of

the emergency powers that we have put in the hands of the Government. Article 353 practically renders the entire Government of India a 'unitary government'; that is, in spite of the State Legislatures, State Governments and the State List of constitutional powers being there, the Central Government can intervene in the States' sphere as and when necessary. We have seen how the various State Governments have moved and behaved during the past 14 months. We have seen how petty scrambles for power, Minister moving against Minister, Cabinet Member moving against Cabinet Member for offices, with intriguing aims against one another, have happened before the eyes of the people. Do you mean to say that you keep up the spirit of Emergency and spirit of national defence in this way? The only thing that you have done is to take powers under article 359 to write off the fundamental rights of the people. Even if the fundamental rights were not written off in the fashion that you have done, even then the defence efforts would not have suffered the least. I would remind the hon. Minister of one famous saying of a great Judge of Great Britain who said:

"Amidst the clash of arms, the laws are never silent. They speak the same voice in peace and war."

Unfortunately, we have here special laws which are only used for killing all those basic rights which make our fundamental rights, which go to make our Constitution unique in the world. These are wiped off. Under article 19, we have guaranteed 7 types of freedoms to the citizen. These are wiped off. Then, article 14, right to equality, before law, goes. Again, articles 21 and 22 go. Only article 31 relating to private property is not touched. The way these powers have been used is alarming. Only this morning, we heard how the two hon. Members of this House have been arrested under D.I.R. because of speeches that they made six or eight months ago. Do you mean to say that



if they were not apprehended under D.I.R., the whole defence effort of the Government would have collapsed? I may also cite the case of hon. Member, Shri Kishen Pattanayak who belongs to the Socialist Party who are not satisfied with the type of defence efforts that we are putting up. If anything at all, they can be called "ultra-defencists". He made a speech against the injustice of revenue officers in the collection of defence funds and he was hauled up before a court of law under D.I.R. and kept in jail without trial for several months until the Supreme Court could be moved and he could be released on bail. Do you mean to say that this is the way you are gearing up your defence efforts? Do you mean to say that if hon. Member, Mr. Kishen Pattanayak, was not arrested and kept behind the prison bars, your defence efforts would have collapsed? You are doing the things that you ought not to have done, and you are not doing the things that you ought to have done. That is why we want that the Emergency should be lifted. We do not trust this Government with the great powers that we have given to them.

**Mr. Deputy-Speaker:** The question is:

"That this House is of opinion that the Proclamation of Emergency declared by the President on the 26th October, 1962 need not be continued any further and hence recommends to the Government to advise the President to revoke the same."

*The motion was negatived.*

15.05 hrs.

#### RESOLUTION RE: LAND REFORMS

**Shri Nambiar (Tiruchirapalli):** Mr. Deputy-Speaker, Sir, I beg to move the following Resolution:—

"This House recommends to the Government to take immediate steps by way of legislative and executive measures to bring about a thorough land reform including

transfer of ownership of land to the tiller, removal of rural indebtedness and provision of proper marketing facilities with price supports."

Sir, I have the honour and privilege of moving this Resolution before the House for its adoption. This is a question which is hanging fire for the last 17 years ever since we become free, particularly after the planned economic development took place. The Government and the ruling Party has been telling us that land reforms would be effected speedily. But I am sorry to say that much has not been done, not only that the land is not given to the tiller, not only that no better land tenure is brought in to effect production of agricultural goods, but something worse has been done during all these years. Landlordism and all its concomitant evil effects do continue to remain in all colonial and semi-colonial countries and we have nothing to boast of towards success in eradicating the same. No country which desires progress, which desires industrialisation, which desires production of goods, food, raw materials, clothing and other necessities for the people, can afford to neglect this task unless it does it at its own peril. In the past the feudal system might have served a progressive role once in history compared to its earlier forms of slavery and tribal despotism, but its continuance any further will only lead to our national ruin.

I submit that this feudal system must go for two main reasons. Firstly, it will enable the peasant, then the actual tiller to produce as much as the nation wants in foodstuffs and industrial raw materials and secondly it will usher in a new era of a different socio-economic order not only in the countryside but in urban areas. I say, remove the fetters of the peasant, encourage him by giving better implements, credits, fair price and marketing facilities, and he will solve much of the present crisis. He will enable you not to go in for alms, loans, PL-480s and what not. He will even save the nation's honour, stabilise its

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economy and national defence and contribute to a well-contented population at home. The present rulers do not want to end this, though they know that there is truth in the demand of the peasant. They do not do it because they find that there is a selfish desire of the ruling Party behind this as many of them are connected with feudal lords or feudalism. Otherwise, such a phenomenal failure could not have taken place in this vital sector. The ruling Party talks tall about land reforms in season and out of season with no achievement whatsoever to their credit. In the First Five Year Plan itself, on the policy of land reforms, it is stated:

"The future of land ownership and cultivation constitutes perhaps the most fundamental issue in national development. To a large extent, the pattern of economic and social organisation will depend upon the manner in which the land problem is resolved."

These are not my words. They are the words of the very planners who wrote them. May I put a question that after 13 years of this statement how much land has been handed over to the tiller of the land, how much land has been taken as surplus from the landlords and how far has rural indebtedness been eradicated or brought down? In these answers lie the success or the failure of the implementation of the reform. I know that they will claim that they have removed zamindars and jagirdars and have brought more or less a uniform system of ryotwari land relations. By this process, I submit that they have only filled the coffers of the zamindars and jagirdars to the extent of about Rs. 450 crores, and I consider that this was nothing but a windfall to them who had no reason or rhyme to claim such huge compensation. But, on the other hand, what is it that has been given to the tiller? The tiller has not got the land, but he is to serve, instead of under the zamindar or jagirdar, under another new set of

landlords who have been created by such transfers. How did this lessen the burden of the actual tiller? The zamindars and jagirdars got windfalls, as I have already stated, and today, this amount of Rs. 450 crores of which Rs. 100 crores have already been paid and the remaining has been given in the form of bonds—is being used by these zamindars for other purposes, to corner the national wealth and to bring much more money into the blackmarket.

Coming to the question of the land reforms that have been made with regard to the ryotwari system, excepting for the fact that there was a promise of land legislations and certain measures here and there in some States, nothing concrete has been done. I may quote the instance of the Kerala Agrarian Relations Act in this connection, the only Act of its kind which proposed to give substantial concessions to the tiller including ownership of land over and above the ceiling of 15 acres; that has been quashed by the Supreme Court. This has put a premium on having no effective legislation of this kind. Now, at least, after so much of agitation, and after waiting for seventeen years, Government have come forward to say that they will bring forward an amendment to the Constitution by way of the Seventeenth Amendment and they will remove the lacunae and see that these land legislations are put on the statute-book. They have taken seventeen long years for this purpose.

I may also quote the instance of the Madras Act which also promises something like land ceiling, but in effect, it has not brought any such advantage. In Madras, the land relations Act has been passed, placing the ceiling at 30 standard acres for individual holding, giving enough loopholes to extend it to 60 standard acres for bigger families. The exemptions given to sugarcane farming, sugar factories and the so-called efficiently managed farms etc. provide a sufficient means to

evade the ceiling. In the Madras State, landlords have made *benami* gift transactions in the name of public institutions, to evade the effect of ceiling. I would ask the hon. Minister, and I have asked the Madras Government as well, to tell us and the people how much land they have got by way of surplus after this legislation. But the Madras Government have not made a mention of it for the simple reason that they know that there is no, practically no, land to be taken in the form of surplus land, as sufficient time was given to the landlords to partition their land, write documents in the registrar's office and make *benami* transactions and do everything in a completely fool-proof manner so that no surplus land was left. This is exactly what has happened in Madras. and I challenge the Government whether my statement can be contradicted by the Madras Government or by the Planning Commission. This was deliberately permitted by Government, and the Madras Government knew that it was going to be so. Still, they gave enough time to do so. Similar is the case more or less with regard to the other States as well.

This is borne out by the fact that no land which has been taken has been distributed to the tiller in any State under the ceiling scheme. Let the hon. Minister tell us whether any land has been given to the tiller at all. I have gone through the book on the progress of land reforms, and I have searched and searched for statistics to show that the land has been given to the tiller, but to my utter dismay, I have found nothing there. If the hon. Minister could tell us, I shall be very happy to have the figures. Not only have these land reform legislations for passing on the land to the tiller not been satisfactorily enacted, but even with regard to the land tenure legislations, I can state that today, there is so much of uncertainty for the peasant that any day his land may be taken away. There is no question of more land for him or of his becoming the

owner of the land, but the danger is that whatever he has is being threatened to be taken away. Not only is there a threat of its being taken away, but in thousands of cases, the security in tenure is a misnomer, as he is actually only a tenant-at-will without any records; and large-scale evictions are taking place with the result that whatever land was given in the hands of the tenant is no more going to be with him. In thousands of cases, the civil courts go to the aid of the landlords as the tenants are unable to produce any record of rights. Tens of thousands of peasants have tilled the land till the other day, but they are now being thrown out as agricultural workers, thanks to the connivance of the officials of the Government and the way that our civil courts behave. This phenomenon is taking place throughout the country.

It was against this phenomenon that in the Madras State, in 1961, thousands of peasants rose and conducted a nation-wide or State-wide struggle wherein 15,000 peasants went to jail to record their protest. They want land ceiling to be brought into effect and the land to pass on to their hands. But, apart from the so-called land legislation which has been passed, to which I have already made a reference, there is nothing more concrete, and today I find that in various districts of the Madras State, such as Tiruchirappalli and Tanjore and in all wet areas, the lands are being taken away from the peasantry. The struggle presently conducted by the Andhra peasants against high taxes for *banjar* lands and proper land reforms has taken a State-wide character leading to the arrests of hundreds daily even today. I shall presently come to the question of how much *banjar* land is available in Andhra Pradesh and how this could not have been given, which will go to show that Government are not at all serious about land reforms. It is only for propaganda and as a vote-catching device that at the time of election they talk about land reforms, and afterwards, they support the landlords and the money-

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lenders who are behind these landlords. Even in the Planning Commission's proposal for land reforms, a lacuna was kept deliberately to help the landlords in the name of resumption for personal cultivation. This is an invidious way of limiting the scope of land reforms because the landlords want to utilise this lacuna in the name of personal cultivation to grab the land from the peasantry whenever it suits them. The Planning Commission should have taken steps to see that the advantage of this lacuna is denied to the landlords. I know of cases in Kerala, Madras, Andhra Pradesh and wherever I have got information from, that this lacuna has been utilised for the purpose of evicting the peasantry. With all this and with the history behind of seventeen years, and with the behaviour of the law courts, the land reform proposal of Government has been reduced to a mockery. It has been brought to a nullity, and it does not give any relief to the peasant.

