

Third Series, Vol. V—No. 41

Friday, June 8, 1962
Jyaishta 18, 1884 (Saka)

LOK SABHA DEBATES

(First Session)



(Vol. V contains Nos. 41—51)

LOK SABHA SECRETARIAT
NEW DELHI

ONE RUPEE (INLAND)

FOUR SHILLINGS (FOREIGN)

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LOK SABHA DEBATES

Third Series

Volume V, 1962/1884 (Saka)

[*June 8 to 22, 1952* / *Jyaishta 18 to Asadha 1, 1844* (Saka)]



FIRST SESSION, 1962/1884 (Saka)

(Vol. V contains Nos 41 to 51)

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N.B.—The sign + marked above the name of a member on questions which were orally answered indicates that the question was actually asked on the floor of the House by that Member.

LOK SABHA

Friday June 8, 1962 | Jyaistha, 18,
1884 (Saka).

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

[MR. SPEAKER in the Chair].

ORAL ANSWERS TO QUESTIONS

**Central Food Technological Institute,
Mysore**

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*1353. { **Shri S. C. Samanta:**
 Shri Subodh Hansda:
 Shri M. L. Dwivedi:

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

(a) whether an aid of Rs. 38 lakhs by the U.S.A., has been given to the Central Food Technological Institute, Mysore for its project for production of protein-rich foods;

(b) if so, whether any agreement has been signed; and

(c) whether nutritional evaluation trials will also be conducted on children?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) Yes, Sir. A grant of Rs. 37.20 lakhs, spread over a period of four years, has been made available to the Institute from P.L. 480 funds.

(b) Yes, Sir.

(c) Yes, Sir

958 (A) L.S.D.—1.

Shri S. C. Samanta: What projects have been carried out by the Central Food Technological Institute at Mysore which attracted this sort of help?

Shri Humayun Kabir: This was primarily the work on the development of protein-rich foods of vegetable origin and it has attracted notice throughout the world.

Shri S. C. Samanta: Who, on behalf of the United States of America, signed the agreement?

Shri Humayun Kabir: I could not say that. It is somebody on behalf of the United States.

Shri S. C. Samanta: I mean the institute.

Shri Humayun Kabir: It is the National Institute of Health of the United States of America.

Shri Subodh Hansda: With reference to the answer given to part (c) of the question, I want to know what group of children will be taken up for evaluation trials with this protein-rich food.

Shri Humayun Kabir: It will be at two levels; first, there will be testing on pre-mature infants weaned and pre-school children of 1 to 5 years of age; and secondly, for school children of 6 to 15 years of age.

Shri Basappa: May I know whether the production of the protein-rich food is still in the experimental stage only or whether it is on a commercial scale and it will be economical to utilise it?

Shri Humayun Kabir: This question is really capable of being broken up into two parts. So far as this parti-

cular item is concerned, it is obviously in an experimental stage. But with regard to the other protein-rich foods, they have been produced from gram or vegetables and some of them are on a pilot scale. One particular process is being produced on a commercial scale.

Shri B. K. Das: May I know whether the experiment has been successful and whether any pilot project has been started for commercial production?

Shri Humayun Kabir: I have just answered that question.

Mr. Speaker: Shri Harish Chandra Mathur—Shri Kamath.

Shri Hari Vishnu Kamath: What has been the final upshot of the research or experiment carried on with regard to the production of synthetic rice? Has it been found edible or has it ended in a fiasco?

Shri Humayun Kabir: It does not strictly arise out of this question but I shall answer the question. The Central Food Technological Institute has got a hundred programmes. In one question you cannot bring in everything. So far as synthetic rice is concerned, it is called tapiocamarconi and it has proved quite successful.

Shri Hari Vishnu Kamath: Quite successful? Who is eating it, and where?

Mr. Speaker: Order, order. Next question.

Shri Harish Chandra Mathur rose—

Mr. Speaker: I called Shri Harish Chandra Mathur, but he did not rise to put the question.

Shri Harish Chandra Mathur: I am sorry.

Bye-products in Steel Plants

*1354. **Shri Vidya Charan Shukla:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether any wastage of bye-products is going on in plants of the Hindustan Steel Ltd., which can otherwise be used for commercial and industrial purposes; and

(b) if so, the particulars thereof?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam):

(a) and (b). A statement is laid on the Table of the House.

STATEMENT

All the by-products as can be used commercially for industrial purposes and for which there is adequate demand are being utilised. In case there is no demand for any of the by-products within the country, efforts are made to export them. However, some of the by-products from the Steel Plants have not yet found an adequate market. But the Hindustan Steel Limited are making efforts to meet the situation as mentioned below:—

Motor Benzol.—Normally this is used as an additive to petroleum as motor fuel. The demand of the Oil Companies for this by-product is at present met by other Steel Companies. The Hindustan Steel Limited are considering how best it could be put to other uses.

Benzene and Toluene.—The difficulty in the disposal of these Chemicals exists at the moment since large organic industries utilising these as raw material have not started functioning. The Hindustan Steel Limited expect that this difficulty will be resolved by 1963-64.

Hot Pressed Napthalene.—Hindustan Steel Limited are at the moment meeting the entire requirements of the country for this chemical. They expect that the difficulty about the disposal of balance production will be resolved by 1963-64.

Light Solvent Naptha.—This is an industrial Solvent in the disposal of which difficulties have been found.

Pitch, Creosote Road Tar.—Certain initial difficulties in disposal were met with, but these are now being solved.

Shri Vidya Charan Shukla: Motor benzol and benzene are being wasted since the public sector steel plant came into being. May I know the reason why their consumption and utilisation were not planned along with the planning of the steel plant and by what time these chemicals are supposed to be utilised in the country?

Shri C. Subramaniam: Every attempt is being made to utilise them as quickly as possible, and as the hon. Member is aware, there are other Steel projects which are producing these very same by-products and they are being utilised already. Therefore, in cases where it is not possible to utilise them we are trying to find an export market.

Shri Vidya Charan Shukla: The hon. Minister says that every attempt is being made to utilise them. May I know what are those attempts which have been made up to date to utilise those by-products?

Shri C. Subramaniam: I can go on item by item.

Mr. Speaker: That is a long list; that would take some time.

Shri Basappa: May I know whether any attempt is being made to start some industries for these by-products which have no market either in this country or outside?

Shri C. Subramaniam: New industries are coming up and we are giving out information. For the utilisation of these by-products if anybody comes forward, certainly we will render all help.

Shri Ramanathan Chettiar: What about the slag that comes out of the steel plants?

Shri C. Subramaniam: The slag is to be used for the manufacture of cement. Attempts are being made to

utilise the slag for the manufacture of cement.

Shri Daji: May I know whether Government is going to start on its own any subsidiary industries in Bhilai for the utilisation of some of these by-products?

Shri C. Subramaniam: The hon. Member may be aware that for the purpose of granulating the slag, a plant is being erected. Apart from that, I am not aware of any other industry.

Tagore Commemoration Theatres

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1355. } **Shri Vasudevan Nair;**
 } **Shri Warior:**

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

(a) how many States have completed the construction of the theatres in honour of the memory of Rabindranath Tagore; and

(b) whether there is any State where the construction has not started at all?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) Five.

(b) None.

Shri Vasudevan Nair: May I know whether there is any uniform pattern prescribed for the construction of these theatres in all the State capitals?

Shri Humayun Kabir: The theatres, obviously have to fit in with the local architecture. Therefore, the architectural pattern may vary, but inside, we expect that the theatre will be uniform throughout the country.

Shri Vasudevan Nair: The hon. Minister has stated that only 5 States have completed the construction. May I know the reason for so much delay in the construction in the other States?

Shri Humayun Kabir: They are in different stages of construction and we expect that almost all of them will be ready by the end of next year. Since they are being constructed by the State Governments, answer to the Question could be given by the State Governments.

डा० गोविन्द दास : ये जो नाट्य-शालाय बन रही हैं, क्या ये केवल हर एक राज्य की राजधानी में हैं या राज्यों के और प्रधान स्थानों में भी हैं ? केन्द्र की ओर से और राज्यों की ओर से बनाई जा रही इन नाट्य-शालाओं की सब मिला कर संख्या क्या है ?

Shri Humayun Kabir: That will arise out of the next question. This is a specific question about a particular theatre.

श्री ब्रज बिहारी मेहरा: देश में जो टैगोर स्मारक नाट्यशालाएं बन रहे हैं, उन पर केन्द्रीय सरकार कितना खर्च कर रही है और राज्य सरकारें कितना खर्च कर रही हैं ?

Shri Humayun Kabir: The pattern of assistance is, the Centre is giving 50 per cent of the first Rs. 2 lakhs and 25 per cent thereafter, subject to a maximum of Rs. 2½ lakhs to a State. That is the general pattern.

Shri R. S. Pandey: May I know many theatres have been constructed so far?

Shri Humayun Kabir: The hon. Member did not probably hear me.

Shri D. C. Sharma: May I know whether any rules will be framed so far as the production of plays in these theatres are concerned and whether only Tagore's plays will be enacted here or other plays also?

Shri Humayun Kabir: A theatre hall is a theatre hall. It should be used for other plays also and for public meetings, conferences, music concerts and for whatever purpose it can be used.

Regarding the first part of the question about rules, obviously it is not for us to prescribe what kind of plays are to be produced there.

श्री बड़े : क्या यह सच है कि टैगोर कामेमोरेशन थियेटर तैयार करने के लिये स्टेट्स का जो क्वोटेशन आने वाला है, उस में पटलों से चन्दा लिया जा रहा है ?

Shri Humayun Kabir: That question should be addressed to the State Government.

Shri Bade: I want to know whether any direction has been given from the Central Government that the subscription should be taken from the patels?

Shri Humayun Kabir: Why should the Centre come into the picture at all?

Shri Dasaratha Deb: First it was decided that a place in the heart of Agarthala would be selected for the construction of this Tagore Commemoration Theatre. May I know the reason why the Government now try to construct it elsewhere far away from Agarthala?

Shri Humayun Kabir: The question of location of the theatre is the concern of the State Government or the territorial authority. We are not concerned with it.

Pavement-Dwellers in Delhi

*1357. **Shri Harish Chandra Mathur:** Will the Minister of Home Affairs be pleased to state:

(a) the total number of persons in Delhi who have to live on footpaths etc., without a roof on their heads; and

(b) Government's programme to provide shelter to such persons?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) A census of houseless persons taken by the Superintendent of Census Ope-

rations on the nights between 28th February and 3rd March 1961 showed that their number was 6,586.

(a) One permanent night shelter at Andha Mughal is being maintained by the Delhi Municipal Corporation. The Bharat Sewak Samaj is also running night shelters at Jumna Bazar, Kashmere Gate, Hardinge Library, Delhi Gate, Pahar Ganj, Kabli Gate, Subzi-mandi and Bagh Dewar. Construction of more night shelters at some other places is also under the consideration of the Delhi Municipal Corporation. A provision of Rs. 5 lakhs for construction of night shelters has been made in their Third Five Year Plan.

Shri Harish Chandra Mathur: May I know in what broad categories these pavement dwellers can be classified? I want to know what are the types of people who are on the pavement.

Shri Datar: Some difference is made by the Bharat Sewak Samaj and the Corporation. So far as the Bharat Sewak Samaj is concerned, they admit for the night shelter those who are working during day time and not those who are not working at all. So far as the Corporation is concerned, it finds it difficult to make a distinction between beggars and others, and therefore they charge a small fee of 12 naye paise per night.

Shri Harish Chandra Mathur: Sir, according to a study made in Bombay the number of pavement dwellers was about three lakhs there, and from three lakhs in the Second Plan period it has gone to six lakhs in the Third Plan period. Am I to understand that the figure given out here as 6,000 has any relation to the realities? May I know whether any check-up has been made in this respect?

Shri Datar: There are the figures given by the census authorities, and they are confined to those who gave out that they had no houses to live in, either as tenants or as owners.

Shri Ansar Harvani: Does Government propose to give any subsidy to those voluntary organisations who intend to construct houses or intend to provide shelter to these pavement dwellers?

Shri Datar: Yes; for the purpose of construction of these houses Government are considering the question of making some grants.

Shri D. C. Sharma: Are these pavement dwellers jobless people or do they hold jobs and yet they cannot find shelters?

Shri Datar: Some of them, I believe, are jobless, except where the job is one of begging itself.

Shri Heda: Organizations like Rain Baseras have been successful in Delhi. Is there any plan to see that such organisations or the activities of such organisations are extended in Delhi and also in other cities so that the pavement dwellers may get some shelter in the night.

Shri Datar: This question relates to Delhi.

Shri Heda: I am talking of the Ran Basera in Delhi itself.

Shri Datar: In Delhi the Municipal Corporation and the Bharat Sewak Samaj are the two agencies which are working.

Shri Hari Vishnu Kamath: Has Government ever considered the damage to India's reputation, not merely at home but abroad, caused by the fact that there are so many hundreds of pavement dwellers, and people who sleep on the footpath right in the capital of India, under the very nose of the Government?

Shri Datar: This question is already before the Government. There are beggars at various stages and they are taking action with a view to prevent beggary.

Shri P Kunhan: The hon. Minister stated that most of these people are

baggars. May I know whether Government have any intention of bringing a suitable legislation to prevent begging from our country?

Mr. Speaker: That is a different thing altogether. Next Question—

Shri Datar: There are legislations for begging....

Mr. Speaker: Order, order. I have gone to the next question.

Explosive for Coal Mines

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*1358. { **Shri K. N. Tiwary:**
 { **Shri A. S Saigal:**

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

(a) whether it is a fact that the coalfields situated in the Pench and Kanhan Valley are non-grassy;

(b) whether it is a fact that the Chief Inspector of Mines has made it compulsory for mine owners to use high explosives;

(c) whether it is also a fact that explosives which are in short supply and are being imported cost the nation valuable foreign exchange;

(d) whether it is a fact that indigenous Gun-powder manufacturers are being pushed out of that trade due to certain vested interests; and

(e) if so, steps proposed to be taken in the matter?

The Deputy Minister in the Ministry of Mines and Fuel (Shri Hajarnavis): (a) Yes.

(b) No.

(c) Permitted explosives have to be imported since they are not manufactured indigenously.

(d) and (e). Government are not aware of such a situation. Only those explosives are generally imported which are not available indigenously.

Shri K. N. Tiwary: May I know what steps Government would like to take to make the country self-sufficient in this respect?

The Minister of Mines and Fuel (Shri K. D. Malaviya): This question of manufacturing special types of explosives which are needed for mining industry is under the active consideration of the Government. There are some projects that are going on with the ICI and more are proposed to be undertaken.

Shri Vidya Charan Shukla: Is it a fact that complaints have been received from the Pench and Kanhan Valley coal fields that the Chief Inspector himself has allowed them explosives which are not useful for this kind of coalmines that exist there? If so, what remedial action has been taken by the Government?

Shri K. D. Malaviya: It is a fact that the Chief Inspector of Explosives has approved of the particular quality of explosives that has been used, but I do not possess the information which has been asked just now by my hon. friend.

Shri D. N. Tiwary: May I know the quantum of import of these explosives by Government?

Shri K. D. Malaviya: I require notice.

Shri K. N. Tiwary: May I know whether this has affected the output of coal?

Shri K. D. Malaviya: It is a fact that we faced a scarcity problem of explosives a few months back. Now I have the information that we are not facing any particular difficulty.

Shri Tyagi: Is it a fact that the I.C.I., a foreign firm, has been enjoying the monopoly of manufacture and import of explosives and Indian firms are generally not allowed to come into the field.

Shri K. D. Malaviya: In a way, yes. The I.C.I. has been enjoying the monopoly in the supply of these explosives, but, as I said just now, this question is under our active consideration to see how we can make ourselves self-sufficient and also control the manufacture of this important commodity.

Heavy Electricals Ltd., Bhopal

*1359. **Dr. K. L. Rao:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) the original estimated cost of the Heavy Electricals Ltd., Bhopal;

(b) the present estimates;

(c) how much money has been spent on overheads and consultation services so far; and

(d) whether any measures of economy have been worked out to compensate the heavy charges incurred so far?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam):

(a) to (d). A statement is laid on the Table of the House.

STATEMENT

(a) The original estimated cost of the Heavy Electricals Plant at Bhopal, as envisaged in the Project Report submitted by Associated Electrical Industries Ltd., U.K. (Technical Consultants to the Project), in 1956 was Rs. 35.25 crores, exclusive of working capital. This was for achieving an annual output of about Rs. 12 crores on single shift or Rs. 22 crores on two shifts.

(b) The present estimate is of the order of about Rs. 40 crores for an annual output of Rs. 25 crores on two shifts.

(c) Upto the end of March 1962, Rs. 43 lakhs had been paid to the Consultants. In addition expenditure on account of salaries and overheads, allowances etc. of the Consultants' establishment at Bhopal was approximately Rs. 32 lakhs; and

(d) The payments to the Consultants are in accordance with the Technical Consultancy Agreement.

Dr. K. L. Rao: In view of the fact that the type and range of products now under manufacture are different from those originally intended, like heavy machinery, is there any modification in the terms of payment to be the consulting engineers?

Shri C. Subramaniam: No. As a matter of fact, the payment scheduled is fixed by the agreement, a copy of which is available in the library. It is in accordance with the agreement that we have to pay.

Dr. K. L. Rao: Is it a fact that the high-voltage switch gear supplied by the consultant is obsolete? If so what steps have the government taken to prevent such occurrences in future?

Shri C. Subramaniam: I take the information from the hon. Member. I shall try to find out what is the exact position.

Shri Hem Barua: May I know whether it is a fact that during his recent visit to Bhopal the hon. Minister stated that he was dissatisfied with the production results of the Heavy Electricals Limited, Bhopal? If so, may I know the reasons on which he based his dissatisfaction? Does he propose to hold an inquiry into this.

Mr. Speaker: This question relates to the estimates at the beginning and now.

Shri Harish Chandra Mathur: Part (c) of the question is:

"where any measures of economy have been worked out. . ."

Mr. Speaker: That he said at the beginning.

Shri Hem Barua: The supplementary question that I put is vitally related to this because I am asking about an aspect of the working of the plant. If the plant does not work satisfactorily, the Minister is perfectly right to express his dissatisfaction.

Mr. Speaker: In part (c) also there ought to be some relation to the economy that has to be brought about.

Shri C. Subramaniam: I had recently visited Bhopal when I had occasion to go through the work of that plant. I had also expressed my opinion that I am not quite satisfied with the performance of the plant because there has been indiscipline, so to say, among the labour ranks and, in addition to that, key raw materials were not available. All these had contributed to the non-fulfilment of the target fixed. There would be scope for improvement. I had discussed this with the officials concerned and I hope early steps would be taken to improve matters.

Shri Daji: May I know whether the expansion programme is going on, as scheduled? If so, will the estimates be kept up or they are likely to go up?

Shri C. Subramaniam: That is my expectation.

Mr. Speaker: Shri Basappa.

Shri Hem Barua: May I know . . .

Mr. Speaker: I will give him an opportunity, but not in between.

Shri Basappa: It is found that nearly Rs. 75 lakhs have been paid to the consultants. Is there any proposal to pay more to them?

Shri C. Subramaniam: If the hon. Member looks into the agreement, he will find that we have to pay on the whole £400,000. So, a little more has got to be paid. I do not have the exact figures.

Shri Hem Barua: Besides being dissatisfied with the indiscipline of the labour force there may I know whether the hon. Minister was dissatisfied with the irresponsibility of the management and the administration also?

Shri C. Subramaniam: It is rather a very embarrassing question. I cannot

be dissatisfied with everything there. There is considerable scope for improvement in every sector and in every section there and I am hoping that it will be possible to make those improvements.

Shri Nambiar: I find from the statement given here that the amount has been increased from Rs. 35.25 crores to Rs. 40 crores. May I know whether accordingly the fees to be given to the technical consultants have also been increased or whether the fees will remain static?

Shri C. Subramaniam: I do not think the Consultants' fees have been increased on account of this.

Rourkela Steel Plant

*1360. **Shri Maheswar Naik:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether an official delegation of Government consisting of the Secretary of Steel Department and the Chief Engineer, Rourkela, visited Bonn for discussion with the West German Economics Ministry; and

(b) if so, the purpose and result of visit?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam):

(a) Yes, Sir.

(b) To discuss with the West German Government the measures necessary for bringing the Rourkela Steel Plant into full production in the light of the advice given by the German experts who had visited Rourkela as part of the Delegation led by Mr. Solveen of the German Economic Ministry. By and large, there was agreement on the measures to be taken although details of these measures and the estimates of cost have to be worked out further.

Shri Maheswar Naik: May I know whether this visit has got anything to do with the dispute between the Government of India and the West German Government so far as the ex-

pansion programme of Rourkela is concerned?

Shri C. Subramaniam: I do not think there is any dispute between the West German Government and the Government of India with regard to expansion.

Shri Maheswar Naik: May I know whether this visit has been able to solve the question as to the future expansion programme of Rourkela and, if so, in what way?

Shri C. Subramaniam: Yes, Sir; that matter also was discussed.

Shri Daji: Is it true that the West German Government has now intimated to the Government of India that the expansion programme can be taken in hand only after the Rourkela plant reaches its rated capacity and therefore it is likely to be delayed?

Mr. Speaker: There is another question on that.

Shri Daji: It is related to this. Shri Wanchoo went there.....

Mr. Speaker: There is definitely another question on that.

Shri Vidya Charan Shukla: What is the estimated cost of repairs as reported by the Secretary of the Steel Ministry to repair the damages caused to the steel plant because of the mal-functioning?

Shri C. Subramaniam: On the whole it is expected that it would cost us about Rs. 6 crores, but all this does not go in for repairs or for setting right the damages. Three-fourths of this amount would go for building up of spare parts and wages of technical personnel who will be coming over to work in Rourkela and only about Rs. 1 crore and odd will be required for the purpose of repairs etc.

Shri Shivaji Rao S. Deshmukh: May I know whether it is a fact that a consortium of West German firms on the lines of Durgapur is planned in respect of the Rourkela project also?

Shri C. Subramaniam: The expansion programme is under discussion now and, therefore, no positive step has been taken.

Shri Hem Barua: May I know whether it is a fact as is reported, that the hon. Minister told the West German firms that instead of finding fault with one another we should go about setting the plant right? I quote verbatim as reported in the papers. If so, what are the reasons for this mutual recrimination?

Shri C. Subramaniam: I wanted to avoid mutual recrimination and just wanted to find out as to what is wrong so as to set things right. The approach has been made in that attitude and I am glad to find that agreement also has been reached as to what all has to be done in Rourkela.

Shri Vidya Charan Shukla: May I know if any efforts have been made to find out whether Messrs. Demag and Krupp, the Consultants of the Firm, had any responsibility for this mal-functioning and bad management during the construction period of the steel plant and, if so, whether any penalty has been demanded of them?

Shri C. Subramaniam: I would request the hon. Member to wait till I am able to place the Solveen Report for the consideration of this House. Then perhaps it may be possible to come to a correct conclusion.

Reduction in Excise Duty on Fuel Oil

*1361. **Shri P. C. Borooah:** Will the Minister of Finance be pleased to state:

(a) whether the Industries Minister of Assam during his recent visit to New Delhi urged upon the Central Government to reduce substantially the excise duty on fuel oil, to enable the Assam Government to utilise the fuel oil produced at Nunmati for its power programme; and

(b) if so, Government's decision thereon?

The Deputy Minister in the Ministry of Finance (Shri B. R. Bhagat): (a) and (b). A letter on the subject had been received by the Finance Minister from the Industries Minister, Assam. In reply he has been informed that his suggestion could not be accepted.

Mr. Speaker: Next question.

Shri P. C. Borooah rose—

Mr. Speaker: I have called the next question I looked to him twice. He did not rise.

Natural Gas from Pakistan

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- *1362. { **Shri D. C. Sharma:**
Shri Raghunath Singh:
Shri Maheswar Naik:
Shri P. C. Borooah:

Will the Minister of **Mines and Fuel** be pleased to refer to the reply given to Starred Question No. 309 on the 27th November, 1961 and state:

(a) whether it is a fact that two months ago Pakistan replied to the enquiries regarding the sale of natural gas to India;

(b) if so, whether any reply has been sent to Pakistan; and

(c) the nature thereof?

The Minister of Mines and Fuel (Shri K. D. Malaviya): (a) to (c). A communication has been received from the Government of Pakistan which covers some of the points on which information was sought from that Government. This matter is being examined. No reply has been sent to the Government of Pakistan so far.

Shri D. C. Sharma: May I know on what points information was sought from the Pakistan Government?

Shri K. D. Malaviya: The information sought was on the following points:

Firstly, the quantity of gas that they could supply.

Secondly, the pressure at which such gas would be supplied at the Indo-Pakistan border.

Thirdly, the time that would be taken to construct the various gas supply facilities.

And, fourthly, the price at which such gas would be supplied on the basis of demands varying between 50, 100, 150 and 200 million cubic feet per day for periods of 15, 20 and 25 years.

Shri D. C. Sharma: May I know what necessitates the India Government to go in for supplies of this natural gas from Pakistan and whether our own natural gas resources are not going to be sufficient in the next one or two years?

Shri K. D. Malaviya: Not it is no, likely that we will get this quantity of gas in our own country in the next one or two years. Quite close to the borders there is plenty of natural gas available, and the Government of India naturally were anxious to find out from the Government of Pakistan whether they could consider it feasible to supply the gas on suitable terms.

Shri P. R. Patel: May I know how much quantity of gas we are intending to buy from Pakistan and further, when we are having gas at Ankleshwar and we have still gas at Cambay, why we intend to buy gas from Pakistan?

Shri K. D. Malaviya: Gas must have a range so far as its consumption is concerned. Ankleshwar and Cambay gas are going to be utilised in the neighbourhood. They cannot be brought to Rajasthan or Delhi or Punjab for exploitation. The idea is to negotiate with the Pakistan Government to find out if it is feasible and desirable to purchase gas at the borders in order to use it as fuel and otherwise in Punjab Rajasthan and other suitable places.

Shri Maheswar Naik: May I know whether the Government of India do not propose to explore ways and means to utilise the gas which is available at Ankleshwar before we enter into negotiations with Pakistan about the purchase or the import of gas from Pakistan?

Shri K. D. Malaviya: I have already answered this question. We are going to utilise all the gas that we are going to get in Ankleshwar and Cambay. We shall still require additional gas for utilisation in other parts of the country.

Shri P. C. Borooah: May I know what success has been achieved in the exploration of the natural gas in the Indian areas adjoining Pakistan?

Mr. Speaker: That is a different thing—what success has been achieved on our side of the border near Pakistan where this gas is available.

Shri K. D. Malaviya: We are already making efforts to discover more gas over and above what we have found in Ankleshwar and Cambay—it is not in very great quantity—and we are also searching for gas elsewhere. So serious efforts are being made to discover more gas.

Shri S. N. Chaturvedi: Is the gas intended to be utilised for industrial purposes and, if so, is it desirable to have this gas from Pakistan?

Shri K. D. Malaviya: I personally do not see any harm if we can get the gas from Pakistan on terms which are acceptable to us.

Shri P. K. Deo: The hon. Minister replied that Sui gas from Pakistan would be utilised in Rajasthan and Punjab. May I know if any attempt has been made to investigate our gas potential in Jaisalmer and what action has been taken?

Shri K. D. Malaviya: I have answered this question generally. We are making all efforts to discover more gas.

Shri Hem Barua: May I know whether any assurance is sought from Pakistan so that because of our strained political relations with that country and because of development of industries in Pakistan, the supply might not be stopped all of a sudden?

Shri K. D. Malaviya: All these questions, naturally, are considered at the time of the negotiations. They will all be taken into consideration.

Shri K. C. Pant: Has the Government examined the feasibility of pumping Jwalamukhi gas to Rajasthan?

Shri K. D. Malaviya: Unfortunately, adequate quantity has not been found in Jwalamukhi.

Search of premises of New Central Jute Mills Company

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*1363. { **Shri Daji:**
 { **Shri S. M. Banerjee:**

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

(a) whether Special Police Establishment has searched the premises of New Central Jute Mills Company;

(b) if so, the reasons therefor;

(c) how many times these have been searched;

(d) whether some documents have been recovered; and

(e) if so, what are those documents?

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

(b) The search was made in the course of investigation of an alleged offence of criminal breach of trust of the funds of the New Central Jute Mills by persons connected with its management.

(c) Once, but the search continued for 3 days.

(d) Yes.

(e) Vouchers, Account Books relating to the transactions which are the subject matter of the investigation.

Shri Daji: What is the present stage of investigation and when was the search made?

Shri Datar: Investigation is proceeding since the time the search was held about the middle of March 1962.

Shri Daji: May I know who are the persons involved and what is the cause of this long delay?

Shri Datar: There is no delay in this case. Investigation has been proceeding. A number of documents have been recovered and they are being scanned.

Shri Nambiar: May I know whether a *prima facie* case has been established for a good prosecution against those involved?

Mr. Speaker: Let the inquiry be over. **Shri Ansar Harvani:**

Shri Ansar Harvani: May I know if the police searched only the premises of Central Jute Mills or any allied institution also with which the proprietors of this company are allied?

Shri Datar: Yes. There is one allied institution—company which is known as Messrs Sahu Jain Ltd. They are the managing directors of this.

Shri Daji: May I know what is the amount involved?

Shri Datar: I am not in a position to tell this.

Pipeline to transport Coal

*1364. **Shri P. K. Deo:** Will the Minister of Mines and Fuel be pleased to state:

(a) whether construction of a pipeline is to be taken up to transport coal;

(b) if so, from which place to which place;

(c) the estimated cost of construction; and

(d) when it will be completed?

The Minister of Mines and Fuel (Shri K. D. Malaviya): (a) to (d). The proposal of transmitting coal through pipelines and supplying it to power houses is in a preliminary stage and the details etc. of the scheme are yet to be worked out.

Shri P. K. Deo: May I know at what radius this coal will be supplied by pipe line?

Shri K. D. Malaviya: We are advised by the experts that the range of transportation of coal by such method varies between 30 to 50 miles and not more.

Shri P. K. Deo: May I know when this project is to be taken up and when it is likely to be completed?

Shri K. D. Malaviya: All these question are under consideration

Shri K. C. Pant: Is it not a fact that in order to transport coal by pipe line, it has first to be converted into slurry and if so, what is the extra cost involved in drying out the slurry at the receiving end before it can be put to use?

Shri K. D. Malaviya: The hon. Member is right that coal can be transported only through slurry and that is why it cannot be transported at greater distances than 40 to 50 miles. Further, there are difficulties of utilisation of this coal except in a certain limited way. For instance, power houses are the best places where this coal slurry can be utilised.

उत्तर प्रदेश के सीमान्त क्षेत्रों में विकास कार्य

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*१३६५ { श्री प्र० चं० बरुआ :
श्री सरजू पाण्डेय :
श्री इ० मधुसूदन राव :
श्री भक्त दर्शन :

क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) उत्तर प्रदेश के उत्तर सीमान्त क्षेत्रों,

पिथौरागढ़, चमोली, उत्तर काशी के विकास पर तीसरी पंचवर्षीय योजना में कुल कितनी धन राशि खर्च होने वाली है ; और

(ख) तीसरी योजना में मुख्य रूप से कौन से काम किये जायेंगे ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री वातार) : (क) २८ करोड़ रुपये ।

(ख) १९६१-६२ तथा १९६२-६३ की अवधि में उत्तर खण्ड डिब्बोजन में कार्यान्वित करने के लिये भारत सरकार द्वारा अब तक स्वीकार की गई योजनाओं के दो विवरण पत्र सभा-रटल पर रख दिये गये हैं । [पुस्तकालय में रखा गया देखिये संख्या LT-186-62]

Some hon. Members: In English also.

Shri Datar: (a) Rs. 28 crores.

(b) Two statements indicating the schemes so far approved by the Government of India for implementation in the Uttar-khand Division during 1961-62 and 1962-63 are placed on the Table of the House.

Shri P. C. Borooah: May I know what progress has so far been achieved in the implementation of these schemes?

Shri Datar: They are going for about a year or more, and they are under the direct responsibility of the Chief Minister who works through the Chief Secretary.

श्री भक्त दर्शन : श्रीमान, अभी बताया गया कि २८ करोड़ रुपया तीसरी योजना के लिये रखा गया है । लेकिन पहले वर्ष के लिये केवल १ करोड़ ३५ लाख और दूसरे वर्ष के लिये १ करोड़ ५० लाख रुपये की व्यवस्था की गयी है । मैं जानना चाहता हूँ कि इतना कम रुपया क्यों रखा गया है, क्योंकि अन्त में जब ज्यादा रुपया रह जायेगा तो खर्च नहीं किया जा सकेगा ?

Shri Datar: These were the preparatory years in which the personnel, the material etc. had to be collected. That was the reason why only a small amount was spent during this period.

श्री व० ब० महरोत्रा : उत्तराखण्ड डिब्बोजन की इन योजनाओं में क्या जल प्रपातों से बिजली बनाने की भी कोई योजना है ?

Shri Datar: Yes, there is scope for generation of electricity.

Shri K. C. Pant: Is there any proposal to treat the hill districts contiguous to the border districts on a par with the border districts in the matter of developmental activities?

Shri Datar: So far as, the areas that are not included in the Uttarakhand division are concerned, they are the normal responsibility of the State Government, and I am confident that they will give due attention to them.

Shri D. C. Sharma: There are border areas in so many States of India. May I know whether similar plans have been made for those border areas also, or whether the plan has been made only for the border areas in U.P.?

Shri Datar: As the position was made clear in the course of the debate on the Home Ministry's Demands, there are similar demarcated border areas in Himachal Pradesh, Punjab and Kashmir also.

श्री प्र० के० देव : स्टेटमेंट में पता चलता है कि इसमें याक बुल्स की मज्दारी की भी व्यवस्था है । क्या मैं जान सकता हूँ कि ये याक बुल्स कहाँ से आयेंगे, क्या निर्यात से ?

अध्यक्ष महोदय : इसका अभी पता नहीं है ।

Shri Krishnapal Singh: What is the development that is intended? How is this money going to be spent? What are the details? What schemes have been drawn up?

Mr. Speaker: It is not possible to go into those details at this moment.

Shri Nambiar: From the statement I find that certain degree colleges and technical centres are going to be opened. May I know whether these will be opened during the current year, that is, when the colleges are opened next month?

Shri Datar: The colleges will be opened during the current year, as the new year for them starts.

International Indian Ocean Expedition

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1367. { **Shri D. C. Sharma:**
Shri Bhagwat Jaa Azad:
Shri Maheswar Naik:
Shri Bhakt Darshan:
Shri P. K. Deo:
Shrimati Shashank Manja
Shri Kohor:
Shri P. C. Borooah:
Shri Ram Harkh Yadav:

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

(a) whether a programme of India's participation in the International Indian Ocean Expedition, which is the first systematic attempt to study the Ocean, has been finalised by Government; and

(b) if so, the details of the programme chalked out and the steps taken to implement the same?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (b). Not yet, but the Indian National Committee on Oceanic Research has drawn up a programme of intensive investigations on the continental shelf and superjacent waters in the problems of maritime meteorology, physical and chemical oceanography, marine biology, marine geology and geophysics. There are also proposals for setting up an International Meteorological Centre at Bombay with assistance from U.N. Special Fund and an Indian Ocean Biological Centre at Cochin with Unesco assistance. The Director for

the Indian Programme of the International Indian Expedition has been appointed and sixteen Research Fellowships instituted.

Shri D. C. Sharma: May I know which other countries are participating in this venture?

Shri Humayun Kabir: There is a large number of countries, namely Australia, France, Indonesia, Israel, Japan, Norway, the Malagasy Republic, Portugal, (Mozambique) Pakistan, South Africa, the United Kingdom, the USA, the USSR, Zanzibar, and West Germany.

Shri D. C. Sharma: On what basis will the expenditure on this project be met by India and the other countries?

Shri Humayun Kabir: Each country has its own programme. We shall be concerned with the Indian part of the expedition, and for that, we shall meet the expenses, which will be distributed amongst the different Ministries according to an agreed formula.

Shri Maheswar Naik: What is the total estimated cost of this expedition?

Shri Humayun Kabir: It is very difficult to say what the total cost will be. For the time being, the foreign exchange requirements for India will be about Rs. 7,21,000. As for the rest, it is difficult to work out expenses because they form part of the programmes of the Ministries.

श्री भक्त दर्शन : श्रीमन्, मैं यह जानना चाहता हूँ कि यह जो हिन्दू महासागर का अध्ययन किया जा रहा है इस का कार्य वास्तव में कब शुरू होगा और कितना समय इस में लगेगा ?

Shri Humayun Kabir: In a sense, the programme began in 1960 in a preliminary way. But the major part of the programme will be between 1962—64.

Shri P. K. Deo: There is one small naval establishment at Dehra Dun which is taking up this kind of

oceanographic survey of the Indian Ocean and preparing maps. May I know if there is any co-ordination between that establishment and this one proposed?

Shri Humayun Kabir: The Defence Ministry is co-operating with us in various ways. If there is an establishment of the Defence Ministry at Dehra Dun, obviously it is included.

Shri P. C. Borooah: How many Indian ships, if any, will be taking part in the programme?

Shri Humayun Kabir: The Indian ships ear-marked till now are: INS *Kistna*, which is a frigate of the Indian Navy, *Varuna* of the Indo-Norwegian Project, Kerala, a fisheries vessel called *Bangada* and the Kerala University Research vessel called *Conch*.

Shri Hari Vishnu Kamath: The Minister has been pleased to give the names of the countries which will participate in this project. With so many countries including the USSR and the USA participating in this project, is there any apprehension or possibility of the waters of the Indian Ocean being contaminated by the cold war?

Mr. Speaker: Shri S. C. Samanta.

Shri Hari Vishnu Kamath: No answer to my question?

Mr. Speaker: No.

Shri Humayun Kabir: My hon. friend is so prophylactic that we do not have any such fears.

Shri S. C. Samanta: The hon. Minister has said that for oceanographic studies, a meteorological centre will be set up at Bombay. May I know whether the meteorological centre of the Transport and Communications Ministry which is there at present will be utilised?

Shri Humayun Kabir: They are co-operating fully in the programme.

Watch Smuggling

***1368. Shri Ram Ratan Gupta:** Will the Minister of Finance be pleased to state:

(a) whether the enquiries into the watch smuggling racket involving foreign nationals have been completed; and

(b) if not, the reasons therefor?

The Deputy Minister in the Ministry of Finance (Shri B. R. Bhagat):

(a) and (b). Government has no information about a smuggling racket involving foreign nationals.

Shri Ram Ratan Gupta: Has any prosecution been launched so far or not?

Mr. Speaker: They have no information about a smuggling racket. He wants to know if there is any individual case of prosecution.

Shri B. R. Bhagat: This was a general question. But there has been over the past years quite a number of cases in which we have seized watches. In these cases, we have not only seized the watches but have prosecuted the people concerned. If the hon. Member wants to know about any specific case, he may table a separate question, and I will reply.

Shri Ram Ratan Gupta: A smuggling racket was discovered at Palam Airport in which, according to my information, some of the staff members of the Chilean Embassy were involved. I am referring to that.

Shri B. R. Bhagat: He should table a specific question about any particular case and I shall answer it.

Shri D. N. Tiwary: Towards the end of the Second Lok Sabha, in reply to a question it was stated by Government in this House that they are aware that smuggling of watches is going on. Now the Minister says that Government are not aware of any such smuggling. How are the two statements reconciled?

Shri B. R. Bhagat: The two statements are not contradictory. This question refers to a smuggling racket involving foreign nationals. We are not aware of any smuggling racket involving foreign nationals in a general way. But when we come across any such cases involving smuggling of watches, there are some foreign nationals also involved. From that we cannot draw the conclusion that the Government has full particulars about any smuggling racket involving foreign nationals.

Shri Nambiar: I will put it like this. May I know whether there was a concrete case of watch smuggling by a particular section of the foreign Embassy in Palam airport, whether it was caught, and whether the Government are aware of it?

Shri B. R. Bhagat: I want separate notice of that question.

Shri Jashvant Mehta: May I know how many such rackets have been traced during the last one year?

Mr. Speaker: He is not aware of any.

Shri Nambiar: The racket may not be there, but this is a specific case which Government must know.

Mr. Speaker: If he says he has no information at the moment, can we force him?

Shri Nambiar: But the facts must be known to Government.

Mr. Speaker: Shri Patel:

Shri P. R. Patel: I want to know whether any foreigners were involved in any smuggling of watches in this year—I talk of this year only—and whether anybody was arrested.

Shri B. R. Bhagat: I want notice of that question.

Application of the Constitution to Jammu and Kashmir

*1369. **Shri Hari Vishnu Kamath:** Will the Minister of Home Affairs be pleased to state:

(a) whether Government propose to amend the Constitution by repealing Article 370, with a view to applying the Constitution in toto to the State of Jammu and Kashmir, so as to put it on par with other States of the Indian Union; and

(b) if not, the reasons therefor?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (b). The question will be considered at the appropriate time.

Shri Hari Vishnu Kamath: In view of the fact that according to the Constitution, this article 370 is a temporary and transitional provision, is it going to be indefinitely temporary and transitional, or has the Government set a date for its abrogation or is considering or thinking of setting a date for its abrogation?

Shri Datar: No such date has been fixed, but may I point out to the hon. Member that after 1950 on four or five occasions changes or modifications have been made so far as the relations with Jammu and Kashmir State are concerned, and the President has, with the concurrence of the State Government, issued orders in that respect.

