



Tuesday  
16th March, 1954

# PARLIAMENTARY DEBATES

## HOUSE OF THE PEOPLE

OFFICIAL REPORT

(Part I- Questions and Answers )

---

**VOLUME I, 1954**

---

**Sixth Session**

**1954**

**PARLIAMENT SECRETARIAT  
NEW DELHI**

Dated 01.12.2014

THE  
PARLIAMENTARY DEBATES  
(Part I—Questions and Answers)  
OFFICIAL REPORT

1091

1092

HOUSE OF THE PEOPLE

Tuesday, 16th March, 1954

*The House met at Two of the Clock*

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

PALM GUR TRAINING SCHOOL

\*1032. Shri M. L. Dwivedi: Will the Minister of Commerce and Industry be pleased to state:

(a) the name of the State from where the largest number of students attend the Central Palm Gur Training School;

(b) the reasons why this institution is not handed over to the State wherein it is situated in case the largest number of trainees are from that State itself; and

(c) what steps are being taken to implement the Estimates Committee's recommendations vide para. 112 on page 52 of the Sixth Report of the Committee?

The Minister of Commerce (Shri Karmarkar): (a) Madras State.

(b) and (c). The recommendations of the Estimates Committee for the transfer of the Central Palm Gur Training School to the State Government are under examination.

Shri M. L. Dwivedi: What is the annual expenditure incurred by the Central Government for the purposes of this School, and to what extent have the States been subscribing to it?

Shri Karmarkar: Last year, the Food and Agriculture Ministry spent Rs. 60,000 on the School but no State Government contributed, although there were trainees from many States.

Shri M. L. Dwivedi: May I know the number of trainees admitted for training every year, and also may I know what happens to them after they have completed their training?

Shri Karmarkar: So far, from the inception of the School, 385 students have been trained, and most of them are absorbed in the work of palm-gur development.

श्री एस० एन० दास : क्या माननीय मंत्री बताते हैं कि दूसरे दूसरे प्रान्तों के कितने विद्यार्थियों ने शिक्षा प्राप्त की है ?

श्री करमरकर : मैं नमूने के तौर पर कुछ राज्यों के कीगर्स माननीय मेस्टर के सामने रखे देता हूँ जो इस प्रकार है :

मद्रास : २०४

राजस्थान : ४५

सौराष्ट्र : १४

हैदराबाद : ७०

बिहार के बारे में जानना चाहते हैं तो बिहार से सात विद्यार्थियों ने शिक्षा प्राप्त की है ।

कोसी परियोजना

\*१०३४. सेठ गोविन्द दास : क्या तिवारी तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि अब तक कोसी बांध परियोजना पर कितना खर्च हुआ है ?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** The total expenditure incurred up to the end of January, 1954, on the investigations of the Kosi Project amount to Rs. 88,46,381.

**सेठ गोविन्द दास :** इस योजना के पूरा होजाने तक वित्तना धन खर्च होगा, इस सम्बन्ध में क्या कोई वात निश्चित हो गई है ?

**Shri Hathi:** Rs. 40 crores is the estimated cost of the project.

**सेठ गोविन्द दास :** यह ४० करोड़ रुपय की धन राशि कितने वर्षों में लगाई जायेगी, इसका क्षुछ अन्दाज है ?

**Shri Hathi:** The project will be completed after six years.

**श्री एम० एल० हिंदेवी :** मैं यह जानना चाहता हूँ कि पूना में जो अनुसन्धान शाला है उसने कोसी बांध का माडल बना कर जो प्रक्सेपरीमेंट किया है और उसके अनसार अपनी सिफारिशें गवर्नमेंट के पास भेजी हैं, गवर्नमेंट उस के बारे में क्या करने जा रही है ।

**Shri Hathi:** The model at the Poona Research works has been examined by the C.W.P.C. here.

**श्री भुनसुनवाला :** यह चालीस करोड़ रुपया लगा देने से क्या पूरा फ्लड कंट्रोल हो जायेगा ?

**The Minister of Planning and Irrigation and Power (Shri Nanda):** Yes, it will achieve full flood control.

#### ECONOMIC MISSIONS TO ARAB STATES

\*1035. **Shri S. N. Das:** Will the Prime Minister be pleased to state:

(a) whether any proposal to send economic missions to the Arab States to conclude trade agreements has been considered;

(b) if so, whether there is any likelihood of sending such missions in the near future; and

(c) what other steps, if any, have been taken for strengthening relations with the Arab States?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) and (b). A proposal to send a trade delegation to the Middle East countries including the Arab States to explore the possibilities of expanding India's export trade is under consideration. There is no intention at present to negotiate or conclude trade agreements with any particular Arab State. We have already entered into trade agreements with Egypt and Iraq and a Treaty of Friendship and Commerce with Syria also exists.

(c) We have diplomatic relations with Egypt, Iraq, Syria, Jordan, Lebanon and Libya. We also have in Saudi Arabia a Consulate General which is proposed to be raised to a Legation shortly. Treaties of friendship have been concluded with Iraq and Syria. For a more detailed account of various steps taken towards this end during the last year, the hon. Member may refer to the Annual Report of the Ministry of External Affairs for the year 1953-54 which will be placed on the Table of the House shortly.

**Shri S. N. Das:** May I know whether any fresh proposals from any of these countries were received in 1953 by the Government of India for strengthening the mutual relations?

**Shri Anil K. Chanda:** No proposal was received for any special treaty. We are in very great friendship with all the countries.

**Shri S. N. Das:** May I know whether it is a fact that in recent months, due to internal troubles in these countries, the ties of relationship have been straitened or there is some interference by other forces there?

**Shri Anil K. Chanda:** The internal affairs of a country do not affect us. Our friendship continues as before.

## TECHNICAL PERSONNEL SURVEY

\*1036. **Shri A. N. Vidyalankar:** Will the Minister of Planning be pleased to state:

(a) whether the Planning Commission has made any survey to ascertain (i) the number of technical personnel available in India; and (ii) the number of such personnel without suitable employment; and

(b) whether the Commission propose to ensure that there will be no waste of human resources and technical skill?

\* **The Minister of Planning and Irrigation and Power (Shri Nanda):** (a) (i) The Planning Commission has not undertaken a general survey of all technical personnel available in India, but a limited amount of information is collected by the Council of Scientific and Industrial Research and the Ministry of Labour.

(ii) At the end of January last 53,376 persons possessing technical skill or knowledge were registered as unemployed by the Employment Exchanges of the Ministry of Labour.

(b) This is one of the important objectives of national planning.

**Shri A. N. Vidyalankar:** What attempts have been made to ensure that there is no wastage of technical personnel in India?

**Shri Nanda:** The Ministry of Education is taking steps in that direction, in addition to other measures taken by us.

\* **Shri A. N. Vidyalankar:** Is it a fact that certain persons sent abroad for technical training, after return, are remaining unemployed and therefore their technical knowledge is not being utilised?

**Shri Nanda:** So far as we know from our records, about 90 per cent. of the scholars who have gone abroad have been employed. Regarding the rest, it has not been possible to get in

touch with them, but the information is that there may be a very small number who may have remained unemployed.

**Shri Sarangadhar Das:** May I know if it is a fact that in 1948 or thereabouts there was a decision of the Government to make a survey of technical personnel available in India, and has anything been done since then?

**Shri Nanda:** Yes, as a result of the recommendations of the Scientific Manpower Committee, a survey was made. Some registers have been completed, and others are in progress.

## D. V. C. ELECTRICITY SUPPLY

\*1037. **Shri S. C. Samanta:** Will the Minister of Irrigation and Power be pleased to state:

(a) how far the construction of transmission and distribution system under the Damodar Valley Corporation has progressed up-to-date;

(b) the mileage of transmission lines which have been erected;

(c) how much has been brought into commercial operations; and

(d) how many grid sub-stations and receiving stations are working at present?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) and (b). Upto 15th February 1954 the D.V.C. have constructed 311 route miles of transmission lines, five substations and five receiving stations. The construction of three grid substations has been partially completed.

(c) 154 route miles.

(d) Four transformer substations and five receiving stations are working fully while 2 grid substations are partially in commercial use.

**Shri S. C. Samanta:** May I know whether the construction work is departmentally done, and if so, whether there is any paucity of materials?

**Shri Hathi:** The work is done departmentally. So far as the materials

are concerned, some equipment for the substations have not arrived.

**Shri S. C. Samanta:** May I know the time by which the Sindri system merged with the D.V.C. and how it is working at present?

**Shri Hathi:** The power from the Sindri factory is connected with the Bokaro Thermal Station.

**Shri S. C. Samanta:** May I know the coalfields that have got immediate relief?

**Shri Hathi:** The Asangol coalfields and the Jharia coalfields have been getting power right from 1952 from Sindri Power.

PROGRAMME ADVISORY COMMITTEE,  
JULLUNDUR

\*1038. **Shri D. C. Sharma:** Will the Minister of Information and Broadcasting be pleased to state:

(a) whether a Programme Advisory Committee has been constituted for the Jullundur Radio Station;

(b) if so, the names of the members of the Committee;

(c) whether any meetings of the Committee have been held; and

(d) if so, what are the recommendations?