Now, I would take up the question of giving cultivable waste land and fallow land to the peasantry. I find from the facts available in the progress report, that up to 1960, 7.8 million acres of cultivable waste land were distributed out of a total cultivable waste land of 54 million acres, besides 59 million acres of fallow land, coming to a total of about 113 million acres. Should it require 17 years for Government to distribute about 7 million acres out of 113 million acres? From the way that the bureaucracy and the Government are behaving in the matter of the distribution of the fallow land and cultivable waste land, it can be seen that the Government are absolutely so lethargic that they do not care to see that the land problem is solved in this country; otherwise, there can be no justification for this callousness.

I am giving you the figures. The principal States which account for the bulk of the uncultivated land other than fallow lands are as follows:

Andhra—8.1 million acres  
Assam—8.6 million acres

Bihar—2.7 million acres  
Bombay—11.2 million acres  
M.P.—18.4 million acres  
Madras—3.5 million acres  
Mysore—7.1 million acres  
Orissa—6.5 million acres  
Rajasthan—21.6 million acres  
UP—7.3 million acres

Out of these, they have distributed practically an insignificant portion. The sorry state of affairs is that Government even today have not got complete details as to where these lands are situated, how to bring them under cultivation etc.—leave alone the question of giving them to the tiller. As a result of the abolition of zamindaris and jagirdaris, the bulk of these lands have passed into Government hands. But Government say they have no records, they have no information, they are unable to utilise these lands. Can anything be more lethargic than this? It is most sorrowful that Government do not know where our land lies. They have not surveyed them, they have no facts and figures. If the Government is a government of the people, if it had any consideration for the poor peasantry and the landless, this Government would never have behaved like this and come forward and said 'we do not know the facts concerning the available waste land and cultivable land'.

What is the area sown in this country, all told? 322 million acres. What is the total area of the cultivable land and fallow land yet untapped? 113 million acres.

That means, one-third of the total sown area still remains untapped in spite of the fact that we have so much of manpower left in the country. With this manpower, if you utilise all this land, the food problem of the country could have been solved by this time and our dependence on imports from America under the blessed—and cursed—PL 480 would have ended, and we would not have had the menace of the American shadow over the food we eat. Any human being, any living human being, can be tamed and can be enslaved by giving food. We treat

dogs by throwing crumbs. The Americans want to treat us by throwing wheat under PL 480 and we run after it wagging our tail. Should we have come to this pass when we have so much land available in this country, when we have so much manpower at our disposal, when we had 17 years of political independence? I have no answer to give to this question. It is up to the ruling party to answer.

The Third Plan target of food production is 100 million tons by the end of 1965-66. But what is the achievement? In 1960-61, our production was 76 million tons; in 1961-62, it went up to 80 millions; in 1962-63 it came down to 78.7 million tons. They attribute the decline to failure of rain and such other things. This phenomenon is bound to happen in a country of such sub-continental proportions like ours. So we cannot take shelter under that. You should have explored other alternatives. Even granting that the process of decline is arrested, production is not on the increase to any considerable extent. I am afraid we may not be able to reach our target before the end of the Fourth Plan. The Minister and the Planning Commission must tell us and assure us that we will be able to reach the target by the end of the Third Plan. I challenge him, and I reiterate that they are not going to reach the target. If they can, I will go to the hon. Minister, Dr. Ram Subhag Singh, with a bouquet in my hands—certainly. But I know that he is not going to achieve it because they are not moving in that direction.

**Shri Kapur Singh (Ludhiana):** Now he will not give bouquets.

**The Minister of State in the Ministry of Food and Agriculture (Dr. Ram Subhag Singh):** I am not going to China.

**Shri Nambiar:** Why should that reference be made? I am born to India. I am an Indian. I have nothing to do with China. Let us look to ourselves.

**Dr. Ram Subhag Singh:** Even after 47 years of communist rule in Russia, they are still importing food.

**Shri Nambiar:** Russia will look after herself, China will look after herself. I will look after myself and my country and my countrymen including the hon. Minister.

The annual increase in population is 2.4 per cent and the agricultural production is more or less stagnant, for the last several years, whatever may be the reason. Our food imports for the last 6 years are to the extent of Rs. 962.7 crores worth, that is, at an average of Rs. 150 crores per year. It was only the other day that the Minister of State in the Finance Ministry, Shri Bhagat, stated that Rs. 850 crores of Indian currency is held by the US in India, mainly the proceeds of sales under PL 480—which is about one third of the total money in circulation here. What else can be more ignominious than this? The total money in circulation is Rs. 3,000 crores, but about thousand crores of rupees are in the hands of the Americans here in India. They are holding it in our currency. But the hon. Minister said that 'we have got control so that the Americans may not be in a position to utilise it as they want'. That is no solace, no defence. The fact remains that we have got ourselves in India indebted to the extent of this huge amount of American currency, besides the foreign exchange in respect of which we are already indebted. We are paying interest on the foreign exchange that we get to the extent of 5.75 per cent, which only a money-lender of the American type will charge. If they wanted to help, they would not take 5.75 per cent interest. This is our miserable condition.

**Shri Kapur Singh:** How much interest does he want to pay?

**Shri Nambiar:** Now I come to the question of helping the peasantry to produce more. The Third Plan promised to secure reasonable and stable price to the producer taking into account the cost of production so as to

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give him sufficient incentive. But all that has been only on paper. As usual, the moneylender and the millowner take away the produce immediately after the harvest at a low rate and sell them later at a very much higher rate. Government are unable to stop this plunder by the middleman who takes away all the fruits of labour of the peasantry....

Shri Sheo Narain (Bansi): There is no quorum in the House.

Mr. Deputy-Speaker: There is quorum.

Shri Nambiar: [There is enough quorum....

That is exactly the reason why we have today unfortunately high prices for foodstuffs. Exploitation of the agriculturist and lack of capital formation in that sector are due to lack of facilities for marketing agricultural produce so far as the agriculturist is concerned. Hundreds of crores of rupees which otherwise would go to the improvement of land are taken away by the millers and moneylender-cum-banias. Even the British ICS officers were well aware of the magnitude of the problem in those days. These problems have only become accentuated now. The old Royal Commission on Agriculture had to note that 'in no country are these differences (between the prices of producer and consumer) greater than in India where production is in the hands of a large number of petty cultivators who for the most part lack most the financial resources and the necessary storage to attempt any regulation of their selling in accordance with the state of market'.

At present, the market exploitation of the peasantry is widespread and well-knit in the country. A careful study of market behaviour would show that the moneylender-cum banias have the upper hand in the marketing of the village agricultural produce. The poor

peasant who borrows from the moneylender is obliged to sell his produce to the same person. His bargaining power is so limited that he sells a major part of his produce immediately after the harvest, at a least competitive price. This is corroborated by the findings of the Foodgrains Inquiry Committee.

When the tempo of the arrivals is down, the price goes up. Since the difference between peak and trough is wide, the magnitude of money involved is high. At the same time, the actual consumer is also not left out. As is our experience, the prices of the foodgrain go up. All this wide margin of profit is taken by the middleman. That is why the margin between the wholesale and retail prices of foodgrains remains so high.

15.30 hrs.

[DR. SAROJINI MAHISHI in the Chair]

Only the other day this was discussed. It was said that by fiscal measures, prices could be controlled. All fiscal measures have failed. Today, the wheat prices in Delhi are around Rs. 29; rice in Madras is selling at Rs. 75 per bag—the good variety; the coarse variety sells at Rs. 65 per bag. It was never so in the history of Madras State, except in the black-market days of 1942-43, world-war days, when the black-market price was this. The lack of holding power on the part of the producers and market fluctuation create hazards, especially of far-reaching consequences.

I do not want to take the time of the House. Even the Third Plan speaks of the extension of State trading in suitable directions. It is our experience that in the last decade, despite all the assurances, Government adopts a callous attitude to the whole affair of State trading in foodgrains, which is a long standing demand. The limited, partial, experience of State

trading in foodgrains was encouraging, no doubt. For instance, the Economic Survey of Indian Agriculture has correctly emphasised that it may be pointed out that the effect of changes in the net government supply to the market is stronger than that of the equivalent increase in production, as the latter is only partly reflected in the market supplies. State-trading in foodgrains alone is the remedy for something towards price-control.

I am concluding, Madam Chairman. Government should take steps towards land reforms and introduce State trading in a wider field. Only then the problem can be solved. Otherwise, if the food problem remains the same, if raw materials for our industries are not available, if our economies stagnate and we have to depend on outside help, it will bring us ruin. We are not against Government's measures in these matters, but we want the Government to take bold steps towards implementation of land reforms and not protect the feudal lords. If Government does not do that, people will have no go but throw out the Government. In these circumstances, I request that my Resolution may be accepted by the House.

**Mr. Chairman:** Resolution moved:

"This House recommends to the Government to take immediate steps by way of legislative and executive measures to bring about a thorough land reform including transfer of ownership of land to the tiller, removal of rural indebtedness and provision of proper marketing facilities with price supports."

There are some amendments.

**श्री रामसेवक यादव (बाराबंकी) :**  
मैं प्रस्तुत करता हूँ :

"यह सभा सरकार से सिफारिश करती है कि पूर्णतया भूमि-मुधार करने

करने के लिये, जिन में जोतने वाले को भूमि का स्वामी बनाना, बिना मुनाफे की धेती (साढ़े ६ एकड़) का लगान समाप्त करना, पांच-सदस्यीय परिवार की बिना मशीन की सहायता खेती करने की क्षमता के तीन गुना से अधिक जमीन का भूमिहीनों में वितरण, ग्रामीणों की ऋणग्रस्तता को समाप्त करना और मूल्यों को गिरने पर सहायता देने के साथ-साथ विक्रय की समुचित सुविधाओं की व्यवस्था करना सम्मिलित है, विधान सम्बन्धी उपायों द्वारा तत्काल कदम उठाये जायें।"

**Shri D. S. Patil (Yeotmal):** I beg to move:

"That in the resolution,—

after 'rural indebtedness' insert—

"provision of adequate credit to the agriculturist."

**Mr. Chairman:** The Resolution and the amendments are before the House. **Shri P. Venkatasubbaiah,**

**Shri P. Venkatasubbaiah (Adoni):** The Resolution moved by **Shri Nambiar** is not a new one.

**Shri Sheo Narain:** Madam Chairman, is there a list of speakers before you for this also? I am the only person who stood up but you called somebody who did not even stand up.