Shri Hari Vishnu Kamath: Exactly, Sir. Clause 3 of article 370 of the Constitution says that the President may by public notification declare that this article shall cease to be operative etc., provided the recommendation in this regard, and if it Jammu and Kashmir has been obtained. May I know whether the Jammu and Kashmir State Assembly has *suo motu*, made any specific recommendation in this regard, and if it has not done so, does the Government propose to consult the State Assembly with regard to this, whether the abrogation or modification of this provision can be made in the very near future?

The Minister of Home Affairs (Shri Lal Bahadur Shastri): The Jammu and Kashmir Government have not

made a general reference at all. There was a question only four or five days ago relating to the need to have direct elections in respect of which the Prime Minister of Jammu and Kashmir made a statement on the floor of the Assembly. We have told the House that till now we have not received a formal reference from the State Government. Therefore, unless the concurrence of the State Government is obtained, it would be difficult to deal with article 370 so far as the modifications that the hon. Member desires are concerned.

Shri Nath Pai: The extension of the full Constitution of India to Jammu and Kashmir was withheld because of the peculiar conditions prevailing there, and we were told that this was to be of a temporary nature. Recently we have told the Security Council, and I think very rightly, that conditions have materially changed and therefore the promise of plebiscite does not arise. In view of the fact that the Government itself has told the world that conditions have materially changed in Kashmir, does it not apply with regard to the promise to extend the full provisions of the Constitution also?

Shri Lal Bahadur Shastri: The hon. Member perhaps knows what progress we have made in this regard, especially since 1950. In the years 1958 to 1960 many provisions of the Constitution have been applied to Jammu and Kashmir, especially in regard to the Indian Administrative Service, the functions of the Comptroller and Auditor-General, in regard to the Census as also in regard to the Supreme Court. They can give special leave to appeal from the decisions of the High Court of Jammu and Kashmir. And several other provisions have been made applicable. I do not want to go into them. As my hon. friend has just now said—about direct elections being held for Parliament from that State—in regard to

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that, I have myself written to Bakshi Ghulam Muhammad suggesting to him that in the light of his statement I hope he will be writing to us officially so that we might go in for the amendment of the Constitution. In these matters we are constantly in touch and in consultation with the State Government. We are in entire agreement with the wishes of the hon. Member, but I hope we should not try to precipitate matters and we have to do it in concurrence with the State Government.

Shri Tyagi: Does the restriction pertaining to the purchase of property and building residential houses still stand? As far as I remember, there is some provision whereby while Kashmiris can go to the rest of India and build houses and buy properties the non-Kashmiris cannot go to Kashmir and build their houses and buy properties. I want to know whether that restriction still stands, or, whether the Government propose to remove it now.

The Prime Minister and Minister of External Affairs and Minister of Atomic Energy (Shri Jawaharlal Nehru): I believe it stands with out approval. Of course, it sounds odd that in a part of India Indians should not be allowed to take property, but this inheritance from the past was thoroughly justified. If this had not been so, the whole of the land in Kashmir would have been bought up at relatively cheap terms by the foreigners, the English people and others—because it is a very desirable place—or by a few rich people from Calcutta and Bombay, and the Kashmiris would practically have no place left in Kashmir itself. Therefore, one of the Maharajas made it a rule that nobody from outside can do it. That does not apply to the same extent now, but to some extent it does. And it would become a playground for a number of rich people from outside who will buy up or build chateaux and such like things, and the opportunity for the growth of Kashmir, to the people of Kashmir, would be limited.

नई दिल्ली में भारतीय पेट्रोल की बिक्री के लिये एजेंसी

* १३७०. श्री भक्त दर्शन : क्या खान और ईंधन मंत्री यह बताते की कृपा करेंगे कि

(क) क्या यह सच है कि नई-दिल्ली नगरपालिका ने इण्डियन आयल कम्पनी से अनुरोध किया था कि उसे नई-दिल्ली के क्षेत्र में उक्त कम्पनी के पेट्रोल की बिक्री का एकाधिकार दिया जाये ;

(ख) क्या यह भी सच है कि नई-दिल्ली नगरपालिका के इस अनुरोध को कम्पनी ने ठुकरा दिया है ; और

(ग) यदि हां, तो इस के क्या कारण हैं ?

खान और ईंधन मंत्रालय में उपमंत्री (श्री हजरनबीस) (क) जो नहीं ।

(ख) और (ग). नई-दिल्ली नगरपालिका ने इण्डियन आयल कम्पनी को २ या ३ सर्विस स्टेशन / फिल्लिंग स्टेशन स्थानों (Service Station/Filling Station Sites) के नियतन (Allotment) के लिये प्रार्थना की थी । कम्पनी उन प्रस्तावों की प्रगति के लिये सहमत हुई परन्तु स्थानीय प्रशासन उन स्थानों में से किसी भी स्थान का, जिन के लिये नई-दिल्ली नगरपालिका ने दिलचस्पी प्रगट की थी, अनुमोदन नहीं किया । उपर्युक्त स्थानों के बदले में अन्य स्थानों के लिये नगरपालिका द्वारा पेश किये गये प्रस्तावों पर कम्पनी द्वारा विचार किया जा रहा है ।

I shall also give the answer in English.

(a) No, Sir.

(b) and (c). New Delhi Municipal Committee had approached the Indian Oil Company Ltd. for allotment of 2 or 3 Service station/Filling station sites. While the Company agreed to progress the proposals, the Local Administration did not approve any of the sites in which the New Delhi Municipal Committee had indicated their interest. The Committee's pro-

posal for some alternative sites is being considered by the Company.

श्री भक्त दर्शन : श्रीमन्, चूंकि यह तेल की कम्पनी भारत सरकार की अपनी है और दिल्ली की नगरपालिका भी सीधे भारत सरकार के अन्तर्गत है, तो क्या भारत सरकार का यह इरादा है कि इस कारोबार को, जहां तक हो सके, दिल्ली नगरपालिका या इसी तरह की और स्वायत्त-शासन संस्थाओं को ही दिया जाये ?

श्री हजरनबीस : मैं माननीय सदस्य का सवाल समझ नहीं सका हूं ।

श्री भक्त दर्शन : श्रीमन्, मेरा मतलब यह है कि चूंकि यह कम्पनी सरकार की अपनी है, तो यह काम प्राइवेट व्यापारियों को न दे कर, उद्योग पतियों को न दे कर, नगरपालिका या इसी तरह की संस्थाओं को देने के सम्बन्ध में क्या कोई निर्णय किया गया है, ताकि आदर्शों के अनुकूल कार्य किया जा सके ।

श्री हजरनबीस : यह निर्णय नई दिल्ली म्यूनिसिपल कमिटी और दिल्ली प्रशासन को करना है—इंडियन आयल कम्पनी को नहीं करना है ।

खान और ईंधन मंत्री (श्री के० दे० मालवीय) माननीय सदस्य ने जो कहा वह मुनासिब बात है और सरकार उससे सहमत है कि चूंकि इंडियन आयल कम्पनी एक पब्लिक सेक्टर कम्पनी है, इस लिये उस का नगरपालिका के साथ पूरा सहयोग होना चाहिये । लेकिन सम्भवतः नगरपालिका ने अपने शासन के दृष्टिकोण से उन जगहों पर सन्जूरी न दी होगी, जहां यह आयल कम्पनी ये सर्विसिज लगाना चाहती है । इस लिये नगरपालिका और इंडियन आयल कम्पनी को कोई दूसरी जगह के बारे में सहमत होना चाहिये, जो कि सुविधाजनक हो ।

Shri Basappa: In view of the fact that the grant of monopoly for the sale of this oil would hamper the trade, may I know whether other parties other than the New Delhi Municipi-

pal Committee have applied, whether any commission is intended to be paid and if so what is the commission?

Shri K. D. Malaviya: I do not possess all that information with me or the background in which the Indian Oil Company are negotiating for the installation of service stations. I know several hundred applications are pending before the Indian Oil Company for finalisation and selection.

श्री भक्त दर्शन : श्रीमन्, मेरे मूल प्रश्न का उद्देश्य यह था कि इस तरह के जो सेल्ज डिपो दिये जायें, वे सिद्धान्ततः जहाँ तक हो सके नगरपालिकाओं या इसी तरह की संस्थाओं को दिये जायें, न कि प्राइवेट उद्योगपतियों को। तो क्या इस तरह का कोई निर्णय किया गया है और उस पर अमल भी किया जा रहा है।

श्री के० दे० मालवीय : जी हाँ, मैंने पहले ही कहा है कि सरकार इस विचार में सहमत है कि नगरपालिका जैसी संस्थाओं को ही तेल के वितरण का काम प्रधानतः दिया जाये।

Shri P. Venkatasubbaiah: May I know whether it is proposed to give it to co-operatives for the distribution of this oil, as is being done in the other States, by the Indian Oil Company?

Shri K. D. Malaviya: Yes, Sir.

Revaluation of German Currency

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*1371 { **Shri Sivamurthi Swamy:**
Shri Yajnik:

Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether West Germany has decided to revalue their currency from the 6th March, 1961;

(b) if so, how much loss this decision causes to India in the construction of Rourkela Steel Plant with German collaboration;

(c) how much per rupee according to the revaluation; and

(d) what steps Government propose to influence West Germany for the payment on the old exchange rate of Deutsch Mark in the meanwhile?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): (a) to (c). Yes Sir. On 6th March, 1961 the German Deutsch Mark was revalued. As a result payments to Germany in terms of Rupees will cost about 5 per cent more from that date. So far as Rourkela is concerned, most of the plant and equipment had already been received and paid for by that date by Hindustan Steel Ltd. The effect of the revaluation on the remaining amount to be paid is estimated at about Rs. 8 million.

(d) None.

Shri Sivamurthi Swamy: May I know whether in the agreement there was any mention that in the case of revaluation of the exchange, the old exchange will be continued?

Shri C. Subramaniam: No, Sir.

Shri Sivamurthi Swamy: May I know what rate of interest is charged for this?

Shri C. Subramaniam: I would like to have notice.

Shri Nambiar: May I know whether there was any provision in the agreement that if there is revaluation, we have to pay more accordingly?

Shri C. Subramaniam: The revaluation has got to be accepted. That is the international convention and that is confirmed by my esteemed colleague, who is an expert in these matters.

Shri Nambiar: In view of the fact that we have to pay more because of this and in view of the shortage of foreign exchange, may I know whether we have made any representation to the German Government not to increase our contribution on that account?

Shri C. Subramaniam: In these matters, there are certain international conventions which bind us also. There-

fore there is no question of anything being done, which is out of the way.

Shri Heda: May I know whether the Government sensed that this revaluation was in the air and it would come sometime or other?

Shri C. Subramaniam: These changes are made suddenly, without notice. I do not think any precautionary measure could have been taken.

Nunmati-Barauni Pipeline

*1373. **Shri D. C. Sharma:** Will the Minister of Mines and Fuel be pleased to state:

(a) the details of the progress made in the work on the Nunmati Barauni pipeline; and

(b) the amount spent so far on the same?

The Minister of Mines and Fuel (Shri K. D. Malaviya): (a) The entire length (about 464 miles) of the right of way has been cleared and all pipe stringing and welding completed. 117 road crossings and 32 rail borings, 5 suspended crossings, 25 submerged crossings and 18 rail bridge river crossings have been completed. 70 per cent. of the work on 4 Pumping Stations has been completed. Possession has been taken of the site required for domestic accommodation for staff.

(b) A sum of Rs. 1,721 lakhs has been spent so far on the construction of Nunmati-Barauni section of the pipeline.

Shri D. C. Sharma: In view of the good progress that has been made so far, may I know when the 700 mile pipeline will be completed?

Shri K. D. Malaviya: The entire pipeline was scheduled to be completed by the end of 1962. But according to the latest information available to us from the Oil India Ltd., there might be a delay of four months.

Shri D. C. Sharma: May I know what loss in terms of money this de-

lay will cause so far as the Indian Oil Company is concerned?

Shri K. D. Malaviya: It is difficult to specify any loss on account of this delay, but if my hon. friend means by 'loss' the delayed start of the pipeline, surely there will be some reduction in the gross income.

Shri Morarka: May I know whether hon. Minister has calculated the per-mile cost of this pipe line; if so, how does it compare with the cost of pipe-lines in other parts of the world?

Shri K. D. Malaviya: I have not got those comparative figures just now, but if my hon. friend is interested I will pass them on to him because we have worked out some comparative figures.

WRITTEN ANSWERS TO QUESTIONS

Theatres

*1356. **Shri Bhagwat Jha Azad:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether Government propose to set up new theatres in the country;

(b) if so, how many such theatres will be set up; and

(c) the places where these are proposed to be set up?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) Yes, Sir.

(b) and (c). As a part of Tagore Centenary Celebrations a National theatre is being set up in every State capital except Assam where it is at Gauhati. An open-air theatre called 'Rabindra Rangashala', a National theatre and an Experimental theatre are being put up in New Delhi. 216 open air theatres have been put up in rural areas all over the country and more open air theatres are proposed to be built in rural as well as urban areas.

Expansion of Rourkela Steel Plant

*1366. **Shri Indrajit Gupta:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether it is a fact that the West German Government have disapproved of any expansion scheme for the Rourkela Steel Works until the present capacity of the plant is first fully utilised;

(b) if so, whether the expansion scheme is going to be deferred; and

(c) by when the Plant is expected to achieve full utilisation of its existing capacity?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): (a) and (b). No, Sir. Although some press reports on the subject have been published, so far as Government is aware they are not authoritative. It is true, however, that the West-German Government had expressed some concern over the proposed expansion in the light of the inadequate production in Rourkela so far. Measures to improve the working of Rourkela are being devised after consultation with the West-German Government and the team of experts which had visited this country.

(c) Within the next 12 months or so.

Hospital in Delhi Cantonment

*1372. **Shri S. M. Banerjee:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that there is no well-equipped hospital in Delhi Cantonment to cater to the requirements of the civil population;

(b) whether it is also a fact that the Cantonment Board undertook the construction of a new hospital and the same is lying in a semi-complete condition;

(c) whether the Board failed to utilise the grant received from Government for building purposes and

the same was returned in March 1961; and

(d) what his Ministry propose to do to look after the welfare of the civil population?

The Minister of Defence (Shri Krishna Menon): (a) A 20 bedded non-dieted hospital is being maintained by the Cantonment Board, Delhi.

(b) and (c). The construction of the new building for the hospital was to be financed partly by the Government and partly by the Cantonment Board out of their own resources. It could not be completed due to inadequacy of funds with the Board. Only the balance of Special grant-in-aid, which could not be spent during the financial year, was refunded to the Government in accordance with the conditions attached to the grant.

(d) The Cantonment Board has now enough funds and have taken steps to complete the work during the current year.

Branch Office of Accountant-General, Gujarat

{ **Shri S. M. Banerjee:**
*1374. { **Shri Warior:**
 { **Shri P. C. Borooah:**

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the Branch Office of Accountant General, Gujarat now in Bombay is going to be wound up on the 2nd June, 1962;

(b) whether nearly 150 employees have been asked to proceed to Ahmedabad;

(c) if so, the reasons for this transfer of office; and

(d) whether Government of Maharashtra have protested against this transfer?

The Deputy Minister in the Ministry of Finance (Shrimati Tarkeshwar Sinha): (a) and (b). Yes, Sir.

(c) The Branch Office, with a skeleton staff, was kept at Bombay for want of accommodation at Ahmedabad. This Office has gradually been shifted to Ahmedabad on the availability of accommodation there.

(d) No, Sir.

Nal Aerodrome (Rajasthan)

2787. Shri Karni Singhji: Will the Minister of Defence be pleased to state:

(a) whether there is any scheme for construction of necessary buildings for Nal Aerodrome (Rajasthan);

(b) if so, whether the details of the Scheme will be placed on the Table indicating therein the time by which the scheme is likely to be implemented;

(c) whether there is annual auction of grass and berry trees in the area of Nal Aerodrome; and

(d) if so, the annual income therefrom from 1950 to 1961?

The Minister of Defence (Shri Krishna Menon): (a) and (b). Nal was a military airfield and is being developed again for the use of the Indian Air Force. It is not in public interest to give further details.

(c) and (d). There has been no auction of grass and berry trees from 1950 to 1961. As such, no sale proceeds were realised.

Steel Re-rolling Mill in Kerala

2788. Shri M. K. Kumaran: Will the Minister of Steel and Heavy Industries be pleased to state:

(a) at what stage the proposal to establish a steel re-rolling mill in Kerala is; and

(b) what is the capacity of the mill?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): (a) and (b). The following two steel re-rolling mills have been licensed in Kerala under the Industries Act, 1951:—

No.	Name	Date of licence	Location	Annual capacity
1.	A. V. Thomas & Co., Cochin	2-7-60	Cochin	6,000 tons
2.	West India Steel & Co. Private Ltd., Calicut	24-8-61	Calicut	15,000 tons

M/s A. V. Thomas and Co., Cochin are negotiating for the import of plant and machinery from rupee-payment countries.

M/s West India Steel Co. Private Ltd., Calicut are making necessary arrangements for erection of the factory and for obtaining the capital equipment.

Monuments in Kerala

2789. Shri M. K. Kumaran: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) the total number of protected monuments in Kerala;

(b) the monument-wise amount allotted for maintenance and repair

during the last ten years and the actual amount spent on each separately;

(c) whether the attention of Government has been drawn to the fact that the historic Anjengo Fort in Trivandrum District is in imminent danger of being washed away by sea-erosion in the area; and

(d) if so, what steps have been taken to preserve the Fort?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) Twenty three.

(b) The honourable member's attention is drawn to the reports of the Department of Archaeology which are

available in the Library of Parliament.

(c) According to available information, there is no such damage.

(d) Does not arise.

Recommendations of Pay Commission in Manipur

2790. Shri Rishang Keishing: Will the Minister of Home Affairs be pleased to state:

(a) whether the recommendations of the Second Pay Commission have been enforced in Manipur;

(b) if so, since when they have been enforced;

(c) how far the employees in classes I, II, III and IV have been benefited;

(d) if not yet enforced at all or in full, the reasons therefor; and

(e) when they will be enforced?

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

(a) to (e). A statement explaining the position is attached. [See Appendix IV, annexure No. 1].

Mountaineering School at Manali

2791. Shri Hem Raj: Will the Minister of Education be pleased to state:

(a) whether Punjab Government have approached the Central Government for grant of aid to the Mountaineering School at Manali; and

(b) if so, the result thereof?

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

(b) Does not arise.

Retrenchment of Government Employees

2792. Shri Manabendra Shah: Will the Minister of Home Affairs be pleased to state:

(a) how many people have been retrenched in 1963 under Rule 5 of the

Central Civil Services (Temporary Service) Rules, 1949; and

(b) what was the formula followed in deciding as to who should be retrenched under the said rules?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Information is not readily available.

(b) Generally, where retrenchment is due to reduction in establishment, the instructions for retrenchment issued by the Ministry of Home Affairs have to be followed. A copy of the instructions is laid on the Table. [See Appendix IV, annexure No. 2]. The services of employees can also be terminated under Rule 5 of the Central Civil Services (Temporary Service) Rules, 1949, at the discretion of the appointing authority.

Historic Beach of Cuddalore

2793. Shri Ramabadrán: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether there is any proposal to improve the ancient historic beach of Cuddalore; and

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

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

(b) Does not arise.

Investment in Small Savings Scheme

2794. Shri Shree Narayan Das: Will the Minister of Finance be pleased to state:

(a) whether the question of giving higher rates of interest by Government to encourage investment in Small Savings Schemes has been considered; and

(b) if so, with what result?

The Minister of Finance (Shri Morarji Desai): (a) Interest rates on various Small Savings Schemes are kept under constant review in consul-

tation with the Reserve Bank and in the context of the general interest rate structure of gilt-edged market.

(b) No decision has yet been taken to revise the existing rates.

सरकारी कर्मचारियों को हिन्दी पढ़ाना

२७६४. श्री प्रकाशवीर शास्त्री : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) केन्द्रीय सरकार के जो कार्यालय इस समय ऐसे नगरों में स्थित हैं जहां गृह-कार्य मंत्रालय की ओर से हिन्दी कक्षाएँ चालू नहीं हैं वहां पर काम करने वाले केन्द्रीय सरकारी कर्मचारियों को हिन्दी सिखाने के लिये क्या व्यवस्था की गई है अथवा की जाने वाली है ; और

(ख) उपरोक्त स्थानों पर टाइपिस्टों को हिन्दी टाइपिंग सिखाने के लिये क्या उपाय किये गये हैं अथवा किये जाने वाले हैं?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातर) : (क) और (ख) जिन स्थानों पर सीखने वाले कर्मचारी काफी संख्या में हैं वहां पर हिन्दी और हिन्दी टाइपिंग प्रशिक्षण केन्द्र खोले जा रहे हैं। कुछ स्थानों में जहां इस मंत्रालय की ओर से हिन्दी प्रशिक्षण केन्द्र नहीं खोले गये हैं, या नहीं खोले जा सकते हैं विभिन्न केन्द्रीय विभाग अपनी ओर से यथा-सम्भव इन्तजाम कर रहे हैं।

Iron Ore Deposits in West Bengal

२७६६. { Shri Subodh Hansda:
Shri S. C. Samanta:

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

(a) whether it is a fact that the Geological Survey of India has located deposits of Iron ore in the District of Midnapur, West Bengal;

(b) if so, in which part of Midnapur District;

(c) whether extensive survey has been undertaken to find out the quantum of deposits; and

(d) whether it has got its commercial importance?

The Deputy Minister in the Ministry of Mines and Fuel (Shri Hajarnavis):

(a) and (b). Iron ore occurrences have been located at Sarisabasa, Jarma, Shiarbinda and Chhurimara in the western part of Midnapur district of West Bengal.

(c) and (d). The above occurrences are not extensive and their grade also does not appear to be superior. Only a small amount of iron ore has been found, associated with manganese ore. Further detailed investigation with the help of drills is in progress to assess the potentiality of the manganese ores.

दिल्ली के प्राइवेट स्कूलों के अध्यापक

२७६७. श्री म० ला० द्विवेदी : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) पिछले तीन वर्षों में दिल्ली के स्कूलों के निजी प्रबन्धकों द्वारा कितने अध्यापकों तथा अध्यापिकाओं को नौकरी में अलग किया गया ;

(ख) सरकार ने कितने मामलों में उन्हें नौकरी पर बहाल करने की आज्ञा दी है और उन में से कितने प्रबन्धकों ने सरकारी आज्ञा का पालन किया है ; और

(ग) जिन प्रबन्धकों ने इन आज्ञाओं का पालन नहीं किया उन के विरुद्ध सरकार ने क्या कार्यवाही की है ?

शिक्षा मंत्री (डा० श्रीमाली) : (क) १२ अध्यापक और ३ अध्यापिकाएँ।

(ख) ६ ! सभी प्रबन्धकों ने सरकार की आज्ञा का पालन किया।

(ग) प्रश्न नहीं उठता।

Basic Education and Rural Development

2798. Shri Shree Narayan Das: Will the Minister of Education be pleased to state:

(a) whether the Study Group set up to explore the possibilities of co-ordination of Basic Education work with rural development work has submitted its report;

(b) if so, the important features of the report; and

(c) how far it has been found possible to implement the recommendations made therein?

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

(b) and (c). The report of the Study Group was submitted to the All India Council for Elementary Education, (on whose recommendation the Group was set up) at its meeting held on 30-31st October, 1961. The Council decided to postpone consideration of the report. The question of implementation of its recommendations at this stage, therefore, does not arise.

The proceedings of the Council's meeting of October, 1961 containing the Report of the Group are available in the Parliament Library.

Rewards for discovering Mineral Deposits

2799. Shri Bibhuti Mishra: Will the Minister of Mines and Fuel be pleased to state:

(a) the number of people who have been rewarded during 1961-62 for supplying information leading to the discovery of new mineral deposits of economic importance; and

(b) what minerals have been found on their supplying the information?

The Deputy Minister of Mines and Fuel (Shri Hajarnavis): (a) and (b). No person has so far been granted any reward. In one case, the discovery of a new mineral deposit of Kyanite

has been confirmed by the Indian Bureau of Mines. The case for the grant of reward to the person concerned is under consideration.

Fire Accidents in Tripura

2800. Shri Dasaratha Deb: Will the Minister of Home Affairs be pleased to state:

(a) the number of fire accidents that took place in Tripura during 1961-62;

(b) total loss incurred by the people;

(c) total financial aid given; and

(d) whether fire brigades can be set up in the divisional towns as protective measures?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) 232.

(b) Approximately Rs. 9,79,550/-.

(c) A sum of Rs. 2,440/- was distributed as gratuitous relief to deserving victims. Another sum of Rs. 13,200/- was advanced as loans in deserving cases.

(d) There are at present two fire service units in Tripura, one at Agartala and the other at Udaipur. Another unit will be opened at Dharma-nagar shortly. Proposals to open a Fire Service Unit each at Kailashahar, Khowai and Belonia are under examination.

Central Grant to Tripura Territorial Council

2801. Shri Dasaratha Deb: Will the Minister of Home Affairs be pleased to state:

(a) the total central grant demanded by the Tripura Territorial Council in their final budget estimates of 1962-63; and

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

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Rs. 309,10,478.00 nP.

(b) A provision of Rs. 258.28 lakhs has been included in the Central Budget for payment of grants to the Council. The question of payment of further grants if justified for new items will be considered only after the Council make specific references giving full details and justification. The Council has been suitably addressed on this matter.

Survey of India Employees

2802. Shri S. M. Banerjee: Will the Minister of Scientific Research and Cultural Affairs be pleased to state the number of Class I, Class II, Class III and Class IV employees of Survey of India as on the 1st January, 1962 and their respective Wage Bills separately?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir):

	Number of employees as on 1-1-1962	Wage bills for the year 1961-62. Rs
Class I .	74	10,76,250
Class II .	113	9,55,008
Class III	2,819	64,66,886
Class IV	2,217	24,59,364

Map Publication Directorate

2803. Shri S. M. Banerjee: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether Director, Map Publication is authorised to make local purchases of various stores for his department;

(b) if so, whether there is any limit to the maximum amount of local purchase;

(c) if so, what is that amount;

(d) what is the procedure for making local purchases;

(e) whether tenders are invited; and

(f) the local purchases made from April, 1958 to March, 1962?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (b). Yes, Sir.

(c) (i) Reproduction stores Rs. 2,000/- at a time.

(ii) Stationary stores Rs. 500/- per annum.

(iii) For other stores, the Director exercises the normal powers of a Drawing and Disbursing Officer.

(d) and (e). Stores are procured after calling for competitive quotations from various firms and placing orders on the basis of lowest quotations.

(f) Rs. 5,49,343/-.

Hostile Nagas of Manipur

2804. Shri Rishang Keishing: Will the Minister of Home Affairs be pleased to state:

(a) the number of hostile Nagas killed, arrested by and surrendered to the security forces in Manipur since the declaration of Manipur Hill Areas as disturbed areas;

(b) the number of hostiles released and those who are still in detention; and

(c) the number of hostiles convicted?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) 10 Naga hostiles were killed, 279 were arrested and 130 surrendered to the security forces in Manipur.

(b) Of the 279 hostiles who were arrested, 119 are in custody. 33 have been released after serving their sentence, 4 were acquitted, 101 have been released on bail while 22 have been released under Section 169 Cr. P.C.

(c) 39.

Seizure of Gold in Manipur

2805. Shri Rishang Keishing: Will the Minister of Finance be pleased to state:

(a) the quantities and value of gold seized in Manipur during 1959, 1960 and 1961 by Customs Department;

(b) in how many cases gold seized has been confiscated; and

(c) the number of cases which are still pending?

The Minister of Finance (Shri Morarji Desai):

(a) Year	Quantity	Value
	gms.	Rs.
1959	13,308	1,19,904
1960	6,173	64,510
1961	126	1,445

(b) 8 cases.

(c) 1 case.

Assam Rifles Officers

2806. Shri Rishang Keishing: Will the Minister of Defence be pleased to state:

(a) whether officers serving in Assam Rifles are being deputed from the Army;

(b) whether any special conditions and qualifications are laid down for being eligible for service in Assam Rifles; and

(c) if so, what are they?

The Minister of Defence (Shri Krishna Menon): (a) As a rule officers serving in Asam Rifles are deputed from the Army. A few released Army officers also have in the past been recruited on contract basis.

(b) and (c). No special conditions or qualifications have been laid down. All officers who are medically fit are eligible for service in the Assam Rifles. For technical branches/apointments in the Assam Rifles, technically qualified and trained officers are deputed.

Reservation of Posts for Scheduled Castes and Scheduled Tribes

2807. Shri Rishang Keishing: Will the Minister of Home Affairs be pleased to state:

(a) the names of the Union Territories where reservation of posts in

various cadres has been made for the Scheduled Castes, Scheduled Tribes and Other Backward Classes upto March, 1962;

(b) the percentage of the reservation;

(c) how far the reserved quota has been filled up; and

(d) the action taken to fill it up wherever it has not been filled up?

The Deputy Minister in the Ministry of Home Affairs (Shrimati Chandra-sekhar): (a) and (b). Reservations are made only for Scheduled Castes and Scheduled Tribes, and not for the other Backward Classes. The percentage of reservations are as follows:—

(1) For Class I and Class II posts in the case of all Union Territories.

Where recruitment is made through U.P.S.C., or by a written examination, 12½% posts are reserved for the Scheduled Castes. Where recruitment is not made through the U.P.S.C. or by a written examination 16-2/3% posts are reserved for the Scheduled Castes. The reservation for Scheduled Tribes is 5% in all cases.

(2) For Class III and Class IV Posts.

The reservations are as given below:—

	S. Cs.	S. Ts.
(i) Delhi	16 2/3%	5%
(ii) Himachal Pradesh	22½%	5%
(iii) Manipur	20% combined reservation for Scheduled Castes & Scheduled Tribes.	
(iv) Tripura	7½%	30%
(v) Andaman & Nicobar Islands.	Islanders are appointed mostly in Class III & IV services. Every encouragement is given to the Sch. Tribes to join other services e.g. School teachers, Police etc.	
(vi) Laccadive, Minicoy and Amindivi Island.	All Class IV posts are filled by Local Tribes only. They are also appointed to other posts as soon as they qualify.	

(c) A statement showing the representation of Scheduled Castes and Scheduled Tribes in services under the Union Territory Administration is laid on the Table. [See Appendix IV, annexure No. 3].

(d) Every effort is made to recruit persons belonging to these Castes and Tribes. The reserved vacancies are advertised and also notified to the Employment Exchanges. Association representing the interests of Scheduled Castes and Scheduled Tribes are also approached to make the vacancies known to the members of these Castes and Tribes.

Elections in Punjab

2808. { Shri Gulshan:
Shri Buta Singh:

Will the Minister of Law be pleased to state:

(a) the details of representations received by the Election Commission of India for holding free and fair Elections in Punjab during December, 1961, January and February, 1962; and

(b) the action taken on these by the Commission with details and in case no action has been taken, the reasons therefor?

The Deputy Minister in the Ministry of Law (Shri Bibudhendra Mishra): (a) About 200 letters and telegrams in the nature of complaints regarding the elections in Punjab were received by the Election Commission. The allegations in these complaints may be broadly classified as follows:—

- (i) assistance obtained by candidates from government servants including police officials;
- (ii) disturbance of meetings organised by candidates or other contesting candidates or parties;
- (iii) indifference of government to requests by the contesting candidates;

- (iv) providing conveyance to voters by candidates;
- (v) publication of false statements by candidates;
- (vi) interference in voting by presiding and polling officers;
- (vii) defects in the preparation of electoral rolls;
- (viii) insecurity of the ballot box;
- (ix) defect in the storage of ballot boxes after poll.

(b) Where the complaints contained specific allegations, they were referred to the Chief Secretary or the Chief Electoral Officer for enquiry and report. These reports were examined by the Commission and suitable action was taken wherever necessary. Where the complaints were such that they would properly be grounds for an election petition, the Commission did not, and they could not, take any action.

It may be added that where an election petition has already been filed, further action in regard to the complaint has been held over pending the disposal of the election petition.

गांधी संग्रहालयों को अनुदान

२८०९. श्री विभूति मिश्र: क्या वैज्ञानिक अनुसंधा और सांस्कृतिक कार्य-मंत्री यह बताने की कृपा करेंगे कि क्या यह सच है कि दिल्ली स्थित गांधी स्मारक को जिस प्रकार केन्द्रीय सरकार अनुदान दे रही है उसी भांति वर्धा, अहमदाबाद, मोतीहारी (चम्पारन, बिहार) तथा अन्य स्थानों के गांधी संग्रहालयों को सरकार अनुदान देने की बात सोच रही है ?

वैज्ञानिक अनुसंधा और सांस्कृतिक-कार्य मंत्री (श्री हुमायूँ कबिर) : गांधी स्मारक निधि की पश्चिम बंगाल शाखा का एक प्रस्ताव विचाराधीन है जिस में एक आठो टोरियम बनवाने के लिये कहा गया है, जोकि गांधी संग्रहालय, बैरकपुर का एक हिस्सा होगा। दूसरा कोई प्रस्ताव नहीं आया है।

Englishmen Adrift in the Indian Ocean

2810. Shri Raghunath Singh: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that two penniless Englishmen were adrift in the Indian Ocean (Bay of Bengal) for 32 days and were rescued by a passing ship and were left in Nicobar Island where an Indian trader gave them shelter for two months; and

(b) if so, the details thereof?

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

and (b). Four British nationals were found adrift in a small open boat in the Bay of Bengal near Carnicobar on the 12th February, 1962, by the vessel m.v. "Safeena" belonging to private traders and brought to Carnicobar. They held valid British passports. According to their statements, they sailed from Chittagong on the 10th January, 1962 and were on their way to Penang. Among their possessions were personal clothes, two cameras, 40 dollars in American currency, 50 sterling in travellers cheques, and Rs. 12½ in Pakistani currency. Three of them had left England on the 25th October, 1961 and desired to proceed to Australia. The 4th person joined them at Chittagong who desired to go to Singapore. They were lodged with a private trading company at Carnicobar. The question of arranging their repatriation from Carnicobar was immediately taken up with the U.K. High Commission in India and they left Carnicobar for Singapore by the Royal New Zealand Air Force Plane on the 12th April, 1962.

Psychological Counselling Centre, Baroda

2811. Shri Subodh Hansda: Will the Minister of Education be pleased to state:

(a) how the Psychological Counselling Centre for the students of M.S. University of Baroda is working;

(b) whether it has been able to throw any light on the problem of students' indiscipline; and

(c) whether it has been able to solve this problem?

The Minister of Education (Dr. K. L. Shrimali): (a). The Centre is functioning satisfactorily.

(b) and (c). The scheme of psychological counselling is still in its formative stage and it is too early to draw positive conclusions on the complex problem of student indiscipline.

Chinese Dry Cleaners' And 'Dyers' in Calcutta

2812. Shri Himatsingka: Will the Minister of Home Affairs be pleased to state:

(a) whether the number of Chinese 'Dry Cleaners' and 'Dyers' is increasing very rapidly in all parts of Calcutta;

(b) whether any account has been taken of their activities; and

(c) whether Government propose to take any steps to check their activities?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) According to the information available there were 32 such shops in Calcutta in 1953. Between 1954 and 1960 fifty such new shops were opened as detailed below:

(1) 4 in 1954.

(2) 15 in 1955.

(3) 13 in 1956.

(4) 8 in 1957.

(5) 5 in 1958.

(6) 4 in 1959.

(7) 1 in 1960 (since closed down). No new shop has been opened after 1960.

(b) and (c). Yes, this is already being done.

Asbestos in Chamoli

2813. Shri Rishang Keishing: Will the Minister of Mines and Fuel be pleased to state:

(a) whether attention of Government has been drawn to the news item published in the *Times of India* of the 24th April, 1962 that large quantities of Asbestos have been found in the border district of Chamoli; and

(b) if so, the action taken to explore the possibility of commercial exploitation of the find?

The Deputy Minister in the Ministry of Mines & Fuel (Shri Hajarravis):

(a) Yes, Sir. The Directorate of Geology and Mining of the Govt. of Uttar Pradesh have reported the occurrence of asbestos deposits in the Mandakini Valley of Chamoli District but not in large quantities.

(b) The Directorate of Geology and Mining, Government of Uttar Pradesh have taken up detailed proving of the deposits, extending along a belt of 15 miles with discontinuous mineralisation of asbestos, by way of trenching

and mapping for working out the commercial possibilities.

Ground Water in Tiruchi

2814. Shri Umanath: Will the Minister of Mines and Fuel be pleased to refer to the reply given to Starred Question No. 100 on the 23rd April, 1962 and state:

(a) the results of the ground water and hydrological investigations carried out in Tiruchi District with particular reference to Pudukotheri Division of Tiruchi District; and

(b) the steps taken to utilise the benefits of results?

The Deputy Minister in the Ministry of Mines and Fuel (Shri Hajarravis): (a) The results of the ground-water and hydrological investigations carried out in Tiruchi district by the Geological Survey of India are as follows:

During 1957-58 9 wells were drilled. The details of the wells are given below:

Locality	Rate of pumping in gallons per minute.	Draw down in feet	Remarks.
1. Andimattam	470 (2136 litres)	17.54 (5.34 metres)	Production well.
2. Tularamgurichchi	488 (2218 litres)	16.00 (4.88 metres)	Do.
3. Marudur	700 (3182 litres)	23.08 (7.03 metres)	Do.
4. Jayamkondachollapuram	484 (2200 litres)	18.4 (5.60 metres)	Do.
5. Edaikattu	669 (3010 litres)	52.00 (15.85 metres)	Do.
6. Devamangalam	193 (877 litres)	57.00 (17.37 metres)	Abandoned due to poor yield.
7. Kodangudi	838 (3808 litres)	22.30 (7.62 metres)	Production well
8. Ponnaavidudi	173 (785 litres)	59.00 (17.98 metres)	Abandoned due to poor yield
9. Vennavalkudi	No promising aquifer.	..	Abandoned.

The two wells drilled at Vannavalkudi and Ponnaavidudi were in the Pudukkottai Division.

During 1960-61, well inventory work in the Alangudi taluk was carried out. Systematic groundwater survey was carried out in an area of 1321 square kilometres of Udaiyarpaliam taluk during the period 1960-62.

(b) The results of the investigations have been communicated to the State Government for necessary action.

Sulphur in Salem Iron Ore

2815. Shri Umanath: Will the Minister of Steel and Heavy Industries be pleased to state:

(a) the sulphur and other contents of impurity in Salem Iron Ore;

(b) how does it compare with the impurity percentages found normally in iron ore; and

(c) whether it is a fact that the pig iron that would be obtained from the Salem iron ore will be of the highest

quality?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam):

(a) The percentage of iron and important impurities found in three samples of iron ore from the Salem area are as below:—

	A Percentage	B Percentage	C Percentage
Iron (Fe) .	35.0	37.7	34.8
Silica (SiO ₂)	64.4	44.9	46.2
Alumina (Al ₂ O ₃)	0.1	0.1	0.1
Lime (CaO)	0.85	0.95	1.15
Magnesia (MgO)	1.60	2.0	2.15
Manganese (MnO)	0.05	0.05	0.04
Sulphur (S)	0.04	0.04	0.04
Phosphorus (P) .	0.14	0.14	0.13

(b) and (c). There is no "normal" iron ore. The percentages of impurity in iron ore can vary very widely. Salem iron ore with 36% Iron is a poor ore compared to other iron ores containing 60—68% Fe which are available in India. The Salem ore will, therefore, require beneficiation.

The quality of pig iron which could be obtained from the Salem iron ore would depend not only on the ore, but also on the quality of the reductants and limestone used, as well as the process adopted. The indications at present are that the pig iron will be of good quality.

Journalism Course in Delhi University

2816. Shri Bhagwat Jha Azad: Will the Minister of Education be pleased to state:

(a) whether a diploma course in journalism is proposed to be started in Delhi University; and

(b) whether Delhi University has asked for any special assistance for starting such a course?

The Minister of Education (Dr. K. L. Shrivastava): (a) and (b). The University of Delhi is considering the possibility of starting a two years' post-

graduate course in Journalism. It had included a provision of Rs. 1,37,700 for this purpose in its proposals for the Third Five Year Plan, but later on undertook to forward to the University Grants Commission a revised proposal in this regard after the advice of experts had been obtained in the matter. The revised proposal is yet to be received by the Commission.

Opium Haul at Jagadhari

Shri Raghunath Singh: Will the Minister of Finance be pleased to state whether a big haul of opium was made on the 29th April, 1962 at Yamuna Bridge barrier by a joint party of Punjab Police and Excise Department in Jagadhari?

The Minister of Finance (Shri Morarji Desai): 5.60 kgs. and 20.12 kgs. of opium were seized at this place on the 22nd and 27th April, 1961 respectively.

M.V. 'Andaman' and M.V. 'Nicobar' Ships

2818. Shrimati Savitri Nigam: Will the Minister of Home Affairs be pleased to state:

(a) whether any complaints are received from passengers about poor quality of food supplied to bunk and

deck passengers on Government ships M.V. 'Andaman' and M.V. 'Nicobar';

(b) whether any written complaint was made on Madras-Port Blair voyage of M.V. 'Andaman' which sailed from Madras on 12th February, 1962;

(c) whether some passengers beat or slapped the butler of M.V. 'Nicobar' on her Port Blair-Madras voyage which sailed from Port Blair on 20th April, 1962, for the reason that good food was not supplied in spite of passengers' complaints on this voyage; and

(d) why food at least of two standards in vegetarian canteen is not available to suit the two main classes of bunk/deck passengers viz., Mazdoors and middle class persons?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Some complaints were received in the past. In order to improve the catering service on these vessels the services of the old catering contractor have been discontinued, and the arrangements have been entrusted directly to the Chief Stewards on board the vessels.