**The Minister of Information and Broadcasting (Dr. Keskar):** (a) and (b). The Programme Advisory Committee for Jullundur Station of All India Radio was constituted in January, 1950 and has been reconstituted in September, 1953. A statement showing the names of members of both the old and the present Committee is placed on the Table of the House. [See Appendix IV, annexure No. 12.]

(c) The Committee has had 9 meetings.

(d) The Programme Advisory Committees make suggestions for the improvement of programmes of the Station and advice on such matters concerning their planning and presentation as are referred to them.

I might add that these are not statutory committees.

**Shri D. C. Sharma:** May I know if any representation has been received for extending the duration of the rural programme from the Jullundur Radio Station?

**Dr. Keskar:** The proceedings of all Programme Advisory Committees are received at the Central Directorate and the new suggestions that these Committees might have put to Government are duly considered. On looking at the proceedings of the Committee's last meeting, there is a suggestion not for extension, but for addition of certain items to the rural programme.

**Shri D. C. Sharma:** May I know if the establishment of a third transmission at Jullundur Station is under contemplation?

**Dr. Keskar:** There is only one transmission—I do not know of a second transmission there. No doubt, we have got two small stations joined together—Amritsar and Jullundur, but we do want to reorganise the services at Jullundur Station after the establishment of the high-power transmitters which we hope will go on the air next month.

**Shri D. C. Sharma:** May I know if any improvements are contemplated so far as school broadcasts are concerned?

**Dr. Keskar:** I would not be able to give a reply off-hand.

VISA OFFICES

\*1041. **Shri Gidwani:** Will the Prime Minister be pleased to state:

(a) whether additional visa offices have been opened in India and Pakistan in terms of the decision of the Indo-Pakistan Passport Conference;

(b) whether it is a fact that the Indian Visa Office in Karachi was issuing four hundred visas daily to Pakistani Nationals visiting India;

(c) whether the Indian Mission in Karachi is accepting applications for visas by post also; and

(d) if so, whether the Pakistan Government have made similar arrangements in India?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) Additional visa offices are being opened and will start functioning shortly.

(b) The present average is about 300 visas a day.

(c) Yes.

(d) Yes.

**Shri Gidwani:** Are Government aware that Indian nationals experience great difficulty in getting visas, particularly in Delhi office?

**Shri Anil K. Chanda:** We have had reports about the great delay in the granting of visas so far as our nationals are concerned.

**Shri Gidwani:** What action has been taken to expedite the granting of visas?

**Shri Anil K. Chanda:** There have been assurances from time to time by the Government of Pakistan that they will rectify matters.

**Shri Krishnacharya Joshi:** How many visas are issued daily from India to Pakistan?

#### TEA PROPAGANDA IN WESTERN GERMANY

\*1044. **Shri Bhagwat Jha Azad:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether Government have started a "Drink more Tea" campaign in Western Germany;

(b) the reason for selecting Western Germany amongst other European countries for this campaign;

(c) whether Government have considered the proposal of starting such a campaign in other countries; and

(d) the cost of the campaign in Western Germany?

**The Minister of Commerce (Shri Karmarkar):** (a) and (d). A corporation has been set up in Western Germany to promote and support the sale and consumption of tea in that country. The local tea trade and the Central Tea Board are parties to that corporation. The annual expenditure of the corporation is expected to be Rs. 5 lakhs approximately.

(b) and (c). The question of setting up similar organisations in important tea consuming countries is also under consideration.

**Shri Bhagwat Jha Azad:** May I know whether, since the starting of the campaign, there has been any appreciable increase in the consumption of Indian tea in Germany?

**Shri Karmarkar:** This arrangement has been entered into recently, but Germany has been showing increasing trends of import of Indian tea.

**Shri Bhagwat Jha Azad:** May I know in what other countries such arrangements are being made to propagate further consumption of Indian tea?

**Shri Karmarkar:** We entered into similar arrangements with the U.S.A. and Canada and the same is under contemplation with respect to some other countries.

**Shri Barman:** Was there any proposal by the Central Tea Board to open an office in Switzerland, either at Berne or at Geneva, for this purpose, and if so, what happened?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** There was such a proposal for a tea centre at Geneva and a building was secured, but on further reflection, it is now proposed to drop the idea.

**Shri Bhagwat Jha Azad:** May I know if the propaganda was undertaken by the Government of India as a result of the fall in the consumption of Indian tea in Western Germany and other European countries?

**Shri Karmarkar:** The general idea is that we believe in the promotion of the export of tea. For instance,

during recent years, the export to Germany has shown an increase and we want to increase it still further.

**Shri K. K. Basu:** May I know whether there is any proposal with the Government to try to propagate the consumption of tea in the East European countries?

**Shri Karmarkar:** Not at the moment, so far as I can say off-hand, by special organisations.

POWER PRODUCTION IN RIVER VALLEY PROJECTS

\*1045. **Shri L. N. Mishra:** Will the Minister of Irrigation and Power be pleased to state:

(a) the comparative cost per unit of the power produced by the Damodar Valley Corporation, the Hirakud Dam Project and the Bhakra-Nangal Project;

(b) the quantum of power that is expected to be utilised; and

(c) the quantum that would lie idle in each of these three Projects?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) The latest information is being collected and will be laid on the Table of the House as soon as possible.

(b) and (c). A statement giving the required information is laid on the Table of the House. [See Appendix IV, annexure No. 13.]

**Shri L. N. Mishra:** May I know whether State Governments are bulk purchasers of power; if so the rate at which power is given to them from these river valley projects, and the price per units charged from individual consumers by the State Governments?

**Shri Hathi:** From Hirakud Dam Project, the purchasers are not State Governments, but they are mostly industrial factories. Similarly, in the Damodar Valley Corporation, the Bihar Government is one of the consumers, but the majority will be the industrial concerns.

**Shri L. N. Mishra:** Has there been any change of policy in the new river valley projects that Government is going to undertake?

**Shri Hathi:** I do not think there has been any change of policy in this respect.

**श्री एम्. एल्. द्विवेदी :** क्या में जान सकता हूँ कि जहां जहां पर राज्य सरकारों को बिजली दी जाती है, वहां कन्जूमसं से केन्द्रीय सरकार के रेटों से तिगने से ज्यादा चार्ज किया जाता है ?

**Shri Hathi:** Generally, when the power is supplied in bulk, the rate is different from the retail rate. If a State Government is purchasing in bulk, it will naturally be on the scheduled rate for bulk supply, and the retail rate will be greater definitely.

**Shri K. K. Basu:** May I know whether differential rates are charged for the bulk purchases made by State Governments and electric supply corporations?

**Shri Hathi:** That will depend upon the load and the nature of the load, that is, whether it is for industrial purposes or otherwise.

HANDLOOM INDUSTRY IN MYSORE

\*1046. **Shri Thimmaiah:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether any financial aid has been given to Mysore for giving relief to the handloom weavers in that State;

(b) if so, the total amount given during the year 1953; and

(c) the conditions on which the same has been given?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** (a) and (b). The total amount granted by way of loans and grants was Rs. 5,64,400.

(c) A statement is laid on the Table of the House. [See Appendix IV, annexure No. 14.]

**Shri Thimmaiah:** May I know whether the All-India Handloom Board has surveyed the position of the handloom weavers in that State and submitted any scheme, and whether this amount has been sanctioned on that scheme?

**Shri T. T. Krishnamachari:** No, Sir. The Handloom Board has not got the facilities for making surveys themselves and it is very largely dependent on the information supplied by State Governments.

**Shri Thimmaiah:** Is there any proposal to start a branch of the Handloom Board in Mysore State?

**Shri T. T. Krishnamachari:** We have one Central Marketing Directorate and its office is now located at Madras. It is found that Mysore is quite near Madras for the purpose of the officer concerned to visit Mysore.

**Shri Thimmaiah:** May I know the agency to supervise the use of this fund?

**Shri T. T. Krishnamachari:** Very largely it would depend upon the State Government to utilise the moneys properly, but reports are also sent by the Central Marketing Directorate.

कपड़ा मिलों के बन्द पड़े तकले

\*१०४८. श्री रघुनाथ सिंह : क्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि कपड़ा मिलों के १,१०,४२,००० तकलों में से केवल १,००,१०,००० तकले इस गम्य चल रहे हैं और १०,३२,००० तकले बन्द पड़े हैं ;

(ब) इन बन्द पड़े तकलों से प्रति दिन कितना सूत तैयार किया जा सकता है ; और

(ग) क्या सरकार इस मम्बन्य में कार्यवाही करेगी कि फिलों के सारे तकले बालू हों ?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):**

(a) The total number of spindles installed in Cotton Textile Mills is estimated to be 11,423,000. Of these, 11,227,000 spindles are reported to be in working order. The average number of spindles that are worked daily is 10,262,000 and the balance of 965,000 are generally idle for various reasons.