**श्री रामसेवक यादव :** सभापति जी, यह प्रस्ताव बड़ा महत्वपूर्ण है। अगर इस के लिये आध घंटा समय बढ़ा दिया जाये, तो इस के बाद आने वाला प्रस्ताव दो मिनट में पेश कर दिया जायेगा और इस में कोई दिक्कत नहीं होगी। इसलिये मैं निवेदन करना

[श्री रामसेवक यादव]

चाहता हूँ कि इस प्रस्ताव के लिये आध घंटा समय बढ़ा दिया जाए।

**सभापति महोदय :** इस प्रस्ताव पर बोलने वालों का संख्या देख कर बाद में इस के बारे में फैसला करेंगे।

**Shri P. Venkatasubbaiah:** After all, the Congress Party is in power and it is wedded to the principle of land reforms since its famous Karachi Resolution. The entire agricultural economy and social justice depend upon this. Mr. Nambiar has stated three points in this Resolution: immediate reforms for transfer of ownership of land to the tiller, removal of rural indebtedness and provision for proper marketing facilities with price support. The report of the Planning Commission on progress of land reforms says on page 249:

"The progress of tenancy reform as well as the imposition of ceilings on agricultural holdings will lead to a substantial increase in the number of small peasant owners.....Here it is proposed to review briefly the four main aspects of agrarian reorganisation, namely (1) consolidation of holdings, (2) land management practices, (3) development of cooperative farming and (4) development of cooperative village management as the objective towards which the village economy is to be reorganised."

We would review now how far our Government has succeeded in the last 16 years. We should not forget that this is a State subject and whatever be the wishes of the Centre, they have to be implemented by the State Government. Much headway has not been made by the various States in the implementation of land reforms. In several States laws on land reform have been enacted but there is justifiable criticism that the tiller of the soil has not become the owner. The feudal elements have circumvented the

laws and the position is just as it was before the laws. I do not know how far the Centre can ask the State Governments to reorganise the whole system. The land revenue machinery has also to be thoroughly rearranged and reorganised. Without reorganising the implementing machinery, no reforms will do good. The Central Government should discuss with the State Governments and see how effectively these land reforms could be implemented.

About rural indebtedness, the report of rural credit survey had recently been published. It says that in spite of our spending crores of rupees and pumping enormous amounts in the agricultural sector through community development, through co-operative societies, through panchayati raj, to the agricultural department, agricultural indebtedness has not been wiped off so far. On the contrary, agricultural indebtedness has increased. So far as the co-operative sector is concerned, I would just like to quote from the recent statement made by the Minister of Community Development. He said:

"Against a target of Rs. 512 crores set up by the State Governments for the supply of short and medium-term credit during the last year of the Plan, to co-operatives supplied Rs. 228 crores in 1961-62. The provisional figures for 1962-63 are Rs. 256 crores and the estimate for 1963-64 is Rs. 318 crores."

They say the progress is not up to expectation. They have stated several reasons. I can say that though the Government is expending enormous amounts by giving credit to the farmers, the amounts have not reached the farmers, the reason being that the land tenure system is so defective in the States and even to this day the tiller of the soil will not claim the ownership and will not be able to produce his *patta* to the credit society to



get the loans. The other defect is that the credit that is being given to the farmers is very much diversified,—there are three or four agencies operating—with the result that those who are in power, those who can wield some influence, could alone get the entire credit that is being given by the Government and not the ordinary peasant.

Therefore, the first thing that the Government should do, is all the institutional credit should be channelled only through one source. Unless that aspect is seriously tackled, no amount of credit which is being given to the farmers will remove their indebtedness nor will their production target go up.

**Mr. Chairman:** I request the hon. Member to conclude now.

**Shri P. Venkatasubbalah:** These are the main problems which I wanted to place before this House. But I would like to tell Shri Nambiar that this party is wedded to land reforms policy which is being pursued in all the States. My only request to Government is, wherever there are loopholes they should be plugged, and wherever the reforms have been done, where there are anomalies and where there are defects, they have to be remedied, and that land reforms should be brought thoroughly and exhaustively as immediately as possible.

**Mr. Chairman:** Shri Ranga. I request hon. Member to co-operate with me.

**Shri Ranga (Chittoor):** I do not know what our hon. friends have in their minds when they talk about land reforms. We thought, when we were initiating the movement against the zamindari system, that all land reform meant the abolition of the zamindari system and thereby getting the ownership of land conferred upon the peasants who are themselves cultivating the lands. So far as the ryotwari system is concerned, we wanted the tenants under the ryotwari pattadars to be given security of tenure over a

period of years: not that the tenants should become the owners. The ryotwari pattadars were the owners; their tenants should be given security of tenure over a period of five years, say, in six to 10 years, as was the case in Ireland and in so many other European countries, wherever there was tenancy legislation.

We wanted also the rents to be reduced and made reasonably low. When the pattadar wanted the land for his own cultivation, he must be free to resume the cultivable right over his land after giving one year's notice to the tenant. This is how land reform was understood then. It was that idea of land reform which was supported by the Congressmen as a whole, by the then Communists, by the then Congress Socialist Party and all other leftists as they were then known. It was that movement that led us not only in the three South Indian States which my hon. friend has mentioned, but also in all the States in India. I am glad to say that due to the inspiration given by Mahatma Gandhi and the dynamism provided by the leadership of the Congress Party, as it was then that we were able to get rid of the zamindari system in all the States. There is not one State now where there is zamindari or jagirdari system. So, there are no landlords.

Who are the people that we have now? It has become a fashion for my communist friends to go on saying that the peasants themselves who own 20 or 30 acres or even 2 or 1 acre are landlords. They style them as landlords and land monopolies. I know what they have done in Soviet Russia and also in China. Before that, let me say that it would be a bad day indeed for India....

**Shri P. Venkatasubbalah:** Are not those people who are having hundreds and thousands of acres now landlords?

**Shri Ranga:** In regard to those few big landlords in each village—there may be three or four in each village; probably in the Kurnool district, from where he comes, there are some—in

[Shri Ranga]

regard to those about whom my hon. friend seems to be worried, I might say that there is the land ceiling legislation. Whether it is right or wrong is another matter. Whether we approve of it or not is another matter. But it is a *fait accompli* and it is there.

My friend, Mr. Nambiar, has complained that quite a number of them indulged in benami transactions and so on. First of all, it was wrong on the part of Government to have questioned their right of ownership. Having done that, they have given the freedom to these people either to own their land in a joint family fashion or distribute it among all the coparceners within the family. They have distributed among themselves and prostrating before this law, they have brought themselves within the purview of the land ceiling legislation. If my hon. friend wants in the communist fashion to run after them, hunt them and drive them also into landless people, he is welcome to do it, but I am certainly not in favour of it.

So far as all those peasants are concerned, they have got to function within the land ceiling legislation and they are not expected to get more than Rs. 500 per month. My hon. friends are all so very keen that every industrial worker should be paid not less than Rs. 100 per month; i.e. Rs. 1200 per annum. That is the minimum. Regarding the maximum, according to their own INTUC rules, they admit anyone who earns up to Rs. 500 as a worker. A person is allowed to be treated as a worker if he gets an income of Rs. 500 a month. But so far as the peasants are concerned, they are to be treated as land monopolies, landlords and exploiters, merely because a few of them, may be three or four in any village who are the richest people there, would be getting Rs. 500 a month and not more, according to the land ceiling legislation, they are to be treated as landlords and land monopolies. I protest against this attitude and I am opposed to it.

Who is the tiller? According to my communist friends, only the agricultural worker would be the tiller and the others will not be treated as tillers at all. I question that. We accept them as tillers. At the same time, we treat the land-holding peasants—whether they are ryotwari pattadars or pattadars who have come into the erstwhile zamindari areas—as tillers of the soil.

These people are the owners to-day. Are we to dispossess them? If the Communists were to have their own way, they would have dispossessed them. They have done it in Soviet Russia, in China and other Communist countries. And, they would do it also in the name of the tiller. This is the game they are out for. Therefore, it is most necessary for hon. friends like Shri Venkatasubbaiah and various others, who come here representing the rural areas and who, at the same time, have got the wrong idea that the agricultural worker alone is the primary, the principal and the most sacred pleasant and all other people who have got their pattas, who are land holders, who are cultivating their own land are not as good people as the agricultural workers and therefore they must all be set aside and dispossessed.

Shri P. Venkatasubbalah: I did not mean that.

Shrimati Yashoda Reddy (Kurnool): You are giving a wrong interpretation.

Shri Ranga: I stand corrected so far as you are concerned. But one thing is clear, that all these self-employed, land-owning peasant owners have to be treated as tillers. They have been given land and their landholdings have to be respected. Their rights to their land have to be respected. That is not the attitude of the Communists. That is exactly the reason why I wish to warn my hon. friends on the Congress benches against....

Shri S. M. Banerjee (Kanpur): Your friend is sitting there.

**Shri Ranga:** I want to warn them against these Communists and I hope they would not walk into their trap.

Coming to the other question, my hon. friend said that in the name of personal cultivation they are evicting people. Where is the question of eviction. Here is a tenant. Is he an owner? According to the Communists he is an owner today and tomorrow he would be dispossessed. According to us these tenants are not owners. The ryotwari pattadar is the owner. The tenant is a gentleman who has been brought in to assist him in the work that he has to do. He is a tenant at will. Any time he may be removed. In order to protect him there was the tenancy protection legislation in most of the States. Especially, in the State of Madras, I may tell you, it was in 1953 that initiative was taken by Rajaji as the Chief Minister, to pass that legislation in the very same district where my hon. friend, Shri Nambiar, was operating. I do not know where by operates now. The tenants were protected there. Afterwards that legislation was extended to the whole of Madras State. Now in Andhra Pradesh also a similar legislation has come to be passed. It has come in many other States. Wherever it has not been passed, I would like it to be passed. We would have no objection to it. But so far as the ownership rights of the peasants are concerned, we must be very clear that so long as those people continue to cultivate their own land, take active interest in the cultivation of their own land and continue making the contribution that they are making today to our production, to our employment market, they ought not to be disturbed. Their rights should not be endangered in any way, and in every possible manner the States should take steps, by various means which have been suggested here by various hon. friends including the socialist friends, in order to strengthen them.

In conclusion, let me say that I stand for the abolition of land revenue from all these land-holding peasants.

The whole of it should go except for a nominal fee which would cover the expenses of keeping land records. They should also be given rural credit at rates which are not higher than those rates at which capital credit is being offered to industrialists. The banjar lands that are there with the Government should be distributed to the many landless people in the country. But it is indeed a treacherous move that is being made by our Communist friends by asking the Government to give away the land to the agricultural workers, only to be dispossessed from all those lands the next day our Communist friends come into power. The Communists wish to play this mischief and we are opposed to this mischief.