(b) No.

(c) It has been reported that the Chief Steward of the vessel m.v. 'Nicobar' was slapped by a Deck Passenger on her voyage from Port Blair to Madras between the 20th to 25th April, 1962 but no complaint was lodged with the Master of the ship about quality of the food before this incident occurred.

(d) Only two types of food is served on board the two vessels i.e. one for the saloon class passengers and the other for the bunk and deck passengers. It is not feasible to introduce two different types or standards of vegetarian meals for bunk and deck class passengers because the galley space available on both the vessels is limited. The passengers of middle class standard can,

however, supplement the food supplied to them by purchasing extra items from the canteen.

National Library, Calcutta

2819. Shri Jena: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that the National Library in Calcutta has received lesser number of books in the years 1961 and 1962 than those received in the years 1959 and 1960; and

(b) if so, the reasons therefor?

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

(b) Does not arise.

Public Sector Projects

2820. Shri Rameshwar Tantia: Will the Minister of Steel and Heavy Industries be pleased to state:

(a) the names of the Public Sector Projects under him which went into production more than 3 years back;

(b) the amount invested in each project;

(c) the gross and net profit made by each of them during the last three years; and

(d) amount provided for interest, depreciation and other items?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): (a) to (d). A statement giving the requisite information is laid on the Table of the House. [See appendix IV annexure No. 4].

Canteen in 505 Army Base Workshop, Delhi

2821. Shri S. M. Banerjee: Will the Minister of Defence be pleased to refer to the reply given to Unstarred Question No. 416 on the 1st May, 1962 and state:

(a) whether it is a fact that after

the election of the new Works Committee in 505 Army Base Workshop Delhi Cantonment, there is a profit of about Rs. 200 per month during the months of January and February, 1962 at the same rate and with the same staff; and

(b) whether his Ministry is thinking of referring this case to the Crime Branch for proper investigation of the case as there is a doubt of misappropriation of the Canteen funds?

The Minister of State in the Ministry of Defence (Shri Raghuramaiah):

(a). No, Sir. There was a profit of Rs. 136.49 nPs. in January 1962, while during the month of February 1962, there was a loss of Rs. 122.86 nPs.

(b). No, Sir. There are no reasons for referring this case to the Crime Branch for any investigation.

Suppression of Immoral Traffic in Women & Girls Act, 1956

2822, Shri M. K. Kumaran: Will the Minister of Home Affairs be pleased to state:

(a) whether Government propose to amend the Suppression of Immoral Traffic in Women and Girls Act, 1956; and

(b) if so, the main points on which amendments are desired?

The Deputy Minister in the Ministry of Home Affairs (Shrimati Chandrasekhar): (a) and (b). Certain proposals to amend the Act are under consideration of the Government and the points on which amendments are to be made are not yet finalised.

Mineral Oil in Gujarat

2823, Shri U. M. Trivedi: Will the Minister of Mines and Fuel be pleased to state:

(a) the production of mineral oil in Gujarat State at the end of March, 1962;

(b) whether the production has gone up there; and

(a) what are the latest reports of analysis on the various hydrocarbon components of the oil?

The Minister of Mines and Fuel (Shri K. D. Malaviya): (a). The average daily production of crude oil in Gujarat by the end of March, 1962 was 600 tons.

(b) Yes, Sir.

(c) Analysis of Ankleshwar crude oil indicates the presence of 70 per cent paraffins, 20 per cent Napthenes and 10 per cent Aromatics.

Silver Mines

2824. Shri U. M. Trivedi: Will the Minister of Mines and Fuel be pleased to state:

(a) whether there are any mines in India producing silver; and

(b) if so, the yearly production?

The Deputy Minister in the Ministry of Mines and Fuel (Shri Hajarnavis): (a) There are no mines in India exclusively producing silver ore. Silver is recovered from gold and lead concentrates. The commercial natural sources of silver in the country are the gold mines in Mysore owned by Kolar Gold Mining Undertaking and the Hutti Gold Mines Co. and the lead zinc mines in Rajasthan owned by Metal Corporation of India Ltd.

(b) The production of silver in the country during the last three years was as follows:

Year	Qty. (Kgm).
1959	3881
1960	4128
1961	5941

राजनैतिक पेशे

२८२५. श्री भक्त दर्शन : क्या गृह-कार्य मंत्री इस प्राणय का एक विस्तृत विवरण सभा-पटल पर रखने की कृपा करेंगे कि किन-किन व्यक्तियों को, किन-

किन कारणों से, कितनी-कितनी मात्रा में राजनैतिक पेंशन दी जाती है ?

गृह-कार्य मंत्रालय में राज्य मंत्री (श्री बातर) : अपेक्षित विवरण की एक समेकित सूची तैयार करने में कुछ समय लगेगा क्योंकि राजनैतिक पेंशनों का प्रबंधन भारत सरकार की ओर से सम्बन्धित राज्य सरकारें करती हैं। सूचना इकट्ठी की जा रही है और शीघ्र-अति-शीघ्र सभा पटल पर रख दी जाएगी।

Delhi Cantonment Board

2826. **Shri S. M. Banerjee**, Will the Minister of Defence be pleased to state:

(a) whether there is any provision in the Cantonment Act that an elected Vice-President of a Board can be removed from the office by a majority of no-confidence vote;

(b) whether any such request for clarification has been received from the elected members of Delhi Cantonment Board; and

(c) if so, the action taken thereon?

The Minister of Defence (Shri Krishna Menon): (a) No, Sir.

(b) Yes, Sir.

(c) The request is under examination.

Employees of Nursing Officers' Messes of Military Hospitals

2827. **Shri S. M. Banerjee**: Will the Minister of Defence be pleased to state:

(a) whether it is a fact that there are no service conditions for the employees of nursing officers' messes of Military Hospitals;

(b) whether they are paid monthly wages between Rs. 40 and 50 per month and no dearness allowance or house rent is paid to them;

(c) whether it is in accordance with the minimum wages fixed by the State Government; and

(d) what Government propose to do for their service conditions?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir. This is because the employees of Nursing Officers' Messes are mess servants, and not Government servants, although they are provided at Government cost.

(b) The wages vary between Rs. 34 to Rs. 56 p.m. and no dearness allowance or house rent allowance is paid to them.

(c) The Minimum Wages Act is not applicable to these employees as employment in Nursing Officers' Messes is not included in the Schedule to the Act.

(d) The question of revising the existing conditions for determining the wages of Mess servants is under consideration of Government.

Profession Tax from Civilians of Military Hospital, Delhi Cantonment

2828. **Shri S. M. Banerjee**: Will the Minister of Defence be pleased to state:

(a) whether it is a fact that profession tax is being deducted from the civilian trade employees of Military Hospital, Delhi Cantonment; and

(b) how Government propose to regularise these deductions?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir.

(b) Does not arise as the deductions are made under proper authority.

Aid to Rajasthan Vidyapeeth

2829. **Shri L. M. Singhvi**: Will the Minister of Education be pleased to state:

(a) whether any financial aid or grant has been given by Government of India or any Central body to Rajasthan Vidyapeeth in Udaipur;

(b) if so, to what extent since 1957 to date;

(c) whether it is a fact that an investigation was made into the affairs of the said Vidyapeeth, disclosing misappropriation and malfeasance to the extent of about Rs. 5,30,000;

(b) whether the Central or the State Government are in possession of any report revealing a distressing state of affairs;

(e) if so, why the report is not being made public; and

(f) what action is being taken against the culprits?

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

(b) Rs. 1,44,712.

(c). Detailed enquiries are being made.

(d) to (f). Do not arise.

Scooter Factory in Rajasthan

2830 Dr. L. M. Singhvi: Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether it is a fact that a proposal to start a scooter factory in Rajasthan is or was till recently pending; and

(b) whether Government have approved the proposal?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): (a) and (b). No proposal to start a scooter factory in Rajasthan is pending with Government.

Earlier, a few schemes for the establishment of new industrial undertakings in Rajasthan for the manufacture of scooters/mopeds had been received but these were rejected as adequate capacity had already been licensed in the proposed line of manufacture.

Emotional Integration

2831. Dr. L. M. Singhvi: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether Government are considering exchange of teachers, students, artists and businessmen as well as those in local institutions for short trips from South India to North India and vice versa for the purpose of cultural understanding and emotional integration;

(b) if so, the details of the programme; and

(c) if not, the reasons therefor?

The Minister of Scientific Research & Cultural Affairs (Shri Humayun Kabir): (a) to (c). This Ministry already has schemes for the exchange of artists from one State to another, and from one Zone to another. It has given grants for conferences where writers from different regions have met and is arranging to hold a Writers' Camp for writers of all the major Indian languages. The three National Academies also bring together writers and artists from all over India. Although this Ministry has no separate scheme about this, teachers, students and businessmen from all over India do come together periodically at conferences, seminars, meetings and in the normal course of business.

Conservancy Charges in Delhi Cantonment

2832. Shri S. M. Banerjee: Will the Minister of Defence be pleased to state:

(a) whether it is a fact that conservancy charges from the civil po-

pulation of Delhi Cantonment are charged at the following rates;

- (i) 12 nP per rupee from those paying a monthly rent up to Rs. 15.
- (ii) 25 nP per rupee from those paying a monthly rent of more than Rs. 15;

(b) whether the Cantonment Board provides the basic facilities to the civil population according to their needs; and

(c) whether his Ministry have any plan to stop such recovery as no such tax is even charged by the Delhi Municipal Corporation from their tenants?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir.

(b) Yes, Sir.

(c) No, Sir. The Delhi Corporation has also levied scavenging tax.

Orissi Dance

2833. **Shri Maheswar Naik:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state the steps taken and the results thereof for recognition of Orissi as a classical dance as also for its development in the country?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): The Sangeet Natak Akademi has recognised the Orissa dance style for the purpose of Akademi Awards under the Category 'Traditional Dance Forms', and gives grants to institutions for its development.

Staff Association in Accountant General's Office, Assam

2834. **Shri S. M. Banerjee** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the recognition of the Non-Gazetted Staff Association of the Accountant Gene-

ral's Office, Assam was withdrawn in March 1960;

(b) whether Government have taken a decision to restore recognition in view of the decision of the Supreme Court striking down the prohibition of demonstration; and

(c) if not, the reasons therefor?

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

(b) and (c). The recognition of the Association was withdrawn for violation of the terms and conditions of its recognition and the question of the restoration of its recognition will be considered as and when the requirements in this connection pointed out to the Association, are complied with.

बिहार के बाढ़ग्रस्त क्षेत्रों में अनुसूचित जातियों के लिये घर

२८३५. श्री यमुना प्रताप मंडल : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) बिहार राज्य के बाढ़ग्रस्त क्षेत्रों में १९६२-६३ में अनुसूचित जातियों के लिये कितने मकान बनाने का विचार है ;

(ख) ये मकान कहाँ-कहाँ बनाये जायेंगे ; और

(ग) इन मकानों में कितने अनुसूचित जातियों के परिवार बसाये जायेंगे ?

गृह-कार्य मंत्रालय में उपमंत्री (श्रीमती चन्द्रशेखर) : (क) ८८६ (इस व्यय की पूर्ति राज्य-सरकार अपने निजी साधनों से करेगी) ।

(ख) इस बारे में सूचना विवरण में दे दी गई है ।

विवरण

जिले का नाम	अंचल का नाम	गांव का नाम
मुंगेर	अरियारी	१. सोहदी
		२. सहरीरा
		३. देवपुरी
		४. बसंत
		५. ढरौल
		६. चेवाड़ा
	शेखपुरा	७. भाटचक
		८. मुलतानपुर
	सिकंद्रा	९. चंद्रदीप
		१०. परसामा
		११. दीननगर
		१२. कैथा
	लखीसराय	१३. महसीरा
		१४. नदियामा
		१५. गरसांडा
		१६. भमरिया
		१७. फुलेरिया
		१८. बिहटा
		१९. सिसमा
	हलसी	२०. प्रेमडीहा
		२१. इमामनगर (सूरज)
		२२. दरहौर
	सूरजगढ़	२३. निस्ता
		२४. चेनगिया
		२५. परिया और नवाबगंज मुसहर टोला
		२६. खौरा
भागलपुर		२७. श्री रामपुर
		२८. वसंतपुर
		२९. खुटहा
		३०. इद्रसेन बंका

Smuggling of Saffron

2836. Shri P. K. Deo: Will the Minister of Finance be pleased to state:

(a) whether large quantities of saffron smuggled from Pakistan have been detected;

(b) if so the details thereof; and

(c) the requirement of saffron in this country and how much is produced indigenously?

The Minister of Finance (Shri Morarji Desai): (a) and (b). No large scale smuggling of saffron from Pakistan has been noticed. A total of only 6550 tolas of saffron valued at Rs. 55,000 was seized in the year 1961.

(c) The information is not available.

Explosion inside Fatehpuri Mosque, Delhi

2837. Shri Rameshwar Tantia: Will the Minister of Home Affairs be pleased to state:

(a) whether the Special Bomb Squad of the Delhi Police have been able to find out further facts from two men arrested in connection with the explosion inside the Fatehpuri Mosque, Delhi, so as to fix responsibilities; and

(b) if so, the details thereof?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Not yet.

(b) The question does not arise.

Seizure of Gold

2838. Shri Rameshwar Tantia: Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Custom Official at Santa Cruz Airport seized 20 kilograms of gold from a Briton on the 17th May, 1962;

(b) if so whether it is also a fact that the Briton involved in it has been found to be a member of some international gang of smugglers; and

(c) the details thereof?

The Minister of Finance (Shri Morarji Desai): (a) to (c). The Bombay Customs Officials at Santa Cruz airport seized 28 kilograms of contraband gold valued at about Rs. 3,37,000 from a British national, on the 17th May, 1962. The contraband was concealed in a specially made jacket worn by this person who appears to be a member of an international gang of smugglers. He was arrested and produced before the Chief Presidency Magistrate, Bombay, who ordered his release on a bail of Rs. 1 lakh.

Further investigations in this connection are in progress.

Stamp Duty under Advocates' Act 1961

2839. Shri Hem Raj: Will the Minister of Law be pleased to state:

(a) the names of the States which have exempted the Advocates from Stamp Duty under the Advocates Act, 1961; and

(b) the steps which are being taken by the Central Government to persuade other States to do so?

The Deputy Minister in the Ministry of Law (Shri Bibudhendra Mishra): (a) None of the States has exempted the Advocates from stamp duty so far. The States of West Bengal and Orissa are, however, of the view that with effect from 1st December, 1961, when Chapter III of the Advocates Act was brought into force, the provisions of the Stamp Act relating to enrolment of a person as an Advocate have become inoperative and no stamp duty is therefore payable for such enrolment after that date. The State of Andhra Pradesh has agreed to reduce the stamp duty as recommended at the Law Minister's Conference held at Srinagar in 1960 that the total fee payable by an advocate on enrolment, should not, inclusive of fee payable to the Bar Council under the Advocates Act, exceed Rs. 500.

(b) As the subject of Stamp Duty is in the State List, Central Governments cannot interfere in the matter. The attention of the State Governments, has, however, been drawn to the recommendation of the Law Ministers' Conference as stated in answer to part (a) of the Question. Their attention has also been drawn to the views expressed by some Members of Parliament that the stamp duty for enrolment as an advocate should either be abolished altogether or reduced substantially. It may be stated that the State Governments of Uttar Pradesh, Punjab, Madhya Pradesh and Maharashtra are not agreeable to reduce the existing rates of stamp duty in their respective State. The matter is, however still under the consideration of State Governments of Gujarat, Rajasthan Kerala, Bihar, Mysore and Assam.

Requirement and Production of C.I. Sheets and Cement

2840. **Shri S. B. Patil:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) the existing requirement and production of C.I. sheets and cement in the country;

(b) to what extent the demand is being met from indigenous sources; and

(c) how and when the country is expected to be self-sufficient in this regard?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): (a) to (c). A statement is laid on the Table of the House. [See Appendix IV annexure No. 5].

अवंग व्यक्तियों के लिये सेवाओं में स्थान
रक्षित करना

२८४१. { श्री सरजू पाण्डेय :
श्रीमती मेमूना सुल्तान :

क्या शिक्षा मंत्री यह बताने की कृपा
करेंगे कि :

(क) क्या कोई ऐसी योजना सरकार के विचाराधीन है जिस के अनुसार नौकरियों में शारीरिक तौर पर अयोग्य व्यक्तियों के लिये स्थान रक्षित किये जायेंगे ; और

(ख) यदि हां, तो उस का व्योरा क्या है ?

शिक्षा मंत्री (श्री का० ला० श्री-माली) : (क) जी नहीं ।

(ख) प्रश्न नहीं उठता ।

Import of Lubricants

2842. **Shri P C. Borooah:** Will the Minister of Mines and Fuel be pleased to state:

(a) whether Indian Oil Company has been negotiating with some foreign countries for the supply of lubricants to India; and

(b) if so, with what result and how much lubricant is proposed to be imported?

The Deputy Minister in the Ministry of Mines and Fuel (Shri Hajarnavis): (a) and (b). The Indian Oil Company Limited are carrying out negotiations with parties from Eastern and Western Europe and U.S.A. for the import of Lubricants to Indian but no deal has yet been settled, except for import of Transformer Oil and Axle Oil from Rumania as following for delivery in 1962:—

Products	Quantity.
Axle Oil	2000 tons packed in new 200 litre drums
„ „	4000 tons bulk
Transformer Oil	2000 tons packed in new drums.

Remission of Loans to D.Ps.

2843. Shri C. K. Bhattacharyya: Will the Minister of Finance be pleased to refer to the reply given to Unstarred Question No. 1533 on the 18th May, 1962 and state:

(a) the number of applications received upto the end of 1961 from displaced persons from East Bengal for remission of loans;

(b) number of cases in which such remission has been granted;

(c) total amount for which remission has been prayed for;

(d) total amount for which remission has been granted; and

(e) grounds on which remission has been granted?

The Minister of Finance (Shri Morarji Desai): (a) to (d). Applications for remission of loans were received in 997 cases involving a sum of about Rs. 62 lakhs. Of these, remission has so far been granted or decided to be granted in about 155 cases for a sum of about Rs. 10.55 lakhs either by way of write off of entire dues, waiver of a part of dues or compounding against certain amounts.

(e) Remission of dues has been generally granted on the merits of each case which would include *inter alia* the following grounds:—

(1) Where recovery proceedings were likely to cause avoidable hardship to the borrowers/guarantors and/or involve incommensurate time, labour and expenditure;

(2) Where the position of the borrowers/guarantors has been adversely affected due to natural calamities and/or other factors;

(3) Where the house property, whether mortgaged or otherwise solely used for dwelling purposes, appeared to be the only source of recovery from the borrower/guarantor;

(4) Where the full recovery of outstanding dues was doubtful a few

cases have been compounded on prompt payment of a certain lump sum in settlement of the dues.

Administration of Schools run by Military Cantonments

2844. Shri Hem Raj: Will the Minister of Defence be pleased to state:

(a) whether any decision has been taken by his Ministry that schools which are being run by the Military Cantonments are not to be transferred to the State Governments even if they are running at heavy losses;

(b) whether it is a fact that the Yol Cantonment High School is being run at a loss;

(c) whether it is also a fact that the said Cantonment Board has requested Government for its being handed over to the Punjab State Government; and

(d) if so, at what stage the matter stands?

The Minister of Defence (Shri Krishna Menon): (a) Government, after careful consideration have decided not to effect transfer of Cantonment Board schools to the State Governments.

(b) Yes, Sir.

(c) Yes, Sir.

(d) The specific proposal of the Cantonment Board, Khas Yol, is under examination.

Employment of Ex-Service Men

2845. Shri Hem Raj: Will the Minister of Defence be pleased to state:

(a) the special concessions which are being given by the Central Government, the State Governments or the Public Undertakings for employment of ex-Servicemen;

(b) whether any definite rules have been framed on the subject; and

(c) if so, the nature thereof?

The Minister of Defence (Shri Krishna Menon): (a) Attention is invited to the reply given to part (c) of Unstarred Question No. 2599 in the Lok Sabha on the 5th June, 1962. Information is not readily available regarding the concessions allowed by the Public Undertakings.

(b) and (c). The various facilities and concessions allowed to ex-service-men in the matter of employment are contained in a number of Government orders issued from time to time.

I.A.F. Plane Crash

2846. { Shri P. C. Borooah;
Shri Raghunath Singh;
Shri D. C. Sharma;

Will the Minister of Defence be pleased to state:

(a) whether an I.A.F. plane crashed near Kalaikunda (West Bengal) on 23rd May, 1962;

(b) if so, the loss of life and property involved in the crash;

(c) the cause of the accident; and

(d) the total compensation proposed to be paid?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir.

(b) to (d). The pilot, who was the sole occupant was killed. The aircraft was destroyed. A Court of Inquiry has been appointed to investigate the accident. The amount of the loss involved, the cause of the accident and the compensation, if any, payable, will be known on receipt of the report of the Court of Inquiry.

Foreign Aid received by Government Employees for Deputation Abroad

2847. **Shri Shree Narayan Das:** Will the Minister of Home Affairs be pleased to state:

(a) the number of Government officials who were able to secure financial aid in any form from foreign sources for facilitating their deputation to foreign countries with or

without prior consultation of the Government during 1961-62;

(b) precise nature of facilities, financial aid made available and the object of their deputation, giving separate figures for each;

(c) whether Government have now put any ban on these employees securing foreign help for overseas trip; and

(d) the precise nature of orders issued in this regard?

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

(a) and (b). The information will be collected and laid on the Table of the House in due course.

(c) and (d). A copy of this Ministry's O.M. No. 25/15/62-Ests(A), dated 21-4-1962 is laid on the Table of the House. [See Appendix IV, annexure No. 6].

Directorate of Military Lands and Cantonments

2848. **Shri S. M. Banerjee:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that under Government orders no surplus Upper Division Clerks can be appointed as such in Military Lands and Cantonments service;

(b) if so, whether these orders are being followed by Director of Military Lands and Cantonments;

(c) if so, how temporary Upper Division Clerks have been appointed; and

(d) the number of male Upper Division clerks thus appointed?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir.

(b) Yes, Sir.

(c) and (d). No surplus Upper Division Clerks were appointed as Upper Division Clerks in Military, Lands & Cantonments Service. 10 Upper Division Clerks of erstwhile Lands, Hiring

and Disposal Organisation were transferred to Military, Lands and Cantonments Service along with the work.

China Clay Deposits in U.P.

2849. Shri Ram Sewak: Will the Minister of **Mines and Fuel** be pleased to state:

(a) whether it is a fact that China Clay deposits are found in Banda, Hamirpur and Jalaun districts of Uttar Pradesh; and

(b) what steps Government are going to take for the exploitation of this natural resource?

The Deputy Minister in the Ministry of Mines and Fuel (Shri Hajar-navis): (a) No deposits of China Clay have been recorded in Banda, Hamirpur and Jalaun districts by the Geological Survey of India. However, some occurrences of clay other than China Clay have been recorded in the Banda district.

(b) The occurrences are not of economic importance and hence do not merit exploitation by State.

Annual Increments to Staff of Armed Forces Headquarters

2850. Shri Brij Raj Singh: Will the Minister of **Defence** be pleased to state:

(a) whether it is a fact that there is a large number of Lower Division Clerks and Upper Division Clerks in Armed Forces Headquarters of his Ministry who are not getting annual increments for the last several years; and

(b) if so, what is their number and why this situation is allowed to continue?

The Minister of State in the Ministry of Defence (Shri Raghuramalah): (a) and (b). Information is being collected and will be laid on the Table of the House.

Armed Forces Headquarters Staff

2851. Shri Brij Raj Singh: Will the Minister of **Defence** be pleased to state:

(a) whether it is a fact that Government have been considering various schemes such as 'Merger Scheme' and 'Zonal Scheme' to improve the service conditions of the Armed Forces Headquarters staff ever since 1953 but no decision has yet been taken;

(b) whether there is any scheme under consideration; and

(c) if so, how long it will take to arrive at a decision and what are the causes of delay?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir.

(b) Yes, Sir.

(c) The views of the various Associations of the AFHQ civilian employees have been called for. It will take some more time to arrive at a decision.

U.P.S.C.

2852. Shrimati Renuka Barkataki: Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that Union Public Service Commission advertisements regarding appointments take quite a long time to be published in the mofussil newspapers;

(b) whether intending applicants writing to the Commission for necessary forms in pursuance of these advertisements very often receive them far too late to serve any useful purpose;

(c) whether Government have received any complaints from the public in this connection; and

(d) if so, what steps, if any, are being taken to remove this grievance?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) The Union Public Service Commission advertisements regarding posts to be filled by competitive examinations and by selection through interviews are published in certain newspapers printed in the English and Indian Languages and issued from important cities of India. The Commission do not send advertisements to any mofussil newspapers as such.

(b) Only one complaint came to the notice of the Commission regarding some delay in publication of the advertisement in a newspaper from Assam. The application of the candidate who alleged that he could not submit it in time because of such delay in publication was, however, entertained by the Commission.

(c) No.

(d) Does not arise.

Employees of Tripura Administration

2853. Shri Biren Dutta: Will the Minister of Home Affairs be pleased to state:

(a) the number of employees under Tripura Administration serving for a period of more than 5 to 8 years who have not got quasi-permanency status; and

(b) the reason for keeping them temporary for such a long period?

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

Employees of Tripura Territorial Council

2854. Shri Biren Dutta: Will the Minister of Home Affairs be pleased to state:

(a) whether the employees transferred to Territorial Council Services of Tripura from Tripura Administration will get the pension and retire-

ment benefits as they were entitled to have under Tripura Administration;

(b) whether it is a fact that after retirement employees are not getting sanction of pensions; and

(c) if so what steps Government propose to take to give relief to such retired employees?

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

(b) and (c). Payment of pension and other retirement benefits to its employees is normally the responsibility of the Council. Some delay in sanctioning the pensions of the transferred employees was caused in settling the detailed procedure for the purpose. An interim procedure in this behalf has since been formulated by the Central Government for acceptance by the Council. The Tripura Administration will take further action in sanctioning the pensions of such employees on behalf of the Council in accordance with the normal Government procedure after the Council has signified its acceptance of the proposed procedure.

Oil used in Artillery Recupersators

2855. Shri K. N. Tiwary: Will the Minister of Defence be pleased to state:

(a) whether the oil used in the recuperators of artillery is being imported; and

(b) if so, what measures have been taken to make India self-sufficient in the matter?

The Minister of State in the Ministry of Defence (Shri Raghuramaiah): (a) Yes, Sir. The Oil Companies import the oil on their account.

(b) The Oil and Natural Gas Commission is seized of this matter.

Printing Press from West Germany

2856. Shri N. R. Laskar: Will the Minister of Education be pleased to state:

(a) whether it is a fact that an up-to-date printing press was donated by Government of West Germany for the use of the Ministry of Education;

(b) if so, the purpose for which this printing press is to be utilized; and

(c) the probable site for the location of this press?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir, the Government of West Germany has offered a press as gift.

(b) It is proposed to use this press for printing textbooks and children's books.

(c) The matter is under consideration.

एक आयरिश यात्री की मृत्यु

२८५७ श्री भक्त दर्शन : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि २१/२२ मई की मध्य रात्रि को एक आयरिश यात्री, जो वायुयान द्वारा मेलबोर्न में आयरलैंड जा रहा था, रास्ते में ही मर गया और पालम हवाई अड्डे पर उस का पता लगा ; और

(ख) यदि हां, तो क्या उस यात्री की मृत्यु के कारणों व परिस्थितियों की जांच पड़ताल के परिणाम आदि पर प्रकाश डालने वाला एक विवरण सभा-पटल पर रखा जायेगा ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातार) : (क) जी हां ।

(ख) एक विवरण मदन के सभा-पटल पर रख दिया गया है ।

विवरण

६४ वर्षीय श्री जेम्स जोजफ गाल एक आयरिश नागरिक था जो आस्ट्रेलिया में रहता था । वह भयंकर रूप से जोड़ों की सूजन का रोगी था । अपने जीवन के अंतिम दिन अपनी जन्म भूमि में गुज़ारने के लिये वह क्वांटस वायुयान परिवहन के वायुयान में मिडनी से लंदन जाने के लिये सवार हुआ । उसकी हालत ठीक नहीं थी; अतः रास्ते के सभी विराम-स्थलों को उसे यथा-सम्भव सुविधाएं देने के लिये समुद्री तार द्वारा सूचित कर दिया गया था । वायुयान के कप्तान को भी गाल की अवस्था के बारे में सूचित कर दिया गया था ।

मार्ग में २२.५.६२ को २.२० पूर्वाह्न पर श्री गाल की मृत्यु हो गई । उसी दिन २.३० बजे पालम हवाई अड्डे पर पहुंचने से लगभग एक घंटा पूर्व उनकी मृत्यु का पता चला ।

लाश को उसी दिन पोस्टमार्टम के लिये भेजा गया । पोस्टमार्टम से ज्ञात हुआ कि मृत्यु स्वाभाविक कारणों से दिल की धड़कन रुक जाने के कारण हुई ।

दिल्ली में अग्नि कांड

{ श्री भक्त दर्शन :
२८५८. { श्री बी० चं० शर्मा :
 { श्री राम सेवक यादव :

क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि २१ और २६ मई, १९६२ के बीच दिल्ली में आग लगने की कई घटनाएँ हुई हैं;

(ख) यदि हां, तो क्या उन सब के सम्बन्ध में एक विस्तृत विवरण सभा-पटल पर रखा जायेगा; और

(ग) इस प्रकार के अग्निकांडों में तत्काल सहायता पहुंचाने के लिये कौन-सी विशेष व्यवस्था की गई है ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातार) : (क) से (ग). अग्नि शामक दल की छोटी मोटी बुलाहटों के अतिरिक्त, दिल्ली में २१ से २६ मई, १९६२ के दौरान में आग लगने की दो सख्त घटनाएँ हुईं। आग की सख्त घटनाएँ जो घटी उनके सम्बन्ध में एक विस्तृत विवरण सभा पटल पर रख दिया गया है। [बेल्थिये परशिष्ट ४, अनुबन्ध संख्या ४]

जहाँ तक सहायता-कार्य का सम्बन्ध है, दिल्ली के उग्र-आयुक्त निःशुल्क दान के रूप में देने के लिये कुछ नकदी का इंतजाम करने रहे हैं। इस भुगतान का अभिप्राय उन लोगों को जो संकट के कारण पुत्र मर जाने की स्थिति में हैं, तुरन्त सहायता प्रदान करना है। दिव्या रेड क्राफ्ट वाइटी भी दूध, दवायें, कपड़े आदि बांटने के रूप में सहायता कार्य करता है।

दिल्ली नगर निगम उन लोगों को जिनके निवास-स्थान का ध्वंस हुआ है, १० से २५ रु० तक का नकद सहायता देने का इंतजाम कर रहा है। आवश्यकता होने पर प्रत्येक मामले में शामियाना आदि के रूप में तुरन्त आश्रय देने तथा पकाया हुआ भोजन और पानी का प्रबन्ध भी किया जाता है।

भारत-पाक सीमा पर स्थित गांव में हथ गोले फेंकना

२८५६. श्री भक्त दर्शन : क्या गृह-कार्य मंत्री यह बताने को कृपा करेंगे कि :

(क) क्या यह सच है कि २४ मई, १९६२ की रात को अमृतसर में लगभग चानोस मौल दूरी पर स्थित भारत-पाक सीमा के निकट गांव बलटोहा के एक मकान पर कुछ अज्ञान व्यक्तियों द्वारा दो हथ गोले

फेंके गये, जिस से कि उस मकान के एक अंग का हानि पहुंची और तीन बच्चों को चोटें आई ;

(ब) यदि हां, तो क्या इस बारे में एक विस्तृत विवरण सभा-पटल पर रखा जायेगा ; और

(ग) उस घटना से सम्बन्धित व्यक्तियों को दण्ड दिलाने और भविष्य में रोक-थाम के लिये क्या कार्रवाही की जा रही है ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातार) : (क) और (ख). नहीं। २३/२४ मई, १९६२ की रात को चार व्यक्तियों ने अमृतसर जिले के बलटोहा गांव में मखन सिंह के मकान के अहाते में दो बम फेंके। केवल एक बम जलमो हुई। इसके अतिरिक्त और किसी को चोट नहीं आई। कहा जाता है कि आक्रमणकारियों को पहचान लिया गया था और उनमें से दो को गिरफ्तार कर लिया गया है। आक्रमण का कारण जर्मन के बारे में पिछली दुश्मनी बताया जाता है।

(ग) भारत दंड संहिता की धारा ३०३ और विस्फोटक पदार्थ अधिनियम, १९०८ का ४, ५, ६ धाराओं के अधीन मामला दर्ज कर लिया गया है और जांच की जा रही है।

Quarters for Employees of Hindustan Steel Ltd.

2860. Shri Munzani: Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether it is a fact that a few displaced workers employed in the Hindustan Steel Limited have not been provided with quarters and are still residing in nomadic huts; and

(b) what steps Government propose to take for the resettlement of these

displaced persons employed under Hindustan Steel Limited?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam):

(a) and (b). Most of the displaced persons who are in the employ of Hindustan Steel Limited have been provided with accommodation in the resettlement colonies set up by the State Governments in the neighbourhood of steel townships. Preference to displaced persons is given in the matter of employment and after their employment, the allotment of company's quarters is governed by the Rules applicable to all Hindustan Steel Limited employees.

Central Secretariat Clerical Service Scheme

2862. Shri S. M. Banerjee: Will the Minister of Home Affairs be pleased to state:

(a) the number of Lower Division and Upper Division Clerks, separately class-wise, at the time of formation of Central Secretariat Clerical Service Scheme;

(b) their total number as on 1st May 1962; and

(c) how many of Lower Division Clerks have been promoted as Upper Division Clerks and how many of Upper Division Clerks have been promoted as Assistants on the basis of departmental promotion since the formation of Central Secretariat Clerical Service Scheme?

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

(a) The number of posts of Upper Division Clerks. . . 1500 (approximate)

The number of posts of Lower Division Clerks. . . 6100 (approximate)

(b) The number of posts of Upper Division Clerks. . . 2900 (approximate)

The number of posts of Lower Division Clerks. . . 9500 (approximate)

(c) All the vacancies in the Upper Division grade which became available from time to time have been filled by promotion from the grade of Lower Division Clerk and of the 4390 permanent clerks eligible for promotion on the basis of seniority, 2814 were promoted as Upper Division Clerks. The remaining were holding either higher posts or had been appointed to other ex-cadre posts and were not available for appointment as Upper Division Clerks.

As regards promotions from Upper Division Clerks to the grade of Assistants, the position was explained in the statement laid on the Table of the House on 20th March, 1962, in reply to 'unstarred' Question No. 179 by Shri P. C. Borooah. Since then, orders regarding the promotion of a further batch of 50 permanent Upper Division Clerks as Assistants have also issued.

Central Secretariat Service

2863. Shri S. M. Banerjee: Will the Minister of Home Affairs be pleased to state the total number of persons recruited for appointment in Grade IV of the Central Secretariat Service (R. & R.) Scheme through the agencies of the Transfer Bureau and the Employment Exchange?

The Minister of State in the Ministry of Home Affairs (Shri Datar): The information is not available.

Recruitment of Assistants.

2864. Shri S. M. Banerjee: Will the Minister of Home Affairs be pleased to state:

(a) the total number of open competitive examinations held by the Union Public Service Commission for the recruitment of Grade IV (Assistants) of the Central Secretariat Service (R&R) Scheme since the enforcement of Central Secretariat Service (R&R) Scheme;

(b) the number of Assistants recruited in each examination, examination-wise;

(c) when the Maintenance Stage of the Central Secretariat Service (R&R) Scheme came into force; and

(d) since then how many of the vacancies of Assistants were given to

the Ministerial Grade employees below the rank of Assistants, year-wise?

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

(a) and (b). The information is as follows, namely:—

S. No.	Particulars of the examination.	No. of appointments made to the Assistants Grade of the C.S.S.
(1)	July 1955 (For Scheduled Castes & Scheduled Tribes only).	98
(2)	November 1955	800
(3)	July 1957	400
(4)	April 1959 (For Scheduled Tribes only).	21
(5)	May 1959	150
TOTAL		1469

(c) 2nd November 1951.

(d) A Statement explaining the position in this regard was recently laid on the Table of the House in reply to Unstarred Question No. 179 by Shri P. C. Barooah answered in the Lok Sabha on the 20th March 1962. Since then, orders regarding the temporary promotion of a further batch of 50 permanent Upper Division Clerks of the Central Secretariat Clerical Service to the Assistant Grade have also been issued.

Sales Tax Tribunal for Delhi

2865. { Dr. L. M. Singhl:
Shri Maheswar Naik:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that there is a demand for a separate Sales Tax Tribunal for the Union Territory of Delhi; and

(b) if so, whether it is proposed to consider and/or concede the demand?

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

(b) The matter is under examination.

Pakistani Nationals Arrested in Delhi

2866. { Shri D. C. Sharma:
Shri Maheswar Naik:

Will the Minister of Home Affairs be pleased to state:

(a) the number of Pakistani nationals arrested in Delhi during the current year so far for non-compliance of instructions issued by the Delhi Administration and on other grounds; and

(b) the action taken against them?

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

(a) 28.

(b) Prosecutions have been launched under the Indian Passport Act, 1920 and the Rules made thereunder and the Foreigners Act, 1946.

Indian Everest Expedition

2867. { Shri D. C. Sharma:
Shri P. C. Barooah:

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

(a) whether the Indian Everest Expedition has been a success; and

(b) the findings of the expedition in scientific and other fields?

The Minister of Scientific Research and Cultural Affairs (Prof. Humayun Kabir): (a) The House is aware that the Expedition was beaten back by exceptionally bad weather after the summit party had reached a height of 28,600 ft. i.e. only about 400 ft. short of the peak.

(b) Necessary information will be available only on return of the party.

Pay Scales of Teachers of Primary Schools.

2868. Shri Hari Vishnu Kamath: Will the Minister of Education be pleased to state:

(a) Whether accurate statistics are available with regard to salary scales of teachers in primary schools, Government, Government-aided and private, in the different States and Union territories; and

(b) If so, whether a detailed statement will be laid on the Table?

The Minister of Education (Dr. K. L. Shrimali): (a) and (b) Attention is invited to the reply to part (b) of unstarred question No. 2601 asked by Shri S. B. Patil in the Lok Sabha on 5-6-1962.

Central Secretariat Service

2869. Shri S. M. Banerjee: Will the Minister of Home Affairs be pleased to state the total number of Assistants' vacancies as on 1st May, 1962 so far as the Central Secretariat Service (R&R) Scheme is concerned?

The Minister of State in the Ministry of Home Affairs (Shri Datar): About 115 posts of Assistants were reported to be vacant as on the 1st May 1962 in the Ministries' Offices participating in the C.S.S. (R&R) Scheme. Out of this number, it has been decided to fill 50 vacancies for the time being by temporary promotion from the grade of Upper Division Clerks.

CORRECTION OF ANSWER TO U.S.Q. No. 1593 DATED 18TH MAY, 1962

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

correct position with regard to part (b) of Unstarred Question No. 1593 is that a memorandum was received on 13th May, 1962, from the Central Tenants Association proposing certain amendments to the Delhi Rent Control Act, 1958.

12 hrs.

CALLING ATTENTION TO MATTERS OF URGENT PUBLIC IMPORTANCE

REPORTED DISLOCATION IN UNLOADING OPERATIONS AT SALT COTAURS RAILWAY GOODS SCHED.

Shri Umanath Pudukkottai: Sir, under Rule 197, I beg to call the attention of the Minister of Railways to the following matter of urgent public importance and I request that he may make a statement thereon:—

"The reported dislocation in unloading operations at Salt Cotaurs Railway Goods Shed, Madras."

The Deputy Minister in the Ministry of Railways (Shri S. V. Ramaswamy): Sir, due to heavy congestion and accumulation of the goods unloaded in the mineral siding at Salt Cotaurs during the later part of May, 1962, inward wagons loaded with fire-wood, charcoal, timber, etc., were getting severely detained. On account of this emergent situation and with a view to expediting removal of unloaded consignments, the Southern Railway decided to temporarily curtail the free time with effect from 1-6-1962 in respect of traffic dealt with at the mineral siding after giving due publicity in all local papers.

Prior to 1-6-1962, consignments of fire-wood, charcoal, timber, etc., unloaded in the mineral siding were permitted to be removed without incurring wharfage on the next day upto the closing hours. With effect

from 1-6-1962, in respect of consignments of fire-wood, charcoal, timber, etc., unloaded up to 15 hours, the free time for removal has been allowed up to 22 hours of the same day while for those unloaded after 15 hours the free time for removal has been allowed up to 12 hours of the next day. No reduction was, however, made in the free time of five hours which is allowed for unloading.

Instead of giving a fair trial to this arrangement some of the merchants refused to unload their consignments on 3-6-1962. As attempt to persuade these merchants to work to the new arrangement had failed, arrangements were made by the Railway to release the wagons. After further discussion on 6-6-1962 the trade agreed to co-operate and immediately commenced not only unloading of the wagons but also the removal of the consignments. The curtailed free time will continue for a week at present after which the position will be reviewed. The work of unloading and clearance from the mineral siding is now quite normal.

On 5-6-1962 the labour of the merchants working in the general goods shed went on a token strike for a few hours only after which they resumed the work. The position is quite normal there.

Shri Umanath: Is it a fact that the railway authorities have now agreed to observe the unloading for a week and fix the average time taken during the observation period as free wharfage time; if so, has any date been fixed to settle this time?