(b) Approximately 300 bales of yarn can be produced

(c) Under the Cotton Textiles (Control) Order, 1948, each mill has to supply a fixed quantity of free yarn for the market. The performance of each individual mill is reviewed by the office of the Textile Commissioner periodically and any mill failing in its obligation is required to explain its default. The mill is asked if necessary to work extra shifts to enable it to fulfil its quota with a view to make available as much yarn as possible for the development of the handloom industry.

**Shri Raghunath Singh:** How many spindles are lying idle in the U.P. mills?

**Shri T. T. Krishnamachari:** I have a list of mills here. There are four mills one which is not producing to peak capacity, out of which three have totally closed down and one has closed the second shift.

**Shri Bhagwat Jha Azad:** May I know, Sir, the reasons for some of the spindles lying idle? Is non-supply of yarn one of the reasons for it?

**Shri T. T. Krishnamachari:** Spindles supply yarn to people; we do not supply yarn to them.

**Shri Radhelal Vyas:** May I know, Sir, whether the mills are being closed for want of financial aid, and if so, what steps Government propose to take to finance, or advance loans, to such mills?

**Shri T. T. Krishnamachari:** The reasons are various. Some of them have closed, because the machinery is worn out; some of them because

of lack of adequate finance. In one or two cases there has been labour trouble. I think one mill was recently closed down because of lack of supply of coal. In any event these are all managed by private enterprise and Government cannot supply the money necessary for the private enterprise to go on. They obviously have to go to a bank and if the assets are sound the bank will certainly lend them money.

#### TEA ADULTERATION

**\*1049. Shri Barman:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it has come to the notice of Government that adulteration of loose tea is prevalent in the market; and

(b) if so, what steps Government have taken to prevent such adulteration?

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

(b) Under the present legislative enactments this is a matter for the State or the local authorities to deal with. Tea is included in the term "Food" used in the Food Adulteration Bill which is already before the House.

**Shri Barman:** May I know, Sir, how many cases of adulteration of tea have been detected by Government so far?

**Shri Karmarkar:** I have no information.

**Shri Barman:** May I know whether Government is interested in this industry and if so what steps are being taken to maintain the good name of the industry?

**Shri Karmarkar:** We are interested in the industry, Sir.

**Shri Barman:** Then, what steps are being taken to prevent the sale of adulterated tea?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** The problem of adulteration of food-stuffs and other edible articles is a fairly serious one. My hon. colleague the Health Minister is seized of this matter. Administratively, that is the Ministry which is responsible. All that we can do is to draw the attention of State Governments from time to time.

**Shri Barman:** May I know, Sir, whether the Central Government has ever received any suggestion from the Central Tea Board in order to promulgate rules, and also for the setting up of an inspectorate in order to check adulteration?

**Shri Karmarkar:** Government have under contemplation the issue of rules in order to prevent adulteration of tea; but we could not do it under the law as it stood. Under the Central Tea Board Act we are thinking of issuing rules in this behalf.

#### C.P.W.D. NON-GAZETTED ESTABLISHMENT

**\*1051. Shri M. S. Gurupadaswamy:** Will the Minister of Works, Housing and Supply be pleased to refer to the answer given to starred question No. 1237 asked on the 17th December, 1952 regarding classified lists of non-gazetted establishment of C.P.W.D. and state whether these lists have since been prepared?

**The Minister of Works, Housing and Supply (Sardar Swaran Singh):** Yes, Sir, excepting the classified list of Section Officers, which is under print

**Shri M. S. Gurupadaswamy:** May I know, Sir, whether the Ministry has received any complaints from the officials with regard to the preparation of these classified lists?

**Sardar Swaran Singh:** Complaints regarding the lists I have not received any, but certain complaints, or representations have been received to the effect that seniority of certain officials has not been properly fixed.

**Shri M. S. Gurupadaswamy:** May I know, Sir, in how many cases the criterion of seniority has been overlooked and for what reasons?

**Sardar Swaran Singh:** Obviously, it is a very lengthy question to be attempted when thousands of employees are involved.

**Mr. Speaker:** Apart from that it is going into administrative details also.

#### GOVERNMENT BUILDINGS IN SIMLA

\*1052. **Shri K. C. Sodhia:** (a) Will the Minister of Works, Housing and Supply be pleased to state the total rental value of Central Government buildings now lying vacant at Simla?

(b) Are Government taking any steps to utilise these buildings and if so, what?

(c) What is the annual expenditure on the maintenance of these buildings?

**The Minister of Works, Housing and Supply (Sardar Swaran Singh):**

(a) The total rental value of Central Government residential buildings, other than those belonging to the Ministry of Defence, lying vacant at Simla as on the 28th February 1954, works out to Rs. 29,000/- p.m. approximately. The rental value of vacant office accommodation is not readily available.

(b) Yes, Sir. Government propose to shift some of their offices and organisations to Simla to utilise the vacant accommodation there.

(c) The annual expenditure incurred by Government on the maintenance of the vacant buildings (both residential and office) is Rs. 1,52,000/- approximately.

**Shri K. C. Sodhia:** Were any of these buildings under the occupation of the Punjab Government till recently?

**Sardar Swaran Singh:** Yes, Sir. Some of the Government of India buildings are in the occupation of the Punjab Government.

**Shri K. C. Sodhia:** What is the floor space of the buildings lying vacant?

**Sardar Swaran Singh:** I have not got that information.

**Shri Gidwani:** Is Rashtrapati Bhavan also being put to some use?

**Sardar Swaran Singh:** It is kept in readiness for occupation by the Rashtrapati.

**श्री टी० एम० सिंह :** मैं यह जानना चाहता था कि इस पांच वर्ष के दौरान में कितने दफ्तर शिमला से यहां लाये गये जो कि उन बिल्डिंगों में पहले मौजूद थे ?

**Sardar Swaran Singh:** I would require notice, Sir.

**श्री राधेलाल व्यास :** क्या मैं यह जान सकता हूं कि जो दफ्तर शिमला में ले जायेंगे तो वहां आफिसर्स को शिमला अलाउंस देना पड़ेगा और उसकी वजह से सर्च बढ़ जायेगा ?

**Sardar Swaran Singh:** I do not think so, Sir.

#### SINDRI FERTILISERS

\*1053. **Shri N. B. Chowdhury:** Will the Minister of Production be pleased to state:

(a) whether any quantity of Sindri fertilizer has been exported to any country outside India; and

(b) if so, what quantity and to which countries?

**The Parliamentary Secretary to the Minister of Production (Shri R. G. Dubey):** (a) Yes.

(b) 15,100 tons comprising 15,000 to Pakistan and 100 tons sent as a gift to Ceylon under the Colombo Plan.

**Shri N. B. Chowdhury:** May I know whether the price of export was less than the price at which it is made available here in India?

**Shri R. G. Dubey:** Now, or at that time?

**Shri N. B. Chowdhury:** At the time of export.

**Shri R. G. Dubey:** The price of export was Rs. 335. In the case of Pakistan after some negotiations it was reduced to Rs. 325.

**Shri Shivananjappa:** May I know the amount realised by this export?

**Shri R. G. Dubey:** The quantity exported was 15,100 tons. The price was Rs. 325 per ton. So it is simple arithmetic.

**Shri N. B. Chowdhury:** May I know whether the entire production of 1953 has been exhausted?

**Shri R. G. Dubey:** No, Sir, stocks are there.

**Shri Thimmaiah:** May I know whether any quantity of fertilizers has been distributed among the agriculturists on the basis of loan?

**Shri R. G. Dubey:** Not to our knowledge. The difficulty is that the actual distribution rests with the States. How they do it we are not aware of.

#### BORDER INCIDENT

\*1054. **Shri Beli Ram Das:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that 20 heads of cattle were lifted by Pakistani military border force from Garo Hills on or about the 20th January, 1954; and

(b) if so, what steps have been taken to avoid such occurrences in the future and to recover the cattle or to compensate the owners?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) Yes.

(b) Under the Indo-Pakistan Agreement of December, 1948, such incidents on the Assam-East Bengal border are referred to the Indian and Pakistani District Magistrates of the districts concerned for settlement and for taking suitable steps for the prevention of their recurrence.

In this case, the Deputy Commissioner, Garo Hills (Assam) and the District Magistrate, Mymensingh (East Bengal) met soon after the incident, which had also led to an exchange of fire between the police of the two sides. In accordance with the recommendation made by the District Magistrates, the Governments of Assam and East Bengal have agreed to hold a joint enquiry in the matter.

**Shri Beli Ram Das:** Were there any casualties in this incident?

**Shri Anil K. Chanda:** There was no casualty on our side.

**Shri Beli Ram Das:** Is it a fact that there are only two border check posts in the whole border of 100 miles?

**Shri Anil K. Chanda:** I am surprised to hear that, Sir, from my hon. friend. I do not think we have got only two check posts along this border.

#### HARD BOARDS

\*1055. **Shri Damodara Menon:** (a) Will the Minister of Commerce and Industry be pleased to state the quantity of hard boards imported into India every year from Sweden and Norway under the G.A.T.T.?

(b) Is it a fact that plywood manufacturers of India have made a representation to Government that import of hard boards has adversely affected the plywood industry?