**Shri Muthu Gounder (Tirupattur):** Madam Chairman, I rise to support the Resolution moved by Shri Nambiar. I have heard the two extreme views, one from the Communist side and the other from the Swatantra side. I have also heard the view of my hon. friend from the Congress side. I find that all parties are for land reforms, land ceilings and similar things. As far as implementation is concerned, every party accepts that it has not been perfect or complete or as much as it was expected. Even the Government or the Treasury Benches accept that the implementation has not been up to the mark. They may say that they are doing something to implement it and it will be done in due course.

We are now reviewing the position of implementation of land reforms in this House through this Resolution. We see how implementation is being done from our own viewpoint. Shri Nambiar may be watching the implementation from the point of view of his party and Shri Ranga from the point of view of his party. As far as DMK Party is concerned, it is always for land reforms. We want reforms not only in land but in other spheres of society also so that we may achieve our object of a socialist society, but it should be by democratic methods.

While implementing the various land reforms, we should see to it that our

[Shri Muthu Gounder]

agricultural production is not affected in any way. Implementation of land reforms means land to the tiller, removal of rural indebtedness, provision of proper marketing facilities with price support and similar things mentioned in the Resolution. When we say land to the tiller, we have to define as to who the tiller is. Shri Ranga has clarified certain points and created some suspicions on the question as to who the tiller is. It is true that a tiller is one who tills, but there may be tillers owning many acres of land. Certainly, we are not going to implement the plans to suit the tastes of very big land owners who are owning hundred acres and more and employing 10 or 20 labourers and then exploiting the toils of the labourers. When we talk of land reforms and implementation of land reforms we mean the small peasant who tills his own land.

While introducing land reforms we have to take special care to see that there is no fragmentation of lands, which is a dangerous thing which we all want to avoid. It is more dangerous than the land being in a few hands. If there is fragmentation, agriculture may not be economic and it may not give enough to the farmer. Then we will have to go in for collective or co-operative farming and all other evils will come in its wake. Even in Russia, after so many years of experiment with collective farming and joint farming they have found that such methods will not give the desired results. In Russia it has been a failure and the result has not been up to the mark. So, if we also introduce so many land legislations, there will be fragmentation and we will have no other alternative but to resort to co-operative or collective farming. I think Shri Nambiar by introducing this Resolution and so many other resolutions, so far as land reforms are concerned, is slowly trying to take our agriculture to the status of Russian agricultural economy. In that case, we will not be able to produce

anything and we will be in the same position as Russia is.

Even in Russia, after so many years of experiments with cultivation, they had to take some lessons from some democratic countries, as far as land policy is concerned. Mr. Khrushchev has stated in a recent bulletin:

"....one should not stand aloof and shut oneself up in one's own shell. It would be foolish to study the achievements of foreign science for the simple reason that they have been scored in a capitalist economy."

Because they are not able to produce as much as Government wants, he even went to the extent of threatening them.

"If workers do not want to study or introduce anything new, if they find it too difficult to comprehend the achievements of science and practice, continue stubbornly to clutch at the old, these people should be removed and others put in their place....."

We have millions of wonderful people, millions of educated youngmen and women who are burning with desire to build a communist society. These people should be promoted."

16.00 hrs.

We are able to find out from all these things that these collective farms are not working properly. After 50 years of good work and good farming Russia still has to get foodgrains from America. Even this year they have to import foodgrains worth Rs. 250 crores. By this I do not mean to say that I want to support only Russia or be against Russia and Soviet policies. We have to take the good things whether they are from the Communists or from democratic States. As far as agriculture is concerned, we have to take any good thing that is there in any State.

We are able to see that New Zealand, Australia, America and Egypt are having the maximum yield per acre. Simply these reforms and ceilings will not do. We have to give incentives, prices and other things. Rural indebtedness is there still everywhere. On account of Shri Rajagopalachari's Agricultural Debt Relief Act a large number of debts were cleared at that time, but now they have grown. Even after so many years of block development schemes and other things agricultural debts are still on the increase. Unless we give some price incentives, there is no chance of the agriculturists getting good remuneration and a good income. We may give him loans from societies, through block development schemes, under any scheme of foreign loans or at the rate of  $4\frac{1}{2}$  per cent as desired by Professor Ranga and as are given to other industrial companies; even then he should have the capacity to repay the loan. The agriculturist should have enough capacity and that will come only if he gets good remuneration out of his produce. That should be our motto and we should fight and work for that till the end. Then only we will be able to do anything to implement it; otherwise, implementation of land reforms will not take us anywhere, or to a healthier place than where we are now.

**The Parliamentary Secretary to the Minister of Food and Agriculture (Shri Shinde):** Mr. Chairman, I rise to oppose the Resolution which has been moved by my hon. friend.

**Some Hon. Members:** Why?

**Shri Shinde:** I am going to explain it. But I rise to oppose the Resolution moved by Shri Nambiar.

**Shri Nambiar:** Therefore it has to be opposed.

**Shri Shinde:** I know, the points which have been incorporated in the Resolution moved by Shri Nambiar are very important and quite vital

from the point of view of increasing agricultural production.

**An Hon. Member:** Still you oppose it?

**Shri Shinde:** The hon. Minister will enumerate the various measures which have been adopted by the various State Governments to increase agricultural production *vis-a-vis* land reforms, rural indebtedness and availability of agricultural credit. But my objection to the Resolution is based on a point of principle. I do not think, Shri Nambiar, an intelligent Member as he is, is unaware of the Constitutional provisions of the Indian Constitution. I might draw his attention to the Seventh Schedule of the Constitution. In the Seventh Schedule, List II—State List, entry No. 14 refers to agriculture, entry No. 18 refers to land, entry No. 28 refers to markets and fairs and entry No. 30 refers to money-lending and relief of agricultural indebtedness. Therefore all these matters which have been raised by Shri Nambiar are matters which come within the purview of the State Governments. In fact, the Indian Constitution has been framed with some democratic objectives in view. I think, the framers of the Constitution had quite valid reasons to include all these items in the State List. But as Shri Nambiar is a believer in a particular political philosophy.....

**Shri Nambiar:** I am prepared to amend the Resolution so as to make a recommendation to the State Governments.

**Shri Shinde:** In his Resolution he has suggested the taking of executive and legislative action. He has suggested that Parliament should take that action.

**Shri Nambiar:** I would say, "recommends to the State Governments".

**Shri Shinde:** Mr. Nambiar in his Resolution says....

**Shri S. S. More (Poona):** Madam, are we not discussing a Resolution which is *ab initio* illegal?

**Shri Shinde:** Mr. Nambiar is a strong believer in centralisation. He does not believe in federal constitution. We know how disastrous have been the results in Russia due to centralisation. They have a highly centralised State and we know how the centralisation in the Soviet Union has had disastrous effects on the agricultural production in that country. I might draw the attention of Mr. Nambiar to the fact that due to the situation that prevailed during the last 30 to 40 years in the Soviet Union, the agricultural production did not increase at all. In fact, I might quote Mr. Khrushchev himself. In one of his speeches of 27th June, 1962, he drew the attention of the agricultural workers in the Soviet Union to the fact that the agricultural productivity in the Soviet Union was one of the lowest in the world. He said that to produce 100 kg. of milk in the Soviet Union, they required 8.77 man-hours, while in the U.S.A. for producing the same quantity of milk they required 3.9 man-hours. Similarly, to produce 100 kg. of beef in the Soviet Union they required 42 man-hours while in U.S.A. they required 7.1 man-hours to produce the same quantity of beef. That shows that the productivity of Soviet agriculture was 2 to 6 times less than that of American agriculture in the field of animal husbandry.

Then, Madam, Mr. Nambiar has suggested that Parliament should arrogate to itself the subjects which have been entrusted to the State Governments for legislation and other measures. If the Centre arrogate to itself the responsibilities in respect of the agricultural production, the agricultural production would suffer to a great extent. I might refer to the agricultural productivity of the Soviet Union as compared to other countries. It is 66 per cent as compared to that of U.S.A., 77 per cent as compared to that of Canada and 35 per cent as compared to that of Sweden. The U.S.S.R.'s agricultural production is equivalent to that of Spain. The

House might be aware that Spain is one of the feudal countries and the Soviet agricultural productivity favourably compares only with that of Spain. So, my contention is that if Mr. Nambiar wants that the Central Government should assume to itself all these powers, then, I think, in India agriculture would not prosper or would not progress at all. In fact, during the last 10 years, especially after the Plan period, we know that there has been a substantial increase in agricultural production. We know that it is not adequate to our requirements. But that does not mean that there has not been any increase in agricultural production. During the first two Plan periods, our agricultural production has increased upto 35 to 40 per cent. That means it is anywhere between 3 to 4 per cent per annum. Even if we study the development of agriculture in different countries, we find that our agriculture is also developing. So, the measures which are being adopted by the Government of India and by various State Governments are, I think, in the right direction. As Shri P. Venkatasubbaiah has suggested, it may be that there might be some inadequacies and some defects in our approach and in our measures etc., but the Government of India are taking active measures to see that the various defects are rectified and the necessary progress is achieved in the field of agriculture.

**श्री रामसेवक यादव:** सभापति महोदया, श्री आनन्द नम्बियार ने जो संकल्प सदन के सामने रखा है, मैं उस का इस संशोधन के साथ कि साढ़े ६ एकड़ जमीन का लगान समाप्त हो और एक परिवार जिस में ५ व्यक्ति हों, बिना मशीन का सहारा लिये जितनी खेती करते हैं उस से तीनगुने से ऊपर वाली जमीन बिना भूमि वालों में वितरण की जाय, इस संशोधन के साथ मैं उस का समर्थन करता हूँ ।

सभापति महोदया, समाजवाद के अन्तर्गत भूमिसुधार का एक ही अर्थ है कि जमीन जो सही मायने में खेती करते हैं, उन के हाथ में पहुँच जाय और यह उस जमीन के मालिक बनें। यह भूमि सुधार कानून की मंशा होती है और जब हम उसके बारे में बात करते हैं तो उस का यही अर्थ समझा जाता है। एक तरफ़ भूमि सुधार कानून के अन्तर्गत खेती करने वाले को जमीन मिले, यह सरकार की मंशा होती है। इस तरह के कानून बनते हैं। लेकिन साथ ही साथ सरकार और उस के नौकर इस कानून के खिलाफ़ भ्रमल करते हैं और उस को बराबर तोड़ते रहते हैं। मैं आप से निवेदन करूँ कि भारत सरकार के एक मंत्री ने राजस्थान में जाकर गैर कानूनी ढंग से जमीन हासिल की और उसके अदालत में मुकद्दमें चले और वहाँ उस राजस्थान सरकार के एक आई० ए० एस० अफसर जिन्होंने भी गैर कानूनी ढंग से जमीन हासिल की, वह सब चीजें एक अख़बार 'मरुचेतना' में छपीं। उस में सारे तरीक़े के संघर्ष चले। एक तरफ़ भूमि सुधार का यह उद्देश्य है कि जमीन किसान को मिले जो जोतता है और इसके बिलकुल ठीक विपरीत केन्द्रीय सरकार के मंत्री जमीन गैर कानूनी ढंग से हासिल करें और उस पर अदालत में मुकद्दमें चले यह दोनों चीजें परस्पर विरोधी हैं और इस तरह से कभी भी भूमि सुधार होने वाला नहीं है।

जब भूमि सुधार की बात हम करते हैं, समाजवाद की बात करते हैं तो सगुण और निर्गुण का भेद करना जरूरी हो जाता है। समाजवाद और भूमिसुधार निर्गुण है.....