Shri S. V. Ramaswamy: As I said, it will be a trial for a week. The whole question arose because of shortage of space in the Salt Cotaurs. It has a holding capacity for only 70 wagons, and because unloading of these consignments of charcoal, timber etc., takes a long time the wagon turn-round is affected. We are

now thinking of having some other godown elsewhere for these materials.

Mr. Speaker: Shri Hem Barua—

Shri Umanath: May I put one more question?

Mr. Speaker: There is a second one—Shri Hem Barua.

INVITATION TO PEOPLES REPUBLIC OF
 CHINA TO PROPOSED ANTI-NUCLEAR
 BOMB CONVENTION AT DELHI

Shri Hem Barua (Gauhati): Sir, under rule 197, I call the attention of the Prime Minister to the following matter of urgent public importance and I request that he may make a statement thereon:—

"The invitation accorded to People's Republic of China to send delegates to the proposed Anti-nuclear bomb Convention at Delhi."

The Prime Minister and Minister of External Affairs and Minister of Atomic Energy (Shri Jawaharlal Nehru): Sir, I find after enquiry that an invitation has been sent on behalf of the Gandhi Peace Foundation not to the people of the Republic of China but to a gentleman Mr. Ko-Mu Jo. The Gandhi Peace Foundation is a non-official private organisation not connected with Government, except that some government people are also members of it. They decided to hold an Anti-Nuclear Arms Convention in the middle of this month and they appointed a sub-committee to send invitations. It is a limited convention. I think it is limited to one hundred persons from India, and, maybe, about 15 or 20 persons might come from abroad. They have appointed a sub-committee to make a list of persons to be invited and, I presume, that the name of this gentleman, Mr. Ko-mu Ju was included in the list of people to be invited by that sub-committee. That is all I know of. I heard of this very lately and

later from newspaper reports. I do not know anything more.

Shri Hem Barua: May I put a supplementary question? In view of our strained relations with China and in view of the experience that we have gained from the behaviour of the Chinese Delegation to the World Peace Conference at New Delhi, may I know what guarantee is there that Mr Ko-mu Ju, who is the Vice-Chairman of the Chinese Peoples' Political Conference and who is a full-blooded apologist of Mao Tse-tung's regime may not behave in the same odd way?

Shri Jawaharlal Nehru: I take it that most people, most prominent people, in China will be presumed to be in favour of the regime there. So, to say that this gentleman is a full-blooded apologist does not make any difference. The fact that he has been invited to this Conference, I do not think should necessarily have a bad effect on our strained relations with China. I am not saying anything in favour of the invitation or against it, but it need not affect our relations, if he has been invited as an individual and in the hope that he will be helpful. I cannot say whether he will be helpful or not.

Shri Hem Barua: That is the trouble.

Shri Jawaharlal Nehru: Anyhow, Government has nothing to do with the invitation or with the Anti-Nuclear Conference that is being held.

Shri Hem Barua: I want to know.

Mr. Speaker: Now he should not deviate from the procedure which we have established.

Shri Hem Barua: There are one or two things which require clarification. And when I asked whether I may put a supplementary question, you said "Yes".

Mr. Speaker: In any case, it has escaped my ears; I have not heard it.

Shri Hem Barua: You nodded approval.

Mr. Speaker: I have just now refused that opportunity to Shri Umanath. So, how can I allow him?

Shri Hem Barua: This is very important.

Mr. Speaker: We will take up the next item of business—Papers to be laid on the Table.

12-08 hrs.

PAPER LAID ON THE TABLE

ANNUAL REPORT OF THE OIL AND NATURAL GAS COMMISSION

The Minister of Mines and Fuel (Shri K. D. Malaviya): I beg to lay on the Table a copy of Annual Report of the Oil and Natural Gas Commission for the year 1960-61, under sub-section (3) of section 23 of the Oil and Natural Gas Commission Act, 1959. [Placed in Library No. LT-184/62].

Shri Morarka (Jhunjhunu): I want to raise a point of order about this Report which is laid on the Table of the House. As you will kindly notice, this Report relates to the year 1960-61 and so it does not comply with the provisions of the Act. Because, the provision requires that the report should be laid on the Table as soon as the financial year begins in respect of the previous financial year. The present financial year is 1962-63 and the report which should be laid on the Table is that of the previous financial year, namely, 1961-62. But the hon. Minister has just now laid on the Table a copy of the report relating to the year 1960-61, which is twelve months old. If you

will permit me, I will read out the relevant section of the Act.

Mr. Speaker: Let us hear the hon. Minister. He does not dispute this, I suppose?

Shri K. D. Malaviya: No, sir. I do not dispute it. The latest report will also be placed before the House very soon. There has been some delay in the submission of the report for the year 1960-61. I am prepared to make a statement which will explain the whole situation as to why a few months' delay has taken place in the submission of the earlier report.

Mr. Speaker: It is one full year.

Shri K. D. Malaviya: If you will permit me, I will make a statement about it.

Shri Hari Vishnu Kamath: Now or later?

Mr. Speaker: Later.

Shri Hari Vishnu Kamath: Next year or this year?

Mr. Speaker: It would be done very soon.

Shri Morarka: The hon. Minister laid even the previous report for the year 1959-60 on the 28th March, 1961.

Mr. Speaker: I think now let us have that report and the statement and see what explanation is given therein. Then we can discuss whether the explanation given is plausible and justifiable or not. At that time we can consider whether the delay was justified or not.

12-10 hrs.

DEMANDS FOR EXCESS GRANTS (RAILWAYS) 1959-60

The Deputy Minister in the Ministry of Railways (Shri S. V. Ramaswamy): Sir, on behalf of Shri

Swaran Singh, I beg to present a statement showing the Demands for Excess Grants in respect of the Budget (Railways) for 1959-60.

12-10½ 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 11th June will consist of:—

- (1) Further discussion and voting of the Demands for Grants relating to the Ministry of Commerce and Industry.
- (2) Discussion and Voting on the Demands for Grants under the control of the Ministry of Finance.
- (3) Submission of the outstanding Demands for Grants to the vote of the House.
- (4) Consideration and passing of the Finance (No. 2) Bill, 1962.
- (5) Discussion and voting on

Demands for Excess Grants
(General) for 1959-60

Demand; for Excess Grants (Railways) for 1959-60.

- (6) Consideration and passing of the President's Pension (Amendment) Bill, 1962.

12-12 hrs.

STATEMENT RE. FOREIGN EX- CHANGE SITUATION

The Minister of Finance (Shri Morarji Desai): Sir, a large number of questions have been tabled by

[Shri Morarji Desai]

Hon'ble Members which relate to different aspects of our foreign exchange situation and certain recent developments having a bearing thereon, particularly the outcome of the meeting of the Consortium arranged by the World Bank at the end of last month and the level of our sterling reserves. In order that these matters may be seen in their true perspective, I should like, with your permission, to make a statement of our foreign exchange position as a whole.

2. Hon'ble Members would recall that when we formulated the Third Five-Year Plan, our sterling balances, which had been heavily drawn upon during the Second Plan period, stood at the level of Rs. 136 crores. It was recognised that the level was too low to permit any further drawal on these reserves for developmental purposes. Further, the sizable increase in foreign indebtedness during the Second Plan period, much of it of a short-term nature, had created large repayment and service obligations which could not be covered from export earnings after allowing for the imports necessary to sustain a rising level of industrial production and other essential needs of the economy. It was assessed that for the successful implementation of the Plan, even after taking every possible measure for the development of our exports, which clearly must be given the highest priority, we would need external assistance of the order of Rs. 2,600 crores. Of this, Rs. 700 crores was intended to be for financing imports of components, raw materials, etc., as well as repayment obligations. In addition, Rs. 1,900 crores were required to cover the foreign exchange cost of the projects included in the Plan.

3. When the Plan commenced, we had in hand a carry-over of external assistance promised during the Second Plan itself for some of our major projects to be completed in the Third

Plan. Last year, additional assistance was promised to us partly bilaterally, but mainly through the meeting of the consortium of countries organised by the World Bank. A large number of important projects in our Third Plan are, as a result, already covered by promise of external assistance. They include the expansion of the three public sector steel plants, the machine-building and heavy electrical projects, the bulk of the power projects in the Plan, a substantial portion of the requirements for railways, ports, oil coal, fertilisers and other key sectors of the economy.

4. We have however, been less successful in obtaining and utilising external assistance required for financing imports necessary for our developing economy. Throughout last year, we had to make large payments outside the credits available to us for machinery, components and other developmental requirements, as well as in discharge of our debt obligations. As a result, despite an increase in exports and reduction in imports, our sterling balances during the year went down by Rs. 8 crores even after a net drawing on the I. M. F. of Rs. 58 crores. A part of this deterioration was, as explained in the Economic Survey, due to a worsening of our invisible account. In part, it also reflects the fact that assistance in a readily usable form could not be mobilised to the extent necessary.

5. At the consortium meeting held a year ago, it had been recognised that further commitments of external assistance during the first two years of the Plan would be necessary to enable us to meet our immediate requirements, as well as to start on new projects. It was with a view to provide this additional assistance that the consortium met in Washington at the end of last month. I place on the Table of the House a copy of the press communique issued after the

consortium meeting. [See Appendix IV, annexure No. 8].

We are happy to note that new countries have joined the consortium. As we do not officially participate in the meetings of the consortium, there is not much that I can add to the communique. It is our understanding that while commitments of additional assistance were offered, as the total amount fell short of what the consortium itself had considered to be reasonable and necessary the meeting was adjourned to meet again after some weeks.

6. What we, for our part, have to consider are the steps and measures we should take in the light of this development. Hon'ble Members would, I am sure, agree with me that while we should entertain every hope that the members of the consortium, who have already endorsed the objectives and targets enshrined in our Plan, would make the requisite amount of assistance available to us, we have to fashion our policies immediately in such a way as to ensure that over the year, as a whole, we would not allow our sterling balances to decline.

7. The House will observe that I am referring to the level of sterling balances for the year as a whole, because I feel that too much emphasis should not be given to short-term movements. Traditionally, our sterling balances register a decline in the summer and monsoon months and record an increase in the winter months. It is the purpose of reserves to even out short-term fluctuations of this kind. Our sterling balances stand around Rs. 100 crores at present, against Rs. 128 crores on the 1st April, 1962. We have, in addition, Rs. 118 crores of reserves in the shape of gold, as well as certain working balances maintained by Government which are not a part of the Reserve Bank's balances. Although the Reserve Bank is required to maintain a minimum of Rs. 200 crores in gold and foreign exchange in its Issue Department, this

requirement can be relaxed by Government. As Member of the International Monetary Fund, we have a second line of reserves to fall back upon, if necessary. While our reserves are thus much larger than our sterling balances, clearly our aim should be to avoid any net drawal on them over the year as a whole. Our earlier policies had been formulated on certain expectations of additional external assistance after the consortium meeting. As things are, we must adopt measures which will have this result, whatever the ultimate outcome of the consortium meeting may be and whatever the consequent burdens on the economy.

8. I should like now to outline briefly the steps we are taking and propose to take to deal with the situation.

9. First and foremost, we shall have to redouble our efforts to increase our exports. My colleague, the Minister of International Trade, is concentrating his entire energies to this task and we shall adopt whatever measures are necessary to achieve this objective.

10. Export promotion, however, needs a production base oriented towards it. Our agricultural production has a major contribution to make in restoring a better balance in our international payments. Part of our difficulties this year are due to the poor cotton crop we had. Greater attention must be paid to crops like cotton, oilseeds, etc. which have a major bearing on our export drive. And the kind of success we have already had in regard to raw jute production must be achieved in other fields as well.

11. A speedier utilisation of the assistance already promised to us would also help in easing our situation. Hon'ble Members will recall that last year we had received promises of assistance during the current year and we are currently negotiating with the

[Shri Morarji Desai]

countries and institutions concerned with a view to ensure that in keeping with the understanding already reached as much as possible of this assistance is disbursed during the current year.

12. In our present circumstances, we will also have to impose cuts in all imports, whether Government or private, which are at present being permitted against free foreign exchange. Although import policy has been tightened on a number of occasions, I do believe that, under the circumstances, a further tightening is both feasible and desirable. The specific measures that we propose to take will be announced in the immediate future.

13. Finally, we have to rectify the unfavourable trend in invisibles. For this we shall have to plug all the loopholes through which the foreign exchange, which should normally be earned by the economy, is being diverted to illegitimate purposes. One of the loopholes has been the fact that people have been free to travel abroad even when no foreign exchange has been released to them by us. The Reserve Bank has been asked to issue new regulations to close this source of leakage by stopping journeys of this kind. Simultaneously, changes are being made in the regulations governing travel for purposes like business and education with a view to effect sizable savings. More intensive measures to counter smuggling of all kind are also under consideration.

14. All these measures which I have outlined in somewhat general terms will necessarily impose a measure of burden on the economy and cause hardship to some people. I have every confidence, however, that Hon'ble Members and the country at large will support whatever action is required to put our balance of payments in a stronger position. The social discipline and the solidarity

that we need today to put our foreign exchange position in order would be needed in an increasing measure in the years to come if we have to carry forward our plans of development in a steadfast and confident manner. And there comes a point in the history of every nation when it must demonstrate that it is prepared to take whatever action that may be necessary to pursue the paramount objectives so vital to its sense of dignity and purpose.

15. At the same time, I would emphasize that there is no cause for feeling that the Plan has been or should be slowed down. On the contrary, if anything, there is greater need now for speed. The economy will gain in strength if the projects for which foreign exchange has already been assured are completed as quickly as possible. In respect of the remaining projects also, we should go ahead with all the preparatory work, so that they could be speedily executed as soon as the foreign exchange has been arranged. Lastly, we should not forget that a very large number of plan projects need only small amounts of foreign exchange and depend mainly on indigenous supplies for their completion. These too should proceed with all expedition.

Shri Hari Vishnu Kamath (Hoshangabad): May I request that, in view of the importance of the statement and in view of the fact that the Finance Ministry's Demands and the Finance Bill will come up for discussion next week, copies of the statement may be made available to Members?

Mr. Speaker: Any Member who wants will have it from the Publications counter.

12.23 hrs.

ELECTION TO COMMITTEE

CENTRAL ADVISORY BOARD OF EDUCATION

The Deputy Minister in the Ministry of Education (Shrimati Sounda-

ram Ramachandran): On behalf of Dr. K. L. Shrimali, I beg to move:—

"That in pursuance of paragraph 3 (2) (d) of the late Department of Education, Health and Lands Resolution No. F. 122-3/35-E, dated the 8th August, 1935, as amended from time to time, the members of Lok Sabha do proceed to elect, in such manner as the Speaker may direct, three members from among themselves to serve as members of the Central Advisory Board of Education, subject to the other provisions of the said Resolution."

Mr. Speaker: The question is:

"That in pursuance of paragraph 3 (2) (d) of the late Department of Education, Health and Lands Resolution No. F. 122-3/35-E, dated the 8th August, 1935, as amended from time to time, the members of Lok Sabha do proceed to elect, in such manner as the Speaker may direct, three members from among themselves to serve as members of the Central Advisory Board of Education, subject to the other provisions of the said Resolution."

The motion was adopted.

12.24 hrs.

ADVOCATES (SECOND AMENDMENT) BILL*

The Deputy Minister in the Ministry of Law (Shri Bibhudendra Mishra): On behalf of Shri A. K. Sent, I beg to move for leave to introduce a Bill further to amend the Advocates Act, 1961.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Advocates Act, 1961."

The motion was adopted.

Shri Bibhudendra Mishra: I introduce the Bill.

12.25 hrs.

MOTION RE: JOINT COMMITTEE ON OFFICES OF PROFIT

The Deputy Minister in the Ministry of Law (Shri Bibudhendra Mishra): I beg to move:

"That a Joint Committee of the Houses to be called the Joint Committee on Offices of Profit be constituted consisting of fifteen Members, ten from this House and five from Rajya Sabha, who shall be elected from amongst Members of each House according to the principle of proportional representation by means of the single transferable vote;

That the functions of the Joint Committee shall be—

(i) to examine the composition and character of all existing 'Committees' and all 'Committees' that may hereafter be constituted, membership of which may disqualify a person for being chosen as, and for being, a member of either House of Parliament under article 102 of the Constitution;

(ii) to recommend in relation to the 'Committees' examined by it what offices should disqualify and what offices should not disqualify;

(iii) to scrutinize from time to time the Schedule to the Parliament (Prevention of Disqualification) Act, 1959, and to recommend any amendments in the said Schedule, whether by way of addition, omission or otherwise;

That the Joint Committee shall, from time to time, report to both Houses of Parliament in respect of all or any of the aforesaid matters;

That the Members of the Joint Committee shall hold office for the duration of the present Lok Sabha;

*Published in Gazette of India Extraordinary, Part II, Section 2, dated 8th June, 1962.

That in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of Members of the Committee;

That in other respects, the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

That this House recommends to Rajya Sabha that Rajya Sabha do join in the said Joint Committee and communicate to this House the names of Members to be appointed by Rajya Sabha to the Joint Committee."

Mr. Speaker: The question is:

"That a Joint Committee of the Houses to be called the Joint Committee on Offices of Profit be constituted consisting of fifteen Members, ten from this House and five from Rajya Sabha, who shall be elected from amongst Members of each House according to the principle of proportional representation by means of the single transferable vote;

That the functions of the Joint Committee shall be—

(i) to examine the composition and character of all existing 'Committees' and all 'Committees' that may hereafter be constituted, membership of which may disqualify a person for being chosen as, and for being, a Member of either House of Parliament under article 102 of the Constitution;

(ii) to recommend in relation to the 'Committees' examined by it what offices should disqualify and what offices should not disqualify;

(iii) to scrutinize from time to time the Schedule to the Parliament (Prevention of Disqualification) Act, 1959, and to recommend any amendments in the said Schedule, whether by way of addition, omission or otherwise;

That the Joint Committee shall, from time to time, report to both Houses of Parliament in respect of all or any of the aforesaid matters;

That the Members of the Joint Committee shall hold office for the duration of the present Lok Sabha;

That in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of Members of the Committee;

That in other respects, the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

That this House recommends to Rajya Sabha that Rajya Sabha do join in the said Joint Committee and communicate to this House the names of Members to be appointed by Rajya Sabha to the Joint Committee."

The motion was adopted.

12.58 hrs.

*DEMANDS FOR GRANTS

MINISTRY OF COMMERCE AND INDUSTRY
—contd.

Mr. Speaker: The House will now take up further discussion and voting on the Demands for Grants under the control of the Ministry of Commerce and Industry.

Out of 8 hours allotted, 2 hours and 35 minutes have already been consumed, and 5 hours and 25 minutes remain. Shri Kappen may continue his speech.

12.28½ hrs.

Shri Kappen (Mavattupuzha): Yesterday, I was speaking about the Central investment in Kerala during the period of ten years of the last two Plans, and I pointed out that the amount invested was only Rs. 0.79 crores. Kindly compare this with the investment made in other States, namely Rs. 195.35 crores for Madhya Pradesh, Rs. 186 crores for Orissa, Rs. 138 crores for Bengal, and Rs. 61 crores for Madras. I am not complaining about what has been given to them. You may give them more. But what I urge is that, considering the density of population, which is a thousand people per square mile, and the low per capita income and the large unemployment with 12.5 lakhs of unemployed people in Kerala at the end of the Second Five Year Plan, considering all these things, I urge that the Ministry may give some sympathetic consideration to the case of Kerala.

Pardon me, Sir, if I appear to speak too much about my own State. It is not actually the case of Kerala; but it is an all-India case, according to me. Suppose you cut your small finger, can you say 'After all, it is only the small finger which has been cut'? You have got five fingers on your palm, and if you want to grip anything, all the five will have to co-operate. If anyone of them is weak, the grip will be loose. So, it is necessary that there must be a uniform development of all parts of the country and of all States. I, therefore, request that the case of Kerala may be specially considered, in view of the fact; that I have mentioned.

As I pointed out yesterday, the National Council of Applied Economic Research has submitted a report, in

which it has pointed out that if Kerala is to achieve the per capita income of Rs. 410 contemplated at the end of the Third Plan, then it should increase the State's income by 107.6 per cent; which means that the total investment for the coming ten years must be of the order of a thousand crores of rupees.

In the Third Plan, there is a proposal to invest Rs. 45 crores in the Central sector in Kerala. Of the three projects envisaged, one is the Pytochemical factory at Neriamangalam, the second is a Ship building Yard at Cochin and the third is the Precision Tool factory. Compared to the Rs. 1,000 crores required to bring level of the per capita income of Kerala to the all-India average, Rs. 45 crore is a very meagre sum. But even in regard to that investment, is there any progress made? Questions have been asked in this House about the progress made with regard to the setting up of the pytochemical industry at Neriamangalam. It has been answered in this House that the State Government has not fulfilled its part of the obligation that it has not acquired the land. Is the statement correct? I do not say that it is incorrect but that there is terminological inexactitude in that statement. I ask what is the sort of factory that requires 400 acres of land? It is stated that 400 acres have not been acquired and so barbed wire has not been put up. It is not a question of putting up the barbed wire; it is a question of starting the factory. It is admitted that 209 acres have been acquired. Is that not enough for constructing the factory? The State Government is prepared to give the additional land because the land there is all forest and there is no difficulty. Therefore, I pray, for heaven's sake, do not shove the burden on to the State Government.

The difficulty now is that the Finance Ministry is considering the

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question of reducing the amount, because in the final calculations made there is an increase in the amount to be invested. The Ministry is considering how this can be cut down. I pray that their miserly calculations may be stopped and the factory started and work proceeded with.

So, also, with regard to the Ship-building Yard, there is no progress made. As regards the Iduky scheme, a scheme which was intended to produce much-wanted electricity, it is delayed because somebody in Madras thought that they want some water from the Periyar river. I do not understand why because of that the scheme should be delayed. What right have they to ask for Periyar water? Thousands of people have been evicted from the land and uprooted. They have suffered immensely. Now because some body thought that some water is necessary for Madras, the work is stopped. I pray that the work may be proceeded with.

I also request that special consideration may be given to the case of Kerala. I understand that the location of some of the industries proposed in the Third Plan has not yet been fixed. So the Ministry may kindly consider the question of locating some of those industries also in Kerala. Otherwise, I would request the Ministry to read the writing on the wall. India had been conquered by the British by starting from Kerala. My hon. friends on the opposite side with ravenous stomachs want to swallow that land and swallow the whole of India.

Shri Nambiar (Tiruchirappalli): Even if we are there, we will have industries.

Shri Vasudevan Nair (Ambalapuzha): This kind of quarrel will not help. At least on this let us unite.

Shri Nambiar: We are with them.

Shri M. K. Kumaran (Chirayinkil): We pray you come to economics not politics.

Shri Kappen: Therefore, my request is that reading the writing on the wall, the work of doing something may be accelerated, that care may be taken and new industries may be started in Kerala. With this request. I conclude.

Mr. Speaker: Shri Tyagi, hon. Member: who want to speak should not be content that they have given the list. They ought to rise in their seats if they want to catch my eye.

Shri Tyagi (Dehra Dun): The country is surely going to face a crisis in the field of economics. That is now so obvious that everybody knows it. The very fact that the Finance Minister read that statement today is evidence of it, and the figures he gave, though it seems he is quite satisfied, are alarming. The situation is getting bad, and therefore I think, it is time that the Government and we in Parliament appeal to the nation to be alert on this economic front.

I take it that as far as economics are concerned, they apply uniformly to such a vast country as they do to a small family, and therefore the pattern of economic well-being is all the same. Taking the analogy of a joint family, I feel that when a family is in debt, it behaves differently, and the only course or method of getting rid of that heavy debt is to earn some money, to create new values. If most of the members of the family are unemployed, the family goes to dogs, they cannot pay their debts. The same is the case with the country today.

From the statistics in a journal I find that our industrial growth was going quite well, but lately may be due to lack of foreign resources or foreign exchange, the rate of growth has been going down from year to

year. Quite a lot of progress had been made, and we are proud of it, but now there is a slight decline in the progress. The decline in progress has increased from six per cent to eight per cent and now to twelve per cent. That is, the growth is declining. Industry is not declining, but the rate of growth is now declining. That is one thing which I would like the hon. Minister to contradict. I shall be happy if the figures are wrong.

National production is to the tune of about Rs. 11,000 crores. Now, the whole family of 450 million should be making an earning of Rs. 11,000 crores, which comes to Rs. 13 per month per head. This is bad because we are consuming more, and therefore we have to see it from the angle of more production. Our foreign exchange and everything else depend upon production, and therefore, this is the most important point. We should put in our best efforts to see that we produce more wealth. That can be done either by means of good agriculture or by means of mineral products or the third and the best course is foreign trade through industrialisation.

Our national production is very small. The economy is getting indebted from year to year. By the end of the Fourth Plan, as Prof. Mahalanobis once estimated, we shall have spent foreign exchange to the tune of Rs. 10,000 crores, and that will be our indebtedness. And there is no way of paying it back except by exports. Export is the only means by which we can pay back our loans. The imports in 1950-51 were to the tune of Rs. 650 crores. In 1960-61, the imports have gone up to Rs. 1,088 crores. It is very obvious, because the country is progressing and we want plant and machinery and other things, and therefore, our imports must increase. But I am quite sure that the Ministry will be vigilant enough to see that extravagance is not practised and only the most-needed items are imported.

That is for them to judge. But these imports are to be matched by exports. Without that, we cannot do it. Our exports are to the tune of Rs. 600 crores only compared to the import of the amount of Rs. 1,088 crores as at present. So, every year, we have an adverse trade balance and that is heaping up.

Now, I am very grateful to Shri Manubhai Shah for having told us one thing. He has been very vigilant and he has a good command of figures. He once mentioned that the total world trade was about Rs. 40,000 crores and ours comes to only Rs. 600 crores. With such a big population in the world, ours is a very small share in the world trade and that is also a matter for us to examine. It is rather alarming. An increase of even half a percent in our total production, I am told, will be just satisfactory and we can make good the gap. But even that little thing can be achieved only if proper efforts are made and precautions are taken against wastages.

Take, for instance, the customs. There is a lot of under-invoicing and over-invoicing going on these days. I am sorry that despite the fact that the Finance Ministry has been vigilant enough in respect of the customs department, it has been estimated by many an expert economist that we are losing about Rs. 150 crores every year through the under-invoicing the over-invoicing that is going on. Only recently there was a shipload of jute goods caught by the Calcutta customs authorities, worth about Rs 75 lakhs. It was on the point of being shipped to a foreign country by a certain firm—I do not want to name it—and a fine of Rs. 25 lakhs was imposed on that firm because it was under-invoicing the goods. The trick is, if a thing sells at 100 dollars in America, they under-invoice it for 70 or 75, and so a bill goes for 75, and the Government only knows that goods worth only Rs. 75 are being sold while the figure of 100 is credited at the other end, because the rupee has got a greater value

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there. I think at present in the open market the rupee costs 25 per cent more in dollars than what it is in the official market. So, the exporter keeps 25 as the margin which is credited to his name there. Over and above that, there is another 25 per cent or so. So, there is this under-invoicing; this is going on without income-tax and the money gets deposited in the foreign land. Similar is the case in regard to over-invoicing. They have got their own trade machinery, and the rupee is more costly; they get it cheaper and do it by over-invoicing, so that they cannot for larger sums having been spent. Our foreign indebtedness can immediately be reduced if some severe action is taken and the rules are amended and enough vigilance is effected on our customs border and trade.

Over-invoicing and under-invoicing have gone on for years together. I can say this with a little personal experience. I have dealt with it in the past. I was once thinking of recommending to my hon. friend that they should agree to a sort of open policy, asking the people to find out how much foreign exchange they have in foreign countries and then finish with it; give them a chance so that they might accept and admit that so much is their foreign exchange. Then, charge it to the account and afterwards the severest punishment should be given to the persons who repeat the offence. Now, what happens is, even the names are not printed.

Shri Hari Vishnu Kamath (Hoshangabad): Did your colleagues agree to that?

Shri Tyagi: I do not know what their present position today is. But Parliament has very often insisted that such persons who deal with such trade should be found out and once they are caught their names should be published or publicise and their licences should be forfeited; their trade should be stopped and they should not be allowed to export or import anything in the future. If once

they are caught and they know that they will run the risk of losing their trade if they commit such a crime or indulge in such a practice, such things will not be repeated. The remedial measure is very easy; it can be done. So, I want to say that deterrest punishment must be given in these matters.

There was a question only today about gold, jewellery, etc., being smuggled into India. There is no doubt about it. Of course I must congratulate the customs department of Calcutta and Bombay. I know those men because I had dealt with them. I know some of them are very honest and they have done a very good job indeed; and yet, they have found out that there are some foreigners, some Europeans, involved in this smuggling trade regularly because gold here costs double that it does in the rest of the world. Therefore, India is the most attractive market for gold smuggling. For years together this smuggling has been going on. So, some drastic action has to be taken on this account.

I do not want to take much more time, because my other colleagues have to speak and perhaps they will have better points to make. As I said, in Calcutta, goods worth Rs. 75 lakhs were seized. They were later on released and afterwards handed over to some third party on a much lower cost because the goods had been lying there for a long time and got spoiled. Experts say—it is not only my opinion—that we can earn foreign exchange to the tune of Rs. 150 crores every year if this smuggling, under invoicing and over-invoicing are stopped.

Another difficulty which we are facing today is with regard to the ECM. They are deciding the thing. We have not been effective at all. We are members of the commonwealth no doubt, but the commonwealth is not only a love affairs. After all, the commonwealth is our relationship, so

to say. But this association is not for the sake of our old relationship. It is not any parental relationship. Our relationship with the Commonwealth was for the mutual advantage of trade, etc., or sometimes for defence. So, if this mutual advantage of having a mutual trade, concessions and all that goes, where shall we be in the Commonwealth? I appeal to the Prime Minister to see to it. It is no use our sitting here ineffectively. The ECM talks go on. After all, 20 per cent of our total export trade will be affected and we shall be nowhere. Further, all the other countries in the commonwealth are like us. There are other countries belonging to the same family and they are agitating. But we seem to be sitting silent and not uttering a word. Are we afraid of our old bosses? We must see that the United Kingdom and other countries with whom we have friendly relations give us an answer as to where we shall be and where our trade will be. Our relationship is based on trade relations in foreign countries. It is not any blood relationship. Therefore, this is an important matter, and I find that the Government, even if they have been active about it, at least they have not taken Parliament into confidence. I would like the Government to move in the matter and see that we do not just lose our trade with these friendly countries. After all, it is not only to our advantage but they have also a lot of benefit from the trade.

Then I come the bottleneck in trade. I must congratulate my hon. friend Shri T. T. Krishnamachari; he has come back to the Cabinet.

Shri Hari Vishnu Kamath: To smash the bottlenecks?

Shri Tyagi: He himself made a speech once and remarked that he envied my being on these Benches and I retorted that "God willing, you will soon have it." He had it. I envy; his going to the Treasury Benches. But I am reminded of what he said five or seven years ago.

Mr. Speaker: Is it going to be extended to you also?

Shri Tyagi: Seven years ago, he vehemently advocated the point and said that we are soon going to face a bottleneck and a crisis on account of our transport difficulties. He had already foreseen that. Now when he comes back, he has that problem and I hope—there is a talk of his being made Minister for Co-ordination—he will tackle that problem first, because the whole trade will go to dogs if transport, difficulties, wagon difficulties and coal difficulties are there. The whole production will be affected adversely, because we have not got enough energy for that purpose; transport bottleneck comes in the way. It will be for the Ministry of Commerce and Industry to see that their Ministry's functions do not suffer on account of bottlenecks of transport, lack of coal, etc. This is one important factor which has to be looked into.

Then, equitable distribution of industries is another matter which is really relevant. My friend has been complaining that Kerala has not been cared for enough. I have got a list of investments made in various States. In terms of lakhs of rupees per million of population, the total outlay, excluding steel, lignite and oil, in Kerala has been Rs. 307 lakhs, whereas in a State like U.P. it is only Rs. 70 lakhs, Rajasthan Rs. 25 lakhs, Punjab Rs. 100 lakhs, etc. So, really Kerala has not suffered; Kerala has enough, but there are really States

Shri Vasudevan Nair: It is not "Kerala", but "Kerala".

Shri Hari Vishnu Kamath: Not bitter as *karela*.

Shri Tyagi: Anyway, there are States which have not had a fair deal in this country. I would suggest to the Minister kindly to take the Members of Parliament into confidence, have a little informal discussion with them and see to it that on this score, the States should not have any com-

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plaint. If not according to population, according to the availability of raw materials, let fair treatment be given to all the States.

Shri Manubhai Shah is in charge of foreign trade and it all depends on him, because we cannot pay our debts except through him. It is he who is responsible for paying off the debts. Therefore, he occupies a very important position. I hope the House and the people at large, particularly those who are in the industry, will give him all cooperation, if he is out with a big campaign for foreign trade.

Mr. Speaker: Any hon. Member from the IPG—none. D.M.K.—none. Socialist—none. UPPG—Shri Yajnik.

Shri Yajnik (Ahmedabad): Mr. Speaker, Sir, I am sorry I cannot share the complacency of friends who are complimenting this Ministry on its achievements. To begin with, the reports and the documents put out by this Ministry are very faulty in their form and very imperfect in their substance. In the report and in the Demands for Grants, we have neither any table of contents in the beginning nor an index at the end. So, it is really difficult for anybody to find what he wants. But more important is the fact that while this Ministry has invested crores of rupees in many undertakings, industrial, financial, commercial or developmental, no integrated, intelligible or businesslike account has been given of the management of these concerns.

During the debate on the general budget, the Deputy Minister of Finance was pleased to state that he would like to give an explanation or a report about the working of these undertakings. That report has not been forthcoming. This Ministry in its report has given a very slipshod account of the working of the different corporations that are managed by the Ministry. There are crores of rupees invested. What is the divi-

dend secured by Government? What is the total investment, what is the total amount of loan and what is the dividend that has accrued to Government? What is the part-payment that has been received by the Government?

The third Five Year Plan provides for a return of about Rs. 450 crores from all the undertakings. I want to know—we have passed through one year of the Plan—and it is up to the Ministry to tell us what they have got as return from all the hundred of crores of rupees that have been invested in the undertakings. It is regretted that the Ministry takes too much upon itself. The millions of India are really the share-holders in all the concerns, even though the shares may be held on behalf of the President of India, but in the name of some civilians or some industrial magnates. It is high time that this Government gave a full, clear and precise and business like account of all the hundreds of crores of rupees that have been invested by the Government in all their undertakings and told us how they fare and how they are going to get Rs. 450 crores that have been assessed as return in the Third Plan.

The STC is one of the concerns managed by them. I am astounded to hear from a reliable source that the STC charges $7\frac{1}{2}$ to 10 per cent commission for allowing the existing importers and established channels of trade to operate, by securing orders for them. This high rate of commission was never heard of in any business community and it is necessary for the Government to explain in detail the way in which they operate this STC, so that the fair name of the public sector may not be disgraced by any such devious methods.

As Shri Tyagi said just now, we have to pay off the foreign loans and the interest on them, which will stand at about Rs. 1520 crores at the end of 1963—from the earnings of our exports. We also know that the exports are practically standing steady

at about Rs. 650 crores to Rs. 660 crores. It is necessary to understand that while export of other items such as metallic ore; pepper, spices and cashew kernels also registered a small increase, there is significant decline in regard to important traditional items of export such as cotton manufactures, tea vegetable oils, hides and skins and raw cotton, according to the *Economic Survey*.

What is the cause of this fall? One commentator said that between 1954 and 1958, prices of raw materials for export fell by 8 per cent while the prices of manufactured articles rose by 9 per cent. According to the General Agreements on tariff and Trade, Western Europe earned through such terms of trade 2600 million dollars and the USA nearly 700 million dollars. These sums are more than the developmental loans granted to the under-developed countries by the International Bank.

13 hrs.

Sir, the prospect for our exports is very dismal indeed and I agree with what Shri G. L. Mehta, who is Chairman of an Industrial Investment Corporation, stated in Bombay, that he did not expect much progress in exports during the next few years. I say that it is high time, in order to check all the malpractices to which Shri Tyagi has drawn attention, it is highly necessary, that the scope of the STC should be expanded and ultimately it should be given complete charge of all the imports and exports of this country. We will have to do that if all these mal-practices are to be avoided and our exports are to be systematically developed.

Now, one of the biggest items with which this Ministry deals is the textile industry. I profoundly regret to say that the textile industries have been treated as spoiled or pampered children or masters of the Ministry. Firstly, this industry has consumed, according to the testimony of the Reserve Bank more foreign exchange than it has earned during the last two

years or the last few years. Secondly, the prices of cotton have been rigidly controlled and even last year when there was a bad harvest the Ministry remained a heartless spectator of the peasants' woes till it woke up last month to increase the ceiling prices for the next cotton crop. Did not the Ministry know, did not the Textile Commissioner know that the cotton crop had failed and the peasants lost heavily if their prices were to be controlled by the ceiling that was fixed before-hand? If the cotton crop had failed, why did not the Textile Commissioner and the Ministry wake up betimes and immediately give instructions to the Textile Commissioner to increase the ceiling prices whenever it was necessary in the interests of the peasants and the growers of cotton? Nothing was done in the matter. And, Sir, it passed into the hands not merely of cotton traders but also of cotton co-operatives. There are ginning co-operatives, pressing co-operatives and sales societies. It is these societies that have been clamouring, shouting and agitating for a serious increase in the cotton ceiling prices. Unfortunately, now that the cotton goods in the possession of these concerns have been commandeered or they have been compelled to sell it at the old ceiling prices, the new prices will operate from next year.

Thirdly, while cotton prices have been very severely restricted, the voluntary control of cloth prices arranged with the millowners has entirely benefited them. No *status quo* has been observed as was agreed to. Thousands of new varieties have been produced by the millowners in order to swell their own profits, as can be seen very well from their accounts. I am surprised to hear from the hon. Minister that no enquiries were necessary. If all the designs that have been registered by the Textile Commissioner and all the documents in their possession were enquired into, it would have shown that in the name of new de-

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signs practically the same style of cloth has been stamped with higher and progressively higher prices in order to swell the pockets and the treasuries of the big millowners.

This has naturally resulted in the gross exploitation of the ignorant consumers who sometimes do not even understand the difference between a metre and a yard. The price marked is per metre whereas cloth is sold by yard, and nothing has been done in order to save the consumers from the tricks of the trade.

The fantastic and fanciful process of sanforizing cloth should be immediately stopped as it involves payment of extravagant amounts of foreign exchange to the manufacturers of these processing machines.

Sir, it all points out to the fact that sterner measures should be taken to see that the prices are scaled down and the textile magnates clearly told in no uncertain terms that their industry will be nationalised if they do not behave sensibly and with due regard to the interests of the millions of this country.

Like the textile industry, there are many other industries which have also been pampered and fattened by this Government. No industry has been compelled to provide residential accommodation to its employees as is done even in capitalist countries like Japan. Then, I was surprised to hear from my hon. friend Shri Oza that the number of labourers employed in all the mills has decreased while the factories have increased. No regard has been paid to the employment potential. The whole report, this bulky volume, is absolutely quite, absolutely silent so far as increase or decline in the number of employed persons is concerned.

Then, the conditions of safety and quality control are more observed in breach than in their implementation.

The food of men and cattle is being tampered with by free licensing for Guar gum, starch factories etc. The food of the poor is naturally getting dearer and dearer. Export of oil and oil cakes is permitted to the serious disadvantage and starvation of the people and the livestock in the country. Forward trading in edible oils and many other oilseeds is permitted though the Minister was bold enough to slur over the matter without specifically replying to my question, without specifically stating that this forward trading was permitted. Edible oil is a food commodity and forward trading is permitted in that. If forward trading is not permitted in foodgrains, why is it permitted in edible oils? This is a question that has to be answered by the Ministry. I say, Sir, that all staple food items like oil, cotton seed, oil seeds and guar should neither be exported nor allowed to be processed in the interests of a handful of industrialists. All forward trading in these items should be banned forthwith.

That brings me to the most important point of foreign collaboration in our industries. The matter is considered so insignificant that a question had to be put in the House in order to elicit information. If foreign collaboration is a very important matter, should it not be dealt with in a businesslike manner in the report? Only the other day the hon. Minister was pleased to state that about 400 cases of foreign collaboration were agreed to. Yet the Law Administration part of the report is absolutely quiet in the matter. This material may be found from some corner or the other, but the main fact remains that the investment of foreign capital in Indian industries or industries planted in India stood at about Rs. 610 crores in 1959 and it stood at about Rs. 655 crores in 1960. And, according to the calculations, in the Third Five Year Plan Rs. 300 crores are to be permitted to foreign capitalists in the

total of Rs. 1200 crores that are allotted to the private sector. This is a big pill to swallow. May I remind the House that the Britishers had established practically an undivided monopoly over our foreign trade, insurance banking and shipping in the British days? They had also large interests in plantations and mines and the jute industry. Now it remains for this Congress Ministry to plant foreigners in every part of this country. Do you think that you are serving the interests of *swadeshi* by banning the imports of foreign material and, at the same time, planting the foreigners right in the heart of the country? These foreign consultants and capitalists clad in panoply of power and patronage have immense influence, totally at variance with the numbers not only over our economic life but also over our political life as well. It is, therefore, necessary to hark back on the old maxim of *swadeshi* that has been promulgated by Mahatma Gandhi. This Ministry is totally oblivious of the big *Sutra* given by Gandhiji that there is no *swaraj* without *swadeshi*. And what was the definition of *swadeshi*? I learnt at the feet of Gandhiji in 1921 that a *swadeshi* article had to be manufactured by hundred per cent Indian capital, by hundred per cent Indian management and by hundred per cent Indian labour. That is the formula or definition of *swadeshi* that as given to us by Mahatma Gandhi. You may take foreign loan, you may take loans from private capitalists, but let it be invested in India, in Indian concerns which have at least a very large portion of Indian capital, a very large number of Indian personnel and, naturally, with the full complement of Indian labour.