(c) What action have Government taken regarding this representation?

**The Minister of Commerce (Shri Karmarkar):** (a) Statistics regarding the import of hard boards are not recorded separately in the Accounts relating to the Foreign Trade and Navigation of India. There is, however, no commitment under the G.A.T.T. for importing hard boards from any country.

(b) and (c). Yes, Sir, representations to this effect were received from some of the Plywood Manufacturers' Associations early last year. But it is understood that plywood

cannot generally be substituted for hard boards where hard boards are used.

**Shri Damodara Menon:** May I know whether the Government of Madras has recommended the representation made by the South Indian Plywood Manufacturers' Association regarding the adverse effect of the import of hard boards?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** The mere fact that a State Government makes a recommendation does not alter facts. The facts are that plywood cannot always be substituted for hard boards.

**Shri Damodara Menon:** May I know whether it is a fact that hard board is competing with plywood here and they are selling at very cheap rates and therefore locally manufactured plywood finds it very difficult to sell in the local market?

**Shri T. T. Krishnamachari:** The position, really, is that they are not used for the same purposes. It may be that plywood manufacturers think that if hard board is shut out altogether plywood will sell more, but the purposes for which they are used are different and they are used under different conditions. In fact hard board does not absorb moisture whereas it is not the same case with plywood. It is not always that one can be substituted for the other.

**Shri Damodara Menon:** May I know whether Government will take steps to see that hard boards which are put to the same use as plywood are not imported into this country?

**Shri Karmarkar:** The licences issued for hard board imports are valid only for insulation boards and not for others.

**Shri Damodara Menon:** May I know if plywood is also used for that purpose?

**Shri Karmarkar:** Plywood can perhaps also be used but plywood is a much costlier material and it is not considered reasonable to substitute

the hard board by the use of plywood where a cheaper material is available.

#### IMPORT POLICY

**\*1056. Shri Morarka:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether the attention of Government has been drawn to the recommendation of the mission of the International Monetary Fund that Government should set up a long term import policy based on average expectation over the next three or four years; and

(b) if so, whether Government have considered this recommendation?

**The Minister of Commerce (Shri Karmarkar):** (a) and (b). Yes, Sir. It has always been Government's aim to have as stable an import policy as possible; and over a large field of import trade, the policy has remained stable in recent years.

**Shri Morarka:** May I know if the Government's attention has been drawn to the criticism made by this mission that the Government policy is not stable and that it encourages speculative tendencies?

**Shri Karmarkar:** I am aware of their appreciation of the policy and of certain suggestions.

**Shri Morarka:** May I know if the Government intends to liberalise the import policy in order to utilise our sterling balances?

**Shri Karmarkar:** Our import policy is based on the necessities of the situation and it is being liberalised in so far as it is advisable when it is considered necessary.

**Shri Morarka:** In view of the fact that we are going to have a lot of deficit financing, may I know whether Government intends to liberalise its import policy, particularly of consumer goods?

**Shri Karmarkar:** I think I might refer my hon. friend to the very able statement made by the hon. Finance Minister in this behalf.

## BRASS AND COPPER INDUSTRY

\*1057. **Shri H. N. Mukerjee:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether the attention of Government has been drawn to the virtual collapse of the brass and copper industry of West Bengal; and

(b) whether Government are taking any steps to assist it?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):**

(a) It is understood that the brass and bell-metal industry in West Bengal has been faced with difficulties of late owing to several reasons.

(b) The State Government have taken certain measures to assist it and the Central Government have also given aid.

**Shri H. N. Mukerjee:** In view of the fact that raw materials for copper are almost entirely imported and a British managing agency firm controls the production of brass raw materials, does Government have any schemes for producing cheap and good quality raw materials as well as to give necessary technical aid to the industry?

**Shri T. T. Krishnamachari:** The first part of the question is not right. The raw material that is needed, to a large extent, so far as copper is concerned, is available, in India but what is needed is only zinc for the purpose of converting that copper into brass ingots. But it so happened that even the one unit of production was not able to maintain its production for the reason of there being a fall in the demand.

**Shri H. N. Mukerjee:** Is it not a fact that the raw materials of copper which are found here are of such bad quality that they are not really usable for the purpose of manufacturing articles which would be saleable in the market, and is it not a fact that, therefore, we are largely dependent on foreign sources which we should try to get rid of?

**Shri T. T. Krishnamachari:** I am afraid,—I have no intention to cross words with the hon. Member,—the fact, really, is that for this particular use the raw material available in India is quite good. We could not convert that copper as electrolytic copper with the facilities we have today. The copper itself is good enough for conversions into brass ingots.

## TRADE WITH JAPAN

\*1058. **Shri P. N. Rajabhoj:** Will the Minister of Commerce and Industry be pleased to state what efforts are being made to increase the trade between India and Japan?

**The Minister of Commerce (Shri Karmarkar):** Trade between India and Japan is proceeding smoothly. No special efforts are therefore considered necessary.

**Shri P. N. Rajabhoj:** Is Government intending to take any further action to prevent the Japanese competition in cloth?

**Shri Karmarkar:** We are trying to do the best that we can.

**Shri P. N. Rajabhoj:** Can Government tell us if Japanese textiles are competing with Indian textiles in the outside markets?

**Shri Karmarkar:** Yes, Sir; just as they are competing with every other textile production in the world.

## AURANGABAD RADIO STATION

\*1060. **Shri H. G. Vaishnav:** Will the Minister of Information and Broadcasting be pleased to refer to the reply given to starred question No. 1309 asked on the 23rd December, 1953 and state:

(a) whether the broadcasting station at Aurangabad which was closed down about six months ago, is to be re-opened following representations from the people of Marathwada;

(b) if so, the approximate time of its resumption; and

(c) whether any decision has been arrived at with regard to the transmitter and other machinery at present lying at Aurangabad?

**The Minister of Information and Broadcasting (Dr. Keskar):** (a) to (c). The Station at Aurangabad was closed down as it was found that the cost of running the station was not commensurate with the coverage achieved by the very weak transmitter there. The possibility of installing an experimental and auxiliary relay station at Aurangabad is under examination from technical point of view. But any auxiliary relay station, if decided upon, will have to utilise a better and more modern transmitter as the transmitter which was functioning at Aurangabad is too old and weak to be of much use. A decision regarding an auxiliary relay station can only be taken after the technical study and experiments are over.

**Shri H. G. Vaishnav:** May I know whether the State Government was consulted before closing down the station?

**Dr. Keskar:** Broadcasting is a Central subject but we consult the State Governments whenever we consider necessary and in this matter also the State Government was informed of our proposal.

**Shri H. G. Vaishnav:** May I know whether the scheme of running the Aurangabad Radio Station as a rural broadcasting station is under the consideration of the Government?

**Dr. Keskar:** My hon. friend has not listened very carefully to the reply that I gave. I said 'auxiliary relay station'. That certainly is at present under consideration. We are carrying on certain experiments whether this could be successfully done.

**Shri H. G. Vaishnav:** Is it not worthwhile to continue relaying programmes from the station?

**Dr. Keskar:** We do not think so because our technical advice is that

the present transmitter is too weak and old to be of much use, and in any case it will not be commensurate with the money that we will have to spend.

**Dr. Suresh Chandra:** May I know whether the Government have received any representations from the State Government as well as from the people of Marathwada not to discontinue the station, and whether the Government had failed to justify the closure of this station?

**Dr. Keskar:** Government have received a number of representations from the region of Marathwada and no doubt we have not been able to convince them of the reasons why we had closed it down. I am sorry for that, but even after these representations it was not possible for us to carry on the station as it was.

#### RUBIES

**\*1061. Shri B. S. Murthy:** Will the Minister of Commerce and Industry be pleased to state:

(a) the total value of imports of rubies during 1951-52, 1952-53 and 1953-54;

(b) the total value of exports of rubies during the same period; and

(c) whether there is any duty on exports and imports of the same?

**The Minister of Commerce (Shri Karmarkar):** (a) and (b). A statement is laid on the Table of the House. [See Appendix IV, annexure No. 15.]

(c) The import duty on rubies, *unset and imported uncut*, is 20 per cent. *ad valorem* and on rubies, *unset and imported cut*, 25 per cent. *ad valorem*. There is no export duty on rubies.

**Shri B. S. Murthy:** Have Government any reasons to offer for the abnormal fall of export of rubies during the year 1953-54?

**Shri Karmarkar:** There is no particular reason; it is perhaps because

people have not imported to the same extent as they used to do.

**Mr. Speaker:** He is talking of exports.

**Shri B. S. Murthy:** According to the statement, it is stated that in 1951-1952 the export was to the tune of Rs. 1,27,442 and in 1952-53 it was 14,377. I want to know the reasons for this abnormal fall in the export of rubies.

**Shri Karmarkar:** There seems to be no particular reason because in the preceding year, that is 1950-51, the exports were only Rs. 21,946. There is no particular reason as such.

**Shri V. P. Nayar:** May I know whether the Government of India are aware that exportable varieties of what are called oriental topaz and oriental emeralds occur in Nedumangad Taluk of Travancore-Cochin State in large quantities?