श्री त्यागी (देहरादून) : क्या मंत्री को अधिकार नहीं है कि वह भूमि हासिल करे और खेती करे ?

श्री रामसेवक यादव : नहीं है जब त्यागी जी यह मान कर चलते हैं कि जमीन जोतने

वाले की है। अब मंत्री तो जोतते नहीं हैं, जमीन कलक्टर जमीन जोतते नहीं हैं फिर जमीन कैसे रखते हैं ? यह इस कानून की पहली मंशा के विपरीत जाता है। मैं तो त्यागी जी को यहां तक बतलाऊँ कि भूमि सुधार कानून में जब तक यह व्यवस्था नहीं होगी कि जो खुद अपने हाथ से खेती नहीं करता है वह जमीन नहीं पायेगा तब तक समाजवाद और भूमिसुधार की बात सरकार के लिये करना बेमानी है। हिन्दुस्तान की जैसी वर्ण व्यवस्था रही है उसमें तो हल की मूठ भी छुना कुछ व्यक्तियों द्वारा पाप समझा जाता है, जब तक इस भावना को बदला नहीं जायेगा और यह भावना नहीं पैदा की जायेगी कि सब से बड़ा किसान और मजदूर वह है जो रात दिन खेती करता है, तब तक आप चाहे जितना निर्गुण कानून सुधार को बात करें और चाहे जितने कानून आप यहां पास करें, कभी भी भूमि सुधार होने वाला नहीं है। तब तक यह दफ़ा नहीं बनता है कानून को कि किसान वहीं माना जायेगा जोकि स्वयं खेती करता है, वास्तविक भूमि सुधार देश में होने वाला नहीं है। जब तक खेती करने वाला जमीन का मालिक नहीं बनेगा तब तक आप को मंशा कदापि पूरी होने वाली नहीं है। जब तक आप इस निर्गुण समाजवाद और निर्गुण भूमि सुधार को साकार रूप नहीं देंगे तब तक कोई काम नहीं चलेगा। आप के इस निर्गुण समाजवाद और निर्गुण भूमि सुधार कानून का आज यह अर्थ है कि जमीन की पैदावार नहीं बढ़ी है और जो १५ करोड़.....

श्री शिव नारायण : माननीय सदस्य यह निर्गुण सगुण पढ़ा रहे हैं या लैंड रिफार्म पढ़ा रहे हैं ?

श्री किशन पटनायक (सम्बलपुर) : सब कुछ पढ़ाना होगा।

श्री रामसेवक यादव : अब जो ककहरा भी नहीं जानते हैं उन को क, ख, ग, घ शुरू से सिखाना पड़ेगा।

[श्री रामसेवक यादव]

16:13 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

मैं निवेदन कर रहा था कि जब तक इस को सगुण रूप नहीं देंगे तब तक कोई काम वहीं चलेगा। आज इस निर्गुण समाजवाद और भूमिसुधार का नतीजा यह है कि १५ करोड़ इस देश के आदिमियों का एक बार भी पेट नहीं भरता है। ६ लाख आदिमी बिना खाये मरते हैं यह निश्चित बात है कि जब तक भूमि सुधार की एक अधिकतम जोत की सीमा निर्धारित नहीं की जाती है तब तक इन की यह मंशा कि भूमिहीनों में खेती के लिए जमीन वितरण हो, यह मंशा पूरी नहीं होने वाली है। जब तक यह नहीं किया जाता है तब तक इस तरह के कानूनों का कोई मतलब नहीं हुआ करता है। और यह बेमतलब के हैं। मैं मंत्री महोदय से चाहूंगा कि सारे देश के आंकड़े बतलायें राज्यवार, जहां जहां न्यूनतम या अधिकतम भूमि सीमा निर्धारित हुई है, कितनी जमीन हासिल हुई है, और कितने लोगों में बंटी हुई है। इस तरह के आंकड़े पेश करें। मैं अपना भय बतला दूं। उत्तर प्रदेश में मिसाल दें जब सरकार और सत्तारूढ़ दल अधिकारियों के मन में यह होता है कि हम भूमि सुधार और समाजवाद को प्रचार के लिए इस्तेमाल करें लेकिन वह असली रूप कभी उसका न आने पाये तो इस तरीके के कानून बढ़ जाते हैं कि प्रचार के रूप में तो वह भूमि सुधार लगते हैं लेकिन वास्तविक रूप उनका भूमि सुधार नहीं होता। इस बारे में मैं उत्तर प्रदेश की एक मिसाल दिये देता हूं। उस में एक ही खामी है कि किसान वह जो खुद खेती करे और दूसरों से जो खेती कराये वह भी किसान। दूसरी खामी यह है कि उत्तर प्रदेश में सीमा निर्धारण का कानून बना। ४० एकड़ जमीन एक परिवार में ५ पर और ६४ एकड़ अगर तीन आदिमी बढ़ जायें तो। ६४ एकड़ कम से कम। उस में अपवाद कितना पड़ा हुआ है? अपवाद यह है कि बाग पर यह कानून लागू नहीं होगा।

उत्तरप्रदेश में दो, तीन साल के अन्दर न जाने कितने बाग लग गये और न जाने कितने बाग पटवारियों के कागजात पर शलत दर्ज किये गए। यह है आपके भूमि सुधार कानून का नमूना। एक अपवाद तो यह है कि बाग पर यह लागू नहीं होगा। फिर जहां पर यह डेयरी फार्मिंग है उसमें भी यह कानून लागू नहीं होगा। अब नतीजा यह हुआ कि सब जमीन पर बड़े बड़े लोगों की डेयरी फार्मिंग हो गयी। एक अपवाद यह भी है कि जहां मछली पाली जाती है वहां यह कानून लागू नहीं होगा। फिर जहां फूल, पत्ते, दवादारु आदि की जड़ी बूटियां उगाई जाती हैं उस जमीन पर भी यह कानून लागू नहीं होगा। अगर इतने अपवादों के बावजूद भी किसी की जमीन सलिंग के अन्तर्गत आ जाये तो फिर यह भारत सेवक समाज, भूदान या सहकारिता है जो कि जमीन हड़प कर ले जाते हैं।

किसान को आप के भूमि सुधार कानून से जमीन मिलने वाली नहीं है। इसलिए अभी यह कहा गया कि मंत्री जी ने कहा कि यह तो सूबे का विषय है, मैं जानना चाहता हूं कि यह प्लानिंग कमिशन, यह जो योजना आयोग है यह रात दिन क्यों इस के बारे में विचार किया करता है और प्रचार किया करता है और क्यों यह भूमि सुधार के बारे में चर्चा करता है? अभी यह जो सत्तरहवां संशोधन विधेयक हो रहा है यह भूमि सुधार कानून को लेकर हो रहा है और फिर मंत्री महोदय इस दलके मंत्री हैं जिनकी कि सरकारें सारे सूबों में हैं और वह यह कह कर कि इसमें कानूनी अड़चनें हैं, कानूनी अड़चन की आड़ लेकर अपनी जिम्मेदारी से नहीं बच सकते हैं। अगर वह सही मायने में भूमि सुधार चाहते हैं कि किसान जमीन का मालिक बने तो यह करें। दूसरे वह यह करें कि साढ़े ६ एकड़ की जमीन जिससे कोई मुनाफा नहीं होता है उसको कांग्रेस ने माना था। मैं कांग्रेस सरकार को यह याद दिलाना



चाहता हूँ कि जब तक साढ़े ६ एकड़ की जमीन से लगान को समाप्त करके किसानों को प्रोत्साहन नहीं देते, उनके पेट में अन्न नहीं डालते और उनको जमीन का मालिक नहीं बनाते, कहां से अन्न पैदा होगा ? क्या ऐसे लोगों से अन्न पैदा होने वाला है जो कि हल की मूठ को छूना तक नीच कार्य समझते हैं, पाप समझते हैं और जो रात दिन अनाज की गड़बड़ करते फिरते हैं ?

दूसरी चीज यह है कि एक सीमा निश्चरण करें और उससे जो अधिक जमीन मिले हम उसका शीघ्र और समुचित बंटवारा भूमिहीन किसानों में करें, इस मशौअन के साथ मैं मूल प्रस्ताव का अनुमोदन करता हूँ ।

**Mr. Deputy-Speaker:** Dr. Ram Subhag Singh.

**Some Hon. Members** rose—

**Mr. Deputy-Speaker:** There is no time now.

**Shri Gauri Shankar Kakkar** (Fatehpur): I move that the time be extended by half an hour for this Resolution, permitting Resolution under item 3 of the agenda to be just moved by the hon. Member.

**Mr. Deputy-Speaker:** Is that the sense of the House?

**Some Hon. Members:** Yes.

**Mr. Deputy-Speaker:** If the House agrees, I have no objection. But I think we have discussed the food situation already. Then the Food Ministry's Demands are coming up. Why extend the time?

**Dr. Ram Subhag Singh:** I am very happy that this Resolution was moved by Shri Nambiar....

**Shri Gauri Shankar Kakkar:** What about my motion? The House is agreeable to extend time.

**Mr. Deputy-Speaker:** All right. Half an hour more for this. Shri Gauri Shankar Kakkar.

**Shri Gauri Shankar Kakkar:** I rise to support the Resolution moved by Shri Nambiar. There are three ingredients to this Resolution. I believe the ruling party cannot in justice be opposed to any of these ingredients mentioned in the Resolution, because it has pledged itself not once, twice but on several occasions to conferring the ownership of land on the actual tiller or cultivator. That is one part. As regards the second, there also it has pledged itself to wipe out rural indebtedness in the country. The third part is about marketing facilities to the rural producers. It is easily said here that it is a State subject and so we have no jurisdiction to discuss it. Once the D.I.R. rules have been promulgated and are continuing, we can interfere with any State enactment, as there is this Emergency, war and everything. There is now no legal bar for this Parliament.