I must remind this House that Indian capitalists and personnel working with mighty foreign combines have taken to approximate to them in their economic and political ideas. Do we not know that the Federation of Indian Chambers of Commerce and Industry was one of the first to lodge a protest against the incursion of foreign

capital into this country right from the beginning in 1948 or 1949? Since then, they are cooing and wooing foreign capitalists and finding it very pleasant to get the partnership or co-operation of the mighty foreign capitalists. And it is an irony of fate that today if anybody wants to register his business or industry, he gets a very good preference in the government departments if he is assured of foreign collaboration. Foreign collaboration is one of the pets of this government; foreign collaboration, once secured, opens the portals to all facilities that are available with the State. While the Ministry may be complacent, the people are not; let me remind this government that the incursion of the foreigners in all departments of industry and commerce is being viewed with the greatest suspicion and opposition by the millions in this land. So, I would request Government to revise its policies in this matter.

In spite of the Industrial Policy Resolution, foreign collaboration has crept in sections that are reserved for Indian enterprise with the maximum of foreign capital, with more than 50 per cent foreign capital permitting and less than 50 per cent Indian capital. There are also industries in which there is more of Indian capital and less of foreign capital, but the spirit, if not of the Industrial Policy Resolution, of the great gospel truth that was preached by Mahatma Gandhi, is being violated by this government every day and every hour of its life. I assure this government that people will not be lazy, or will not be careless, in this matter. They will wake betimes and there will be an agitation, a thunderous agitation in the country against these tricks and whims and the policies of the Government of India. So if the government does not wake up betimes then, I say, the government will face an agitation the like of which perhaps it has not seen before.

Shri Morarka: (Jhunjhunu): Mr. Speaker, the Ministry, whose demands

[Shri Morarka].

We are discussing today, is charged with two main functions—firstly, the industrialisation of the country and, secondly, to develop our foreign trade. I wish to confine my remarks to the second task of this Ministry. The Third Plan has entered its second year with the exchange reserve further depleted to about Rs. 100 crores, with virtually no visible foreign income with foreign debt of Rs. 1,650 crores and with a yawning gap in our balance of payments. Our total needs of foreign exchange in the Third Plan are more than Rs. 6,000 crores. As the Finance Minister stated this morning, about Rs. 2,000 crores are required for the development of new projects, about Rs. 3,800 crores for maintenance purposes and about Rs. 600 hundred crores to repay our borrowed loans with interests thereon. The interest amount alone would come to a little more than Rs. 200 crores on the foreign borrowings, during the Third Plan. We propose to raise this amount, firstly, by our foreign trade exports to the extent of Rs. 3,700 crores or 3,800 crores and secondly by external borrowings to the extent of Rs. 2,600 crores.

It may sound paradoxical, but it is a fact that as our industrial production increases, as our industrial development progresses, our imports also increase simultaneously. During the entire First Plan, our total imports were of the order of Rs. 3,620 crores, or Rs. 724 crores per year. During the Second Plan period our total imports were Rs. 5,360 crores, or Rs. 1,072 crores per year; that is, an increase of 50 per cent as compared to the imports during the First Plan period. Our import Bill for the Third Plan is put at Rs. 6,350 crores, or Rs. 1,270 crores per year, including the import under PL 480 agreement. These are our minimum requirements of foreign exchange, and these are the requirements on the basis of the projects which we have included in the Plan. If the cost of these projects increase, or if we include any new projects in the Plan, our requirements

of foreign exchange would accordingly go up.

Recently there has been a trend visible that the promised or the anticipated foreign exchange of Rs. 2,600 crores may not be forthcoming. We read recently about the Senate Committee of the USA proposing to cut down our aid, then of the German Parliament withholding the aid for the Rourkela project, the USSR delaying the supply of the power equipment and the unsatisfactory conclusion of the Aid India Club meeting. All this created some sort of a doubt about the quantum of external aid being available to us and at the proper time. Therefore this obliged the Planning Commission to hold a meeting of the Chief Ministers of all the States and to warn them about this almost impending crisis of foreign exchange. It suggested to them not to start any project even if it is included in the Plan unless the foreign exchange for the project is specifically allocated and not to start any project outside the Plan at all.

This difficulty of foreign exchange is not new or without anticipation. Yesterday some of the hon. Members who spoke left an impression on the House as if this Ministry did not do all that was in its power or that the officers have failed in augmenting the exports or in averting this foreign exchange crisis. As a matter of fact, the Third Five Year Plan itself anticipated all these things and, if I may use the phrase, this crisis was built in in the Plan itself. The latest ECAFE Report very ably enunciates the reasons for this crisis. It says:

"Mainland China and India, both large economies, have chosen to build first a 'basic' structure of heavy industry, such as steel and chemicals, even though these require large capital and long gestation periods and are heavily dependent on imports."

Then it says:

"The country has gone in for capital intensive development in the hope that external economies and availability of domestically produced capital goods would ultimately lower capital and foreign exchange coefficients, and secure more rapid growth."

The Report sums up the situation by saying:

"A different investment strategy might, in the short run, have made the process of growth not only quicker but easier for the people. Agriculture, export industries and social services could have been given even more emphasis. Foreign aid could have been sought more as grants than as loans. Some greater reliance could have been placed on adjustments through the price mechanism... Some of these decisions, however, were made in the light of 'larger social ends' to which economic consideration were necessarily subordinate."

This is the verdict of impartial observers. We just asked for, what we call, the crisis of foreign exchange. We anticipated it. There is nothing new in it and we have to do our best to meet it. The Plan says in so many words that we will have to tolerate the under-utilisation of the installed capacity because we will not be able to import all the raw material required. It says that we will have to make sacrifices and that augmenting the exports is by no means an easy task.

But our Plan target for exports which is Rs. 3,700 crores or Rs. 3,800 crores, must be achieved. Let me tell you something about what happened during the First and Second Five Year Plan periods. During the First Five Year Plan period our total exports were Rs. 3,045 crores or Rs. 609 crores per year. During the Second Five Year Plan period our exports were Rs. 3,070 crores or Rs. 614 crores per

year, that is, an increase of Rs. 25 crores over a period of five years or Rs. 5 crores per year. In terms of percentages our export increased by 0.8 per cent whereas our imports increased by 50 per cent. Now in the Third Plan, as I said, our target is Rs. 3,700 crores or Rs. 3,800 crores. On the basis of Rs. 3,800 crores it comes to Rs. 760 crores per year. For the first year of the Third Plan our target was Rs. 680 crores and our actual achievement is Rs. 660 crores, that is, a shortfall of Rs. 20 crores. Our target for the second year of the Third Plan is Rs. 715/720 crores. It still remains to be seen how far we would achieve this target, but I may say straightaway that if our target is not achieved, this Plan is bound to run into difficulties even if the promised or anticipated foreign exchange by way of external assistance and loans is forthcoming. That, I think, is the most important point which the hon. Minister must take into consideration.

But these targets which we have laid for our exports can be achieved only if we augment production at home, reduce costs and consumption, improve quality and provide incentives. During April-November 1961 our exports were Rs. 443 crores as against Rs. 405 crores during the corresponding period in the previous year. This increase of Rs. 38 crores was mainly due to sugar, raw cotton and jute goods. I do not think this gives any reason to the Government to be complacent because we know under what conditions we have exported sugar. If we are to export other commodities as we have exported sugar, I have no doubt that we can multiply our exports very, very fast because the price of sugar in the country is about Rs. 110 per bag and the export price that we obtained per bag of sugar is Rs. 35 or even something less than that. At this sacrificial price if we are going to export the products, surely we can increase our exports faster. During the same period, that is, April-November, 1961,

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our trade with America has particularly improved. Our imports from that country went down by Rs. 80 crores and our exports went up Rs. 11 crores, that is, a total improvement of Rs. 91 crores. This is a very encouraging feature and I do hope that the Government will do everything in their power to maintain this progress.

We hear hon. Members making criticism against the Government for not increasing our exports.

13.28 hrs.

[MR. DEPUTY-SPEAKER in the Chair.]

There are three types of countries for whom it is very easy to increase their exports. Unfortunately, we are among none of these three. One type of countries is which have got huge funds or surplus capital to loan out to other developing countries. When they give those loans they make it a condition that those loans are meant for particular projects and that the equipment for those projects would be purchased from those countries. In other words, they do not give money loans but actually give loans of capital equipment. So, the exports of those countries are automatically increased.

The second type is of countries which are technologically very much advanced. Those countries have got the advantage of scientific invention to such an extent that all other developing countries in order to be competitive in the world market and in order to have the latest means of production go to them to buy their equipment, for example, the LD process in steel which we acquired through Germany from Austria.

The third type is of countries which are not developed at all but which are producing only agricultural goods by way of raw materials or mineral wealth. If they are prepared to export that, many developing countries and countries which are already developed

would be anxious to buy those things. Thus, they can easily improve their exports.

It is quite true that we want to increase our exports, but it is also true that we want to increase it more in different commodities. We want to change our pattern of export also. Our country was traditionally an exporter of raw materials and other agricultural products. Now we want to export manufactured and semi-manufactured goods, engineering goods, steel, etc. When we want to change the pattern of our export and we want to change on to manufactured goods, it is natural that more expert salesmanship would be needed. And the job of a salesman is almost as technical as that of an engineer. It seems in this country we do not give due importance to the technique of salesmanship, and I think one of the steps that Government could take with advantage towards augmenting exports is to secure the services of some expert salesmen, whether from this country or from outside. According to me an expert salesman is one who can sell a frigidaire to an Eskimo, and a poor salesman is one who cannot sell even a camel to an Arab. Sir, I do hope that the hon. Minister would give consideration to this matter and try to recruit some expert salesmen for developing our export trade.

One of the best ways to give impetus to our exports is to increase our production, particularly by utilising the installed capacity to the fullest extent. The augmented production would reduce costs, save imports and develop exports. Above all, it would keep inflation at bay and would support the falling rupee. But I regret to say that so far as the actual increase in production is concerned, which is well within the powers of this Ministry, precious little has been done in that direction.

At present, because of the absence of foreign competition, limited home

production and the ever-increasing domestic demand, the Indian market is both sheltered and more attractive for the Indian producer. It offers quick and easy returns. Under such circumstances, the incentive to efficiency becomes very very weak, and as a result both quality and price suffer. That is, the cost tends to go up and the quality goes down.

Our products, in order to sell, must compete not only in prices but in quality and design. We may have for developing our exports a short-term strategy and a long-term strategy. In the long-term strategy you may plan to export your locomotives, machine tools, steel and various other things. But as a measure of short-term strategy I think you should give top priority to anything that can be exported from this country. They may be oil-seeds, cashew nuts, raw cotton, tobacco, hides and skins or even vegetable oils. There should be no restriction on these exports and, if need be, the domestic consumption may be curtailed drastically. The Third Plan itself talks of a sacrifice in the interests of exports, but I do not think any sacrifice has been imposed so far for augmenting our exports.

For the short-term strategy I suggest one incentive, and I am sure that if that is accepted the exports would increase beyond our expectation. I suggest that 10 to 15 per cent of the foreign exchange which any exporter can earn over and above the basic period, that foreign exchange should be allowed to him for the purpose of importing anything that he likes. I know there are items in the import trade where the profits are 600 per cent, 700 per cent or even 1,000 per cent. But those profits are there only because the imports are drastically curtailed. Once you give an exporter this facility to import to the extent of 10 or 15 per cent of his additional foreign exchange earnings, I am sure that on the one hand the prices of these things will come down, because there would be more import, and on

the other the exporter himself would be able to compensate the loss he suffers in his exports. I hope the hon. Minister would get this matter examined and do whatever is possible.

Even the industrially developed and economically prosperous countries have been worried and taking steps for augmenting their exports. Western Europe particularly has been very busy experimenting with different types of economic unions to see whether their export trade as a whole can increase or not. For that purpose the countries in Western Europe formed themselves into different regional groups with common economic objectives. They made various experiments and I will mention only seven of them here. First of all, they formed the Customs Union Study Group; then the Organisation for European Economic Co-operation; then the European Payments Union; then the European Coal and Steel Community; then the European Atomic Energy Community; then the European Free Trade Area; and, finally, the European Economic Community or the European Common Market.

Some of these unions succeeded beyond expectations, particularly the Common Market, and they brought unprecedented prosperity to countries like Germany, France, Italy, Belgium, etc. And the position of these countries is so enviable that even a mature country like U. K. felt obliged to apply for entry into this Union.

We read the other day, and again today, that Premier Khrushchev has called communist countries to a summit conference in Moscow to discuss the effects of the added strength of the European Common Market. This meeting will be held within the framework of the Communist Bloc Council for Mutual Economic Assistance. This conference is also likely to consider Premier Khrushchev's plan for international trade. What that plan is and what would come out of it, we yet do not know. But this indicates that even Premier Khrush-

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chev is worried about the export trade of that country, and worried also about the growing strength of this E.C.M.

May I say that in this context or in this respect we have done very little? Now that U.K. is negotiating its entry into the E.C.M. we, along with the other members of the Commonwealth, have started thinking about it for the first time.

Our most important item of export is tea, and Britain has taken up the question of duty-free entry of tea into the E.C.M. But unfortunately France is resisting it. At present 37 per cent of India's tea goes to U.K., whereas only 1 per cent goes to other members of the E.C.M. That shows the importance of our tea trade with U.K. and the repercussions it would have if U.K. joins the E.C.M. The new fiscal proposals recently made by the hon. the Finance Minister in his Budget certainly provide some relief to the tea industry. But the extent of this relief would actually depend on many other factors. This, again, would be offset to a great extent by the increased excise duty on tea, aluminium foil and plywood, as well as higher freight rates. U.S.A. actually increased imports of Indian tea by 5 million pounds last year.

There are two danger spots in the tea trade, and they are East Africa and South America. In East Africa, the acreage under tea has increased from 66,000 to 146,000 acres. Similarly, in South America, tea cultivation acreage has increased from 7,000 to 92,000. Other countries like Russia, Turkey and Iran are also growing tea. In the Far east, Formosa and Japan have extended cultivation in recent years.

The hon. Minister who has recently given charge of this difficult task of augmenting our export trade has taken some steps, if I may say so in all humility, in the right direction. He

has put the incentive schemes on a permanent basis. That has given some sort of confidence to the exporters. He has also established the Board of Trade and has promised to start the Second State Trading Corporation for the export of agricultural commodities like oilseeds, pepper, cashewnuts etc. He has proposed to impose a cess on domestic production for financing some of the export items. Finally, he has proposed to set up an Expert Committee with a full-time Chairman to study the cost structure of the various items of export production. I wish him well. I do hope that his efforts will be rewarded with success. But I may also say that he should not be disappointed if he does not meet with immediate success in all these things. Because, after all, export is not an one-sided affair. You have to compete in the world and you have to compete with various developed countries when export industries have achieved fully the advantage of division of labour. So, the Minister who has a reputation for dynamic personality and all the rest should not feel disappointed if he does not show the same progress immediately which people expect from him.

In conclusion, I wish to say this that with a huge foreign debt, the country's future is more or less mortgaged. Any casual acceptance of the illusory export prospect is likely to lead to disastrous results. Unless the problem is tackled in a practical manner and a special climate is created, the results would not be easy of achievement. This difficult task of export promotion will demand the willing and enthusiastic co-operation of every sector of the economy both at the Centre and the States. I regret to say that the States are not at all alive to this national difficulty. In fact, their indifference is perfect.

Shri T. Abdul Wahid (Vellore): Sir, Shri Morarka has taken great pains to explain the import-export position in detail. He has tried to dispel the

impression that was created yesterday by the Opposition Members that our exports had not made any progress during the last decade. I also want to support the same view. We need not be so pessimistic; it is not such a bad picture of our export trade in the last ten years. Actually, if we take up the First Plan period, leaving out the first year, that is, 1951-52 which was an abnormal year of the Korean War—that year we had an export of Rs. 733 crores—, the average for the next four years works out to Rs. 576.5 crores. In the Second Five Year Plan, our average works to Rs. 614 crores. That means, we had a gain of Rs. 39.5 crores.

Shri Morarka has explained the disadvantages and handicaps which our country had as compared with other countries whose exports had progressed steeply. Our position is, while the world export trade has almost doubled itself in the last decade, our share of world export trade has declined from 2.1 per cent to 1.1 per cent. It may be that if we take individually highly progressive industrialised countries, their exports might have trebled or even reached four times. The reason was, as explained by Shri Morarka, they were highly industrialised countries. They were countries which had the technical know-how. We must understand the position in the country as we inherited after Independence. What did we have? Nothing but an agricultural economy. What we had was, we were depending only upon our traditional exports of agricultural commodities. The only industry that we had was the textile industry and that too a highly worked and worn-out industry during the war. So, that textile industry cannot be considered to be efficient when compared with what we have in other countries of the world.

What we have done is highly creditable. We need not be charged that we did not do well, as the Opposition Member did yesterday. We have progressed well even during the last two

years—though the Plan target was very high—as compared with previous years. In 1960, we had done Rs. 644 crores and in 1961, Rs. 645 crores. We have to analyse these figures still further. We were all along dependent on traditional items of export. But, during the last 5 or 6 years, we have developed our trade in engineering goods, in machinery, etc. If we take the figures of last year's performance,—April to November—there has been a decline in our imports to the extent of 13 per cent. The decline in the import of cereals was Rs. 26 crores as against 117 in 1960, in iron and steel, we had a decline of Rs. 17 crores, in transport equipment Rs. 12 crores, in chemicals Rs. 12 crores. Besides this decline in imports, compared with the figures of the previous year, there is a substantial progress that we have made in the export of industrial commodities.

As everybody knows, we started our industrialisation very recently—only in the last 7 or 8 years. When the production of these industries comes out fully, naturally, our exports in industrial commodities will go up. Even the progress that we have made industrially was tried to be minimised yesterday. In engineering goods, we have progressed considerably. In production of machines, our growth has been almost five times. In chemicals also we have almost trebled our production in the last one decade.

Still, I agree with everybody who spoke before me that the most important thing to do is the rapid industrialisation of the country. Our export trade was stagnant because we were mainly dependent upon the traditional items like jute, tea etc. We have to have varied items of export of industrial commodities. Then only our exports will go up. For that, we have to step up industrialisation very rapidly and also try to produce industrial goods at competitive rates. In producing industrial goods at competitive rates, there are so many handicaps to be overcome in which we

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would require the co-operation of everybody, especially of labour. We have to try to keep the cost of production as low as possible. This can be done only by having large-scale production and at the same time, by keeping down the wage structure. Since we are aiming at stopping our dependence on imports and stepping up exports of industrial commodities, we have, as far as possible to keep down the cost structure of the commodities. For that, we cannot go on increasing the wage structure. We do not want to be harsh to labour. We realise that the cost of living is going up in the country and labour is finding the position very difficult. We would request that cost of living should be kept down as far as possible. For that, there should be intensive cultivation of agricultural commodities and we should see that the prices of agricultural commodities come down so that the cost of living comes down and labour is not unnecessarily put to difficulties by maintaining the present wage structure.

As I said just now, the main reason for the stagnation of exports was our dependence mainly on traditional items. Even here, it is really alarming to see the competition that we are meeting from other countries in tea, jute, cloth and other things. Here also, we have to make serious efforts and see that our exports in these things are stepped up and not allowed to go down in any way.

Regarding export promotion, we have really to appreciate the work turned out by the Export Promotion Directorate, the various Export Promotion Councils, and our various trade Commissioners abroad. Their work has been highly commendable. But I think that the most important thing is that there should be intensive and on-the-spot efforts to market our goods in foreign countries. We have to encourage our business people and even have to compel them to open their business-houses abroad. And as

has been rightly pointed out by the enthusiastic Minister of International Trade, we have also to open branches of the State Trading Corporation abroad.

It was most surprising to me that in places like Hamburg, Frankfurt, Stuttgart, Milan and others, I found hundreds of Iranian, Iraqi and Syrian business-houses selling handicrafts, carpets etc. of those countries. But it was indeed very painful to me not to find any Indian business-houses in any of those countries. I found several other business-houses in Hamburg, but no Indian business-house at all.

It is surprising that such a big country like ours has not done anything to expand its business. As I had pointed out in a previous speech of mine, if at all we have any exports today, those exports had been developed by the European business-houses in those days. We the Indian business-men have not made any serious efforts to develop our exports.

In New York, there is a small show-room maintained by our Ministry. I had been to that show-room. I know that there is a very big demand in the United States for our handicrafts, our handloom goods, our *saris* and so many other things. But what I found in that show-room was that it was housed in just a small building with a few articles on display. That is not the kind of show-room that we should have in such a big international marketing centre like New York where there is a very big potentiality to market our handicrafts and other goods. What we should do is to have a very big show-room in New York. The difficulty which importers in the United States find is that they cannot find reliable exporters with whom they can place huge orders. You know, Sir, the American way of business; when they place orders they place orders in millions of rupees. But they do not find reliable people with whom they can book orders by the millions.

So, it is very necessary that whatever it may cost, we have to open a very big show-room and a very big store in New York, which can readily supply the goods and also display our handicrafts, handloom goods and other things to the importers in that country.

In the statement of the proposed steps for export promotion, furnished in reply to a question in this House, the hon. Minister of International Trade has given some very valuable proposals. It is a very impressive list which he has given. I only wish, as he assured me and the House, that these will be implemented fully. The establishment of export houses and international trading firms should have priority over every other step. Allowing 10 to 20 per cent of the foreign exchange earning for the import of capital goods and spare parts etc. are very necessary steps and these should be implemented without delay.

In this connection, I would refer to Shri Morarka's suggestion that about 7 to 8 per cent of currency retention being allowed for importing anything that we liked. This is a demand which we have been making in the Export Advisory Council for the last two years. But I know that Government do not yield on that point. So, I would go one step forward and say that we may not be allowed to import anything that we like; Government need not allow us to import anything which contravenes the import regulations; but they can allow us to import those things which are within the list of things which can be imported. Of course, if we still have 10 to 20 per cent profit on it, it will go a long way in reducing our export costs. But I do not know what is in the mind of the hon. Minister. I hope that he will consider this favourably, because it will be of great help to the exporters.

Regarding credit facilities, the hon. Minister has suggested that these will be expanded. Here, I want to make

a suggestion that the export industries should be treated differently. The advances on stocks made to the export industries should not be under lock and key. They have to be on hypothecation of goods in the manufacturing process. Also, the advances made by the State Bank of India should be increased from 60 to 75 per cent of the value of goods, because 60 per cent is too low.

The exports of our textiles is going down. As against the target of 1000 million yards, it has come down to 602 million yards. So, the only thing we have to do is to rapidly modernise our textile industry.

Of course, it is a matter of gratification to know that the allocation of 25,000 automatic looms for mills to produce flawless cloth has been decided upon, and also 16,500 automatic looms for replacement of the ordinary looms. But I think that instead of that, a few mills should be taken, and they should be given permission to expand; instead of allotting 500 automatic looms only in the case of each mill, these few mills should be given much more than 500 automatic looms, and they should be made very big and large units of production, so that the cost of production may come down, and the production could be marketed locally at cheaper cost, and the extra profit made thereby can go still further to reduce the cost of our exported commodities. I suggest that this can be thought over.

In handlooms also, our performance is going down. From 63 million yards in 1953, the quantity has come down to 28 million yards in 1961. The difficulty is the high cost of our handloom cloth and the uncompetitive prices of our handloom cloth in the world markets. It may be that in the coming future, the handloom weaver will be in considerable difficulty, because already our mill cloth is finding difficulty in meeting world competition, and with the high cost of our handloom cloth, I do not know how

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we are going to meet this competition in the future.

Hence, I would suggest that we should revive the Kanungo Plan, and despite the decision of the Planning Commission against the installation of powerlooms in place of the handlooms, we should think about replacing these handlooms by powerlooms. Of course, we should take abundant care and precaution to see that advantage is taken of this only by the handloom weavers and not by the other people.

Mr. Deputy-Speaker: The hon. Member should try to conclude now. I have a long list of persons who want to speak, before me.

Shri T. Abdul Wahid: I shall finish in two or three minutes.

From the statement showing the allocation of spindles, I find that 75,000 spindles have been allocated to Madras. Sir, I come from the constituency of Vellore, which is constituted of Vellore and Guidyatham taluk. It is an extremely backward area. There is no industry worth the name there except perhaps one co-operative sugar mill. There is a lot of economic distress in the villages there, and I therefore, request that licence may be given for setting up a sizable spinning mill in that part of the country. As I have pointed out, the constituency from which I come is extremely backward economically, and industrially, and there is acute poverty and unemployment there. I request that the Central Small Scale Industries Organisation be asked to undertake an intensive campaign for the development of small-scale industries in that area.

In conclusion, I shall be failing in my duty if I do not make a reference to hides and skins, because I represent that trade. The hides and skins industry during the last year....

Mr. Deputy-Speaker: The hon. Member can pass on those points to

the hon. Minister and he would look into them. It is a long speech which the hon. Member has written down.

Shri T. Abdul Wahid: I shall not take more than two minutes.

The hides and skins industry is a very important industry. Last year, this industry had earned about Rs. 26 crores, which was Rs. 36 lakhs over and above that of the previous year. If we take up goat skin alone, it was one crore of rupees more. But I am afraid that this has been earned at a very big sacrifice on the part of the trade. The whole of last year was a very bad year. But still, we earned that much of foreign exchange for the country. But I am afraid that this year it is going to be extremely bad. I would not be surprised if this amount is going to be cut off by Rs. 6 or 7 crores. Even yesterday, I was talking to some people, and I learnt that even Russia has stopped buying our goatskin. So, there is a lot of difficulty, and I am afraid that a crisis is developing. I would suggest to the hon. Minister that if we want to retain this export market at the level at which it remains now, then we have to immediately send a small delegation of people to Europe and other places to find out the reasons why the people in those countries are not buying our tanned goatskin and our Papra sheep skins. Otherwise, I am afraid that there will be a big decrease in our export trade in tanned hides and skins.

I had many other points to deal with, but since there is no time for me to deal with them, I shall conclude here.

14 hrs.

Shri K. C. Pant (Naini Tal): Even after losing the Department of Heavy Industries, the Ministry of Commerce and Industry has widespread ramifications and one has to be careful not to lose oneself in them.

Taking a broad view of the functioning of the Ministry over the last 11 years of planned economic growth, I must say that its record of performance has been impressive. The two Plans have seen a substantial growth in industrial production. The manufacturing production index has almost doubled between 1950-51 and 1960-61. The annual rate of growth has been of the order of 7 per cent. rising to 11 per cent. per year in the last two years of the Second Plan. The rate has again declined to 7.6 per cent. in the first ten months of 1961, but can be expected to pick up as the Third Plan gets into its stride. So much for the quantitative aspect of growth.

Qualitatively, the two Plans have laid stress on capital goods industries which go to form the base of an industrial economy. As against a 45 per cent. increase in consumer goods production, the production of intermediate products and capital goods has gone up by almost double that rate, and since these basic industries are predominantly the domain of the public sector, that sector has growth correspondingly. Even in absolute terms in the Third Plan, we find that the allocation for the public sector is higher than that for the private sector. This is a measure of the progressive strengthening of the relative position of the public sector in our national economy.

Another prominent feature is the marked diversification of the industrial structure. A recent publication of ECAFE, to which Shri Morarka also referred earlier, has acknowledged that in India modern industry has advanced rather rapidly and broken new ground. More and more new items are coming out of our factories and workshops every day.

Another welcome feature is the slow but definite change in the structure of private enterprise in this country. The number of small companies has been growing rapidly in recent years. I have it on the authority of

Shri Asoka Mehta that 85—90 per cent. of the new companies coming up have an authorised capital of less than Rs. 10 lakhs. Thus the undergrowth is thickening rapidly and the spirit of enterprise is percolating in an ever-increasing measure to groups with lower incomes and capital.

I have briefly touched upon some of the encouraging trends that catch the eye. Now I come to some of the drawbacks. I regret to say that hardly any scheme or project in the Second Plan was executed in time, with the result that costs went up and too many disappointing shortfalls were there in our plan targets. Now we are faced with the danger that the Third Plan might run into very serious difficulties on account of shortage of coal, transport, power and foreign exchange. Though coal, transport and power do not come within the direct purview of this Ministry, it has a vital stake in their availability, because without these essential ancillaries of economic growth, all its plans would be left high and dry.

As for foreign exchange, we have heard a statement from the Finance Minister this morning. It can be said that this is perhaps the most burning problem of the day. We have been pulling on so far mainly on account of the cushion of sterling reserves that had been built up during the war, but now we find that these have practically disappeared. So we have a disturbing situation in our hands.

Let us take a look at the foreign exchange requirements. In the Third Plan period, the total requirements of foreign exchange for maintenance and development imports, amount to nearly Rs. 5,750 crores, which is more than half the total outlay of the Plan. As against this, the earnings on account of exports are estimated at Rs. 3,700—Rs. 3,800 crores. For covering the shortfall in earnings estimated at about Rs. 2,600 crores, we depend mainly on the assistance of foreign countries. But there is no

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certainly that this gap will not increase further. For one thing, it will be extremely difficult to peg imports at the level indicated; for another, the atmosphere of foreign assistance seems to be somewhat clouded at the moment. According to newspaper reports, at a recent meeting of the Aid India Club, the members were reluctant even to honour their previous commitments to meet the foreign exchange requirements of this country in the first two years of the Third Plan. The present assurances of aid in the second year of the Third Plan fall short of earlier commitments and expectations by as much as Rs. 100—Rs. 150 crores,—that is the report appearing in the papers. That is a serious shortfall. But I would not like to comment on it at this moment, because the Aid Club is going to meet again. I would only point out that it would be an unfortunate development if foreign assistance even from the friendliest of countries could not be counted upon by this country in times of need with some measure of confidence.

Another method to ease our foreign exchange difficulties is to promote foreign investments in this country. Foreign investments are increasing to some extent, but they would have to increase at a much faster rate if they were to make any palpable contribution to the solution of the foreign exchange difficulties.

Taking all these facts into account, one is led inevitably to the conclusion that the Third Plan target for exports must be increased. Looking ahead, it is estimated that exports should total about Rs. 1,500 crores per year by 1965-66. Therefore, we must step up our export target, even though past performance in this respect has hardly been encouraging. It is regrettable that our exports have been virtually stagnating during the last 11 years. It is against this background that the magnitude of the export problem should be considered.

On the one hand, we have to maintain our present exports at their present level, and on the other, we have to promote exports of new items. The main traditional items which account for nearly one-half of our total export trade are tea, cotton textiles and jute manufactures. These are meeting with ever-increasing competition in foreign markets. As regards tea, the main difficulty is that of quality and the fact that countries like Ceylon, British East Africa and those in South America are increasing their production at a much faster rate than we are. In this context, it is surprising that the Tea Board were not able to utilise the grant made to them for purchase of machinery in 1961-62.

As regards jute and cotton, our only hope lies in the rehabilitation and modernisation of old, archaic machinery, and I am glad to see that there has been some improvement in this direction, particularly in respect of jute. We have to take note of the fact that the jute industry in Pakistan is coming up very fast, and that cost factors are in their favour.

As regards cotton textiles, one major handicap is our continuing inability to produce sufficient long-staple cotton in this country.

I have just mentioned some of the difficulties faced by our established exports. But these difficulties will pale into insignificance when compared to what our traditional exports will have to face when the U.K. enters the European Common Market on the terms it itself has offered. It is perhaps not as widely realised as it should be that withdrawal of the Commonwealth preferences and their replacement by Common Market tariffs will affect 90 per cent. of our exports to the U.K., or as much as 25 per cent. of our total export trade. The Indian Ambassador to the European communities has made it abundantly clear that the U.K. plan does

not provide for adequate safeguards for Indian exports. In the circumstances, we hope that the European Common Market countries which have now been directly approached by our Government will do their best to accommodate India in this matter. It would be a great pity if a move directed to promoting world trade and demolishing tariff walls has the unfortunate side-effect of crippling the export trade of developing countries.

This brings me to the question of developing new items of export. The Mudaliar Committee has gone into this question exhaustively and has made a number of recommendations. Many of them have been accepted by the Government, and others are under their examination. Among the various measures announced in recent weeks to promote exports are the constitution of a Board of Trade, the proposal to levy a cess on industrial products, the offer of transport and credit facilities and fiscal and other incentives to exporters, etc. Seeing the seriousness of the situation, all kinds of extraordinary measures may have to be adopted. However, in the ultimate analysis, only those measures can hope to meet with full success which look upon export activity as an integral part, or one might say, as an extension of the general economic activity inside the country. For one thing, enough will have to be produced so that there is a surplus left over for exports; for another, it has to be produced at the right cost. For that, the method is to select industries with export potential, and keep an eye on their costs right from the beginning. The only way to bring down costs is to operate at higher levels of technology. Modern techniques should be adopted, and economies of Scale should not be sacrificed by making a bugbear of industrial bigness. At the same time, over-capitalisation, which is not infrequent in this country must be avoided at all costs. As far as possible, raw materials should be supplied to export-oriented industries at international

prices. Quality should be the watchword. Today, unfortunately, our products do not enjoy the kind of reputation which they must in foreign countries if we are to become an exporting nation.

In this matter of exports, let us not slur over the fact that our back is very much against the wall now. The producer, whether agricultural or industrial, the consumer, the Government, labour, the exporter, every one must play his part. The producer must realise that he should accept lower profits inherent in export trade in the interest of future profits which are interlinked with the general buoyancy of the economy. I appeal, therefore, not merely to his sense of patriotism but to his farsightedness and his enlightened self-interest. The same holds good for the consumer who will also have to share a part of the burden. In this context, I would agree with Shri Yajnik that what is needed today is that we must have another *swadeshi* movement in this country. The Government should not only give reasonable incentives, but give them properly and in time. Labour must realise that expansion of industry and employment opportunities may well depend on our ability to export at this juncture, and that in turn may depend on the degree of rationalisation we have in certain industries.

I have almost done. These were the main measures that I wanted to place before the House. I wanted to say something more on *swadeshi*, but since there is no time, I shall not go into that. In the end, I shall just give a small quotation from the Mudaliar Committee which sums up the situation rather neatly, as follows:

"The high task of export promotion as envisaged in the Plan will demand the willing and enthusiastic effort of the whole nation. It will be impossible of achievement unless the requisite export climate is created which should embrace every sector of the economy."

[Shri K. C. Pant]

With these words I support the Demands of the Ministry, and thank you for giving me this opportunity.

Shri Nataraja Pillai (Trivandrum):

I was reading the report of the Commerce and Industry Ministry, and one thing which struck me was that the Ministry is well organised, and it has with meticulous care provided for autonomous corporations, decentralised directorates, special directorates in charge of particular aspects of the work, and special committees to help the work. If this organisation is worked with some care, it must yield the result which we all expect of it.

The most important thing at the present day seems to be the very low reserves we have got in foreign exchange. That is a matter which ought to engage the anxious attention of the nation as a whole. When I heard the Finance Minister today, it struck me that we were climbing up a steep road with economic prosperity as our goal with the hope of making our country an industrial nation in the modern world. In that effort, when we climb up, it will be difficult to turn back, it will be dangerous to turn back, but at the same time, to climb up seems to be equally difficult. That kind of situation is being faced by the nation as a whole. The effort from all sides must be to do our best to get at our objective by making every possible sacrifice, so that we may survive as an industrial nation.

As I see it, the fall in foreign exchange is not due solely to the adverse trade balance. On the other hand, the other aspect of invisible transactions has also dragged on and caused a burden on the nation. Even in the *Economic Survey* that was distributed to us, that aspect has been dealt with in one or two sentences, as follows:

"The main explanation for the continuation of balance of pay-

ments difficulties despite the improvement on trade account has to be sought, therefore, in terms of the deterioration in regard to invisible transactions, both current and capital."

Not only that, I had occasion to read a study by Dr. Rajan of the Delhi University in which he gave some figures as to the invisible transactions which deplete our foreign exchange reserves. In his *Study on Investment Trends, Policies and Problems in India* estimated at the current payments, the invested income is mentioned as follows: 1959-60, Rs. 44.7 crores; 1960-61, Rs. 55.9 crores; six months in 1961-62, Rs. 38.6 crores. The payments of royalty and fees shown as "Miscellaneous" in Government accounts are as follows: 1959-60, Rs. 25.6 crores; 1960-61, Rs. 31.9 crores; six months in 1961-62, Rs. 21.4 crores.

Our indebtedness to other countries and foreign collaboration and investment in India by foreign countries have led to this effect: we are faced with the necessity of paying for their investment and their fees, and that is a drag on our foreign exchange, without, at the same time, any chance of adding to our foreign reserves. The only way out of the situation is to promote exports—export promotion. In regard to that, the Ministry has been trying its best to promote exports. In that, we are limited by certain considerations or limitations. Our traditional export commodities are more or less agricultural products. Fickle monsoon plays a very vital part in that. Jute, cotton and tea form the most important items of our traditional exports. The chances at present do not seem to be very rosy, but, at the same time, there is no reason to become despondent.

But one feature which we see in the present industrial organisation of our country is that our heavy or capital industries are still in the gestation

period or are suffering from teething troubles; or they are not yet in a position to stand on their own feet. The heavy investment we have incurred has not begun to give us any return. On the other hand, we find that medium-sized industries which have come in the private sector have progressed so far as to give an adequate return. The engineering industries, especially, are giving us a return and even producing articles for export. It has to be considered whether, in the export promotion sphere, we cannot do something really substantial to increase the quota of export from the engineering industries, the products of our small engineering industries, and to get some foreign exchange of a substantial amount.

The effort to increase our traditional export commodities at the present moment may not be very feasible. But there are certain products which come under the classification of agricultural products, namely, the products of the sea, which can easily earn substantial foreign exchange. Recently, frozen and canned fish was exported in some decent quantities; I am not in a position to give the figures at present, but I would say that with a little more effort, this export can give us substantial foreign exchange.

In the same way, the rare mineral sands in certain portions of the country must yield a good earning by way of foreign exchange. For example, in Kerala, the minerals and rare earths concern sponsored by the Government of India is earning profits and in their report, it has been recorded that they are not able to meet the demands of the market and that with a little expansion they will be able to do it. The reports published by the Government of India make a definite statement like that. That is true. Years ago, the mineral sands of that area were giving a substantial income to the Indian State there. Now, with further expansion we must be in a position to make more foreign exchange.

In the same way, there are certain export-earning articles—not on a major scale—like spices, cashew-nuts and so on, which, with a little more attention can earn some more foreign exchange. While dealing in crores, we are apt to forget lakhs. That is a common human failing which sometimes occurs. Here, the prospects of these small industries may not be in crores, but, at the same time, it will be in substantial lakhs, and that will go to relieve the strain we feel at the present moment.

I would especially say that cashew-nut is an industry which gives us a return though in a smaller sum. There is a real difficulty for this industry. Unless it is substantially helped by providing for the export of cashew-nuts either by creating some agency or by asking the state trading organisation to do it, the industry will come to grief in the very near future.

In the same way, coir is also a foreign exchange earning commodity. Unless it is also helped to a certain extent, the coir industry will not be able to give us the return which it has been giving during the recent past. So in the field of coir, cashew nuts, and monasite, if Government were to concentrate their attention to a certain extent, they will be able to earn foreign exchange to the tune of one or two crores of rupees—I do not say you are going to get Rs. 200 crores or anything like that.

Mr. Deputy-Speaker: The hon. Member should now conclude.

Shri Nataraja Pillai: Sir, I have to place before the House one other factor. During the Second Plan period the Government and the Planning Commission decided that a certain number of handlooms may be converted into powerlooms. The Government of India accepted it and provided funds in the budget itself. The scheme was asked to be implemented. It was implemented in certain States. Later on for the Third Plan period when the States asked

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whether they can proceed with the scheme, they were told they could very well proceed with the scheme because whatever balance was left after the provision of the Second Plan period, will be available for the Third Plan period. They wanted to carry it on. But later on, it seems from the report that on the advice of the Planning Commission the Government of India have not revised their scheme and they do not want the State to proceed with it, that is the conversion of the handloom into powerloom.

Sir, there is one basic factor which has to be borne in mind in this connection. There is no displacement of labour involved in this process. It is only making the handloom weaver a better fitted economic man by giving him facilities to earn more by utilising the powerloom. Powerloom is a decentralised industry. We all say that in rural India industries must be decentralised and must be made available for the larger number of people, so that their living standards may increase. In the same way an ordinary weaver who operates a handloom will not be able to earn as much as a man who operates a powerloom. As a matter of fact, coming as I do from an area where 500 looms are working, I know that each of the loomholders is getting thrice the amount he used to get as a handloom weaver and is in a thriving condition. This fact was noticed by the Estimates Committee. The Committee in their Hundred and Sixty-Third Report observed as follows:

"The Committee are inclined generally to agree with this assessment made by the Textile Enquiry Committee 1954 on the likely effect of the progressive conversion of handlooms into powerlooms. While there may be some employment displacement, it is likely to be of comparatively small dimension. The Committee

recommend that the laudable scheme of conversion of handlooms into powerlooms may be suitably modified to meet the requirements of the State Governments and implemented on the basis of a perspective plan to be drawn up for this purpose."

This report came out in March 1962. Soon after that a note was circulated by the Ministry that one fact which came to the notice of the Department was that a number of unauthorised powerlooms came into existence without any licence, without any sanction, and that they had to be controlled. But for that purpose the authorised powerlooms should not be penalised. Now it is being proposed to licence the unauthorised powerlooms by demanding a penalty. But why should authorised powerlooms which substantially help the people be prevented? This is a matter which the hon. Minister should consider.