**Shri Karmarkar:** It is very possible, but I should like to have notice.

#### BORDER INCIDENTS

\*1062. **Shri Anirudha Sinha:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that cases of cattle-lifting, arson and thefts have been committed by the Nationals of Pakistan in several villages in Goalpokhar Thana of Purnea District;

(b) the number of cattle lifted during the last one year; and

(c) the steps that have been taken or are being taken to prevent recurrence of such incidents?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) and (b). Two cases of cattle lifting from the Goalpokhar Thana have so far been reported to the Government of India. Both these incidents took place on the 12th January 1954. In one case, some Pakistani nationals trespassed into Indian territory and lifted two heads of cattle from Kuttibasti. In the second case, six heads of cattle were lifted from Kanthigach.

There have also been other cases of theft and cattle lifting, details of which are not available. The total number of cattle lifted in 1953 was 36.

(c) Adequate security measures including regular patrolling of the border area, have been taken. It has also been suggested to the Government of Pakistan that the procedure at present in force between East Bengal on the one hand and West Bengal and Assam on the other, for the District Magistrates of the districts concerned to meet and settle such incidents as well as devise steps for the prevention of their recurrence, should be made applicable to incidents on the Bihar-East Bengal border.

**Shri Anirudha Sinha:** Is it a fact that these atrocious activities have been going on unchecked on the Purnea border for the last one year?

**Shri Anil K. Chanda:** There have been several such cases of cattle lifting along the border.

**Shri Anirudha Sinha:** How many heads of cattle which were lifted have been recovered and returned to the original owners?

**Shri Anil K. Chanda:** I have not got the information with me at present.

**Shri S. C. Samanta:** May I know whether Government maintain any register of the cattle lifted?

**Shri Anil K. Chanda:** May I suggest, Sir, that thefts are also occurring in other parts of our country. There is therefore, nothing very unusual in the theft of cattle.

#### STEEL PLANT

\*1063. **Shri B. C. Das:** Will the Minister of Production be pleased to state on what principles the personnel of the Board of Directors for the administration of the proposed steel plant in Rourkela (Orissa) have been selected?

**The Parliamentary Secretary to the Minister of Production (Shri R. G.**

**Dubey:** Two of the Directors are representatives of Messrs. Krupp and Dermag and have been appointed in accordance with agreement with the German Firms. The other Directors have been chosen keeping in view their qualifications, their experience of industry and administration in several spheres.

**Shri B. C. Das:** May I ask whether any representation has been made either by the Government of Orissa or by any public body there, to have some representative from that State on the Board of Directors?

**The Minister of Production (Shri K. C. Reddy):** We have been in correspondence with the Government of Orissa and they have made some proposals which are still under the consideration of the Government of India.

**Shri B. C. Das:** May I know whether the Government are aware that there is a strong reaction in the State of Orissa against the non-inclusion of an Oriyan in the Board of Directors?

**Shri K. C. Reddy:** No, Sir.

**Shri T. N. Singh:** May I know whether Government proposes to bring in any legislative measure to regularise all such appointments in the Steel Corporation?

**Shri K. C. Reddy:** There is no irregularity as such now. As far as the general question is concerned, the hon. Member knows that the Government have under consideration suitable legislation in connection with the point he has raised.

**Shri L. N. Mishra:** May I know whether it is a fact that the officer who has been appointed Managing Director of this project was found inefficient in his previous job in D.V.C. and the Rau Committee report has made some adverse remarks against him?

**Shri K. C. Reddy:** I do not think it is true.

**Shri T. B. Vittal Rao:** May I know whether the German technical consultants have also tendered advice to

the Government regarding the composition of the Board?

**Shri K. C. Reddy:** They have not rendered any advice. According to agreement, we have to take two representatives of the German firm on the Board of Directors. As regards the others, it is our own choice.

कमाया हुआ चमड़ा (आयात)

\*1065. श्री बी० एन० कुरील : क्या बाणिज्य तथा उद्योग मंत्रा यह बताने की कृपा करेंगे कि १९५३ में कितने मूल्य का कमाया हुआ चमड़ा विदेशों से भारत मंगाया गया ?

**The Minister of Commerce (Shri Karmarkar):** Rs. 8,96,000.

**Shri B. N. Kureel:** May I know, Sir, the value of untanned leather exported from India during the last year?

**Shri Karmarkar:** Rs. 20,79,64,316 for leather as a whole.

**Shri K. K. Basu:** May I know the names of the countries from where tanned leather has been imported?

**Shri Karmarkar:** I have no information on that point, but I should like to clear a misapprehension. This leather ordinarily consists of chrome-splits. These are obtained by slicing the sides, the upper surface as tanned leather and the lower surface as splits which is useful in our country.

**श्री नवल प्रभाकर :** क्या मैं जान सकता हूँ कि जो आयात किया गया चमड़ा है, वह तले का चमड़ा है या कोम लेदर होता है ?

**श्री कर्मरकर :** मैं ने जैसा अग्रेजी में कहा वह कोम लेदर होता है।

#### PASSPORT SYSTEM

\*1066. **Shri S. N. Das:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that the passport system has been centralised under the Government of India; and

(b) if so, what is the objective behind this centralisation?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) and (b). The Government of India have come to the conclusion that, from an administrative point of view, it would be desirable to take over the work of issuing passports from the several State Governments. The details of the new set-up are in the process of being worked out. It is proposed to have regional offices for this purpose.

**Shri S. N. Das:** May I know whether under the scheme as contemplated, there is any increase or decrease of passport offices?

**Shri Anil K. Chanda:** At present there are some 27 passport issuing offices, one in each of the States. It is proposed to have five regional offices for issuing passports.

**Shri B. S. Murthy:** May I know when this new set-up will be brought into force?

**Shri Anil K. Chanda:** In the course of the next few weeks.

**विस्थापित व्यक्तियों को क्षतिपूर्ति**

\*१०६७. सेठ गोविन्द वास : क्या प्रमाण मन्त्री यह बताने की कृपा करेंगे कि

(क) सितम्बर से दिसम्बर, १९५३ तक कितने विस्थापित व्यक्तियों को क्षतिपूर्ति के रूप में धन दिया गया; और

(ख) इस प्रकार कुल कितना धन दिया गया?

**The Minister of Rehabilitation (Shri A. P. Jain):** (a) 72.

(b) Rs. 3,36,768. In addition, 5978 mud huts of the value of Rs. 16,59,790 were transferred in lieu of compensation to 5978 claimants.

**सेठ गोविन्द वास :** इस में से पश्चिमी पाकिस्तान के शरणार्थियों को कितना दिया

है और पूर्वी पाकिस्तान के शरणार्थियों को कितना दिया गया है?

**श्री ए० पी० जैन :** यह सब का सब पश्चिमी पाकिस्तान के शरणार्थियों को दिया गया है।

**सेठ गोविन्द वास :** क्या पूर्वी पाकिस्तान के शरणार्थियों की इस मम्बन्ध में मध्य प्रदेश से और जबलपुर से कुछ दरखास्तें आई हैं जिन पर अभी तक कोई विचार नहीं किया गया है?

**श्री ए० पी० जैन :** दरखास्तें आई हैं। सभी पर विचार हो रहा है।

**सेठ गोविन्द वास :** क्या यह बात सही नहीं है कि ये दरखास्तें खास कर मेरे प्रान्त और जबलपुर की बहुत दिन से माननीय मंत्री के सामने पेश हैं, और उन पर अभी तक कोई ध्यान नहीं दिया गया?

**श्री ए० पी० जैन :** इसमें कोई ऐसी बात तो है नहीं कि किसी को खास तरजीह दी जाती हो, या किसी को खास बाद में ली जाती हो, यहां तो जिसका नम्बर आ जाता है उसी को दिया जाता है।

#### INDIAN STANDARDS INSTITUTE

\*1068. **Shri S. C. Samant:** Will the Minister of Commerce and Industry be pleased to state:

(a) how many standards were issued by the Indian Standards Institute in 1953;

(b) which of the International meetings abroad dealing with standardisation were attended by the Indian delegations in 1952 and 1953;

(c) the special purpose served by such attendance; and

(d) the amount spent on such delegations?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** (a) 83.

(b), (c) and (d). I lay on the Table of the House a statement giving the information required. [See Appendix IV, annexure No. 16.]

**Shri S. C. Samanta:** May I know, Sir, whether in the eighty-three standards, the Indian foodgrains storage structure was also passed by the Institute?

**Shri T. T. Krishnamachari:** I have the list here. If the hon. Member desires I will place the list also on the Table of the House. I cannot give an analysis of the eighty-three standards.

**Shri S. C. Samanta:** May I know what help this Institute is receiving from the State Government for the implementation of these standards which are passed by them?

**Shri T. T. Krishnamachari:** Normally, it must be presumed that they get every help. If the hon. Member has any particular case in mind I would be able to help him.

**Shri S. C. Samanta:** I want to know whether any conferences are being held with the Directors of Industries by the Institute?