In some States, there are many land reforms Acts but I can safely say that after their implementation, zamindari and feudalism have been abolished but another class of bhoomidari has been created. There should be some limit to the owning of such persons having more than 100 acres. On account of the ceiling in U.P., I challenge the Government to tell me, how many acres of land in U.P. had been actually taken over and handed over to the landless labourer or other cultivators. I assure you—not a single acre. If the records of registration are inspected, for day and night registration has been going on at district headquarters to avoid the ceiling acreage. What about rural indebtedness? The present credit survey report reveals that all sorts of measures such as financing through co-operatives have not improved the position much; the rural indebtedness has increased. You have created so many middlemen. Take, for instance, co-operative societies. Reserve Bank lends money to them at the rate of 2

[Shri Gauri Shankar Kakkar]

per cent per annum but when the money ultimately reaches the tiller through co-operative societies, it is as high as 10 per cent; in almost all the States it is 9 per cent. That is no relief? No facilities for irrigation, or fertiliser or even credit and finance are made available at the proper time so that the tiller can get over his hardships. He labours the whole day and regular exploitation is going on through the middlemen. I think it is a very innocent resolution; it actually mentions all these ingredients that the ruling party has pledged for, and for which the ruling party stands, and there should be no hesitation in accepting this resolution.

श्री शिव नारायण : उपाध्यक्ष महोदय, सब से पहले तो मैं यह कहना चाहता हूँ कि भारत के संविधान के अनुसार यह रेजोल्यूशन इस सदन में आना ही नहीं चाहिए था। कृषि एक स्टेट सब-जेक्ट है और इसलिए मैं समझता हूँ कि इस रेजोल्यूशन को यहां पर लाना गलत है।

लेकिन जहां तक किसानों से हमदर्दी का प्रश्न है, हमारी पूरी हमदर्दी उन के साथ है। मैं यू० पी० में आता हूँ और हमारी यू० पी० गवर्नमेंट ने १९५२ में ज़मींदारी एवालिशन एक्ट पास कर के ज़मींदारी का एवालिशन किया, ज़मीन का बंटवारा किया और चकबन्दी कानून लागू किया। सरकार की नीति सही है और काम भी ठीक तरह से चल रहा है, लेकिन अगर कहीं गड़बड़ी है, तो वह बंटवारे में है। एडमिनिस्ट्रेशन में गड़बड़ी है। लेकिन इस का ज़िम्मेदार कौन है? वकील, पढ़े-लिखे लोग, मिडलमैन और बुद्धिजीवी लोग। मैं ने २६ जनवरी को अपने यहां कहा था कि श्रम-जीवी और बुद्धिजीवी, इन दो क्लासिज़ में खड़ाई है।

चकबन्दी में सारी गड़बड़ी और सारे झगड़े-फ़साद के लिए बुद्धिजीवी लोग ज़िम्मेदार हैं। वहां पर घड़ाघड़ रिश्तत चल रही है और किसान खूब लूट रहे हैं। वहां पर कोई देखने वाला नहीं है। लेकिन इस सब के बावजूद यह नहीं कहा जा सकता है कि यह गवर्नमेंट लैंड रिफ़ॉर्मज़ नहीं कर रही है। लैंड रिफ़ॉर्मज़ हो रहे हैं और सीलिंग लगाई गई है।

माननीय सदस्य, श्री रंगा, यहां पर नहीं हैं। वह स्वतंत्र पार्टी के बड़े नेता हैं। मैं उन को बताना चाहता हूँ कि हमारे यहां स्वतंत्र पार्टी के एक राजा साहब ने नियमों के विरुद्ध एक फ़र्जी वाग़ लगाया है। माननीय सदस्य, श्री रामसेवक यादव, भी यहां नहीं हैं। मैं भी उन के क्षेत्र से आता हूँ और मैं जानता हूँ कि वहां पर सारे श्रमरूढ़ के पेड़ लगा दिये गए हैं। ये मुल्क के वैल-विशर हैं! ये मुल्क के अन्न-संकट को हल करना चाहते हैं!

मैं कहना चाहता हूँ कि हमारे सिद्धान्त ग़लत नहीं हैं, लेकिन हमारी मशीनरी कमज़ोर है। इस गवर्नमेंट ने सब से बड़ी भूल यह की है कि इस ने अंग्रेज़ों के जाने के बाद गवर्नमेंट सर्वेन्ट्स कन्ट्रैक्ट रूलज़ को चेंज नहीं किया है, वना अगर हमारी एडमिनिस्ट्रेशन ठीक होती, तो देश में हमारी बदनामी न होती। इसी कारण हम ने जो नेक काम किये हैं, उनके लिए भी हम को बुरा कहा जाता है।

जहां तक कम्युनिस्ट पार्टी का सम्बन्ध है, उसमें समाजवाद कहां है? उन के यहां श्रमीरी और शरीबी का बंटवारा नहीं है, केवल डिक्टेटरशिप है। उन के यहां तो यह हुक़म दे दिया जाता है कि जा कर सड़क पाटो, पुल बनाओ।

डा० लोहिया, आज यहां पर नहीं हैं। उन्होंने एक टेढ़ी बात कही थी। उस में मैं

नहीं जाना चाहता हूँ, लेकिन मैं यह जरूर कहना चाहता हूँ कि आज पब्लिक, पब्लिक-लैंड और जाहिल दोनों, अप-टु-डेट और किसान दोनों, यह कहते हैं कि कांग्रेस वाले औरों से अच्छे हैं—चोर हैं, बेईमान हैं, निकम्मे हैं, सब कुछ हैं, लेकिन औरों से अच्छे हैं। इस का मतलब यह है कि हम तो अच्छे हैं, लेकिन जो विरोधी लोग हम को गाली देते हैं, पब्लिक उन को नावदान के कीड़े समझती है। किसान के लिए हम काम करते हैं और किसान भी समझते हैं कि कांग्रेस सरकार ने अच्छे कानून बनाये हैं। लेकिन मिडलमैन गड़बड़ी करते हैं।

लेकिन मैं कहना चाहता हूँ कि सरकारी अधिकारी कान खोल कर सुन लें कि एक बहुत बड़ी क्रान्ति इस देश में होने वाली है। फ्रांस में १७८९ में रेवोल्यूशन हुआ था। वही नक्शा आज हमारे यहां दिखाई दे रहा है और अफसर और बुद्धिजीवी सब गड़बड़ी के लिए जिम्मेदार हैं। अगर उसी तरह यहां भी क्रान्ति होगी, तो बहुत मुश्किल हो जायेगी। इसलिए यह आवश्यक है कि गवर्नमेंट की मशीनरी को ठीक करना चाहिये।

डा० राम सुभग सिंह यहां पर बैठे हैं। वह भी किसान हैं। मैं जानता हूँ कि वह बहुत बड़े तालुकदार नहीं हैं। वह किसानों के बहुत बड़े हमदर्द हैं और हमारी बातों को खुशी खुशी मानते हैं। मैं कांग्रेस का वह सदस्य हूँ, जिस ने सब से पहले गन्ने के दाम ढाई रुपये निश्चित करने के लिए कहा था और गवर्नमेंट ने उस को मंजूर किया। किसानों के हितों के संबंध में हम विरोधी दलों से पीछे नहीं हैं। नैशनलिज्म और सोशलिज्म हम जानते हैं। हम ने देश में समाजवाद लाने के लिए भुवनेश्वर में रेजोल्यूशन पास किया है। आज श्री अजित प्रसाद जैन ने गवर्नमेंट को क्रिटिसाइज किया। हम क्रिटिसाइज भी करते हैं और आगे भी बढ़ते हैं।

आज यह आवश्यक है कि सरकार की ओर से किसानों को पैसा दिया जाये, उन को

मदद दी जाये। फ़ारेन कंट्रीज से अन्न की भीख मांग कर काम नहीं चलेगा। इस देश के किसान काफ़ी अन्न दे सकते हैं। यहां पर अन्न की पैदावार बढ़ी है, घटी नहीं है। लेकिन गड़बड़ तो मिडलमैन और बनिये करते हैं, जो अनाज को जब चाहे खरीद कर ऊंची कीमतों पर बेचते हैं और इस प्रकार हम को तबाह करते हैं। अमरीका या आस्ट्रेलिया हम को खाना नहीं देगा। हिन्दुस्तान और हिन्दुस्तान का किसान ही हम को गेहूं और अनाज देगा, लेकिन उसको प्रोटेक्शन और मदद देनी चाहिये। वह अनाज देगा, पैसा देगा और हिन्दुस्तान की रक्षा भी करेगा।

श्री वे० शि० पाटिल : उपाध्यक्ष महोदय, श्री नम्बियार ने जो संकल्प रखा है, उस संकल्प में जो मुद्दे उठाये गये हैं, वे बहुत महत्वपूर्ण हैं। यह स्टेट सबजैक्ट है या सेंट्रल सबजैक्ट है, इस विवाद में मैं पड़ना नहीं चाहता हूँ। बिजनेस एडवाइजरी कमेटी ने जब इसको मान्य किया है तो हमें भी इस संकल्प में जो बातें महत्वपूर्ण हैं, उन पर जोर देना चाहिये और उन पर अपने सुझाव देने चाहियें। जो महत्व की बातें हैं उन पर प्लानिंग कमीशन ने विचार किया है और हमारी सेंट्रल गवर्नमेंट ने स्टेट गवर्नमेंट्स को डायरेक्शन दिया था और कानून बनाने के लिए भी उन्हें कहा था। यह जो डायरेक्शन दिया गया था उसमें कहा गया था कि दूसरे प्लान को समाप्त होने के पहले ही जो भूमि सम्बन्धी कानून हैं, जो काम ह, वे खत्म हो जाने चाहियें। लेकिन खेद का विषय है कि कई स्टेट्स ऐसी हैं जिन्होंने इस पर जितना ध्यान दिया जाना चाहिये था, उतना ध्यान नहीं दिया। वक्त बहुत कम है, इस वास्ते इस पर मैं अधिक कहना नहीं चाहता हूँ। लेकिन मैं कुछ बुनियादी बातों की ओर ही आपका ध्यान खींचना चाहता हूँ।

जमीन टैन्डोर के बारे में थर्ड फाइव ईयर प्लान के मिड-टर्म एप्रैजल में कहा गया है :

[श्री दे० शि० पाटिल]

"Several States have not made the necessary legislative provisions. In some States where the provisions for conferring ownership rights exist, the implementation has not been uniformly effective."

सीलिंग आफ लैण्ड होल्डिङ के बारे में कहा गया है :

"In other States provisions concerning ceilings have yet to be enforced. At this stage, it is a matter of some urgency from the point of view of agricultural development to ensure speedy and effective implementation of the legislation which has been enacted."