Mr. Deputy-Speaker: The hon. Member should now conclude.

The Minister of International Trade in the Ministry of Commerce and Industry (Shri Manubhai Shah): Mr. Deputy-Speaker, Sir, I am very heartened by the speeches made by hon. Members this afternoon and yesterday. Sir, the problem today which faces the Indian people, the supreme national task and the supreme national obligation before us all is export promotion not only as a long-term measure, but also as an emergent measure to be undertaken immediately in order to fulfil all the national priorities and national plans. I am heartened not only because in the House in general there has been a full appreciation of this problem, not only because of the full support of the entire House and the country to this problem, but also because intrinsically and inherently as I examine and analyse the situation I see many rays of hope and a silver lining

in the clouds of tomorrow and of a distant future.

Sir, what is the export problem? That is the question which we should ask unto ourselves. It is true that our exports in the First Plan and the Second Plan have more or less stagnated. As Mr. Wahid pointed out, if we take away the first year of the First Plan, namely the Korean boom, Second Plan, on an average about Rs. 20 crores extra was registered. If we take the five years' average, Rs. 610 crores was the annual average in the First Plan and Rs. 613 crores was approximately the average in the Second Plan. More or less one can say it had not caught up, it was stagnation. Yet, the world trade is expanding. All over the world, the effort of every country, whether it is a highly industrialised country, a developing country or an under-developed country, is in the direction of increasing exports.

Here in India we command a national gross product of Rs. 11,980 crores which might become almost Rs. 12,500 crores during the current year. Five or six per cent of that to be pushed out to foreign countries should not be beyond the possibilities of human endeavour, more so in a country surcharged with an overall enthusiasm created in every quarter of the community to do their mite and bit for the national plans.

Sir, if we examine the history of the world trade in the last decade, even though the total figure of the European countries are not available, a rough estimate of it would be about Rs. 13,000 to Rs. 14,000 crores. What we have to participate in is less than 2 per cent for a country which commands a population of one-sixth of the whole mankind. Therefore, even speaking from a purely physical angle it should not be difficult for us to reach our targets which are very

modest and yet which we find very difficult to fulfil, namely Rs. 40 crores to Rs. 50 crores a year. It is just $\frac{1}{2}$ per cent extra every year, of our average national gross product. In terms of percentage, it is hardly from 6 per cent to 7 or $7\frac{1}{2}$ per cent. If we can catch up, we should be able not only to fulfil our obligations, but to dynamise the economic activities all round. Compared to the world trade, in which we might have to push out all our goods, it is just an insignificant portion—Rs. 50 crores, Rs. 100 crores or even Rs. 750 crores, if we total up the base plus the increase—it is just a small fraction. I am saying this because, in the export potentialities, it is just as industrialisation—I remember those days when I associated myself with the industrial programme of this country, way back in 1956, when we were feeling whether industrialisation could be achieved on the same massive scale which this country had determined to achieve. I found that the enthusiasm among the small, medium and big men in this country was so endemic and so contagious that today we find it is impossible to catch up with the demands. Those of us who were leading them in entrepreneurship today find ourselves lagging behind, not even able to cope with their enthusiasm adequately. This is the first analysis of this problem.

Shri Tyagi: So, my hon. friend admits that so far as demand for industries is concerned, there is demand, but the Government is not in a position to meet it in full.

Shri Manubhai Shah: That is already understood; so far as the industrial side is concerned, we know there is tremendous demand, which we are not able to cope up with.

As regards the weakness of our export trade, firstly the primary consideration is that we are priced out in agricultural commodities. We are priced out in industrial manufactured articles. These are long-term mea-

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asures which should increase the productivity of a nation. This is not peculiar to India only. All under-developed countries of Europe, Africa, Asia, the Latin American countries, the American continent and the East European countries, when they began on the highway of industrialisation, had these very built-in handicaps of a community not accustomed to modern productivity and modern technology. Therefore, I would not try to run down, as many times people do, the people of this country, the entrepreneur, the agricultural producer or the planter in this country, by merely saying that he is too inefficient as compared to his counterpart anywhere in the world.

We will have to create long-term conditions for higher productivity. The economy will have to be very effective. We will have to provide for quicker and cheaper transport. We will have to provide fertilisers, so that the productivity of the soil may go up. We will have to provide for various measures of soil conservation, lift irrigation, mechanical cultivation and all those things which go to raise the productivity and bring down costs. So also in the manufactured articles.

I am prepared to assure all the exporters of this country that this Government is prepared to stand by them and make the export trade somewhat profitable, from what it is today—a more or less losing proposition. We shall not let down any exporter of this country, if it comes merely to neutralising costs. After all, costs can be compensated. But I would like to secure their cooperation in terms of quality and sustained after-care service and whatever follow-up service is required for the goods that have been sold. It is my unhappy experience that this tendency has not developed, because we are new to the world trade; we have not been able to establish agencies which can do sustained export trade for a long period of time and provide for standard quality and maintenance, which

can create full confidence in the Indian community and which can community and which can bring the rewards of continuous trade with the different communities of the world, with whom we want to enlarge our trade in general.

Therefore, I make this appeal to the entire merchant and industrial community of this country. The Government of this country—both at the Centre and in the States—is prepared to undertake all measures to help him out of matters of costs and to convert his losing proposition into a somewhat profitable one, even though it may not be as profitable as the internal trade or internal market. But I do realise that no army can march on a hungry stomach. No General or Commander can expect that his followers and the army would continue to go on starving and yet conquer battles. It can never be done. Therefore, we do not expect the impossible from them. What we expect is that the terms of profit should be very moderate and reasonable, because we cannot convert a very highly priced out economy into an extremely profitable economy, as in some other countries.

Then, quality also is not a thing to which we are not accustomed. This country, way back in the 6th and 7th century and even before that, was one of the most leading trading communities of the world. Indians were the most sea-faring nations of the world. The merchandise, the hand-rafts and other articles produced in this country used to cross the seven seas and the trader, his son and the grandson, used to take pride that whatever goods were once advertised and sold, they were followed up by better goods and still better goods. So, this is one appeal which I would like to make to the merchant community that while we can compensate prices, it is not possible to compensate quality or after sale service,

after-care service or the maintenance of goods sold. I am quite sure that our people will respond to this generous appeal.

We will have to create the climate for export. Today, even if the price is neutralised, even if the quality is maintained, there is not sufficient awareness in the larger part of the country as far as export obligations are concerned. As I said, it is a supreme national task, a supreme national obligation, for which I or nobody can wait for another three or five years, for something to happen. I want to assure the House that we consider this problem on an absolutely emergent basis of today, tomorrow, the day after, month after month, this year and the next, so that none of our plans gets into the hitches which come out of lack of performance. This climate can be created in multifarious ways.

From the last five or six weeks' study I made, I can say that there are more than 60,000 exporters in this country; may be 70,000—a very large number. Also about 30,000 registered companies and firms under the Companies Act are operating in the trade and industry of this country. So, these lakhs of people, with very great background in trade and industry, supported by the entire community and their Government are not a small force, which cannot push out Rs. 40 crores or Rs. 50 crores extra over the present level in order to see that our targets are fulfilled and none of the cuts, which we sometimes have to enforce now and then, are not enforced and are avoided.

I, for one, do not believe in decreasing the imports. It can never lead to increase in economic prosperity. The prosperity of any country is almost coterminous with the larger volume of foreign trade and larger volume of imports, higher technological machinery, higher levels of scientific development and various other forms which go to increase the industrialisation and economic develop-

ment of a country. As the hon. Finance Minister rightly said this morning, if we have to take some mer- gent action to have a rearguard action for a little time, it should not cause any depression or discouragement. I remember we faced a similar situation in 1958. We had to make a drastic cut and we had to extend the licences issued for six months to nine months, without issuing any new licence. Again in the end of 1959, we had to make a drastic cut in different industries from 10 to 20 or 25 per cent. These are only strategies of economic development. Sometimes when we find that a particular effort has not reached its fruition, we have to do certain things to conserve the resources in order to see that the economy does not receive a severe jolt. Therefore, all the restrictions announced today are being implemented for a few weeks or a few months only and a new climate has to be created in the country, for greater and greater efforts towards export promotion. There is no need at all for any kind of disheartening or for any alarm to be caused.

Then, this climate has to be created also by the Government. Here, Sir, I must confess that as far as the incentives and their payments are concerned, we have been very tardy. It is not the fault of anybody in particular. The government machinery in a democratic country being what it is, we being quite new to what these incentives are and because they mean some payments in cash for certain services rendered, we have been somewhat delaying. Therefore, we have taken a few measures which in due course perhaps will improve the situation. We are appointing a Director of Incentives, a very senior official of the Central Board of Revenue, who has been charged with the responsibility of looking after all the import entitlements of the exporter, all the import entitlements of raw materials and components, and any incentives in the form of cash or kind are to be supervised by him

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without too much or undue delay. I do not promise that all the delays will be cut out. But I do want to say to one and all that if anybody will bring these delays to our notice either through the Ministry or through the Federation of Chambers of Commerce and Industry or through the trade organisations or through the 16 or 17 export promotion councils and panels that we have appointed, we shall feel extremely grateful and we shall also try to see that such delays are obviated.

Shri Nambiar: There is a general feeling in the business community and industrialists that for anything and everything in the department of industries there is delay. For import licence, for export licence, for the purpose of securing even incentives there is delay. That is the general feeling in the country.

Shri Manubhai Shah: I am confessing that. But I am saying—I am not without heart in confessing it—that while we confess there is delay and we should avoid those delays, we are also trying to gear up the machinery so that these delays will be avoided. It is not very difficult to avoid them at least as far as export obligations and incentives are concerned—I am not talking of the entire machinery of the Government in every respect, and this is not the forum where I can make any mention or suggestion about it. But I can assure hon. Members that because export today is an emergent business and the incentives have got to be funnelled as quickly as possible, we shall try to cut the redtape, or whatever tape it is, as short as possible and funnel the incentives in the earliest possible manner.

Then there is the difficulty of transport. I have seen statements showing it commoditywise. There has been difficulty in reaching iron ore, manganese ore and other bulk commodities to the ports in time. We

are also appointing a very experienced officer of the Railway Board as Director of Movement in this Ministry. His work will be to look after those emergent problems of transport bottle-necks with respect to export trade. I am here mentioning generally only as far as the foreign trade is concerned, and I may not be misunderstood as talking over the entire scope, both in the Centre and the State as my hon. friend was pointing out. I am merely saying that an emergent problem has to be fought in an emergent manner. An army cannot always say that the entire civil supplies will be maintained by them. We are saying that the struggle is on and the struggle has to be combated and all those weak points and bottle-necks which come in the way of the particular performance have to be tackled.

Therefore, the two basic issues are incentives and transport. I do not think there is any other impediment except, as I said, the lack of a proper climate. If the proper climate is created—I am quite sure it will be created—we shall be able to show a somewhat better performance than what is envisaged today among the difficult conditions.

Then I come to the question of strategy of export. Take the pattern of export in this country. 85 per cent of our exports come from the traditional items like agricultural commodities, plantation crops, textiles etc. The new additions are manufactured goods like engineering goods, iron ore, metallic ores etc., which form less than Rs. 100 to 150 crores out of a bill of Rs. 650 crores. Therefore it is true, as Shri Pant rightly pointed out, we should concentrate on new articles. But, at the same time, we should not neglect the traditional items. The traditional items are the base and we can achieve immediate results if we can push out more jute goods, more tea, more cotton textiles,

more oil seeds and more agricultural products.

I would like to place before the House a few figures. In jute, the present year is a year of good confidence. Our raw jute production was a bumper crop. Our production of jute textiles today is also on the increase. Fortunately the world market is also responding. In the jute trade, it is true that last year we earned about Rs. 22 crores more than in the previous year because of the short supply of jute and the world prices having gone up. Presently, even though our quantitative exports are more our earnings are less. But I am quite sure that about Rs. 10 crores can be earned as extra if all efforts are geared by the Indian Jute Mills Association and various other agencies concerned in the field of jute.

In the field of tea, we are thankful to the Finance Minister for the new measures. I disagree with my hon. friend Shri Morarka. I would rather say that no further incentive or assistance is called for in tea. Actually the present incentives are more than adequate. The trade is highly satisfied. We have had several discussions with them. Of course, everybody can always ask for more and more incentives. But we have got to see also what is the social cost that we have to bear for every commodity that we promote. With regard to tea, on the whole, I can say that the picture is not bleak, it is quite bright. We may be able perhaps to earn another Rs. 5 crores to Rs. 10 crores extra from tea.

Then comes the question of cotton textiles. Here, what had never happened in this country has happened in the last one month. I am very thankful to the Indian Cotton Mills Federation for having accepted the Government's suggestion for, what I call, export obligations. What I would urge upon every industry and trade in this country is that if everyone participates only then the cake can grow and if only a few

participate and the others are there only to enjoy the cake then the cake can only shrink and it can never grow. Therefore, the sacrifice has to be evenly spread. There are 509 textile mills—about 498 operating mills. But only 50 or 49 of them export and the rest only take pleasure of the internal market. You can never expect the volume of export trade to go up. It is here, therefore, that I would appeal to the entire trade and industry in this country, that they should themselves work out the export obligations.

The textile mills only yesterday finally passed a resolution with all the members more or less consenting—though there was some difference of opinion it was all sorted out—that 12½ per cent of the annual production of every textile mills will be accepted by them as an export obligation. I very much congratulate them on behalf of this House, the Government and myself for having accepted a voluntary export obligation. They have also been very practical. They have said that in case of any mill defaulting an extra premium of 12½ per cent on the present premium that they are charging to the entire industry will be levied on those who default. This is a good measure. I will not call it a penal measure but it is a voluntary measure. That only shows that most of the mills, practically all the mills would try to fulfil their obligations and not create a situation where one feels that somebody, a member of the society has let down the entire society.

There was also the Wool Textile Mills Association meeting in the last few days. They were only exporting goods worth Rs. 22 lakhs. Export of woollen cloth is very difficult because we are not one of the principal wool textile manufacturing countries. Yet, I am grateful that each mill in India in the woollen textiles have accepted an obligation of 5 per cent. That means woollen goods worth Rs. 1,10,00,000 will now be exported during a year as against the present meagre export of

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about Rs. 20 lakhs. This particular movement we are going to enlarge.

Shri Bade (Khargone): When there is shortage of long staple cotton, when there is a shortage of nearly ten lakh bales of cotton, how can they produce more?

Shri Manubhai Shah: Shortage of cotton is a subject which I have dealt with on the floor of the House several times. There is shortage of a million bales. But we have imported, as I have given the entire analysis, 2,25,000 bales under PL. 480, earlier to that some 3,00,000 bales, one lakh bales under the recent Indo-Pakistan agreement, under barter agreement and tender offered in the United States another 50,000 bales etc. I need not go into the whole breakup. I can assure the entire textile industry of this country that the Government is fully alive to the needs of cotton requirements not only at the present level but also on the basis of increased production in order to meet with the enlarged export obligations which comes to nearly Rs. 65 crores which is a substantial obligation.

Shri Fiordia (Ahmednagar): What will be the increase on account of this?

Shri Manubhai Shah: About two lakh bales extra.

Shri C. K. Bhattacharyya (Raiganj): Did not the Minister for Agriculture state yesterday that there was no shortage of cotton?

Shri Manubhai Shah: My colleague the Minister of Agriculture did say so. But there is a little difference. He said that including the imports that we are working for plus the production, which has gone short to about 43 lakh bales, the total is likely to be equal to the requirements of the entire industry. That is what he was really trying to point out, and there was not much difference between the two.

15 hrs.

Shri C. K. Bhattacharyya: I can only say that we feel confused. I will quote what Gita says:

“ न बुद्धिभेदं जनयदज्ञानां कर्मसंनिधाम् ”

we should not confuse the minds of simple people.

Shri Manubhai Shah: What he perhaps meant and what I am trying to say is that there will be no shortage and both the indigenous production and the import programme that we have on hand, the total of the two, will make up the requirements of the textile industry in an increasing way. Therefore, this is the cotton textile position.

Then we come to the role of the State Trading Corporation in this matter. The STC has a very vital role to play. My hon. friend, Shri Yellamanda Reddy, yesterday mentioned that because we are not taking advantage of the trade more with the European countries, we are doing a wrong thing and we are working with some other people, which is not true. We have everybody as friend in this world. With every country we have highly developed friendly relations. We want to trade more and more with the United States, we want to trade more and more with the European Community and the UK; we also want to trade with the East European countries and if one goes through the report to find out whether our trade has gone up with the East European countries, one would be more than satisfied. In 1955 the trade with the East European countries under rupee payment was Rs. 8.38 crores. In the last year, the corresponding figure was Rs. 43.40 crores on the import side. On the export side, in 1955 the trade was worth Rs. 4.36 crores. In 1961 it was Rs. 57.79 crores. Therefore, here is an answer that, as far as trading is concerned, we are friends of all, as we have done in industry, as we have done in economic collaboration. We have received assistance on a global

basis. There is no country in the world which has refused to assist us, whose co-operation we have not received in a large measure. What I want to say is that the STC has a much more important role to play and perform than merely trading with the East European countries under the rupee payment.

I have mentioned a few days back that we are working for a second State Trading Corporation, which may be called the Ores and Metals Corporation of India or whatever it may be, which will mainly deal with iron ore, manganese ore, various alloys, ferrous and non-ferrous metal so that we can do that trade in a big way. I would like to place before the House certain salient facts in this regard.

Shri Tyagi: Why not establish one for commodities like textiles?

Shri Manubhai Shah: Agricultural commodities will be looked after by the parent corporation. As it is, there will be two corporations, instead of one handling everything. So, except minerals and metals, all other things like agricultural commodities will be handled by the existing corporation.

Shri Tyagi: What about jute?

Shri Manubhai Shah: Jute will also be looked after by the present corporation. Only metals and minerals will be taken out of its purview. Our approach at present is this. It may be, as trade goes up, a third corporation may come for agricultural commodities. Anyhow, at present we have about 28,000 million tons of high grade iron ore and about 72,000 million tons of medium grade and low-grade. So, in all, we have about 100,000 million tons of low, medium and high-grade iron ore with us. It is a very paying commodity today and subsequently we hope it will go up to 6 million to 7 million tons. We hope that when the new Corporation has developed quality trade with different parts of the country, when it enters into five-year, ten-year or

fifteen-year long-term arrangements, arranges transport wherever necessary, does proper mining, develops ports and harbours, we may be able to develop the trade to 10 million to 20 million tons of ores I am here merely forecasting the figure for a foreseeable future date; it may be more than that. It will be one of the principal export-earning corporation.

Therefore, the basic philosophy would be that the State Trading Corporation is more for export promotion than any other thing which might incidentally come to it as a part of the national performance. It has to do so many important functions like canalising various scarce commodities over which inflation is caused in the country if they were left in the hands of the private trade. But the state trading is in the direction of participating in a large measure in the foreign trade of the country.

Here I want to assure the traders, businessmen and industrialists of this country that just as the public sector in industry which has expanded to enormous proportions at the end of the Second Plan and will be more than double at the end of the Third Plan over the Second Plan level, the STC is their friend. It is not as if we are supplanting private trade; it is not as if we are displacing private trade. As the volume of trade in this country goes up, some will be shared by the State and some will be shared by the private people. I am glad that in the recent discussions which we are having with the various traders, on the whole they are gradually appreciating the role of the STC. I would like to make a special pleading for the STC because even in those countries which are not wedded to socialism it is there. Ours is an under-developed country where we want to remove the inequalities and distribute the wealth in an equitable manner. So, it is all the more necessary that, specially for a country wedded to socialism, in order to distribute the means of production and

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merchandise, we should expand State trading. I have no doubt that the businessmen in general will appreciate the comradely spirit in which the STC expanded its activities, specially in the matter of export promotion, without hurting the legitimate interests. Without supplanting them or the trade channels which they have developed, there is a large volume of work that the STC can do. So, in that field we mean to go forward in an expansionist way, in a very dynamic way, from year to year and trade in more and more commodities which are bulk in quantity where the qualities are not too much so that the civil servants, or the trades specialist in the Government, who cannot be specialised in so many items dealt with by millions of traders, is in a better position to trade on a long-term basis, as compared with the private trader.

Then there was mention that even though Government have looked into the Mudaliar Committee Report, they have not given the fullest consideration to it. There I might say that we are looking into all the aspects of the Mudaliar Committee Report. Even on the question of the currency retention scheme we have an open mind. We have considered it in very great detail. Here I must take the House into confidence because many well-meaning friends have asked why, when it is an obvious thing which has been tried by many countries in the world, namely, a portion of the currency being retained by the exporters, it is not being considered favourably here. The reason is that we cannot give the currency retention, nor is it the suggestion of the Mudaliar Committee to give it, on the basic and staple exports. It is on the greater quantum over the basic export. There are, as I said, over 60,000 to 70,000 exporters in the country. If only in order to avail of the currency retention 5,000 or 2,000 export join together and bill up in one man's name, the export figures would rise from ten to fifteen percent.

So, without any actual increase in export, in that stagnant export, we will have to forego a large amount of money and foreign exchange, so that the nation in the end becomes a loser instead of a gainer. This is a point which has to be borne in mind, until a scheme is so worked out. We have an open mind on this question and we welcome suggestions from every quarter. So, unless some currency retention scheme is worked out, even with the restrictions which Shri Abdul Wahid has rightly pointed out, there are many items which are permissible for imports in the red book and so unless the extra export effort is properly located, which should lead to the totality of the exports being increased as a result of the currency retention scheme, I hope the House would agree that the currency retention scheme would be a very dangerous and risky thing, if it is not properly worked out in the fullest context what the plan and minus of the export and import as a result of currency retention.

Then there was reference to export finance. In this matter we are one with the Mudaliar Committee. We want to enlarge our export finance. In this matter I would like to place before the House a few steps that we have taken. What we have done is that we have put the export incentive scheme on a permanent basis. Therefore, any time-datedness about the scheme is no more there. Unless and until the Government modifies them, the schemes will remain as they are. The modification also, I want to assure the trade and industry of this country, we will do only in consultation with them. Of course, consultation does not necessarily mean that every advice would be accepted. The decision of the Government will be final. But we will not do anything without consulting them and also giving them due notice. This has created, as I can see, a sense of security among the exporters. I hope that this measure of putting the export incentives on that

basis will be appreciated by the trading community as a whole and lead to larger number of contacts in the long-term period.

Secondly, what we want to do is that the scope of the export promotion councils, the role of the manufacturer-exporter and the merchant-exporter will have to be properly defined. In the first meeting of the Board of Trade tomorrow we are going to discuss that problem at great length. There is a feeling in the country that the merchant-exporter is not being cared for as much as he should be.

Here I want to say from this House that we very much appreciate the services of the merchant exporter. The merchant exporter is as integral and important a part as the manufacturing exporter. As a matter of fact, 50 to 60 per cent, or even 70 per cent, of the trade in different commodities in export today is handled by the merchant exporter. It is for the merchant exporters, the Chambers, the Federations and various other association to place before us the way in which we can fit in the merchant exporter in the scheme of things. The incentives in kind, machinery, raw materials, components etc., naturally, will go to the manufacturers because they replace the raw materials of that particular article. But to make the sale and the profitability of the merchant exporter worth while for the services which are very highly essential and which he renders to the nation, we are prepared to consider the role of the merchant exporter as very important in the national economy.

Then one of my hon. friends mentioned the question of export finance. We have the Export Risk Insurance Corporation which helps a great deal. We are also having now a small study group to find out in what manner the working capital can be provided in a larger measure for the export trade. So far, broadly speaking, the banks are giving up to 80 or 85 per cent. and sometimes even up to 100 per cent. to

different exporters depending upon the creditworthiness of the exporter as far as the f.o.b. or the c.i.f. price is concerned. The value of goods for internal price is somewhat higher, to the extent of the international price being lower than the internal price, and what he receives is only the international price advance. He does not get the whole advance against the internal price. His money gets locked for eight to nine months. Here the model of the Italian law, called the Martenelli Law is under study and I do hope that the new working group which is examining the various export financing methods, devices and organisations throughout the world will come to some decisions quickly. We will have discussions with the various banks concerned including the Reserve Bank and will bring about some measure and, if necessary, even have some export credit guarantee corporation as a separate corporation both to finance and guarantee export financing on a short-term basis.

My hon. friend, Shri Nataraja Pillai and Shri Pant, mentioned that there are developing countries of Africa and Asia where perhaps a small-term deferred payment of two to three years may be necessary. We cannot afford very long term deferred payments. Yet it is our hope that some scheme will be worked by this guarantee method or the exports guarantee corporation, or whichever the body that comes up, to see that three to five years deferred payment in specified cases of capital goods are arranged through such mechanism.

Then the question about the revolving fund which the Mudaliar Committee has recommended came up. This is a highly important aspect. If export industries are financed by a revolving fund—let it be a modest fund in the beginning—an advance component licence can issue to the export guarantee performance of the exporting industry so that whatever it suffers today due to lack of raw materials or the timelag can be avoided.

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That is a highly useful suggestion. It is under consideration. Even if we cannot begin with a Rs. 100 crore fund as they have said because the present foreign exchange situation is such that such a big amount is out of the question, we will be able to start the fund with about Rs. 10 crores. We are having talks with some foreign exchange banks and after the details are worked out in various quarters we will be able to start a foreign exchange fund which will be a revolving fund, the exports paying within the same year or within three to six months of the component licence and refinancing so that it is a pool which works as a support or as a buffer stock of components to the exporting industry.

There are various other small items of the Mudaliar Committee's Report which are also under examination. On quality control, I may say that tomorrow before the Board of Trade we are bringing a proposal of quality control and the Inspection Council of India which will be instituted shortly. The function of this Council will be to activate the social action of voluntary quality control through trade associations. We have studied this matter rather closely. The enforcement immediately of a statutory or legal type of quality control is not only impracticable but we do not also have the necessary wherewithal and the facilities, nor has it worked in any country of the world to any great success. But if the trade associations, as the old *mahajans* of India were doing were conscious of the social obligations to the community in seeing to it that with modern technology test controls are carried out and proper analysis and inspection are carried out, it will go a long way. I bank upon this movement of quality control in a big way and the Government will certainly see to it that the pre-shipment inspection is rigidly enforced. This is a task which Government cannot divest itself of. The prestige and image of India that we want to create

is that of a very strong trading community with healthy traditions of quality and adherence to strict specifications. We get odd complaints many times, not like that Shri Kamath was saying that there are many complaints. There are some complaints. More than that, as I said in the earlier part of my speech, the after-care and the follow-up action of what goods are sold, particularly the manufactured articles, is lacking to a great extent and I do hope that we shall be able to rectify that defect in as short a time as possible.

Following that, the establishment of export houses, both Indian-based and foreign-based, is a very important thing. It is true that in the past we have been able to register only two export houses but I can assure the House that we are removing all those bottlenecks because that export house had more conditions attached than even a normal company registered under the Indian Companies Act. The gentleman who was prepared to do the work and service for the community was put to a far larger disadvantage than even an ordinary man who makes the profit here while he is running. Therefore the export houses scheme is being considerably modified in consultation with the trade and industry and the various ministries concerned and we do believe that a very streamlined, simple and easy registration of international trading firms and export houses will be brought about.

Then some hon. friends said that we want a salesman who can sell a refrigerator to an Eskimo and we do not want a salesman who cannot sell a camel to an Arab. It is absolutely true. It is one of the weaknesses of Indian trade today because over the centuries we lost our freedom and our economic independence. Therefore we became a weak trading community. Anybody could enter commerce, perhaps barring politics without any qualifications commerce was one

thing which did not require much of the experience or academic qualifications or expertise. We, therefore, want to see that the education of applied commerce, as we call applied science and technology, should be widespread in the universities and various other schools of economics. As an apex institute of foreign trade we want to establish an institute of international trade which will receive young men between the ages of 30 and 45 experienced in business, to some extent, and having academic qualifications, who would be given training for specialisation in foreign trade, how to tender goods, how to make a follow-up service, how to make contracts, how to build up a million contracts throughout the globe etc. because trade is subjective. If you and I tick off well, you buy from me and I buy from you, but if the subject angle is not there, the trader does not trust the other man. It is, therefore, to build up the correct contracts all over the globe that we should have specialists in international trade. This is being done throughout the world and we hope that here within a period of a decade we shall be able to take a long-term measure to produce real specialisation and expertise in international trade in whatever way it means, that is, technology, salesmanship, marketing techniques, proforma, inventories making contracts, opening up trade shops and trade centres, shop windows and various other types of depots throughout the world, so that an image of India is created on a wide front in the right perspective. That is the idea for having expertise developed on that line.

Only in passing I may say that an hon. friend referred to modernisation of the instruments of production in order to reduce the high cost of production. This has already been referred to by me several times here in the past several years. We are modernising textile mills and jute mills. As a matter of fact, 87½ per cent of the jute spinning section is already modernised. We are now undertaking the installation of the

broad looms. I do not know how many broad looms will come about, maybe, 1,500, 2,000 or 3,000. We have also requested the IJMA to go ahead with the modernisation of the weaving and the preparatory sections; so also in the cotton textile mills. But we are making compulsory 10 to 20 per cent of the incentive in terms of machinery in every export promotion scheme in order to see that every unit which participates in exports will have to put up new machinery. Unless we modernise in a built in scheme or phenomenon, productivity of the instruments of production in the country can never be geared up. We cannot afford huge amounts of foreign exchange because technology becomes obsolete even before it is born. By the time the machine comes the world produces some better machine and therefore in the race we are getting left out. Therefore as a part of export incentives we want to take that constructive path and take the industry into confidence that every unit must modernise and utilise 10 to 20 per cent of its earnings in foreign exchange by importing modern machinery to modernise. And that will be saleable by it only after the Development Wing officer certifies that the particular unit is modernised and does not need that machinery. Then it can certainly be transferred to another unit. So that, the process of modernisation, as a whole, of the instruments of production is built in as a part of export promotion.

Then, as regards the question raised by my hon. friend Shri Yajnik, my colleague Shri K. C. Reddy will deal with it. I will only say this much, that this has to be seen in the proper context. As Shri K. C. Pant rightly pointed out, we need more and more foreign collaboration from various countries, as we are deficient in technology, both of production and sales. Modern technology does not come without proper experience being borrowed from those who have developed. And out of 430 cases—I do not know the exact number

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how, it might be 440 cases—of foreign collaboration approved in 1961, only 11 to 12, or maybe 13 or 14 cases were there where foreign majority has been allowed. It is the policy of this country to always try to have Indian majority in foreign collaboration. And it is a preponderance of Indian majority in most cases. In a few cases it might be 49—51 per cent. But the cases of foreign majority in technical collaboration and participation are few, and indeed very rare. I have dealt with that subject several times. I would rather say that we welcome foreign collaboration from all parts of the world, because it helps us to industrialise. And as we have well established industries in those sectors where we do not need it, we do not invite it. It is not correct to say that all the industrial licences are issued on the basis of technical collaboration. As a matter of fact, three-fourths of the industries are being licensed without any collaboration at all. Out of 1,290 industrial licences, there are only 430 cases of technical collaboration, of which some are for old industries and not new industrial licences. So it is only 20 per cent or 15 per cent of the industrial economy of this country which is receiving the benefit of technical collaboration. That is because we do not need technical collaboration in those fields of industries and production in which we are very familiar or where we have already achieved the necessary expertise.

Regarding the question of the European Common Market and U.K.'s entry into it, I would not like to deal with it here. It is a long subject. I propose to take a little more of the time of the House, perhaps in the last week of the session when I propose to lay a consolidated statement on the approach and attitude of India towards the decision of U.K., from various angles. All that I can say now is this, that we are extremely anxious, and we feel very much con-

cerned at U.K.'s entry into the E.C.M. We would like all our trade practices, preferences, quantitative advantages, Commonwealth preferences which are there today to be preserved intact, not only for today but for a very very long time to come.

Shri Nambiar: Only the other day the hon. the Finance Minister said that we are not much worried about the entry of U.K. into the E.C.M. But now the hon. Minister says that they are very much concerned.

Shri Manubhai Shah: I am rather surprised how the hon. Member says like that. Every time, the hon. the Prime Minister and the Finance Minister and the Minister of Commerce and Industry and every one of us has been saying that we are all concerned about it. We have given our statement; our Ambassador at Brussels has held a press conference and given a statement to the European community; we have given a statement to the U.K.; we have given a statement to the six countries and even the European Free Trade area. As the House is aware, we are very much concerned.

But I am mentioning another aspect, and that is this. It is not only the trading today, what is going on. We consider the European Continent and U.K. to be a very large future potential market for India's trade abroad, just as we want to develop our trade relations with the East European countries, with America, the United States which is a high consuming market. We also want to develop in an equal way, in a wide measure, the trade with the European Common Market countries, the Continent of Europe and U.K. And from all these angles, immediate as well as long-term problems, we are very much concerned, and we are trying to take all the steps about it. As far as the details are concerned, it is a highly technical subject—commodities, percentages tariffs, customs duties, quanta

restrictions—it is not a subject which I would like to take up in a cursory way while intervening in this debate. It may form perhaps a separate part of the discussion when the statement in this respect is laid here. I know the House and the country are equally concerned with the situation, as Australia is concerned, as New Zealand is concerned, as Canada is concerned, as all the Commonwealth countries are concerned. We are equally concerned with any effect it may have—I would not say what is the percentage effect as Shri Tyagi said, but it is going to be of considerable effect. We would like to protect our interests not only for the short-term measure, but we would like to build up contacts, individually and collectively, with all the six countries of the European Common Market, the Continental countries and U.K., in order to see that a widening measure of trade develops between India and those countries. That is as far as that matter is concerned.

Then there was a question of over-invoicing and under-invoicing which my hon. friend Shri Tyagi raised. I entirely agree with him that this has become . . .

Shri D. C. Sharma (Gurdaspur): I also raised that point.

Shri Manubhai Shah: Yes, Shri D. C. Sharma also raised that point, as also many other hon. Member of this House.

Shri Harish Chandra Mathur (Jalore): You have neutralised all the credit!

Shri Manubhai Shah: I remembered it just now. Shri Tyagi raised it today, but Shri D. C. Sharma had referred to it yesterday. And he is right. This is a question which is really of concern and we are looking into the matter. But it is not easy to check over-invoicing and under-invoicing. I do not know what will be the actual amount and from where my friends got certain figures; but

it is a nuisance and an evil which cannot be allowed to go unchecked. There are many countries which have taken severe measures, and we also propose to make a study of it intensively. The general tendency is this: under-invoice exports . . .

Shri Tyagi: Why can't we have distributing agencies in foreign countries, so that whatever is exported is exported through them?

Shri Manubhai Shah: It is not possible to do a global trade by a few agencies. Thousands and thousands of agencies are concerned. But this is one of the small devices which can certainly be thought of. But the important point is this. I would request the co-operation of all the manufacturers and exporters and the industrial houses and the trading community in considering under-invoicing of exports to be a national crime. When we are fighting every inch of the battle to win on the export front and to have more foreign exchange, to under-invoice exports in a country which is so under-developed as ours is really a national crime, and to over-invoice the import, so that you pay to the foreign trade more and you earn from the foreign trade less. There cannot be a—I do not want to use strong language—greater crime or guilt at this critical juncture of India's economic development. Therefore, any suggestion which may come across from hon. Members in this House and from outside will be most welcome and studied carefully. We ourselves are studying it in a more detailed manner.

Shri D. C. Sharma: I think you should not be a kind Shiva but a tough Rudra! Then things will become all right.

Shri Manubhai Shah: We have to develop a community sense. A mighty country like ours cannot be governed entirely by the rod. There the carrot, there has to be the stick. There has to be more of friendliness,

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more of persuasion, more of creation of a proper climate, and automatically over a period of time we can certainly develop, as Shri D. C. Sharma has pointed out rightly, a certain penal attitude also to this growing social evil. But that is one thing which is engaging our immediate attention

Then one of my friends from Kerala, Shri Kappen, mentioned about our falling trade of tea with U. K. It is not correct. It is stagnant, it is not falling. It was 75.7 crores in 1959. In 1960 it was 75.4 crores, and in 1961 it was 75.4 crores. So there has not been a fall. But we are certainly concerned that it should go up, because our production of tea is going up. As regards the feeling which Shri Morarka mentioned that tea trade is going elsewhere, I can assure him that we are leaders in the tea trade and we will maintain that leadership. Our target of the Third Plan of about 910 million lbs. is more or less going to be exceeded so far as production is concerned, and we will try to conserve even at the cost of using less tea in the home country and export every bit of the surplus of tea that we can afford.

On the matter of hides and skins, which was raised by Shri Abdul Wahid, I am really grateful to him for having made that suggestion. It had not caught my attention so far; it might perhaps be known to the Ministry. But I will study all the suggestions that have been made by hon. Members, and it is my invitation to all that this is a responsibility of the whole nation. Though some friends have tried to say that I or any one in this Ministry particularly is being watched or looked after or being sympathised or being supported, I say this is the task of all. I am only one of the humble men, along with the rest of the community and the nation, who has to

see that all the weaknesses of the export trade, to the extent possible, are removed on an emergency basis and not merely wait for a long-term measure to take place. Therefore, the problem is here and now. Six months or a year hence, we have got to rectify the imbalance. In that respect, before I close, I would tell my hon. friends in trade and industry that I look upon their association in this great task as a matter of great challenge. It is not beyond the competence of Indian trade and industry to push out Rs. 40 crores or 50 crores or 100 crores more out of a gross product of Rs. 9600 crores, of which about Rs. 4300 crores is agricultural production and Rs. 5300 crores is manufactured articles, including shipping and other invisible services. It is only a question of determination. I hope that the support that this House has given and the country has given will be reflected in due course in a determined effort on the part of all the exporters and manufacturers of this country. Once more I want to reassure that the export trade of this country will not be made a losing bargain. We will convert it into a modest profit making bargain. They will have to go ahead without worrying about incentives. To talk of incentives all the time is to create a poisonous air. First do the job and then come to the country and ask for your rights that flow from the obligations that you have discharged. In that spirit, I hope all my colleagues in the Government, and in this House and in the country outside will participate in the export sacrifice that we have to launch.

In this respect, four divisions are being created in the different Ministries. The Agriculture Ministry is creating an Export division in the Food and Agriculture Ministry. The Railway Ministry is considering having an Export division in the Railway Ministry so that the transport

problems and various other types of things that the Railways can do for the promotion of export trade will be looked after by them. An Export division in the Mines and Fuel Ministry is being considered so that they can help us in the development of minerals for export. An Export division in the Ministry of Steel and Heavy Industries is also under consideration.

With all these different Ministries, wide mercantile community, more participation of the State Trading Corporation in future in a larger number of commodities and in a larger way of the international trade, while the task of export promotion is extremely difficult, all these measures do not make us disheartened.

Mr. Deputy-Speaker: We have to take up non-official business.

15.32 hrs.

***POLITICAL SUFFERERS AID BILL**
by Shri S. C. Samanta

Shri S. C. Samanta (Tamluk): I beg to move for leave to introduce a Bill to provide for aid to the political sufferers.

Mr. Deputy-Speaker: The question is:

"That leave be granted to introduce a Bill to provide for aid to the political sufferers."

The motion was adopted.

Shri S. C. Samanta: I introduce the Bill.

12.32½ hrs.

***HINDU MARRIAGE (AMENDMENT) BILL**

(Amendment of section 23) by Shri J. B. S. Bist

Shri J. B. S. Bist (Almora): I beg to move for leave to introduce a Bill

further to amend the Hindu Marriage Act, 1955.

Mr. Deputy-Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Hindu Marriage Act, 1955."

The motion was adopted.

Shri J. B. S. Bist: I introduce the Bill.

Mr. Deputy-Speaker: Shri Indrajit Gupta: not present.

15.33 hrs.

LEGISLATIVE COUNCILS (COMPOSITION) BILL—contd.

by Shri Shree Narayan Das

Mr. Deputy-Speaker: The House will resume further discussion of the motion moved by Shri Shree Narayan Das on the 25th May 1962.

"That the Bill to provide for the composition of the Legislative Councils of States and for matters connected therewith be circulated for the purpose of eliciting opinion thereon by the 31st December, 1962."

Out of two hours allotted for the discussion of this Bill, 1 hour and 24 minutes have already been taken up on the 25th May, 1962. Thirty-six minutes are now available.

Shri D. C. Sharma (Gurdaspur): Mr. Deputy-Speaker, I wholeheartedly support this Bill. There are some persons who have been doubting the value of the Upper Chamber. But I believe they are not thinking along democratic lines, but along different lines. Democracy is a series of checks and counterchecks. It is a series of balances and counter-balances. I think the Upper House is an effective check on the Lower House as the Lower

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House is sometimes a check on the Upper House. People have said that these Upper Houses either at the State level or the Central level have not justified their existence. I doubt it very much. When we passed the Dowry Abolition Bill here, it went to the Upper House. I remember it very well that the Rajya Sabha suggested certain amendments. We did not accept those amendments. The result was that a Joint session of the Rajya Sabha and the Lok Sabha was held in order to resolve the tangle. This single instance is enough to show that the Upper House sometimes does exercise some kind of a restraint on what we have done. Similar things are happening in the States also. Therefore, I believe that Upper Houses have come to stay in this country and as time passes, I think they will gain greater and greater influence and be more and more useful.

At the same time, I believe that some of these Upper Houses either at the State level or the Central level serve as a training ground for future politicians. I find a constant stream of migration from the Lower House to the Upper House and from the Upper House to the Lower House. I find this more from the Upper House to the Lower House than from the Lower House to the Upper House. That is because some of our friends gain very good experience in the Upper House and then come to the Lower House so that we can profit by that. Similarly, some of us go to the Upper House so that we can give them the benefit of our experience. Therefore, this two-way traffic which is going on at the State level and at the Central level is bound to increase the legislative potential of our country. I think there is no harm in having it.