**Shri T. T. Krishnamachari:** No conference has been held with the Directors of Industries for the purpose of seeing that the States help to implement the standards set up. But, sometimes Directors of Industries of States do come in as members of sub-committee set up by the Indian Standards Institute.

#### SHIFTING OF CENTRAL GOVERNMENT OFFICES FROM DELHI

\*1069. **Shri Gidwani:** Will the Minister of Works, Housing and Supply be pleased to refer to the reply to starred question No. 1320 asked on the 23rd December, 1953 and state whether Government have taken any decision regarding shifting of some offices of the

785 P.S.D.

Central Government from Delhi to other places?

**The Minister of Works, Housing and Supply (Sardar Swaran Singh):** Yes, Sir. It has been decided that some Central Government offices should be moved out of Delhi. Details are being worked out.

**Shri Gidwani:** What are these places where they will be shifted?

**Sardar Swaran Singh:** Quite a large number of places including places like Simla and some of the headquarters of the former Princely States.

**Shri Gidwani:** May I know whether residential accommodation for the staff will be available there before they are transferred?

**Sardar Swaran Singh:** I do not think they will be worse off as compared to Delhi.

**Shri Sarangadhar Das:** May I know if the proposal for shifting the offices from Delhi to various places outside Delhi has been in existence for about three or four years and nothing has been done yet?

**Sardar Swaran Singh:** I think the grievance put forward by the hon. Member is quite correct. It has been under consideration for a fairly long time, but there have been difficulties which have been experienced, and even now I cannot say that all of them have been really overcome, but a serious effort is being made to locate suitable accommodation outside Delhi and to ensure that some of the offices do shift.

**Shri N. M. Lingam rose—**

**Shri Sarangadhar Das:** May I know what are the difficulties?

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

**Shri N. M. Lingam:** May I know the criteria for selecting places outside Delhi for shifting these offices, and may I also know if Government is aware

that there are several palaces of ex-rulers and other vacant buildings in some of the hill stations in the South which could be most profitably utilised for housing these offices?

**Sardar Swaran Singh:** Suitability of accommodation in any particular place is the predominant consideration for selecting a place for locating an office outside Delhi, and it is true that in the South as well as in the North there are big office buildings or some of the former big residential buildings available in the hill stations because somehow or other hill stations are losing more and more of their popularity.

#### BORDER INCIDENT

\*1070. **Shri Beli Ram Das:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that there was incessant firing for three days by border police on both sides at Sylhet (Pakistan) and Khasi Hills (India) border on or about the 15th January, 1954;

(b) if so, what were the reasons therefor;

(c) what loss, if any, Indian subjects sustained thereby; and

(d) the steps that are being taken to prevent such incidents?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) and (b). On the 12th January, 1954, a party of Pakistan Border Police trespassed into Bengalbhetia Basti in Indian territory, assaulted the villagers and set fire to the Basti. An Indian Border Patrol party visited the village on the 16th January, 1954 and was fired upon by the Pakistan Police. The Indian party returned the fire in self-defence. The next day also the Pakistani Police opened fire on the Indian Police, who were obliged to return the fire.

(c) The extent of loss suffered by Indian nationals as a result of the burning of the village is not known. No loss was sustained as a result of the firing between the Indian and Pakistani Police.

(d) The Government of Assam lodged a protest with the Government of East Bengal. A joint enquiry was accordingly held on the 22nd January 1954 by the Deputy Commissioner, United Khasi and Jaintia Hills and the District Magistrate, Sylhet. An immediate cease-fire was agreed upon and it was decided that, under no circumstances, should firing be resorted to by either party. To prevent recurrence of such incidents, early demarcation of the boundary in the area was also recommended.

**Shri Beli Ram Das:** Has any compensation been paid to the people affected by this incident?

**Shri Anil K. Chanda:** I have not got the information.

**Shri Beli Ram Das:** Is it under the contemplation of the Government to strengthen these border posts so as to stop further incidents?

**Shri Anil K. Chanda:** As far as possible, we have been increasing the number of border posts and strengthening the personnel.

#### INDIAN EMBASSIES ABROAD

\*1071. **Shri P. N. Rajabhoj:** Will the Prime Minister be pleased to state the actual sum allotted and spent so far during 1953-54 by the Indian Embassies in London, Washington, Moscow, Peking, France, Egypt, Teheran and Tokyo for entertainment purposes?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** Indian Missions abroad are not provided with funds separately for entertainment purposes. The monthly *frais de representation* of Heads of Missions and the foreign allowances of individual officers serving in the missions contain an element for entertainment. It is not possible to separate this element from the foreign allowance and to indicate the actual amounts sanctioned and spent by the missions mentioned in the question.

**Shri P. N. Rajabhoj:** Are Government sure that this expense is not made on private entertainments?

**The Prime Minister and Minister of External Affairs and Defence (Shri Jawaharlal Nehru):** I do not quite know what the hon. Member means. Private entertainments are included and are meant to be included in this, because many diplomats have to entertain other diplomats privately.

**Shri Kasliwal:** May I know if it is a fact that our Embassy at Moscow is paid the highest amount?

**Shri Anil K. Chanda:** Yes, Sir. Moscow has the highest entertainment amount.

**Shri Kasliwal:** May I know what is the reason for paying the highest amount—whether it is due to any particular consideration or high cost of living or want of consumer goods or anything of that sort?

**Shri Anil K. Chanda:** It is due to the very high cost of living in that place.

#### FOREIGN EMPLOYEES IN BRITISH FIRMS

**\*1072. Shri N. B. Chowdhury:** Will the Minister of Commerce and Industry be pleased to state whether the British business firms have asked for more time to furnish the required information regarding the number of foreigners employed by them?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** Yes, Sir. Representations have been received not only from certain foreign firms but also from the Federation of Indian Chambers of Commerce and Industry, and as a result thereof it has been decided to extend the time limit for the submission of returns up to the 15th April, 1954.

**Shri N. B. Chowdhury:** May I know whether the request first came from the British firms or from the Federation of Indian Chambers of Commerce and Industry?

**Shri T. T. Krishnamachari:** It is rather difficult for me to remember the exact date. The requests came from both the parties.

**Shri Syed Ahmed:** May I know the names of the foreign firms who have sent representations?

**Mr. Speaker:** I do not think it should be permitted.

**Shri K. K. Basu:** Is it true that some of the European firms are getting receipts from the employees for amounts higher than what they are actually paid?

**Shri T. T. Krishnamachari:** I am afraid I am only prepared to answer in regard to the time given for these firms to submit returns. The question of how they manage their accounts is essentially a matter for my hon. colleague the Finance Minister, because that is how income-tax is cheated.

#### KEROSENE OIL

**\*1074. Shri Anirudha Sinha:** Will the Minister of Works, Housing and Supply be pleased to state:

- (a) the annual requirements of kerosene oil in the country; and
- (b) how and from where supplies are obtained?

**The Minister of Works, Housing and Supply (Sardar Swaran Singh):** (a) It is not the practice to make this information public.

(b) Supplies of Kerosene are obtained both by imports and through indigenous production. The imports are made from the Persian Gulf, Far East, Indonesia and other countries.

**Shri T. N. Singh:** Last time a debate was raised here regarding the pricing of kerosene oil by the Assam Oil Company. May I know in regard to this question whether there is uniform pricing or differential pricing for the kerosene oil sold here?

**Sardar Swaran Singh:** I think the hon. Member is referring to the discussion about the price of petrol that was raised during the last session. As a result of the action taken by the Government, there has been recently a reduction of the selling price of petrol in Assam.

## OPTICAL GLASS FACTORY

\*1075. **Shri S. C. Samanta:** Will the Minister of Production be pleased to refer to the answer to starred question No. 751 on the 24th of August, 1953 and state:

(a) whether the proposed optical glass factory has since been established; and

(b) if so, when and where?

**The Minister of Production (Shri K. C. Reddy):** (a) No.

(b) Does not arise.

**Shri S. C. Samanta:** May I know the reason why this factory is not going to be constructed?

**Shri K. C. Reddy:** It is a very complex plant. We have some information at our disposal, but Government felt that certain more information has got to be collected before we take a decision on the matter.

**Shri S. C. Samanta:** Is it not a fact that optical goods of a large amount are being imported, and if so, why is not Government thinking on the lines of starting this factory?

**Shri K. C. Reddy:** Government have taken a decision to start the factory, but before we start we want certain further information. We are in touch with certain countries and firms, and after collecting all the information, Government will be in a position to take a decision.

## INDIAN EMBASSIES ABROAD

\*1076. **Shri P. N. Rajabhoj:** Will the Prime Minister be pleased to state whether it is a fact that our Embassies are forbidden to serve alcoholic drinks while entertaining nationals of the countries in which they are situated?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** General instructions have been issued to our Missions abroad that no alcoholic drinks should be served by them at official functions, such as those held on our national days, and that our

officers should, at all times, set an example of restraint and sobriety. Otherwise, no hard and fast rules have been laid down and the matter is being left largely to the discretion of the Head of the Mission.