दूसरा जो सवाल है वह इम्प्लेमेंटेशन का है। कई स्टेट्स हैं जहाँ पर इम्प्लेमेंटेशन हुआ ही नहीं है। इस पर हमारी तरफ से काफी जोर दिया गया है। भुवनेश्वर में जो कांग्रेस का अधिवेशन हुआ था, उसमें हमारे कामराज जी ने जो भाषण दिया था उसमें उन्होंने भी इस बात पर जोर दिया था। इस वास्ते मैं नहीं समझता हूँ कि इम रेग्यूलेशन को यहाँ पर पास करने की कोई आवश्यकता है। उन्होंने जमीन सम्बन्धी नीति और इम्प्लेमेंटेशन के बारे में कहा था :—

"हमारी जमीन सम्बन्धी नीति उस दिशा में जाने का एक सुन्दर उदाहरण है। हमने इस दृष्टि से कानून बनाये हैं कि किसान और सरकार के बीच में कोई मध्यवर्ती न रहे, भूमि पर कृषकों का स्वामित्व हो, जोत की एक सीमा नियत कर दी जाए, उचित लगान की व्यवस्था हो। हो सकता है कि इस कानून का कोई हिस्सा पूरी तरह अमल में न लाया जा रहा हो। यदि ऐसा हो तो प्रदेश की सरकारों को जागरूक रहना है। उन्हें अपनी

कोशिशें दुगुनी करनी चाहियें जिससे किसानों के हित के लिए जो कानून बनाये गये थे वे उनका पूरा फायदा उठा सकें। यह उचित होगा कि हर एक प्रदेश कांग्रेस कमेटी इसके लिए छोटी उपसमितियाँ बना दें। वे इन कानूनों की जांच करें कि ये कानून काफी हैं या नहीं तथा पूरी तरह अमल में लाये जा रहे हैं या नहीं और अपनी रिपोर्ट इस सम्बन्ध में अखिल भारतीय कांग्रेस कमेटी को भेजें।"

इससे स्पष्ट हो जाता है कि हम इस चीज को कितना महत्व देते हैं। यह स्टेट सबजैक्ट है या सेंट्रल सबजैक्ट है, यह महत्व की बात नहीं है। यह माना गया है कि यह एक महत्वपूर्ण सबजैक्ट है और केन्द्रीय तथा प्रान्तीय दोनों सरकारों को इस पर गम्भीरता से विचार करना चाहिये।

जो एमेंडमेंट मैंने दिया है, वह बहुत महत्वपूर्ण है और इसका ताल्लुक सेंटर और स्टेट दोनों से है। मेरी एमेंडमेंट यह है :

"provision of adequate credit to the agriculturist".

मैंने चाहा है कि इसको सम्मिलित कर लिया जाए। इसकी क्या आवश्यकता है इस में वक्त न होने की वजह से मैं विस्तार में नहीं जा सकता हूँ और न ही कोई आंकड़े दे सकता हूँ। लेकिन मैं समझता हूँ कि क्रेडिट देने की जो आज नीति आपको है, चाहे वह सेंट्रल कर्ब हो या वह स्टेट्स के द्वारा दिया जाता हो, वह बहुत गलत है।

उसमें एग्रीकल्चरल ब्रायस नहीं है, किसान का हित करने का भी उद्देश्य नहीं है। आपने

लोन देने का जो प्रोसीजर अपनाया हुआ है और जिन जिन को वे दिये जाते हैं, उनसे पता चलता है कि अधिकतर लोन जो बड़े बड़े काश्तकार हैं, उनको ही मिल सकते हैं और जो छोटे छोटे काश्तकार हैं, उनको नहीं मिल सकते हैं। उनको वे लोन नहीं दिये जाते हैं। जिनका लैंड पर ओनरशिप नहीं है, उनको कर्ज नहीं मिलते हैं। किसान को सब प्रकार के ऋण देने की व्यवस्था होनी चाहिये। कर्ज पाने की योग्यता उत्पादन की सामर्थ्य पर न कि पूँजी और सम्पत्ति के स्वामित्व पर अनिवार्य रूप से आधारित होनी चाहिये। चूंकि समय नहीं है, इस वास्ते मैं इस पर अधिक रोशनी नहीं डाल सकता हूँ। मैं मिनिस्टर साहब से रिक्वेस्ट करता हूँ कि वह इस पर विचार करें। हमारे मन्त्री महोदय इसमें बहुत दिलचस्पी रखते हैं, यह मैं जानता हूँ। वे अच्छे अच्छे मुझाव भी देते हैं और जब कोई अच्छे मुझाव रखे भी जाते हैं, उन पर विचार भी करते हैं। इस वास्ते मैं कहना चाहता हूँ कि चाहे सेंटर से ऋण मिलने की बात हो या स्टेट से मिलने की बात हो, हमारी जो ऋण देने सम्बन्धी पालिसी है, उसको हमें पूरी तरहसे बदलना पड़ेगा। हमने भुवनेश्वर में कहा भी था :—

“Credit-worthiness should depend on the capacity for production and not necessarily on the ownership of assets.”

यह हमारी पालिसी होनी चाहिये। यह बुनियादी चीज है, जिस पर आपको विचार करना है। जब तक आप अपनी पालिसी को बदल कर उत्पादन के सामर्थ्य पर कर्ज देने की व्यवस्था नहीं करेंगे तब तक किसान का भला नहीं होगा, तब तक हमारा उत्पादन नहीं बढ़ेगा।

जहाँ तक प्राइस का सवाल है, वह सवाल भी अमरीका और रूस से गेहूँ मंगा कर हल नहीं हो सकता है। वह तभी हल हो सकता है जब हमारे देश में उत्पादन अधिक

हो और उत्पादन अधिक करने के लिए वह यह आवश्यक है कि किसान को अधिक से अधिक सुविधायें दी जाएँ, उसको अधिक से अधिक ऋण देने की व्यवस्था की जाए। अगर आप चाहते हैं कि किसान अधिक पैदा करे तो क्रेडिट वॉर्देनस के बारे में जो आपने नियम बना रखा है, उसको आपको चेँज करना होगा।

**Dr. Ram Subhag Singh:** Mr. Deputy-Speaker, Sir, I am very happy that this resolution has been moved in this House and so many hon. Members have expressed their sentiments in regard to land reforms, rural indebtedness, provision of adequate credit etc, as was just pointed out by Shri Patil, and also about proper marketing facility as was emphasised by Shri Sheo Narain. But I would also like the House to appreciate the measures that have so far been taken.

I want straightway to give an assurance here that our policy is to implement the wishes of this House. I do not want to say this with a view to hiding any fact, because as long as we are there in the Ministry we shall see that we give full effect to the sentiments that are expressed in this House.

Shri Nambiar said that even after 17 years of independence we are still depending on some countries and on PL 480 for our food. But I should like Shri Nambiar to find out the truth nearer his house, because after 47 years of Communist rule Russia even today is purchasing more food, in that country, of PL. 480 than we do, and his admirers—China—are looking throughout the world, even in our neighbouring country Burma, to purchase food for their hungry population. Anyway, I do not want to depend on their weaknesses. We shall do our best and we shall see that our farmers and landless labourers are given all facility so that we grow as much food in our country, food fibre and everything, as we can.

[Dr. Ram Subhag Singh]

In regard to land reforms, you know that since 1937 when the Congress first formed the ministries in six States and later in seven States, we have been trying to do our best to do away with the intermediaries. In that effort the intermediaries, particularly the rajhas, maharajas, zamindars and all other types of intermediaries have been abolished in our country. In Gujarat 9·2 lakh tenants have acquired holding rights. In Maharashtra 15 lakh tenants have now got that right. In Rajasthan about 1·3 lakh tenants have acquired ownership. In Uttar Pradesh 15 lakh tenants have acquired direct relationship with the State. Shri Gauri Shankar Kakkar said that not even one acre of land has been given to any landless person in Uttar Pradesh. I want to repudiate it here with full force. I know a little about Uttar Pradesh.

**Shri Gauri Shankar Kakkar:** Out of the surplus land that has been taken out as a result of the enforcement of ceiling, not a single acre has been distributed to the tiller.

**Dr. Ram Subhag Singh:** I would like that a clear picture should be given to this House. I have seen the condition of UP for a long time and I know that in certain parts of UP a tiller had no right to dig any well or construct a house. Now they have got that right. If it is desired, I shall place the entire picture before the House for the benefit of Shri Nambiar, who was narrating the pitiable condition of the tiller. Even in Jammu and Kashmir, which is one of our northernmost States, 4·5 lakh acres of land have been given to those who did not possess any right on land. In Punjab 4·2 lakhs acres of land have been declared as surplus land.

**Shri Naval Prakhakar** (Delhi—Karol Bagh): What about Delhi?

**Dr. Ram Subhag Singh:** The hon. Member comes from Delhi, which is a metropolitan city which is fast deve-

loping. I realise the difficulties of Delhi. He wants to see that Delhi develops. For that purpose, they are acquiring some land. I have heard him when he was speaking on the Land Reforms Bill in regard to Delhi. But that is a matter which can be viewed from the point of view of development of Delhi. We have progressively checked the ejectment of tenants from the lands they are tilling and we shall see that it is fully enforced.

Then, Shri Nambiar referred to waste lands. I do not know whether he would like all waste land to be brought under plough. He said that about 38 crore acres of land is under plough and 113 million acres of land is still waste land which can easily be brought under plough. I think Shri Nambiar is familiar with the total acreage in India. I think our land acreage comes to over 102 crore acres and I am sure he will not be able to bring under plough the entire land. Because, if you are bringing all the waste land under plough, it will be at the cost of ruining agriculture because unless and until there is some forest in the country agriculture cannot thrive. In fact, the land under plough in India is much more than in many other countries of the world; the percentage is much higher. Therefore, there should be some balance between ploughed land and waste land. Of course, we would progressively like to see more waste land is brought under plough and distributed to the landless people.

With regard to culturable waste land, there is a Central scheme for surveying those areas at a cost of Rs. 69 lakhs. The survey has progressed in all States except Rajasthan and Jammu and Kashmir. In Rajasthan it is due to the introduction of the new canal. So, large areas of desert will be brought under plough. The distribution of about 50 lakhs acres of waste land is going to be

made amongst 7 lakhs of families during the Third Plan. We are having a Centrally sponsored scheme of Rs. 7 crores to effect this distribution programme.

The pattern of assistance for this scheme is; firstly, the cost of reclamation is shared equally with the State subject to a ceiling of Rs. 150 per acre of land allotted; secondly, for expenditure on resettlement proper Central assistance is given to the extent of Rs. 500 per family, 75 per cent is grant and 25 per cent is loan. Some of the land that is waste land we would like to be brought under forests.