After having said that, I come to the provisions of this Bill. I think Shri Shree Narayan Das has put before us a very rationalised, scientific and up-to-date picture of the Upper House at the State level. When I look

at the composition of the Councils in the different States, I think they are a ramshackle combination of very diverse elements and they are often lacking in some of those elements which are essential to our national solidarity and essential to give them the look of national character. I think that we took a lot of pains in drafting the composition of the Lok Sabha or the Legislative Assemblies but we did not pay much attention to the drafting of the composition so far as the State Councils are concerned. We thought that we could make do with whatever provisions were made. Therefore, our Councils do not give that unified picture of our country as the lower Houses, the Lok Sabha and the Rajya Sabha and the Assemblies give. Therefore it is necessary that our Legislative Councils should be a kind of a microcosm. They should be the mirrors of the various elements of our national life. I think this has been done in this Bill. I find that so many different kinds of interests have been given representation in this Bill. I need not go over the list. I think that the representation that has been given to primary school teachers is a very very welcome feature of this Bill. I happen to be connected with some educational organisations and all my life I have been a worker in those federations. I know that all of them have passed resolutions to the effect that a primary school teacher should not be regarded as inferior to secondary school teacher or a college teacher or a University teacher. At present, a college teacher can have representation as a graduate, as a representative of the graduates. But the primary school teacher has no say in the matter. I think that if a democracy ignores the majority, it ignores them at its own peril. The majority of teachers are primary school teachers in this country, and they are the back-bones of our educational system. If we do not give them a fair deal in this matter, I think we are doing a lot of injustice to them. I do not think we can go on heaping insults on the primary school teachers by not giving

them a living wage, by not giving them all these amenities and so on. At the same time, I would also submit that we are not doing proper justice to the primary school teachers by denying them this franchise.

I think the primary school teachers will be welcome in the State Legislative Council and will be able to voice the hopes and needs of fellow-teachers. I think that this is a very good provision which this Bill has, and I am sure that this Bill is going to be useful from that point of view.

Of course, I would have liked that the Governor should have been given a little more elbow-room. Unfortunately, he has been equated with all others. He should have been given a little more elbow-room because there are many interests which cannot be represented through elections, and the Governor should have the right to represent them by nomination; but, of course, it should be specified what kind of persons he should nominate; that should not be left to his free choice.

I, therefore, think that this Bill which, I hope, will be accepted by Government will go a long way in making our State Legislative Councils fully representative of the people, and will make them some sort of constitutional forums, forums of a kind which will enable people not to say that the Second Chamber in our legislatures should be abolished. They will give such a good account of themselves that the talk of their abolition will come to an end. This can happen only if the whole structure is revised and changed, and the way of change has been indicated by Shri Shree Narayan Das. I, therefore, wholeheartedly support this Bill.

Mr. Deputy-Speaker: I would like to know how many more hon. Members want to participate in the debate on this Bill.

Some Hon. Members rose—

958 (Ai) LSD—7.

Mr. Deputy-Speaker: I find that there are four or five more Members who want to speak. I shall extend the time for this Bill by half an hour.

Dr. L. M. Singhvi (Jodhpur): The proposed Bill, although it is a private Member's Bill, the uniform fate of which in this House is not particularly heartening, seeks to enlarge and broad-base the composition of second Chambers or second Houses in the various States in which they exist. I think it is a matter of very great importance, and I must congratulate the hon. Mover of the Bill in drawing the attention of this House and the country to this important problem of altering the composition of the Second Chambers in the various States in which they exist.

The idea of a Second Chamber as enshrined in our Constitution is founded in the pluralistic or the functional theory of State, which emerged against the absolutist theory of State which preceded it and which dominated the scene during the entire nineteenth century. We find, however, as an exposition of the pluralistic theory would show, that society is composed not of one dominating power, not of one dominating influence but of various pockets, and various pulls of power which compose the contours of a given society. In order to make Legislative Councils fulfil their functions adequately, it is only meet to consider that we may broad-base the composition of these Second Chambers.

Many of the Members who have spoken before me have concentrated their attack on the existence of the Second Chambers themselves. I do not think that this is an appropriate time for us to consider the desirability or otherwise of continuing Second Chambers in the country, because, the proposal as it stands only seeks to alter the present or the existing composition of the Legislative Councils.

Some of the Members seem to have been under a misapprehension that this would involve an amendment of the Constitution. I might, if it is neces-

[Dr. L. M. Singhvi]

sary to do so, allay the apprehensions that have been given expression to by some of the Members, by a reference to article 171 (2) which says that:

"Until Parliament by law otherwise provides, the composition of the Legislative Council of a State shall be as provided in clause (3)."

This gives sufficient latitude to Parliament to enact an appropriate law to provide for a different composition of Legislative Councils in the various States in which they exist. And this is what the Mover of the Bill, I suppose, has attempted to do.

The Second Chambers have their own utility. It may be that they have by and large outlived the original rationale of their existence. It has been said by a very renowned French commentator, Professor Achille Mestre, that:

"English democracy continues to feel the need of a directing elite whose economic independence guarantees its probity."

I would like to draw the attention of the House to the fact that the rationale of the Second Chamber in England is no longer that it happens to be the House of wealth or the House consisting of those, who, because of their economic independence, can be relied upon for their intellectual probity. Indeed, it is no longer necessary in England to allege, as was the ancient custom, 'great estate', for aspiring to the membership of the House of Peers.

I suppose that the situation is somewhat analogous in this country where we have not created Second Chambers in order to provide refuge for the rejected in politics, or to provide an umbrella for the politically protected (after perhaps long struggles in the field of politics). Unfortunately, there is that danger that lurks in the functioning of a Second Chamber. A greater danger lurks inasmuch as they are made the mainstays and

the hotbeds of partisan politics, and, therefore, before we consider the composition or the alteration in the composition of Second Chambers in the country, we should also strive to achieve a situation in which Second Chambers are not made the play-grounds of partisan politics. Unfortunately, partisan politics completely dominates the scene in all Second Chambers in the various States, and wherever more Second Chambers are sought to be created, the idea is to provide a shelter or those rejected or for those seeking protection in politics.

I think that the Bill as it stands may not be acceptable to many of us, but I would certainly support, and support with all the emphasis at my command, that the idea deserves a greater consideration in the country, and the proposal to circulate the Bill for eliciting public opinion thereon has all my commendation and support.

Shri B. K. Das (Contai): When this matter was discussed in the Constituent Assembly, the members belonging to the different States were given the opportunity to exercise their choice of having a second chamber or not having it in the States. As a result, 8 States gave their consent to have Legislative Councils in their States. Therefore, today we find that there are Legislative Councils in 8 of our States, while the rest have no such Councils.

There was a lot of opposition to the existence of a second chamber in the States. The reason was that it would serve no useful purpose, it would be dilatory and would hamper the progress and passage of Bills according to popular will. On the other hand, those who supported the idea were of opinion that a second chamber would be an effective check against hasty legislation, it would be a permanent body and the element of nomination provided for would enable the House to have certain number of people who

would be experts, who would possess expert knowledge in arts, science, literature, co-operative organisations and the like. So these 8 States gave their consent to have Legislative Councils.

The Bill that is before us and the circulation motion would give an opportunity to the country, at least to the 8 States, to assess how far the idea has worked and how far it has been successful and how far the purpose of their constitution has been fulfilled.

Although the Bill does not go to the principle of the existence or otherwise of Legislative Councils, the Mover has tried to give a new shape to the composition of these Councils. When we look at the present composition of second chambers, we find certain loopholes. It appeals to reason to ask why when there is representation for teachers, only secondary and university teachers should be given representation and not primary teachers. If teachers are given representation, it stands to reason that all those who come under that category should be able to have representation.

Again, local authorities have been given a chance to have their representatives in the Councils. Today the local authorities have been undergoing a substantial change. We find that the panchayats, the zila parishads are coming into existence and the district boards and local boards are being abolished. Now that the panchayats are having a good deal of say in the matter of administration, in the matter of developmental work in the country and they are taking the place of the previous local authorities, they should be given representation in **Legislative Councils**. Of course, the Mover has tried to do away with representation from the Legislative Assemblies. He thinks it is not necessary that Members of the **Legislative Assemblies** should have the right to elect one third of the total strength

of the Councils. He wants to do away with that provision.

I do not wish to go into other details. I wholeheartedly support the motion for circulation so that the country will have an opportunity to express its opinion as regards the composition of the Councils, and also the principles on which Legislative Councils are formed. I support the motion.

Shri Nambiar (Tiruchirapalli): I have gone through the Bill. Firstly, I would like to submit that we are opposed in principle to these so-called Legislative Councils, for the reason that these Councils in the States as well as in the Centre—the **Rajya Sabha**—are not directly responsible to the people but are elected indirectly by an electoral college. But here the question is not whether we must continue to have these Councils or not. The question is whether these Councils which we have in the States should be broad-based and made more democratic by getting members elected from the panchayats, from co-operative societies, from teachers etc. etc. In that way, the Mover has brought in a new element of furthering the democratic principle. To that extent, we support the idea,

But while going through the Bill, I find the procedure rather cumbersome. Will the process of election contemplated be practicable? For instance, certain percentages have been fixed for certain sections. Even under the present method of electioneering with adult franchise, composition of the voters' list, delimitations, actual polling etc. we have a hell of a trouble. Add to that, if you also say that so much percentage of seats should go to teachers of five years' standing, so much for graduates of three years' standing etc., the very preparation of the voters list will be difficult, which may in turn give room for unholy or undesirable practices. Therefore, it may well create administrative difficulties. Even if the difficulties can be narrowed down, if even

[Shri Nambiar]

after eliciting public opinion, we find that more modifications can be accepted and the Government may also come forward to elaborate the process of democratisation of these Councils, we can support this Bill only with the qualification I have stated.

Therefore, let us accept the circulation motion, let us gather opinions and consider the question and see if further democratisation of these Councils cannot be done. But I have this reservation that we shall stand for the abolition of the Legislative Councils and the Council of States. That is our ultimate aim. But since that is not directly concerned with the proposal now before the House, I cannot canvass that here just now. With this reservation, I support the motion.

Shri Oza (Surendranagar): I welcome the Bill and agree with the objects which prompted the Mover of the Bill to introduce it. I must, however, say that I do not agree with the details as have been given in clause (3), but this is not the stage to draw his attention to the various defects which I find in clause (3) and in various sub-clauses.

As a matter of principle, I am in favour of having two chambers in this big country. With a very vast population, some States having even five or six crores, it is not possible under our democracy to give representation to all the interests by direct election. It is not possible for so many interests to contest the general elections. So, unless they are brought into the second chamber by providing them with certain facilities of electoral colleges through which they can come and ventilate their viewpoints, I do not think we will be able to give them representation.

Democracy means rule by discussion and consultation. So many problems come nowadays before the legislature, problems concerning

various interests in the country, and unless those interests have an opportunity of expressing their viewpoint when the legislation or the problems come up for discussion, I do not think they will have satisfaction, and that will not be a happy state of affairs.

So, particularly because we have got so many interests, and there is such a vast population, I think the purpose of the Bill should be welcomed, and I think the Government will give serious consideration to it or bring legislation of their own. I think Government will be wise in accepting the principle behind the Bill.

Shrimati Sarojini Mahishi (Dharwar North): Some States in India are unicameral and some are bicameral. The very fact that some are unicameral is proof of the fact that there need not be a second chamber, but then there are States which are bicameral also. We cannot say that the second chamber is a waste. In England the House of Lords is criticised severely as being a waste of money, waste of time and energy also, but the principles on which the second chamber is provided under the English Constitution are a bit different from ours. Neither does the Indian second chamber resemble the Senate under the American Constitution. The Senate under the American Constitution has got equal representation from each State, two Members representing each State. The Senate has also got certain powers which neither the Indian second chamber nor the English second chamber have. The Senate has got certain judicial powers also and the power of impeaching the President, but we are not very much concerned with the powers of the Senate or the second chamber in England, but we must remember that we have tried to combine the American and the English constitutions in our system. Our Constitution cuts *via media* between the presidential and the cabinet forms of Government.

We cannot always say that the second chamber is a waste of money. The main object of the second chamber in our country is to check hasty legislation as it is called, but then how far it is able to check hasty legislation, and whether it is able to influence the lower House is also a problem to be considered, because there are so many conditions in the Constitution which restrict the power of the upper house. For instance, if a Bill lies with the second chamber for six months without being attended to, there is a provision for a joint session. If certain amendments are made by the second chamber, they may or may not be accepted by the lower House. In the matter of Money Bills, under article 110, the second chamber has not got any authority at all.

But the second chamber has been so constituted that such elements as the so-called experts in social services, in literature, in science, and people who are representatives of different bodies within the States, will be able to reflect public opinion on the measures passed and endorsed by the lower house. Therefore, because it is more representative of the whole country, and because people who cannot directly contest the elections will be taken as representatives of different bodies in the second chamber, the second chamber has its own role to play in matters of legislation.

As article 171 stands today, it provides:

"Until Parliament by law otherwise provides, the composition of the Legislative Council of a State shall be as provided in clause (3).

(3) Of the total number of members of the Legislative Council of a State—

(a) as nearly as may be, one-third shall be elected by electorates consisting of members of municipalities, district boards and

such other local authorities in the State as Parliament may by law specify;"

Therefore, the bodies that can send members to the upper house have to be decided by Parliament itself. The words "such other local authorities" will include a number of other institutions which may spring up in course of time. The Mover of the Bill has, therefore, brought the measure in time to meet the changing needs of the country. The law is made for the people, and not the people for the law. So, as values change in course of time, there are certain amendments that ought to be introduced in the Constitution also. The Constitution is no doubt written and rigid, but at the same time, it is also flexible. With the changing political and social values, certain changes have to be introduced.

Clause 3(b) of the same article reads:

"as nearly as may be, one-twelfth shall be elected by electorates consisting of persons residing in the State who have been for at least three years graduates of any university in the territory of India or have been for at least three years in possession of qualifications prescribed by or under any law made by Parliament as equivalent to that of a graduate of any such university;"

So, Parliament has reserved to itself the right of determining what are the institutions or bodies that will be eligible to send representatives, who will be considered as graduates, and which are the universities to be recognised.

Now that we have got panchayati raj and co-operative societies in our country, it is but right that they should have representatives in the upper house which represents the different bodies in the country. So, I think that now panchayats and co-

[Shrimati Sarojini Mahishi]

operatives should be included under "such other local authorities" in Clause 3(a) of article 171.

I see the hon. Member has tried to introduce certain amendments as far as the composition of the second chamber is concerned. He wants one-sixth to be elected by members of co-operative societies and one-sixth by members of panchayat bodies, and he wants that a teacher to be eligible as a voter should have served for five years in a recognised school. Without going into the details, I concede that proper representation for these bodies and interests is essential in the second chamber as long as the second chamber continues. Whether the second chamber should continue or not is not the question under consideration now. As long as it continues, what should be the representation in it? That is the main problem. So, I feel that according to the changing values of society, it is but proper that we should have such representation, and I hope Parliament will not find any difficulty in introducing the necessary changes.

The Deputy Minister in the Ministry of Law (Shri Bibudhendra Mishra): I have listened with rapt attention to the speeches delivered by the hon. Members, and I must confess that I have greatly profited by the wisdom reflected in the speeches.

I do not want to inflict a speech on this House since the proposition for the circulation of the Bill for eliciting public opinion thereon will be accepted by me. Therefore, any speech will be unnecessary. But since the general question has been raised, a question of vital importance, a question of principle, that is, about the existence of the utility of the second chamber—even though that does not strictly come within the purview of this Bill because this Bill takes the existence of the second chamber for granted and provides only for its composition, I would fail in my duty if I do not speak a few words about that.

While speaking against the utility of second chambers, it has been pointed out by some hon. Members that anti-social elements who fail to get elected in the direct elections at the polls come by manipulation and by device to the upper chamber. I do not want to express any such opinion. Even popular leaders of political parties who fail at the polls come to the second chamber. Everybody can find his way to the second chamber if he can, but accepting for argument's sake that anti-social or undesirable elements who get defeated at the polls come to the second chamber by manipulation, may I humbly ask, is it the fault of the system itself? It must be admitted that the cure does not lie, in the abolition of the second chamber but the cure is somewhere else which must be searched for by political parties in the country.

Then, criticisms about the upper House in the Union, the Rajya Sabha, and about the upper Houses in the States have been made in the same breath, and the same reasoning has been adduced. I would here point out that the Rajya Sabha, the upper House in the Union, and the upper Houses in the States cannot be treated on the same level and no comparison can be made about them. So far as the upper House in the Union is concerned, it has a base in the constitutional theory itself. It has a purpose, a significance. If we miss it, we miss the essence of the Constitution of India. May I humbly point out that so far as the Council of States or the upper House in the Union or the Rajya Sabha is concerned, it is not a hereditary body as we have in the House of Lords in Great Britain.

Shri P. K. Deo (Kalahandi): I do not like to interrupt the hon. Minister, but may I say that the hon. Minister should not have opted from the Rajya Sabha to the Lok Sabha.

Mr. Deputy-Speaker: Order, order.

Shri Bibudhendra Mishra: It is not a hereditary body as the House of Lords in Great Britain. It is not a

nominated body, an appointed body, as we find in Germany. It is not an elected body as we find in the United States of America. But it is a body which consists of the representatives of the States, the constituent units, the constituent States. That is the fundamental object which gives rise to the federal principle. It must be remembered that India is a Union of States. Article 1 of the Constitution says:

"India, that is Bharat, shall be a Union of States."

Then, if you turn to article 80 of the Constitution, you will find that "not more than two hundred and thirty-eight representatives of the States" shall be represented in the upper House.

Therefore, if India, is a Union of States, if we have accepted the federal principle so far as the Constitution is concerned, it is essential that the States should have representation, that the States should have a voice and so the Council of States is representative of the States.

Shri Nambiar: They can be represented through the constituencies. The Lok Sabha Members are coming from the States.

Shri Bibudhendra Mishra: They are representatives of the people. I make a difference between the representatives of the people and the representatives of the States. That is the essence of the federal Constitution. My hon. friend need not worry about it since even in the Soviet Union also there is an upper House. Therefore, he need not very much bother about the upper Houses here.

Shri Nambiar: Not that the Soviet Union has got it. Here there is no utility.

Shri Bibudhendra Mishra: Apart from that, that the upper House should consist of representatives of the States has been expressed more

than once in the Constitution itself. You will find that it serves a purpose; it is not given to the Lok Sabha even. I will refer to article 249 which prescribes that if the Council of States passes a resolution by two-thirds majority, then a subject can be brought from the State List to the Concurrent List. That right has been given to the Council of States and not the Lok Sabha on the basis and the principle that the Council of States is representative of the states.

Similarly, if you look to article 312 of the Constitution, it is again said there that the Council of States alone and not the Lok Sabha that can, by a resolution, create an all-India service which will then be created by the Union Government but shall work under State Governments. Therefore, in the entire scheme of things, the Council of States has been put in a different category altogether.

There is another difference. It has been provided in the Constitution that the Upper House in a State can be created and abolished in the manner laid down by article 168, but there is no question of the abolition of Rajya Sabha, unless it is done by a general way by way of an amendment of the Constitution. That difference is there. So far as the second chamber in the States is concerned, it is not founded on any constitutional principle, but it has been founded on reasons of history and dictates of prudence. It was an idea that originated in the 19th century when it was thought that any second chamber was better than none. But in the present day world, opposition is growing to the idea of second chamber in the constituent units of a federation; in spite of that, in almost all the bigger countries, excluding certain small countries, there is a second chamber. It will be seen that under the Government of India Act, 1935, there was a second chamber in some of the States and it is only being continued under this Constitution, because the members representing those States in the Constituent Assembly wanted that

[Shri Bibudhendra Mishra]

the second chamber should be continued there.

As I have said, opposition is growing very much against it to the extent that somebody remarked that if the Upper House agrees with the Lower House, it is superfluous; if it disagrees, it is pernicious. May I point out in the present context of things, with all the complexity of legislation that touches the human life and human relationships at all points, when discussion is fettered by Rules of Procedure because of lack of time, and rightly so, is it not necessary to have another body where non-controversial Bills can be originated, discussed and given final shape, so that it can find an easier way for passage in the Lower House? Is it not necessary to have a body of experts, of able men, who know the problems, who know the aspirations of the society and at the same time who are independent of the public opinion of the moment, to discuss the problems and lend their advice? Therefore, even today certain political thinkers feel that the second chamber has its own utility.

Coming to the Bill itself, I must congratulate the mover that at least he has raised a discussion on a vital point. He has rightly pointed out in the Statement of Objects and Reasons that with the decentralisation of democracy, new institutions are springing up, which should find representation in the second chamber in the States. I agree with him. But I would only point out that article 171, as it stands does not create any bar to that, because it is not exhaustive. It is only indicative and it says that whenever it is necessary to give representation to any new panchayat body or any body that is coming up, it is always competent for the Parliament by law to give such representation. It will be seen that some of these panchayats and block committees have also been given representation, according to the recommendations of some of the States, after

the passing of the Constitution and they have been incorporated in the Fourth Schedule of the Representation of the People Act, 1950.

So far as the representation of the cooperative societies, middle school and primary teachers, organised interests of trade, commerce and industry and tillers of the soil are concerned, these matters were discussed in the Constituent Assembly itself. After much discussion, the makers of the Constitution thought that it would not serve any useful purpose. A point was raised by a Member that we are not bound by what the makers of the Constitution thought, because Parliament is supreme. Nobody doubts the supremacy of the Parliament. That is not a matter to be debated, because that has been accepted. If the Parliament feels at any point of time that the historical conditions or social conditions have changed so as to justify the inclusion of new elements in the State upper house, it is always competent to provide for it. But I would only ask the House to consider one thing, whether by giving representation to loose elements or whether by giving representation to primary school teachers or co-operative societies the purpose that we have in mind about having a second chamber would be served.

Dr. L. M. Singhvi: What is meant by "loose elements"?

Shri Bibudhendra Mishra: Tillers of the soil in the sense that they are not organised.

Dr. L. M. Singhvi: Are they loose elements?

Shri Bibudhendra Mishra: Not organised. I only want the House to consider whether any useful purpose will be served thereby. It is a good thing, after the passing of the Constitution, this question has been raised and it is going for eliciting public opinion thereon. The House will have a further opportunity of discussing it.

Sir, with these words I accept the proposition that the Bill be circulated for eliciting public opinion.

Shri Shree Narayan Das (Dharbhanga): Mr. Deputy-Speaker, Sir, I am very thankful to all the hon. Members who have participated in this debate and also to the hon. Minister who has supported the motion for circulation which I moved the other day. Some of the hon. Members were pleased to place their viewpoints regarding the existence or otherwise of a second chamber both at the Centre and in the States. I think this question is beyond the provisions of the Bill. As the hon. Minister has stated, the Constitution provides for the establishment of both the Council of State at the Centre and legislative councils in many of the States. It also provides for the abolition of legislative councils or for creation of such legislative councils where they do not exist at present. It is for the Government, if they think that bicameral legislatures both at the centre and in the States are not necessary, to bring forward the necessary legislation. Any hon. Member here can bring forward such a legislation.

My purpose in moving this motion for circulation of this Bill is to provide for the various elements that have come into being after our attaining independence. I have pointed out in the Statement of Objects and Reasons that a number of organisations in the sphere of local bodies and other interests have come into being. It is in the fitness of things that such organisations which have come up after independence are given representation in the councils.

Sir, I was one of those who thought that these bicameral legislatures were unnecessary. I have heard many hon. Members here who have also advocated abolition of bicameral legislatures. Some hon. Members have also expressed the opinion that there is necessity for having bicameral legislatures. It is said that only those who have been elected by the people represent the people and it is that body con-

sisting of such people that is representative of the people. But I would like to point out one thing. Some hon. Members sitting opposite have many times pointed out that the Congress Party was not able to secure the majority of the votes and therefore they are not representative of the people. In that way, in the system of voting that is prevalent in our country where there is this vote by the majority, it can be said that the Government, the whole House is not representative of the country.

Shri Nambiar: We only said that you get minority votes and majority seats. We did not question the other aspect.

Shri Shree Narayan Das: You analyse the public opinion as expressed in the voting. Then this House also cannot be said to be a representative body.

Mr. Deputy-Speaker: The Minister is accepting your motion. Is a long speech necessary?

Shri Shree Narayan Das: As the hon. Minister has just said, democracy means government rule by discussions and deliberations. A large number of persons participate in the deliberation and discussion and when something comes out, it will be the representative opinion of the people. Therefore, the question whether there should be bicameral legislature or not is beyond the scope of the Bill. If any hon. Member is in favour of that proposal, he has to bring forward a Bill on which we will also have to secure the assent of the various State Assemblies, because a majority of the State Assemblies have decided that they should have a Legislative Council. Also, article 167, 168 and 171 of the Constitution will have to be amended if we do not want bi-cameral legislatures.

Some of the hon. Members said that they were not agreeable to the provisions of the Bill. In that case, after public opinion has been received on

[Shri Shree Narayan Das]

the Bill, when it comes before the House for consideration, amendments can be moved and the provisions changed or amended.

Here I would like to refer to only one point. Shri Warior said that I was trying to perpetuate the representation of vested interests. There is already provision in the Constitution for representation of particular interests. I am only trying to give representation to labour, commerce and some other important elements of society, which are playing a very important part in the social structure of our country. As it is, representation is given only to a few elements. I have tried to give representation to as many elements as possible.

Then I do not understand what the hon. Minister meant by saying that I have given representation not to loose element. I have made provision for the representation for the various bodies like commerce, business and tillers of the soil. Further, the representatives of these interests will be elected by their organised bodies.

With these words, I again request hon. Members to support my motion as I have moved it.

Mr. Deputy-Speaker: The question is:

"That the Bill to provide for the composition of the Legislative Councils of States and for matters connected therewith be circulated for the purpose of eliciting opinion thereon by the 31st December, 1962."

The motion was adopted.

16.29 hrs.

INDIAN POST OFFICE (AMENDMENT) BILL

(Amendment of sections 68 and 69
by Shri S. C. Samanta)

Shri J. B. S. Bist (Almora): What is the time allotted for this Bill?

Mr. Deputy-Speaker: I think one hour will be sufficient.

Shri S. C. Samanta (Tamluk): I beg to move:

"That the Bill further to amend the Indian Post Offices Act, 1898 be taken into consideration."

I think there is one amendment to this Bill, which should be moved.

Mr. Deputy-Speaker: The amendment can be taken up after the Bill is moved.

Shri S. C. Samanta: My proposal to amend the Post Office Act is very simple.

16.29½ hrs.

[SHRI MULCHAND DUBE in the Chair]

In the Statement of Objects and Reasons, I have stated:

"Under the present Act no effective and quick action can be taken against a person who knowingly receives or opens any letter or postal article which ought to have been delivered to any other person."

16.30 hrs.

The Bill also seeks to make the provisions of the present Act more effective so that quick and immediate action may be taken against the offenders under this Act. I think the House will agree to the proposal which I am putting before it.

In the rules I find that section 52, 53 etc. provide penalty for the offenders of the post offices for infringing the law. I want to help the Government by taking the responsibility upon ourselves, that is, if we the public, who are benefited by the postal system in the country, do not help them to carry out their work, I

think, the good name that the Posts and Telegraphs Department has cannot be had. In this respect it will not be needless to say that the Posts and Telegraphs Department in this country is playing a vital role in making this vast sub-continent into one single unit and in linking it with the rest of the world. This Department as we all know is well-known for its honesty and efficiency. So, we must try to help this Department as much as we can. For that end I have brought this amendment that is, to help the Department.

I may refer to section 68 of the Indian Post Office Act in which it is said:

"Whoever, fraudulently retains, or wilfully secretes or makes away with, or keeps or detains, or when required by an officer of the Post Office, neglects or refuses to deliver up, any postal article in course of transmission by post which ought to have been delivered to any other person, or a mail bag containing a postal article, shall be punishable with imprisonment for a term which may extend to two years, and shall also be punishable with fine."

This is the existing provision and in it I want that the words "or when required by an officer of the Post Office, neglects or refuses to deliver up" be replaced by "or does not return to Post Office." By this I am bringing the responsibility on the person who wilfully secretes or makes away with, or keeps or detains a letter or any post article. We all know how we are benefited by the Postal Department when from thousands of miles away we receive things which are dear and near to us and which are essential to us. Specially in the rural areas we have found that where there are two parties in a village or in a place, one party in order to teach a lesson to the other because of the animosity that they have tried to get destroyed any secret thing which one sends in a letter or through a postal

article. This is a thing which is not unknown to any of us. If the Indian Post Office Act imposes some penalty for the collusion of officers or other persons of the post office, why should not we who collude with them be also penalised? How can this evil be remedied if we do not come forward to take the responsibility?

In the Act, in clause (3) under the Definitions, the meaning of "in course of transmission by post and delivery" is given. It says:

"For the purpose of this Act, a postal article shall be deemed to be in course of transmission by post from the time of its being delivered to a post office to the time of its being delivered to the addressee or of its being returned to the sender or otherwise disposed of under Chapter VII".

This transmission does not end when a postman delivers or misdelivers a letter. If he misdelivers a letter or, in collusion, delivers a letter to somebody he will be punished. But I find that the man who is in collusion, who is secreting the things wilfully, who is knowingly destroying the thing, is not punished.

Then, as regards penalty for unlawfully delivering letters, section 69 of the Act says:

"Whoever, not being an officer of the Post Office, wilfully and maliciously, with intent to injure any person, either opens or causes to be opened any letter which ought to have been delivered, or does any act whereby the due delivery of a letter to any person is prevented or impeded, shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to five hundred rupees, or with both."

Sir, here I want to replace the words "wilfully and maliciously" by the word "knowingly". Even if he knowingly does it, he should be

[Shri S. C. Samanta]

punished. In the Act the words used are "wilfully and maliciously". I am sure when Government brings a suit against any person in this respect, they generally cannot prove the man having done it "wilfully and maliciously". So I want to make it more simple and say that "knowingly" should be substituted for "wilfully and maliciously".

My hon. friend Shri B. K. Das has given an amendment. He says that wilfully and maliciously should be retained and he wants to add 'knowingly'—wilfully, maliciously and knowingly—so that he cannot escape.

Shri Nambiar (Tiruchirappalli): He wants to make it worse.

Shri Hari Vishnu Kamath (Hosangabad): Foolproof and knave-proof.

Shri S. C. Samanta: I think I have been able to put the matter before the hon. Minister who has vast experience in Communications and Transport. I know he was the Communications Minister before. Then, Transport was not with him. Then, he went to Transport and Railways. Again, he has come back to Transport and Communications.

Shri Hari Vishnu Kamath: Re-transported.

Shri S. C. Samanta: I have great faith in his experience in these matters and I hope he will give due consideration to the proposals that I have put before him and the House.

This is a department which can brag that it is the only institution which can move to the remotest corners of villages of India. It is not a matter of joke that it has improved in such a way. We know, in the olden days, communications were carried by horses and pigeons and other things. It took months and years. The vehicles used to take time, a year even. Now, within a day, within a few hours, the Posts and Telegraphs department can send

communications thousands of miles. This is a dear department to all of us. The progress made during the First and Second Plans, this department itself can brag of. In order to give this department a real help from us, the public, I put this proposal before the House for acceptance.

Mr. Chairman: Motion moved:

"That the Bill further to amend the Indian Post Office Act, 1898 be taken into consideration."

Shri Nambiar: Sir, I have great pleasure in supporting this Bill and I congratulate the Mover of the Bill.

Shri B. K. Das (Contai): There is an amendment. I will only say a few words in moving the amendment before the House. In page 1, line 11...

Mr. Chairman: The amendments are to certain clauses. They will be taken when the clauses are considered.

Shri Nambiar: I support the Mover of the Bill for the reason that he has placed the matters squarely before the Government and the people. The Communications department takes a very important responsibility when it handles letters, money orders or whatever articles we give to them for safe transit. If the Postal Department itself begins to tamper with the documents and the letters and whatever else we give in its hands, then there is no remedy. The Mover of the Bill seeks a remedy through this Bill that if a particular letter or a message is handed over to the Postal Department and it is tampered with and is not handed over to the addresses, the person who is responsible for it should be severely dealt with. That is the purpose of this Bill.

The amendment that my hon. friend wants to make in section 68 of the parent Act is this. Instead of the words 'or when required by an officer of the Post Office, neglects or refuses to deliver up', he wants to insert

the words 'or does not return to Post Office'. With the present provision, it is difficult to prove in a court of law that when required by an officer of the Post Office to do so, the person neglected it or refused to deliver it up; that would mean that it would be the responsibility of the prosecutor to prove that an officer wanted it, but there was a neglect of his orders and so on, and all these complications would come in the way of punishing the person who does the harm. Therefore, my hon. friend wants an amendment which will make the matter straight, by providing that when a person does not return an article which is entrusted with him, to the person concerned, he must be punished.

Smiliarly, in section 69 of the parent Act, my hon. friend wants to substitute the word 'knowingly' instead of the words 'wilfully and maliciously'. The present section provides that if there is an accusation that an officer or somebody who is entrusted with the work of transmission wilfully or maliciously does not do his job, he can be punished. But that is very difficult to prove at present. It is very difficult to prove that it was done wilfully and maliciously. Therefore, my hon friend now wants to substitute the word 'knowingly' in place of 'wilfully and maliciously'.

Here, I want to add that we have got a grouse, and a right grouse that our letters are tampered with. That is what is happening to the letters written to many Members of the Opposition. I remember that many of the letters addressed to me with express delivery stamps reached me four or five days later, and not only that, they were tampered with, repasted, and even photostat or other copies had been taken of the same; in many cases, the letters did not reach me at all. Afterwards, when the person who wrote the letter came by train or by aeroplane and asked me 'I had sent you a letter. Did you not receive it?', I had to give the answer 'No. I did not receive it'.

It is not only a deliberate case of tampering, but I may use even a harsher word, and say that it is stealing away of the letter.

The Minister of Transport and Communications (Shri Jagjivan Ram): That is not relevant at all to the present Bill.

Shri Nambiar: That was being done during he election days. Many of our telegrams did not reach the addressees, and many of our letters too did not reach the addressees. The reason is that anybody could tamper with those things. The Postal Department under instructions from the highest authority and from the Home Ministry colluded in this matter, and the Secret Service Department took away the letters and tampered with the letters as they liked, without giving an opportunity to the addressees even to read them. This is a thing which has been brought up on the floor of the House on many an occasion in the past. I want to submit that there must at least be a guarantee that we should get those letters. At least, the secrecy which is inside the letters should not be revealed, and if Government want to know the activities of their political opponents, they must do it by other methods, and not by this method of naked stealing and robbing away of letters which are in transmission between two persons or two parties.

Shri P. N. Kayal (Joynagar): That can be covered under the common law.

Shri S. C. Samanta: May I correct my hon. friend? The things to which he is referring can be dealt with under sections 52 and 53 of the parent Act. I am not going to amend those sections at all, and take the responsibility for that on ourselves.

Shri P. K. Deo (Kalahandi): At least in regard to love letters.

Shri Nambiar: I am within my limits and within my bounds.

Shri C. K. Bhattacharyya (Raiganj): My hon. friend is arguing his case without having gone through his brief.

Shri Nambiar: Yes, it is very clear. I am arguing my case, and I know that I am within my limits.

I submit that there should be a guarantee that the tamperer will be dealt with seriously, as my hon. friend likes to provide, and also a guarantee that my letters will not be tampered with, and that I shall get the secret letters entrusted to me intact, maybe even from my wife. In fact, there were occasions when many of the letters addressed to me by my wife did not reach me at all. I cannot prove it today because the letters did not reach me at all. I can say what has happened only if the letters reached me, but they did not reach me at all.

On this occasion, I may be permitted to say also that now the latest method has been introduced for spying the political opponents by tape-recording their telephone talks. Not only that, on many occasions, I could not even get the telephone connected. As soon as I dial and listen in through the receiver, there will be plugging from the CID and the whole thing is disturbed.

Shri Jagjivan Ram: How is that relevant here?

Shri Nambiar: Though it may not be directly relevant, I want to bring this to the notice of the hon. Minister.

Mr. Chairman: This is not relevant to the Bill. He can refer to it on another occasion.

Shri Nambiar: Tampering has become the order of the day and political opponents are dealt with in this manner. Whatever provision is there in the Act has been misused and abused by the Ministry of Communications.

I thank the hon. Mover for having brought forward the Bill. His amendment gives some relief, though not all the relief needed. Therefore, I support the motion.

Shri C. K. Bhattacharyya: As I heard the previous speaker and the great enthusiasm he showed for his lost letters, I did not know whether those lost letters were associated with lost loves. I was reminded of the lines of Goldsmith:

"Still they gazed and still their wonder grew.

That one small head could contain all he knew".

The scope of this Bill is very simple. I do not know how all these things, tampering, telephone dialling, tape-recording, could be brought into this very simple proposition that a member of the public who received a letter wrongly delivered to him should take care to see that the letter is returned to the post office so that it may reach the actual addressee. That is the long and short of the whole proposal that Shri S. C. Samanta has brought before the House and which Shri B. K. Das seeks to amend. How within the scope of the small Bill, so many other things could be brought in was evoking my admiration. But as I stated, he was arguing at times without going through the brief and at times beyond the brief. He did both the things.

Shri Bade (Khargone): This is the only window for the Opposition.

Shri C. K. Bhattacharyya: That is the only tactics of the Opposition. Will they have any satisfaction if I say that it happens not only with the Opposition, but also with Members on this side who at times do not receive things addressed to them? This happens accidentally. Even now I am in correspondence with the postal department over a very important thing I did not receive. The Returning Officer in my election sent me a whole list of polling booths. This did not reach me at all. Accidentally, I came to know that this was addressed to me. Then I began correspondence which is continuing. But while I am carrying on correspondence, I do not caste aspersions on the *bona fides* of the department itself. I take it this was done by an accident. I have been

trying to find out where and how it occurred. The same grievance is with me also, but the outlook is completely different. I do not get angry in the way of one who has just been deprived of a love letter he was eagerly expecting to have, which somebody had carried away.

Shri Bade: You have to be romantic.

Shri C. K. Bhattacharyya: The Opposition is nothing if it is not romantic.

I congratulate the Mover. We are a bit realistic people dealing with realistic day to day things, carrying on the system of administration, sometimes getting praises and sometimes getting abuses. We do not mind it. This is the real state of the world. This happens usually.

Shri Samanta was congratulating the department on the faithfulness and integrity with which it does its work. I may give an example which Shri Samanta and Shri B. K. Das, both of whom come from Midnapore, will relish. During the civil disobedience movement in Midnapore, while houses and paddy were being set on fire, I got a bunch of photographs made of them. Somehow I got them. I put them together and dropped them by post to the editors of different papers, and the editor of a very distinguished paper, the late Shri Ramananda Chatterjee of the *Modern Review*, came out with this comment: "The postal department of the Government of India has faithfully brought to us a bunch of photographs like this". These photographs could not be referred to under the law, but the astute editor of the paper made a reference to them in this way. Both Shri Samanta and Shri B. K. Das will remember the things that happened there, and how we had to carry on the publicity with the help of the postal department itself.

I do not know whether the Opposition takes the same advantage now of the department that is being managed by the hon. Minister. I say this so that he may take care to see that

the Opposition, whatever the value of their complaints may be, may not get the same advantage from the postal department now. That is why I bring this to his notice.

So far as the actual proposal that Shri Samanta has made is concerned, I believe this has some very real value. But one difficulty that I find is this: who will enforce the penal provisions? Actually, it is the members of the public who should be sufficiently careful and sufficiently honest to themselves. I am not honest to myself if I destory somebody else's letter, unless I am disposed in the way that Shri Nambiar ascribes to the postal department. Usually, people are not inclined that way. So, the only difficulty is: how and by whom this penal provision is to be enforced. Otherwise, the amendment that he has suggested is unexceptionable and should be accepted. That is my whole comment.

Dr. L. M. Singhvi (Jodhpur): I crave leave to express myself through an extempore free verse on the subject. In order to be brief I have chosen this medium. The Verse is as follows:—

Because epistles, amorous and otherwise,

Are wilfully intercepted,

Deeply perturbed, Mr. Samanta proposes.

That an amendment should be enacted.

It would make love and politics safe;

That is why, for Mr. Nambiar's sake,

I beg to support the Bill,

Although its passage is uphill,

Unless the minister's benign smile,

Is meant to accept the reason of my rhyme.

With this, I support the Bill.

श्री बड़े सम्मानित महोदय, जो बिल
मदन के सामने उन्मिश्र किया गया है, उसका
मैं अत्यन्त दुःख से विरोध करना हूँ, क्योंकि

[श्री बडे]

मैं मानता हूँ कि इस 'का जो उद्देश्य है, वह अच्छा है। अभी अपोजीशन के आनरेबल मेम्बर साहब ने जो कुछ कहा है, उसकी मैं तार्किक करता हूँ। आपोजीशन के मेम्बर के पत्रों और तारों को पोस्ट आफिसिज में पड़ा जाता है। जहाँ तक पत्रों का सम्बन्ध है, पोस्ट आफिसिज के हैड आफिस में एक यन्त्र से पानी की भाप देकर पत्रों को खोला जाता है और उनकी फोटो लेकर बन्द कर के एंजनों को भेज दिया जाता है। पुलिस में अनडिजायरेबल पर्सन्स की यदि (लिस्ट) रहती है और उसके अनुसार हम अनडिजायरेबल पर्सन्स समझे जाते हैं। इसलिए पोस्ट आफिसिज में हमारे पत्र खोल कर देखे जाते हैं। लेकिन इस बिल का उद्देश्य इस कार्यवाही को ठीकना नहीं है। अभी जिस कांग्रेस सदस्य ने भाग दिया है, मैं समझता हूँ कि उनके लैट्रज टेम्पर विद नहीं होते हैं और इसलिए उन को इस बारे में प्रोबेस नहीं है।

इसके अनुरिक्त मैं इस बिल के वर्डिज्ज का विरोध करता हूँ। ऑरिजनल वर्डिज्ज इस तरह हैं :—

"Whoever, fraudulently retains, or wilfully secretes or makes away with, or keeps or detains or when required by an officer of the Post Office, neglects or refuses to deliver up.....".