**श्री पी० एन० राजभोज :** क्या में जान सकता हूँ कि यह जो पालिसी है कि दूसरे देशों में ऐलेक्टोहालिक ड्रिक्स आफिशल फंक्शन्स पर न इस्तेमाल किये जायें, यह सब देशों के लिये धूनीफार्म पालिसी है या यह कि कहीं कोई पिये और कहीं कोई न पिये ?

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

**Dr. Suresh Chandra:** How far are these instructions carried out by our Missions?

**Shri Anil K. Chanda:** Entirely, to the best of our knowledge.

## Short Notice Questions and Answers

## U. N. OBSERVERS IN KASHMIR

**S. N. Q. 6. Dr. Ram Subhag Singh:** Will the Prime Minister be pleased to state:

(a) the total number of American (United States of America) personnel in the U.N.O. Observer team in Jammu and Kashmir;

(b) how many of those Americans are on the Indian side of the cease-fire line and how many on the Pakistan side;

(c) whether the United Nations Organisation and the U.N.O. Observer team have been notified by Government that American observers are no longer regarded as neutral; and

(d) if so, when those observers are likely to be withdrawn from Kashmir?

**The Prime Minister (Shri Jawaharlal Nehru):** (a) There are 18 military personnel and three civilians.

(b) On the 1st March, 1954, there were ten American army officers and one civilian on the Indian side, and six army officers and one civilian on

the other side of the Cease-Fire Line. Two army officers and one civilian were at Headquarters duty in Delhi and Rawalpindi. There is however no fixed number allocated to either side of the Cease-Fire Line and the Officers move from one side to another.

(c) and (d). We have informally communicated our views to the U.N. Secretariat, who, it is hoped, will take early action in the matter.

**Dr. Ram Subhag Singh:** In view of the extraordinary ingenuousness of the comments made by the United States State Department, the Pakistan Foreign Minister, and the Secretary-General of the United Nations, on the Prime Minister's statement in regard to the position of American observers in Kashmir, which virtually amount to the continuance of their stay there, may I know what further steps Government contemplate to take to implement their intentions about the American observers in Kashmir?

**Shri Jawaharlal Nehru:** This is essentially a matter between India and the United Nations. What other people may think about it is not strictly relevant, so far as we are concerned. In our opinion, as I said previously, the continuance of the U. S. observers among the U. N. observers in Kashmir is not proper, and therefore they should not continue. We have drawn the attention of the Secretary-General of the United Nations to this. Perhaps, the hon. Member is thinking about some kind of a statement which was attributed to the Secretary-General of the United Nations. That was rather a general statement which he made, not so much in connection with this matter. Anyhow, it may or may not be his opinion, I cannot say. However, our views are quite clear in regard to this matter, and we shall pursue this. The Secretary-General of the United Nations has been away from headquarters for the last many days, and he will be returning sometime this week.

**Dr. Ram Subhag Singh:** The hon. Prime Minister just stated that it is

a matter strictly for the United Nations. As I understand it, the representation to the nine countries which are at present included in the U.N. observer team in Kashmir, was given by the Security Council, in agreement with India and Pakistan, and each country is represented there by its own consent. May I know whether the Government of India will make it clear to the Secretary-General of the United Nations or the Security Council or the United Nations Organisation, or whatever it may be, that these American observers, whom the Prime Minister in his statement on 1st March, 1953 characterised as being no longer neutral, will be declared as *personae non gratae*?

**Shri Jawaharlal Nehru:** The question of declaring them *personae non gratae* does not arise at this stage. We are taking exception on the ground of principle, not on individual *persona non gratae* basis. If the question does arise, that can also be considered. But for the moment, we think that a situation has arisen whereby any officer of the U. S. Army cannot be considered as neutral, in this dispute in Kashmir.

**Shri Jaipal Singh:** Why is this communication informal?

**Shri Jawaharlal Nehru:** That is normally the way that communications are made first, and they are followed by formal communications, when considered necessary. Immediately after the statement I made in this House, attention was drawn to my statement. It may be called informal, but the mere fact of drawing attention to it by our representative was formal enough. The formal demand was not made in that form, in order—if I may put it quite frankly—to cause the least embarrassment to the Secretary-General of the United Nations.

**Shri Sadham Gupta:** In view of the fact that the countries of the North Atlantic group, and what are called the ANZUS group generally agree

with American policy in all its essentials, what steps are proposed to be taken, in order that our security may not be threatened by observers belonging to those countries?

**Shri Jawaharlal Nehru:** We are dealing with observers coming from the United States. The hon. Member is extending that to others. Unfortunately, there are hardly very very few countries left in the world, who have not in a sense become unneutral from this or that point of view.

**Mr. Speaker:** Next question.

**Shri Syed Ahmed:** Who is to decide that these U. S. observers are neutral?

**Mr. Speaker:** Order, order. I am going to the next question.

#### Goa

**S.N.Q. 7. Shri Joachim Alva:** Will the Prime Minister be pleased to state:

(a) whether the attention of Government has been drawn to the report that the car in which the Indian Consul-General was travelling was stopped by the Portuguese Police in Goa and searched?

(b) Is it a fact that Dr. P. Gaitonde, a surgeon of Mapuca, Goa, who was travelling with the Consul-General in his car at the time of the above-mentioned incident has been arrested?

(c) Is it a fact that Dr. Gaitonde along with his Portuguese wife was, within 24 hours of his arrest on an alleged charge of nationalist activity, deported to Lisbon by *s. s. India* to face a trial before a Military Tribunal?

(d) What action do Government propose to take with regard to this breach of international courtesy?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) The car of the Consul-General, in which he was returning from Mapuca with his wife and Dr. Gaitonde in the early hours of the 17th February, was obstructed by an unattended taxi stationed at the entrance of the one-way passage leading to the main road from the ferry carrying the Consulate

car. Some Police officials later appeared and, though the car was not actually searched, one of them looked into it, apparently to see whether Dr. Gaitonde was in it.

(b) and (c). Dr. Gaitonde was arrested later the same morning at his residence in Mapuca. He was sent to Portugal by a Portuguese ship *s.s. India* which sailed from Mormugao harbour on the 20th February. Mrs. Gaitonde, though not under arrest, was persuaded by the authorities to accompany her husband.

(d) The Government have lodged a strong protest with the Portuguese Legation.

**Shri Joachim Alva:** Is this the first time that an official representative of India has been treated in this fashion abroad?

**Shri Anil K. Chanda:** There have been one or two minor cases before, but not with regard to our Consul-General.

**Shri Joachim Alva:** May I know the attitude of the Government of India towards the Legation of Portugal in Delhi, whilst our own Mission in Portugal has been withdrawn?

**The Prime Minister and Minister of External Affairs and Defence (Shri Jawaharlal Nehru):** For the moment, we do not propose to take any action in that respect. The hon. Member will remember that we have got our Consul-General in Goa.

**Shri H. N. Mukerjee:** When Portugal has obviously determined to retain Goa as one of her possessions, and when under the Anglo-Portuguese Treaty, Britain has given a guarantee, according to Dr. Salazar, in 1949, to defend Portuguese territories overseas, will India make it plain that she cannot indefinitely desist from answering the cry of agony which comes from the people in that area?

**Shri Jawaharlal Nehru:** The hon. Member has compressed many points in his question or statement. India

has made it perfectly plain what her intentions are in regard to Goa. It is totally inconceivable that any foreign pocket like Goa or any others should continue in India. It is true that we believe that the best way to solve these questions is peacefully, even though it may take a little time. But I must confess that the way things are continuing to happen in Goa strains out patience to the utmost.

As for the hon. Member's reference to the Anglo-Portuguese Treaty, I cannot, for the moment, say what the consequences of that Treaty may be in regard to this matter, legally speaking, nor am I prepared to take Dr. Salazar's interpretation of those consequences; but it has been clearly stated by various countries very recently that these external treaties have no application to Goa and India.

**Dr. N. B. Khare:** Are Government hopeful that this question will ever be solved peacefully?

**Mr. Speaker:** Order, order. I am going to the next item of business.

#### WRITTEN ANSWERS TO QUESTIONS

##### EVACUEE PROPERTY

**\*1033. Sardar Hukam Singh:** Will the Minister of Rehabilitation be pleased to state:

(a) whether there is any substance in the press report that fresh evaluation of Muslim Evacuee Properties is being taken in hand; and

(b) if so, the reasons therefor?

**The Minister of Rehabilitation (Shri A. P. Jain):** (a) No.

(b) Does not arise.

##### MUSLIM CONFERENCE IN AFRICA

**\*1039. Shri Radha Raman:** (a) Will the Prime Minister be pleased to state whether Government are aware that a Muslim Conference was held recently in Africa?

(b) What was the object of this Conference?

(c) What decisions did it take?

(d) Did any one from India also participate in it?

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** (a) Yes.

(b) According to reports received by Government, the Conference was convened to discuss the various problems facing the Muslim community of British East Africa.

(c) Copies of the resolutions passed at the Conference are being laid on the Table of the House. [See Appendix IV, annexure No. 17.]

(d) Yes. Maulana Hifzur Rehman, Member of this House.