**Shri Sham Lal Saraf** (Nominated—Jammu and Kashmir): Land policy is yet to be reoriented.

**Dr. Ram Subhag Singh:** As Shri Sham Lal Saraf knows very well, our national forest policy is that we should bring under forests about one-third of our total acreage.

About the land utilisation programme, there may be defects. I fully agree with my esteemed friend, Shri Saraf and it will be developed.

As regards rural indebtedness, there was a survey carried out by the Reserve Bank of India and they will soon publish the report. But so far as I have gathered, rural indebtedness has been linked with the value of the assets held by the rural people and it comes to about 7·8 per cent of their total assets. You know, Sir, the Rural Credit Inquiry Committee had done some survey about ten years ago and that Committee suggested that the Indian agriculturists would require about Rs. 1,250 crores per annum as credit for the purpose of production. This is a big amount. At that time the total credit that was provided by the co-operatives was only 3 per cent. It was about Rs. 23 crores in 1950-51 and now it has gone up from 20 to 25 per cent. In 1962-63 the co-operatives

provided credit to the tune of Rs. 256 crores as short-and medium-term credit. In 1963-64 we are hoping that it will be to the tune of Rs. 300 crores and next year about Rs. 400 crores. I do realise that this is an insignificant amount as compared to the total needs of our agriculturists, both landholders as well as landless and this is a thing which will have to be stepped up. There we will require the help of hon. Members also because co-operatives are now our accepted national vehicle for distributing credit as well as for supply. Until and unless we develop co-operative societies in each and every village of our country it will not be possible to meet fully the requirements of the agriculturists. I do not know in how many villages of his constituency Shri Nambiar has formed co-operative societies.

About marketing facilities, as you know, Sir, we have introduced State trading in one of our biggest agricultural produce—I mean, jute—and we have requested the Ministry concerned to purchase jute from the State Trading Corporation. They are doing that. In respect of other commodities also we will progressively introduce State trading. State trading and co-operative societies—these are the two things. But, at the same time, we do not want that there need not be any competition in the field; but I do say that some atmosphere must be created wherein the grower gets a fair price of his produce.

In this regard I might point out that support prices have been fixed for many important agricultural products. In the case of rice it is Rs. 42·87 to Rs. 78·35 per quintal; for wheat it is Rs. 40·19 per quintal. In case of jowar it is Rs. 22·78; white jowar—Rs. 24·12; about cotton, the floor price is Rs. 70 per candy and ceiling price is Rs. 945 per candy; about jute, it is Rs. 80·38 per quintal; as regards sugarcane, it was announced

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only yesterday that the basic minimum is going to be Rs. 1.85 per maund. So, in this way, all these things are recent developments and we would like that our entire operation should be conducted in such a way that the agriculturists get a fair share of their labour. There, I think, Mr. Nambiar will co-operate and not sabotage their interests.

About marketing facilities we have 2500 wholesale markets throughout the country of which 1035 are regulated markets and we are increasing their number. Legislation has been enacted in all States except in U.P., West Bengal, Assam and Kerala. The U.P. Government has introduced recently the Bill and as regards Kerala and West Bengal, they are also drafting their Bills. In Kerala, I might say, Malabar area is already having regulated markets under the Madras legislation. But the regulated markets without grading will not be a hundred per cent success. The rationalisation of market charges has enabled our growers to get somewhere near Rs. 12 crores more than they used to get before and we would like that this figure must go on increasing everyday. Grading has been introduced in about 53 units and we would like that the number should go on increasing.

Then, Mr. Ram Sewak Yadav mentioned about holdings upto 6½ acres and that is a thing which is engaging the attention of several persons and this is being discussed at various platforms. (Interruption). If Mr. Ram Sewak Yadav stands on that, I am sorry to say that they are liquidating their own Party. I do not know whether they will stick to their formula.

**Shri Ram Sewak Yadav:** But that does not mean you should liquidate the tenants also.

**Dr. Ram Subhag Singh:** We will examine your suggestion if you keep your identity. I will be too happy if they get merged. Now, Mr., D. S. Patil has made a very good suggestion.

**श्री रामसेवक यादव :** मन्त्री महोदय ने कहा कि साढ़े ६ एकड़ से कम के खातों पर से लगान हटाने का विचार हो रहा है। मैं जानना चाहता हूँ कि इसमें कितना समय लगेगा और यह निर्णय कब तक हो जाएगा ?

**डा० राम सुभग सिंह :** विचार नहीं हो रहा है। मैं उनको बताना चाहता हूँ कि उन्होंने सगुण और निर्गुण के झगड़ में पड़ कर समझने की शक्ति कुछ कम कर ली है। मैं नहीं चाहता था कि यहां मनुस्मृति के सिद्धान्त जारी रहें।

मैंने कहा था कि कई ज़ेडफार्म से साढ़े ६ या ५ एकड़ से कम के खातों से रेवेन्यू हटाने की आवाज उठायी जा रही है। वातावरण बन रहा है, देखें यह कितनी दूर तक जाता है। है। लेकिन जो पार्टियाँ अपना अस्तित्व नहीं रखेंगी उनकी बात को ज्यादा महत्व नहीं मिल पाएगा।

Shri Nambiar said that the prices of foodgrains were going high. It is true that the prices have gone up, but there are about 55,000 fair price shops in our country, and in those shops, the grains are distributed at controlled prices. Even in Delhi, a bag of *atta* of about 2½ maunds is available for Rs. 39-6-0, but I do not know whether Shri Nambiar would prefer to use that for himself.

Then, the hon. Member did not show also any weakness in handling the problem. But he was very much eloquent in regard to overthrowing the Government. He said that unless and until we fell a victim or prey to his way of thinking, he would see that the Government was overthrown. But we are not as weak as Shri Nambiar has



imagined. I think that he need not get his inspiration from the fact that his biggest friend Mr. Chou En-lai wanted to overthrow the Government because he did not succeed in his nefarious objective. We shall organise this country in such a way that not only Mr. Chou En-lai but also Shri Nambiar may come to his senses.

**Shri Nambiar:** I am sorry that the hon. Minister has misunderstood me as saying that we are here to overthrow the Government or anything like that. Our purpose is not that. I have made it very clear in my opening speech that we are here to co-operate with Government in order to see that the people are fed properly, that maximum production is achieved and the landless labour or the agricultural workers are given land and also that the actual tiller gets the land back, which is unfortunately not being given to him today.

Then, I come to the point referred to by the hon. Minister saying that I am against any forests being raised etc., which is wrong. At page 23 of *Progress of Land Reform* it has been clearly stated:

"The total geographical area of India is about 811 million acres. Land-use statistics are available for about 721 million acres (1956-57), which are classified as follows:

	Million acres
Forest	126
Not available for cultivation	116
Other uncultivated lands excluding fallow lands	98
Fallow lands	59
Net area sown	322
	721"

Out of the 98 million acres of uncultivated lands excluding fallow lands, only 54 million acres have been calculated as being cultivable waste. If

we add to this the fallow land which is to the extent of about 59 million acres, the total comes to about 113 million acres. Therefore, these 113 million acres can be brought under cultivation, according to the Planning Commission's analysis. They say that:

"The extension of cultivation can, therefore, be possible only to areas which are classified as:

- (i) other uncultivated land excluding fallow lands; or
- (ii) fallow lands."

Therefore, 113 million acres are the area of the lands which can be brought under cultivation according to this report.

Coming to the other point relating to the import of foodgrains, which the Soviet Union has made after forty-seven years, I would submit that that is a point which the Soviet Union alone can reply to. That is not the premise of my argument and therefore, I am not traversing on it. But my point is that we have been importing foodstuffs every year during all these seventeen years of our Independence, to the extent of about Rs. 150 crores every year. I would like to know whether this can eternally go on and whether we can afford to do it. That is the short point which I have raised, but the hon. Minister has unnecessarily brought in China, Soviet Union etc. Anything that we mention here need not be the point of view of the Communist Party elsewhere. Therefore, let him not misunderstand what we have stated in that manner.

As for evictions, the hon. Minister has stated that things will be done in such a way that as far as possible there will be no evictions. But the point is that large-scale evictions are taking place in each State and the peasants are put to a lot of difficulty and they have to resort to satyagraha and such other forms of struggle. The

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hon. Minister must attend to this and see that these evictions are not allowed. Instead of land being granted to the tiller, whatever land is available is taken away from him. That is also a point which requires the immediate attention of the hon. Minister.

With regard to the removal of intermediaries also, the hon. Minister has given us a wrong picture. I have agreed that intermediaries in the form of zamindars and jagirdars have been removed, but the question is whether the land even in those areas has gone to the actual tiller.

17 hrs.

He says the title has passed to new people. The question is whether it has passed to the tiller. My contention is that it has not gone to the tiller. The tiller has not got the land. Instead, a new land-owning class has come in the way of the tiller. The tiller is still tilling it and paying the money to the new zamindar. It has only added to his sufferings.

Under these circumstances, I submit that my Resolution is quite in order. After all, we only recommend to Government to take certain steps. If he is agreeable and if the House agrees, instead of 'Government', we can say 'State Governments' so that it may be made very specific—"This House recommends to the State Governments to take immediate steps . . .". Whether the Central Government should bring in legislation or not is not the point. The point is that the State Governments must take measures—legislative and executive—to implement it. Therefore, in that way I am prepared to amend it, if it is agreeable. Once we agree to the principle, and to the practice of it also, there is no difficulty. Therefore, I request the House to agree to my Resolution.

**Mr. Deputy-Speaker:** He is pressing it?

**Shri Nambiar:** Yes.

I am agreeable alternatively, also to the substitute resolution.

**Mr. Deputy-Speaker:** Then I will put the substitute Resolution, amendment No. 1, to the vote of the House.

*The Substitute Resolution was put and negatived.*

**Mr. Deputy-Speaker:** Does Shri D. S. Patil want to press his amendment?

**Shri D. S. Patil:** I seek leave of the House to withdraw it.

*The amendment was, by leave, withdrawn.*

**Mr. Deputy-Speaker:** I shall now put the original Resolution to the vote of the House.

The question is:

"This House recommends to the Government to take immediate steps by way of legislative and executive measures to bring about a thorough land reform including transfer of ownership of land to the tiller, removal of rural indebtedness and provision of proper marketing facilities with price supports".

*The Resolution was negatived.*

17.03 hrs.

#### RESOLUTION RE: NATIONALISATION OF FILM INDUSTRY

**Shri R. G. Dubey (Bijapur North):** I beg to move the following Resolution:

"This House is of opinion that Government should take steps to nationalise the Film Industry".

**Mr. Deputy-Speaker:** He may continue the next day.

17.03½ hrs.

*The Lok Sabha then adjourned till Eleven of the clock on Monday, March 9, 1964/Phalguna 19, 1885 (Saka).*