.....or when required by an officer of the Post Office, neglects or refuses to deliver up" की जगह "or does not return to Post Office.

शब्दों को रखना चाहते हैं। डब्लू नाट रिटर्न टू पोस्ट आफिस का मतलब यह है कि कि कोप्स और डिटेनर। इसका मतलब हुआ कि अगर वह रक्ता है तो इसको डिटेन करता है और डिटेनर का लाजिकल कन्क्लूजन यह निकलता है कि हो डब्लू नाट रिटर्न टू पोस्ट आफिस। इसके अलावा और कोई मतलब हो ही नहीं सकता है।

दूसरी बात यह है कि जो बकील हैं, जो एडवोकेट हैं वे जानते हैं कि कोप्स एण्ड डिटेनर

का अर्थ यह है और इस पर जो केस डिमाण्ड हुए हैं वे भी इसी तरह से हुए हैं कि

keeps and detains means not delivered again to the person who has sent the letters.

इस वास्ते कोप्स एण्ड डिटेनर होने से जो उद्देश्य है वह पूरा हो जाता है। इतना ही नहीं जो १८६८ का एक्ट है उसको गीरांग प्रन्सों ने बनाया था। उन को भी इस प्रकार की एंजमेंट करने की आवश्यकता महसूस नहीं हुई जैसी अब हो रही है। इसका कारण यह है कि keeps and detain का मतलब does not deliver to the original sender ही होता है।

दूसरे आपने मेम्बर ६६ में अंमंडमेंट करने का बत कही है। आपने कहा है :—

"whoever, not being an officer of the Post Office, wilfully and maliciously, में "wilfully and maliciously" का जगह "knowingly" रखना चाहें हैं। विलफुली एण्ड मैलिशसली शब्द ऐसे हैं कि जिन में मैसूरिया होना चाहिये। जो पीनल कोड है और जो डीरिक्टेड राइट्स हैं, वहाँ भी जब तक मैसूरिया नहीं होता है तब तक पनिशमेंट आफेंस नहीं होता है। विलफुली एण्ड मैलिशसली होने के बाद देयर मस्ट बी मैसूरिया। इतना देयर इतना नो मैसूरिया तो कभी भी पनिशमेंट नहीं हो सकती है। जब तक मोटिव क्रिमिनल नहीं है तब तक कभी भी पनिशमेंट नहीं मिलनी चाहिये। यही पीनल ला का और जुरिस्प्रुडेंस का उद्देश्य है, ध्येय है। इसलिए विलफुली एण्ड मैलिशसली करके भी टू इंजर एनी परसन होना चाहिये। अब विलफुली का कनोटेनशन डेफिनेशन किया जाए तो दरअसल नोइंगली होता है। उसके साथ एण्ड मैसूरिया जोड़ देने से वह मैसूरिया नहीं होगा। अगर वह मैसूरिया नहीं होगा तो वह पनिशमेंट नहीं होगा।

मैं इसका इसलिये विरोध करता हूँ कि जुरिसप्रुडेंस का जो ध्येय है उसके यह खिलाफ है। जहाँ तक पहली एमेंडमेंट का सम्बन्ध है, वह सुपरफ्लुअस है। दूसरी जो एमेंडमेंट है उसका मैं इस वास्ते विरोध करता हूँ कि विलकुल एण्ड मैलिगमर्सी के जो वडिंग हैं वे आर्डिनरी मिदान्त जो हैं, जो कामन प्रिंसिपल्स हैं, उनके अनुसार हैं। अगर ये नहीं रहते हैं तो फिर पोलिटिकल पार्टिज गांव गांव में हैं, कोई पॉस्टमैन जनमवा है, कोई कम्युनिस्ट है, कोई काप्रेमो है और किसी के खिलाफ कोई भी शिकायत कर सकता है और उस पर यह कहना है कि यह नोइंगनी है, ठीक नहीं होगा। विलकुल के साथ मैलिगमर्सी शब्द का होना बहुत जरूरी है। अगर वह चीज होरी है तभी वह पनियेवल है बर्ना नहीं हो सकता है। इस वास्ते मैं इसका ऑनली टैलिक्वल प्रोपोजिशन पर विरोध करता हूँ।

Shri R. Barua: (Jorhat): I rise to speak a few words just to oppose the Bill. It has become our normal practice to presume that people are always at fault. So far as the postal articles or the delivery of the postal letters are concerned, specific provisions have been made to punish the guilty persons. My hon. friend on the other side has brought out this Bill in order to punish non-postal people who may have occasionally destroyed the papers or the parcels. That is the intention.

Before we launch upon a legislation on this subject, we must realise that in our country the people are not taught proper civic rights. More often than not, what do our village people do? They do not realise the responsibility; even if some papers or articles are handed over to them, they forget to do what is required. It is not that they have any criminal intention. It is not that they have any wilful intention. It is only because we have not yet been able to educate them on the civic rights and so some error may be committed here and there. I do not deny that there are

some persons who may wilfully destroy the papers or wilfully mis-deliver things, but then the primary responsibility of delivering the postal articles is of the postal department. Very rarely private persons come into the picture. That again may be possible if he intentionally accepts something by misrepresenting an addressee. In such an event, he cannot escape the liability of law, because there is the provision for abetment of certain offence and in that way he can be brought to book.

But if we make a law of the pattern which my friend on the other side wants, it would simply mean harassment to many innocent people. On the top of it, people in the villages may falsely bring out allegations saying that so and so intentionally mis-delivered paper or received articles in conjunction with the peon. Somebody may lodge a complaint with the postal department and the postal department may throw the responsibility on some innocent person. So, it may create confusion and a vicious circle, in which poor innocent people may be brought into harassment. Moreover, such cases are not very much to warrant a legislation of the type which my friend on the other side wants to bring at the moment.

Let us remember that our people are not as bad as we take them to be. What we lack here is that we have not been able to educate them properly about their civic rights. Therefore I oppose the Bill. I think too many legislations have already spoiled our statute-book and there should not be any more, especially in regard to such matters which may be otherwise dealt with very efficiently.

With these words, I oppose the Bill.

Shri Oza (Surendranagar): Sir, I share the anxiety of the mover of the Bill, but at the same time, it is my unfortunate duty to oppose it. I share the anxiety in so far as it has also been my experience that nowadays it

[Shri Oza]

has become very easy to tamper with postal articles. So many anti-social elements nowadays somehow or other manage to get hold of the post addressed to some other person and then try to blackmail him. These incidents are becoming very frequent. That was my experience during the last elections also. But the remedy that he is suggesting is worse than the disease.

The last but one speaker—Shri Bade, I think—brought out the very points which I wanted to make out. He has rightly pointed out that unless the *mens rea* or guilty conscience is there, to amend the law as it is proposed will be very drastic and it is unnecessary, in view of purpose that the mover of the Bill expressed on the floor of the House, to amend the law as it stands. His purpose is served, as pointed out by the previous speaker, by the words of the section as it stands at present.

If a person intentionally and fraudulently detains a letter, of course he should be punished. But suppose I am out of my place. Just as the postman can be induced to tamper with postal articles illegally, in the same way, if the postman is induced to throw away the letters addressed to some other person into my house because I am away, the police will come and say, "Here are letters addressed to some other persons and you have not cared to return them. So, you are guilty." This is not a happy state of affairs, because the postal people are prone to such mischief also. So, section 68 is absolutely adequate and if people are vigilant those persons who tamper with the post of others can be brought to book.

Also, section 69 contains the words "wilfully and maliciously". The hon. mover wants to add the word "knowingly" also. I do not agree with him. Suppose I open an envelope without seeing the address. In so many instances, I have found that I have opened an envelope with-

out reading the address. But as soon as I start reading the letter, I realise it is not my letter. So, I apologise, saying that it has come to me by mistake. So the words "wilfully and maliciously", should be retained. Unless they are there, sometimes innocent persons will stand to be punished.

Therefore, though, as I said in the beginning, I entirely agree and share the anxiety expressed by the mover of the Bill, if we try to amend the law as it stands today, there will be more scope for mischief and innocent people will stand to suffer. Sometimes anti-social elements will have a larger scope for creating more troubles. Therefore, it is my unfortunate duty to oppose the Bill.

Shri A. S. Alva (Mangalore): Mr. Chairman, Sir, as far as the objective of the mover is concerned, the provision is already there. Here, each one of them is an offence. The first is, "fraudulently retians". Then there is "wilfully secretes or makes away with". The third is: "keeps or detains". All these will cover the point which the mover wants to make out. "Keeps or detains" means that a man should not keep or detain any letter.

The other thing is: "when required by an officer of the Post Office, neglects or refuses to deliver up..." When an officer of a post office asks a person to give the letter, he is bound to give it. That is one more item added for a person not to retain another man's postal articles.

The amendment sought here is only this. He says that for the words "or when required by an officer of the Post Office, neglects or refuses to deliver up", he wants to insert the words "or does not return to Post Office". But this will be covered by the other two clauses, namely: "keeps or detains". Therefore, even if "fraudulently" or "wilfully" is not mentioned, there is absolutely no need to amend section 68.

As far as section 69 is concerned, really it is a penal offence where a man is punished for doing certain things. Unless there is some element of wilfulness or maliciousness simply for knowing a man should not be punished.

Shri Nambiar: The words: "with intent to injure any person" are there. Even if the other words are deleted, the words "with intent to injure any person" are sufficient to prove the malice or wilfulness of it.

Shri A. S. Alva: It is a penal provision. The words are: "whoever, not being an officer of the Post Office, wilfully and maliciously.....". The amendment that is sought is, for the words "wilfully and maliciously" the word "knowingly" be substituted. "Wilfully and maliciously" means something more than "knowingly".

Shri Nambiar: It will read: "knowingly with intent to injure any person".

Shri A. S. Alva: I submit that in this section the words "wilfully and maliciously" are absolutely necessary. After all, when we punish a certain person for this offence, unless there is an element of wilfulness or malice in the act he should not be punished. I submit that the section in its present form is ample enough to meet the ends of justice. Of course, if another man's letter is wilfully or maliciously tampered with, the person concerned requires some punishment. Therefore, the present section should remain as it is.

I, therefore, oppose this Bill. I oppose the amendment of section 68 on the ground that the object of the mover is served by the present section and I oppose the amendment of section 69 on the ground that it should not be lightly changed because a man should not be punished for simply doing something knowingly.

The Deputy Minister in the Ministry of Transport and Communications

(Shri Bhagavati): Mr. Chairman, Sir, I appreciate the good intention of the mover in moving this Bill. His intention is to ensure quick and immediate action against the offenders under the Act. He also wants to lessen the burden of postal officials by imposing some responsibilities on the members of the public who keep the postal articles delivered to them wrongly. But, I am afraid, the amendment he has suggested will not improve the position in any way. Rather, it may be more difficult to prevent the offence. At present, an offence is committed under the section, firstly, when there is a criminal intention, as shown by the use of the words "fraudulently and wilfully". Secondly, an offence is committed when there is neglect or refusal to deliver when required by an official of the post office. It is clear that an offence under the second clause is much easier to be proved than under the first. Under the first clause, the criminal intention has to be proved, and it is not always easy to prove criminal intention. Under the second clause, when a postal official requests a member of the public to deliver certain postal articles to the post office, he is bound to do so. If he refuses to do so, he is liable to be punished under this Act. So, I do not see how the amendment will help in making the task easier for the postal department to bring the offenders to book. Perhaps, it will make it more difficult to prove the offence.

In section 69 the hon. Member wants to replace the words "wilfully and maliciously" by the word "knowingly". I submit that the import of the word "knowingly" is there in the word "wilfully". So, it would be rather redundant to introduce a new word into this section. Again, it would be less forceful and will not be conducive to proving the offence easily.

Some other difficulties which may arise out of this amendment have been mentioned by some hon. Members. Some innocent people may be harassed

[Shri Bhagavati]

under this provision. They may, through some mistake, open such letters and they may be hauled up for diverting letters wrongfully or unlawfully, even though they may not be really guilty, their intention may not be bad and there is no *mala fide*. So, the words "wilfully" and "maliciously" should be there. First there must be *mala fide*. If there is *mala fide*, then the penal provision will be applicable.

My hon. friend opposite has referred to tampering and other malpractices. I do not see how these complaints can be made in a discussion on this Bill, because the amendment is a very simple one. As my hon. friend, Shri Bhattacharyya has stated, it is for ensuring that speedy action is taken against offenders for not delivering up postal articles wrongly delivered to them. So, the complaints have nothing to do with the Bill under discussion.

Shri Nambiar: Section 69 says: "whoever, not being an officer of the post office, wilfully and maliciously with intent to injure a person". So, a CID officer, who is not an officer of the post office, with the intention of injuring me, tampers with my letters. So, it is strictly relevant. So, section 69 comes under the orbit of the mischief of that police officer who tampers with my letter. With the malicious intent to defeat me in the elections he does not want to hand over the letter to me.

Shri Jagjivan Ram: Is it not open to him to prosecute such a person under this Act?

Shri Nambiar: Yes; here it says "not being an officer of the Post Office", and a CID officer is not an officer of the Post Office. When he, with the intent to injure me as a political opponent, does this, he must be prosecuted.

Dr. L. M. Singhvi: It is not open to him to prosecute such an officer of

the Home Ministry unless consent or sanction of the State Government or of the Central Government is obtained. Therefore the hon. Minister is not right in saying that it is open to him to prosecute such an officer.

Shri Jagjivan Ram: Shri Nambiar is quite aware of all the procedure that is followed. He simply wanted to parade his grievance.

Shri Nambiar: This amendment gives me an opportunity to do so. If it is amended, I might get a relief. That is what my point is.

Shri Jagjivan Ram: He will not get any relief.

Shri Bhagavati: What he has said may not be fully relevant here, but he wanted to say whatever grievance he has. But I have to say that mostly these complaints, possibly, are not so wellfounded because I do not believe that letters or postal articles addressed to hon. Members of the Opposition are tampered with or are misdelivered. Accidentally such mistakes occur but I do not think that intentionally letters or postal articles addressed to hon. Members of the Opposition are tampered with or are misdirected.

Shri C. K. Bhattacharyya: These are the phantoms of their imagination.

Shri Bhagavati: I do not think that sections 68 and 69 of the Indian Post Office Act, 1898, need be amended in any way. So, I would request the hon. Mover of the Bill to withdraw the Bill.

Shri S. C. Samanta: Sir, in these days of democracy when I find that most of the hon. Members are opposing my proposal, I would request them to give me leave to withdraw the Bill.

Mr. Chairman: Has the hon. Member the leave of the House to withdraw the Bill?

Some Hon. Members: Yes.

Shri Nambiar: No.

Mr. Chairman: Then I shall put the motion to the vote of the House.

Shri Nambiar: We may have a voice vote.

Mr. Chairman: The question is:

"That the Bill further to amend the Indian Post Office Act, 1898 be taken into consideration."

The motion was negatived.

17:24 hrs.

INDIAN PENAL CODE (AMENDMENT) BILL

(Amendment of sections 405 and 406 by Shri D. C. Sharma).

Mr. Chairman: The House will now take up the Indian Penal Code (Amendment) Bill. Shri D. C. Sharma.

Shri Siddiah (Chamarajanagar): Sir, what is the time allotted for this?

Mr. Chairman: How much time do hon. Members think should be allotted for this Bill?

An Hon. Member: Half an hour.

Shri D. C. Sharma (Gurdaspur): Two hours.

Mr. Chairman: Let it be one hour.

Shri D. C. Sharma: No, Sir; two hours. It is a very important Bill.

Shri Sonavane (Pandharpur): Half an hour will be sufficient for this.

Shri D. C. Sharma: I will speak for half an hour.

Mr. Chairman: There are only two clauses in this Bill. I think one hour will be sufficient.

The Minister of State in the Ministry of Home Affairs (Shri Datar): Let us have one hour.

Shri D. C. Sharma: I am going to speak for half an hour.

Mr. Chairman: He should begin and then we will think of the time.

Dr. L. M. Singhvi (Jodhpur): Sir, on a point of order. If only one hour is going to be allowed for the entire discussion of the Bill, then the Mover cannot be allowed half an hour.

Mr. Chairman: It is not a point of order.

Shri D. C. Sharma: I request you, Mr. Chairman, to give two hours for this Bill, because there are so many persons who are going to take part in the discussion.

Mr. Chairman: As we proceed, we shall see whether there is any necessity to extend the time.

Shri Datar: "Extend the time" means how much time has been given already?

Mr. Chairman: One hour.

Shri Sonavane: Sir, the next Bill is very important. Half an hour is enough for this.

Mr. Chairman: I have already said that as we proceed we shall see whether it is necessary to extend the time.

Shri D. C. Sharma: If it is important, that Bill also will get time.

Mr. Chairman: I beg to move:

"That the Bill further to amend the Indian Penal Code, 1860 be taken into consideration."

Sir, I come to the subject of this Bill with a very heavy heart. The first reason for my sadness is this, that in spite of the fact that we have now got a Law Commission, some of the laws of this land have not come under

[Shri D. C. Sharma]

review on the part of this Law Commission. And this is one of those, though I think it does need some kind of change or revision or amendment.

I also wish to bring to your kind notice that this refers to 1860, and I am speaking about this amendment in the year 1962. Sir, one hundred and two years have passed, and I think there is some necessity for amending or changing even those laws which have stood the test of a century.

I think law is a dynamic thing, and law is always adjusted to new social conditions and new social environments. I believe that law has to move with the spirit of the times and also with the spirit of the people whom it serves. But unfortunately, in our country we show a great deal of allergy to the amendment of any law. I think we are, in the field of law, very much past-dominated. I know, there is no end of gratitude for Lord Macaulay who gave us this Indian Penal Code. It was, I should say, a combination of the features of the Penal Codes of so many countries, and particularly of the United Kingdom. But it did reflect the social conditions to some extent. Now things have changed. India was at that time a colonial dependency of the British Empire. The stranglehold of colonialism was making itself felt at that time.

Colonialism had not spread its tentacles wide in this country. It was just in an initial stage. After that, colonialism had its heyday in our country. Then came the Freedom movement. The Freedom movement brought us Independence. Independence has changed so many things. Free India is not the India of Lord Macaulay. Free India is not the India of the Indian Penal Code of 1860. Free India is living in a different social set-up, in a different atmosphere. We the inhabitants of Free

India breathe a different kind of air and that is fresh air as we know. This statute has been there for the last 102 years. Unfortunately, there are some persons who will get up and support it because it is old and ancient. We Indians are, in many ways worshippers of what is old and ancient. We set too much store by what is of the past. Of course, there are some good things in the past also. But, I believe, our Ministry of Home Affairs or whatever Ministry is going to deal with this Bill, would do very well if they tried to give us a new Code. There was Revolution in France and one of the good things that that Revolution brought about was the Code Napoleon. New things; new codes; changed times; changed laws; that is what happened. Here, we have been in the midst of an economic revolution, a social revolution, a political revolution and yet the great pundits of the Ministry which preside over these things, think these things to be as sacred as anything contained in any revealed book of India. This is something which breaks my heart. This is something which makes me very, very unhappy. We should have a new Code. As Napoleon gave a new Code to France, similarly, the Members of the Cabinet—there are so many of them—should give us a new Code. Even if they cannot give us a new Code, I would plead very vehemently and very humbly—I am a very humble person—that we should have a new Code to meet the changing circumstances of my country.

I think there was one gentleman who said something like this about education. What does education do for us? Education makes us sophisticated. That is to say, we can find arguments for proving any case. That is one of the good things that has been done. Here I stand and I am going to prove my case. There are other educated Members and they will speak against me and they will bring forward very good arguments. Education is the school of argumentativeness.

Sometimes we argue for the sake of argument. Education is also, if I may say so, the school of ingenuity. New methods are coming forward to do old things. Nowadays, we have scientific methods. We have got what is called scientific crime. God forbid if scientific crime makes its appearance in my country to the extent to which it has made its appearance in some other countries. All this is the result of education. There is no question of saying that one should not be educated. Education has its bright side and also its dark side. Education is a double-edged weapon. In the hands of the good, it is an instrument of human welfare. But, in the hands of the evil, it is a weapon destructive of human happiness and human solidarity. That is what happens.

Shri Hari Vishnu Kamath (Hoshangabad): It is in good hands here.

Shri D. C. Sharma: Education has taught us new ways of criminal breach of trust. Gone are those days when our people had a few ideas about criminal breach of trust. Now, on account of our vast experience, on account of the study of newspapers, we are learning new methods, new techniques and embarking on new adventures in this field. Therefore, I would say that the time has come when we should do something to adjust ourselves to this new atmosphere which is surrounding us.

I need not go very far, but here is today's Order Paper which contains the starred questions and the unstarred questions for today. In the list of starred questions for today, there is question No. 1363 about a mill.

Shri Hari Vishnu Kamath: By my hon. friend?

Shri D. C. Sharma: No, I had not asked that question. I am very sorry. **Shri Dajl** asked that question, and it

stands also in the name of **Shri S. M. Banerjee**. The question reads thus:

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

(a) whether Special Police Establishment has searched the premises of New Central Jute Mills Company;

(b) if so, the reasons therefor;

(c) how many times these have been searched;

(d) whether some documents have been recovered; and

(e) if so, what are those documents?"

I do not know what this New Central Jute Mills Company is, and where it is. I know nothing about it. But I am referring to it only to prove my point that something like this is happening in my country.

I found two questions about this kind of thing in the Order Paper for today, one a starred question and the other an unstarred question. The answer to the starred question reads thus:

"(a) Yes.

(b) The search was made in the course of investigation of an alleged offer of criminal breach of trust of the funds of the New Central Jute Mills by persons connected with its management.

(c) Once, but the search continued for three days."

So, a big criminal breach of trust required a bigger chunk of time.

Then, the answer goes on to say:

"(d) Yes.

(e) Vouchers, Account Books relating to the transactions which are the subject-matter of the investigation."

[Shri D. C. Sharma]

What I mean to say is that here is a limited company, and here is somebody who wants to do a criminal breach of trust. Of course, you may say 'Oh, all these things happen in business'. Business is not always very clean, though it is very clean in many ways, and therefore, these things happen there.

But, now I come to the field of education which is thought to be the cleanest field in this world. But what do I find? An hon. friend of mine, Dr. L. M. Singhvi, has put unstarred question No. 2829, What is this question about? This is not a question about any mill, but this is a question about an educational institution. This question reads thus:

"Will the Minister of Education be pleased to state:

- (a) whether any financial aid or grant has been given by Government of India or any Central body to Rajasthan Vidya-peeth in Udaipur..."

I do not know what this Vidya-peeth is; I know nothing about it; I know nothing about its history or whatever it is. But I believe that it must have a good name in Rajasthan.

Dr. L. M. Singhvi: It does not have a good name; that is why I have tabled the question.

Shri D. C. Sharma: The question further reads:

- "(b) if so, to what extent since 1957 to date;
- (c) whether it is a fact that an investigation was made into the affairs of the said Vidya-peeth, disclosing misappropriation and malfeasance to the extent of about Rs. 5,30,000..."

Generally, the schoolmasters do not go beyond a few hundreds of rupees.

but here you see that things have changed, and my hon. friend is talking of the changed circumstances. Here, the amount is supposed to be of the order of about Rs. 5.30 lakhs. So, we teachers also are doing things on a big scale now, because we are getting big grants.

The question then reads:

- "(d) whether the Central or the State Government are in possession of any report revealing a distressing state of affairs;..."

Shri Nambiar (Tiruchirapalli): Let my hon. friend come to the point and say what the amendment that he is proposing is.

Shri D. C. Sharma: The question then continues:

- "(e) if so, why the report is not being made public; and
- (f) what action is being taken against the culprits?"

I may tell my hon. friend Shri Nambiar that I am coming to my point. My Bill is about criminal breach of trust, and I am giving the fundamentals of that thing. But my hon. friend will have the same fate on this Bill also as he had in regard to the other Bill that was discussed earlier.

Mr. Chairman: The hon. Member may proceed with his argument; he need not reply to the interruptions.

Shri D. C. Sharma: My Bill deals with criminal breach of trust, and it is proved because there are two questions today about it, one a starred question and the other an unstarred question. The Starred Question deals with a mill and the Unstarred Question with an educational institution in Rajasthan where there has been alleged defalcation to the extent of

Rs. 5,30,000. How that has happened, I do not know.

I was submitting very respectfully that education and all those things have taught us new ways of doing these things. We have been, as you know, in the midst of two world wars and those two cataclysmic wars have also led to lowering of moral standards. Therefore, these things are happening. There are contractors who do not abide by the terms of the contract. There are carriers who carry your goods but do not deliver the right kind of goods. There are businessmen who do not give the specified kind of things. It is not only between individuals that these things are taking place. Our Minister of Rehabilitation—now he is Minister of Works, Housing and Supply—went to some country to bring back lockers and all that kind of things. Those lockers contained many precious things. They were delivered to the persons who owned them. These came after so many years. It was found that some of them were empty and others contained articles which were not those kept by the owners. So this can happen on an inter-State level, inter-country level.

Shri Hari Vishnu Kamath: International level.

Shri D. C. Sharma: We hear of inter-state gangs. What do these inter-State gangs do? They are doing all these things.

I would say this is happening in the world of transport. This is happening in the world of education...

Shri Hari Vishnu Kamath: Commerce.

Shri D. C. Sharma: ...in the world of commerce. In commerce, it is much more than in any other department of our life. I am not talking of the Ministry of Commerce, but of commerce.

I go to my constituency. I want goods of a particular variety. But I get goods of another variety. There

is a poor man in one of the villages of my constituency. He came here. He wanted cut pieces of cloth. He went to some market to get those pieces. He got them. They were all very good. They were going to be sent to him at the place he lived. He got the railway consignment and when he opened it, he found that it did not contain those cut pieces of cloth which he had bought but something else.

Shri Hari Vishnu Kamath: That is cheating.

Shri D. C. Sharma: It is cheating. I am thankful to my hon. friend, Shri Kamath, for drawing my attention to this, that there is some difference between cheating and criminal breach of trust. But criminal breach of trust is also there, because those persons promised to give something but did not give it.

I am now talking about criminal breach of trust. I submit very respectfully that this disease is eating into the...

Shri Hari Vishnu Kamath: Vitals.

Shri D. C. Sharma: ...vitals of our society, and there is hardly any department of our life where you do not find it. Drastic diseases require drastic remedies. This has ceased to be a mild disease. Somebody executes a will in favour of somebody else. The executor does not carry out the will—criminal breach of trust. Somebody keeps a warehouse and somebody else goes to him and wants to get something from him. But the owner of the warehouse is a dishonest person and does not give the stipulated goods for the stipulated sum of money. I am living in Delhi. I send some money to Calcutta to somebody who is my partner, and ask him to invest the money in a bank. He invests it in his own bank. That is what is happening. So, I can multiply these instances. I entrust a carrier with the job of carrying some of my property, and he takes hold of that property. This is what is happening.

[Shri D. C. Sharma]

in some of the transport companies, in some of the ventures engaged in transport. A revenue officer—such cases we come across very often—gets money, but instead of depositing it in the proper place, bolts away with that money. What I am submitting respectfully is this, that this criminal breach of trust has become a kind of racket which is being practised now on a very big scale. Of course, I do not have facts and figures with me.... (interruption) You kindly go to your place, and you will have your Bill very soon.

Shri Sonavane (Pandharpur): My learned friend said that criminal breach of trust had become a racket. I said those committing criminal breach of trust together form a racket. I just wanted to correct him.

Shri D. C. Sharma: He is right. He does not know that I also studied English at some college at one time, and that a racket can be applied to persons and also to some kind of institutions. Therefore I am perfectly right, and I am glad that this gentleman also read English somewhere, though he did not read in the same place, and therefore there is some confusion in our application of the meaning of this word.

Anyhow, I want that section 405 should be made so specific and clear that anyone who is guilty of this very anti-social thing cannot get away with it. Our difficulty is that we catch people, but on account of some loophole in our law, on account of some imperfect wording of the law, on account of certain omissions in the law, those persons are able to make good their escape. Therefore, I am asking for a very simple thing. I am asking that after the words "direction of law", the words "or of any condition, express or implied" be inserted. Why? Because express and implied conditions are also there. It is not only law that is the primary thing in life, it is not only

law that is the sovereign thing in human affairs, there are also conditions, and those conditions are sometimes express and sometimes implied, and any one who is honest can understand the implications of those conditions which are not expressed very directly. So, I say that this thing should be added so that it does not remain only a matter of legal jugglery, only a matter of legal argument. It should also become a matter of social obligation. Whether it is implied or explicit, I want to broaden the scope of the measure so that it does not remain merely a matter of legal argument but it becomes a matter of social conscience. That is what I want it to be.

Then, I want to add three more words, "express or constructive" after the words, "such trust", so that either it is expressed or it is inherent in the case. I want these two amendments to be made so that this law becomes a little more tight and also it becomes a little more clear and explicit.

Of course, I am doing all this for safeguarding the interests of society. I have no animus against anybody. I have been taught even to forgive the sinner and forgive the criminal. Forgiveness has been instilled into me ever since I was a child, but there are certain crimes against one's own self which one cannot forgive and there are certain crimes against society which I cannot condone. I am referring to those anti-social things.

In section 406 of the principal Act, for the words, "three years or with fine, or with both", I want the words "five years and shall also be liable to fine" to be substituted. Why do I say this? The period was three years when the expectation of life was small.

Shri Namblar: Make it six.

Shri D. C. Sharma: Now, the expectation of life is 47. Formerly, the

expectation of life was 22 to 27. In my State, the expectation of life is 47 now. So, three years is a small instalment of one's life which enables you to overcome the defects of this law. The period was three years at that time when the expectation of life was small. It should be five years now. Therefore, I want that anybody who commits this breach of trust should be punished for five years.

Shri Nambiar: Make it six.

Shri D. C. Sharma: You will make it six, and I am sure you are one of those persons who swear by it because you are such a good man that I have no end of regard or affection for you. I want the period to be five years with fine.

So, I want this Act to be amended not to please me, or to please anybody. It should be amended not to offend anyone or anybody. It should be amended in order to subserve the changed social circumstances. I would, therefore, request the hon. Minister to agree to what I am saying. I think if I can judge things—I think I have judged it very rightly now—there is some hope of this measure going through successfully.

Mr. Chairman: Motion moved:

"That the Bill further to amend the Indian Penal Code, 1860 be taken into consideration."

I find no other hon. Member wants to speak. The Minister.

Shri Datar: Sir, I sympathise with the objectives of the hon. Member, but may I point out that though the circumstances have changed from 1860 to what they are in 1962, the underlying principles on which this Indian Penal Code was based in general and sections 405 and others the particular do stand and do remain as they are? My only difficulty in dealing with this subject is that my hon. friend is a learned professor and so I shall have to place before the

House certain elementary principles of law. That is my difficulty, but I should like to be as brief and explicit as possible.

So far as the law of trusts is concerned, we have got a number of them. The Indian Trusts Act is one important law on the subject, dealing with private trusts. We have other public trusts also. The word "entrustment" which has been used in section 405 is of a general character. I am trying to point out that the object which my hon. friend has in view has been completely subverted by the wording of section 405, which says: "Whoever being in any manner entrusted with property..." etc. The word 'trust' has not been used in the technical sense in which it is used in some of the laws that we have. The Indian Trusts Act is also an old Act, which was passed in 1882. Perhaps to cause some discomfiture to my hon. friend, I may say, sometimes old is good as well. Although the Indian Trusts Act contains a definition of the word 'trust', the legislature felt that apart from cases where a trust would be created specifically by the act of parties, there might be cases where they would not be specifically created, but there might be what are known as implied trusts, constructive trusts or resulting trusts, i.e., trusts proceeding from the facts of a particular case and in the eyes of the law applicable to it. It was for this purpose that after dealing with specific trusts, the Indian Trusts Act in the last chapter deals with what are known as obligations in the nature of trusts. They include implied trusts, constructive or resulting trusts. There are other types of trusts that have been defined in what is known as the law of trusts.

18 hrs.

This question has been fully considered. In fact, trust was one of the subjects dealt with in the English chancery or equity courts. They found that there may be circumstances where short of an express trust,

[Shri Datar]

Certain obligations would arise in the nature of a trust and therefore, such cases also have to be fully dealt with and covered by the law as it exists. That was why chapter 9 was provided for in the Indian Trusts Act of 1882. There are a number of provisions there and it has been pointed out that in the different set of circumstances that have been dealt with by the various sections, a trust would be forced or imposed upon a person. In law it is stated that whenever there are what are known as relations of confidence, relations creating faith or confidence between the parties apart from legal relations that might be created by a contract, there are certain obligations imposed. When the character of the relationship held

by a person who is known as the trustee is called a fiduciary relationship, it is known as a *cestui-que* trust and the trustee in whose favour certain obligations are created is called a beneficiary under our normal law.

Mr. Chairman: How long will the hon. Minister take?

Shri Datar: At least 15 minutes.

Mr. Chairman: He may continue next time.

18.02 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, June 11, 1962/Jyaistha 21, 1884 (Saka).

Friday, June, 8, 1962/Jyaistha 18, 1884 (Saka)

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1363	Search of premises of New Central Jute Mills Company	9652-53	2798	Basic education and rural development	9679
1364	Pipeline to transport coal	9653-54	2799	Rewards for discovering mineral deposits	9679-80
1365	Development work in border areas of Uttar Pradesh	9654—57	2800	Fire accidents in Tripura	9680
1367	International Indian Ocean Expedition	9657—59	2801	Central grant to Tripura Territorial Council	9680-81
1368	Watch smuggling	9660-61	2802	Survey of India employees	9681
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1372	Hospital in Dehi Cantonment	9671-72	2811	Psychological Counselling Centre, Baroda	9687-88
1374	Branch Office of Accountant General, Gujarat	9672-73	2812	Chinese 'Dry Cleaners' and 'Dyers' in Calcutta	9688
U.S.Q. No.			2813	Asbestos in Chamoli	9689-90
2787	Nal Aerodrome (Rajasthan)	9673	2814	Ground water in Tiruchi	9689-90
2788	Steel re-rolling mill in Kerala	9673-74	2815	Sulphur in Salem Iron Ore	9690—92
			2816	Journalism course in Delhi University	9691-92
			2817	Opium haul at Jagadhari	9692

WRITTEN ANSWERS TO QUESTIONS—*contd*

U.S.Q. No.	Subject	COLUMNS
2818	M. V. 'Andaman' and M. V. 'Nicobar' ships .	9692-94
2819	National Library, Cal- cutta	9694
2820	Public Sector Projects .	9694
2821	Canteen in 505 Army Base Workshop, Delhi	9694-95
2822	Suppression of Immoral Traffic in Women and Girls Act, 1956 . . .	9695
2823	Mineral oil in Gujarat	9695-96
2824	Silver mines	9696
2825	Political pensions . .	9696-97
2826	Delhi Cantonment Board	9697
2827	Employees of Nursing Officers' Messes of Military Hospitals . .	9697-98
2828	Profession tax from civilians of Military Hospital, Delhi Can- tonment	9698
2829	Aid to Rajasthan Vidya- peeth	9698-99
2830	Scooter factory in Rajasthan	9699
2831	Emotional Integration .	9700
2832	Conservancy charges in Delhi Cantonment	9700-01
2833	Orissi dance	9701
2834	Staff association in A.G.'s Office, Assam	9701-02
2835	Homes for Scheduled Castes in flood-affected areas of Bihar	9702-04
2836	Smuggling of saffron .	9705
2837	Explosion inside Fatehpuri Mosque, Delhi	9705
2838	Seizure of gold	9705-06
2839	Stamp Duty under Advocates' Act, 1961 .	9706-07
2840	Requirement and produc- tion of C. I. sheets and cement	9707
2841	Reservation for the Handicapped in services.	9707-08
2842	Import of lubricants .	9708
2843	Remission of loans to D.P.S.	9709-10
2844	Administration of schools run by Military Can- tonments	9710
2845	Employment of ex- servicemen	9710-11
2846	I.A.F. plane crash .	9711

WRITTEN ANSWERS TO QUESTIONS—*contd*

U.S.Q. No.	Subject	COLUMNS
2847	Foreign aid received by Government employees for deputation abroad .	9711-12
2848	Directorate of Military Lands and Cantonments	9712-13
2849	China Clay deposits in U.P.	9713
2850	Annual increments to staff of Armed Forces Head- quarters	9713
2851	Armed Forces Head- quarters staff.	9714
2852	U.P.S.C.	9714-15
2853	Employees of Tripura Administration	9715
2854	Employees of Tripura Territorial Council . .	9715-16
2855	Oil used in Artillery recuperators	9716
2856	Printing Press from West Germany	9717
2857	Death of an Irish traveller	9717-18
2858	Fire incidents in Delhi .	9718-19
2859	Throwing of hand- grenades in Indo-Pak border village	9719-20
2860	Quarters for employees of Hindustan Steel Ltd.	9720-21
2862	Central Secretariat Cleri- cal Service Scheme . .	9721-22
2863	Central Secretariat Ser- vice	9722
2864	Recruitment of Assistants	9722-24
2865	Sales tax tribunal for Delhi	9724
2866	Pakistani Nationals arrested in Delhi	9724
2867	Indian Everest Expedition	9724-25
2868	Pay scales of teachers of Primary Schools	9725
2869	Central Secretariat Service	9725

Correction of Answer to U.S.Q.
No. 1593, dated 18-5-62

9725-26

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

9726-30

(i) Shri Umanath called the
attention of the Minister
of Railways to the re-
ported dislocation in
unloading operations at
Salt Cotaurs Railway
Goods shed, Madras.

COLUMNS

COLUMNS

CALLING ATTENTION TO
MATTER OF URGENT
PUBLIC IMPORTANCE—*contd.*

The Deputy Minister in the Ministry of Railways (Shri S. V. Ramaswamy) made a statement in regard thereto

(ii) Shri Hem Barua called the attention of the Prime Minister to the invitation accorded to People's Republic of China to send delegates to proposed Anti-Nuclear Bomb Convention at Delhi. The Prime Minister and Minister of External Affairs and Minister of Atomic Energy (Shri Jawaharlal Nehru) made a statement in regard thereto. . . .

PAPER LAID ON THE TABLE 9730—31

A copy of Annual Report of the Oil and Natural Gas Commission for the year 1960-61, under sub-section (3) of the Oil and Natural Gas Commission Act, 1959, was laid on the Table. . . .

DEMANDS FOR EXCESS
GRANTS (RAILWAYS) 9731—32
FOR 1959-60.

The Deputy Minister in the Ministry of Railways (Shri S. V. Ramaswamy) presented a statement showing the Demands for Excess Grants in respect of the Budget (Railways) for 1959-60

STATEMENT BY MINISTER 9732—38

The Minister of Finance (Shri Morarji Desai) made a Statement reg. Foreign Exchange situation. . . .

ELECTION TO COMMITTEE 9738—39

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran) moved for election of three members of Lok Sabha to serve as members on the Central Advisory Board of Education. The motion was adopted. . . .

JOINT COMMITTEE ON
OFFICES OF PROFIT 9740

The Deputy Minister of Law (Shri Bibudhendra Mishra)

GMGIPND—LS II—958(Ai) LS—28-6-62—900.

JOINT COMMITTEE ON
OFFICES OF PROFIT—*contd.*

moved a motion for constitution of a Joint Committee consisting of ten members of Lok Sabha and five members of Rajya Sabha, and recommending to Rajya Sabha to join the said Joint Committee. The motion was adopted. . . .

DEMANDS FOR GRANTS

Further discussion on Demands for Grants in respect of the Ministry of Commerce and Industry continued. The discussion was not concluded. . . .

PRIVATE MEMBERS' BILLS
INTRODUCED 9819—20

- (i) The Political Sufferers' Aid Bill by Shri Satis Chandra Samanta. . . .
- (ii) The Hindu Marriage (Amendment) Bill (*Amendment of Section 23*) by Shri J. B. S. Bist. . . .

PRIVATE MEMBER'S BILL—
CIRCULATED 9820—41

Further discussion on the motion to circulate the the Legislative Councils (Composition) Bill by Shri Shree Narayan Das concluded. The motion was adopted. . . .

PRIVATE MEMBER'S BILL—
NEGATIVED 9841—63

Shri S. C. Samanta moved that the Indian Post Office (Amendment) Bill (*Amendment of sections 68 and 69*) be taken into consideration. The motion was negatived. . . .

PRIVATE MEMBER'S BILL—
UNDER CONSIDERATION 9863—78

Shri D. C. Sharma moved that the Indian Penal Code (Amendment) Bill (*Amendment of sections 405 and 406*) be taken into consideration. The discussion was not concluded. . . .

AGENDA FOR MONDAY,
JUNE 11, 1962 (JYASTHA
21, 1884 (SAKA))

- (i) Further discussion on Demands for Grants in respect of Ministry of Commerce and Industry
- (ii) Discussion on Demands for Grants in respect of Ministry of Finance.