##### EXPORT OF FRUITS

**\*1040. Pandit D. N. Tiwary:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is the policy of Government to encourage export of fruits to foreign countries; and

(b) the value and quantity of (i) mangoes and (ii) other fruits exported in the year 1953?

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

(b) A statement showing the value of exports is laid on the Table of the House. [See Appendix IV, annexure No. 18.]

Information regarding the export of mangoes is not separately available.

##### FERRO-MANGANESE AND MICANITE

**\*1043. Shri Nanadas:** Will the Minister of Production be pleased to state:

(a) whether Government have any plans for the manufacture of ferromanganese and micanite; and

(b) for the setting up of any coal-washing plant in Damodar Valley area?

**The Minister of Production (Shri K. C. Reddy):** (a) Micanite is manufactured in the country on a small scale in the private sector and Government have also approved schemes for its manufacture on a larger scale in the same sector. As to ferro-manganese, Government are encouraging schemes for its manufacture and approval has been accorded to certain schemes sponsored by private entrepreneurs. Efforts that are being made in the manufacture of ferro-manganese by private enterprise are being watched. The question of establishing a Government plant is under consideration.

(b) The matter is receiving consideration.

#### COAL EXPORT TO BURMA

\*1047. **Shri Raghavaiah:** Will the Minister of Production be pleased to state:

(a) the quantity of coal exported to Burma during 1951-52 and 1952-53;

(b) whether there will be any reduction in the same in 1953-54; and

(c) if so, why?

**The Minister of Production (Shri K. C. Reddy):** (a) 1951-52—136,130 tons. 1952-53—231,524 tons.

(b) No.

(c) Does not arise.

#### INTERNATIONAL EXHIBITION ON LOW COST HOUSING

\*1050. { **Shri Muniswamy:**  
**Shri Bheekha Bhai:**

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

(a) the total amount of income from the International Exhibition on Low Cost Housing by sale of admission tickets and from stall rents etc., upto the 15th February, 1954; and

(b) whether there is any proposal to hold such exhibitions in other parts of the country?

**The Minister of Works, Housing and Supply (Sardar Swaran Singh):** (a) Rs. 1,90,319/2/-.

(b) There is no proposal to hold such exhibitions in other parts of the country.

#### खिलौने

\*1051. **Shri Ganpati Ram:** क्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) भारत में लकड़ी, रबड़ और प्लास्टिक के खिलौने भारत की आवश्यकतानुसार बनते हैं या नहीं ;

(ख) यदि नहीं, तो क्या ये खिलौने विदेशों से मंगाये जाते हैं और किस किस देश से ;

(ग) यदि उपरोक्त भाग (क) का उत्तर 'हाँ' में हो तो क्या ये खिलौने बाहर भेजे जाते हैं ; और यदि हाँ, तो किस किस देश को ;

(घ) खिलौना उद्योग बड़े पैमाने का है या छोट पैमाने का ; और

(ङ) इस उद्योग से कितने लोगों का भरण पोषण होता है ?

**The Minister of Commerce (Shri Karmarkar):** (a) No precise estimate is possible.

(b) Some varieties of educational toys are imported from U. K., Japan and U.S.A.

(c) There are some exports to U.K., Burma, Middle East and Far East.

(d) It is both large scale as well as small scale.

(e) No precise information is available.

#### SHOE-MAKING INDUSTRY

\*1073. **Shri Ganpati Ram:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether India is self-sufficient in shoe industry;

- (b) if not, the total value of shoes imported from foreign countries;
- (c) the percentage of demand met by cottage industry and shoes factories;
- (d) the steps that Government are contemplating to take for developing this industry; and
- (e) whether any financial aid by the Central or State Governments has been given to this industry in the last three years?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** (a) No precise estimate has been made.

(b) Rs. 23,081, Rs. 23,312 and Rs. 20,000 worth of shoes were imported in 1951-52, 1952-53 and for nine months in 1953-54.

(c) Government have no precise information.

(d) and (e). Statements are laid on the Table of the House. [See Appendix IV, annexure No. 19.]

#### बीड़ी बनाने की मशीन

\*१०७६. श्री गणपति राम : म्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) भारत में बीड़ी बनाने की मशीनें प्रत्येक राज्य में कितनी चल रही हैं; और

(ल) प्रत्येक मशीन कितने मजदूरों का काम करती हैं?

**The Minister of Commerce (Shri Karmarkar):** (a) Government have no information.

(b) By employing machines, it is estimated that the output of 3 men will be equal to the output of 10 men.

#### MILL Dhoties

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

(a) how far the Dhoties Excise (Extra) Duty Act passed in the last 785 P.S.D.

session of the Parliament has been effective in checking textile mills from producing dhoties over 60 p.c. of their total production as envisaged in the said Act;

(b) the extra production of handloom dhoties since the enforcement of the said Act;

(c) whether the mills have since the enforcement of the said Act produced dhoties with white border; and

(d) if so, which of the mills have done so and to what extent?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):**

(a) The Mills have generally complied with the orders to restrict production of dhoties.

(b) Information is not available Reports, however, show that several handlooms which in the past were not producing dhoties have recently switched on to the production of dhoties.

(c) Yes.

(d) A statement is attached. [See Appendix IV, annexure No. 20.]

#### COMMUNITY PROJECTS IN MYSORE

191. **Shri N. Rachiah:** Will the Minister of Planning be pleased to state:

(a) whether Government contemplate to take up any more Community Projects and Development Blocks in Mysore; and

(b) if so, how many, when and in which districts?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) Yes.

(b) No decision has yet been taken.

#### REHABILITATION LOANS TO TRIPURA

192. **Shri Dasaratha Deb:** Will the Minister of Rehabilitation be pleased to state:

(a) whether Government have given any amount to the Government of Tripura for granting rehabilitation loans to the displaced persons during 1953-54; and

(b) if so, the total amount given?

**The Minister of Rehabilitation (Shri A. P. Jain):** (a) Yes.

(b) Rs. 70 lakhs.

**A.I.R. PUBLICATIONS**

**193. Th. Lakshman Singh Charak:** (a) Will the Minister of Information and Broadcasting be pleased to state the total circulation of "Indian Listener", "Awaz" and "Sarang" in India during the years 1952 and 1953, month-wise?

(b) How many copies are sent abroad, country-wise?

**The Minister of Information and Broadcasting (Dr. Keskar):** (a) and (b). Statements giving the required information are placed on the Table of the House. [See Appendix IV, annexure No. 21.]

**FARIDABAD MACHINERY**

**194. Shri V. P. Nayar:** (a) Will the Minister of Rehabilitation be pleased to state the value of machinery installed in the Faridabad Displaced Persons' Colony?

(b) What, if any, is the amount written off for depreciation so far?

(c) What percentage of the installed capacity of such machinery has been utilised in manufacture?

**The Minister of Rehabilitation (Shri A. P. Jain):** (a) to (c). A statement is laid on the Table of the House. [See Appendix IV, annexure No. 22.]

**AGRICULTURAL SCHEMES IN FARIDABAD COLONY**

**195. Shri V. P. Nayar:** (a) Will the Minister of Rehabilitation be pleased to state whether in the Faridabad Displaced Persons' Colony, there is any scheme of agricultural operations?

(b) If so, what are the details of the scheme?

**The Minister of Rehabilitation (Shri A. P. Jain):** (a) No. Faridabad is primarily an urban-cum-industrial colony.

(b) Does not arise.

**EXPORT OF BRISTLES**

**194. Shri M. R. Krishna:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the export of bristles from India has decreased due to competition from other Asian countries; and

(b) what is the fall in the export trade this year as compared to the previous year?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** (a) and (b). In terms of quantity, there was a fall of about 860 cwts. in our exports of bristles during 1953 as compared with 1952 but the actual value realised was higher. Precise information about the extent of competition from other Asian countries is not available.

**C.P.W.D. GAZETTED STAFF**

**197. Shri M. S. Gurupadaswamy:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether Government have compiled a classified list of gazetted staff of C.P.W.D. as on the 1st January, 1954; and

(b) if so, whether a copy will be laid on the Table of the House?

**The Minister of Works, Housing and Supply (Sardar Swaran Singh):** (a) Not yet.

(b) The question does not arise.

## Contents

Tuesday, 16th March, 1954—

Papers laid on the Table—	
✓ Statement on Korea	2323—2329
Part one of the Report of the Damodar Valley Corporation for 1951-52	2332
Damodar Valley Corporation Budget Estimates for 1954-55	2332
✓ Statement on Korea	2330—2331
Committee on Private Members' Bills and Resolutions—Fourth Report presented	2331
General Budget—General Discussion— <i>Not concluded</i>	2332—2422

THE  
PARLIAMENTARY DEBATES..... 26.11.2.

(Part II—Proceedings other than Questions and Answers)  
OFFICIAL REPORT

2323

HOUSE OF THE PEOPLE

Tuesday, 16th March, 1954

The House met at Two of the Clock

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

3-11 P.M.

PAPERS LAID ON THE TABLE

STATEMENT ON KOREA

The Prime Minister and Minister of External Affairs and Defence (Shri Jawaharlal Nehru): Mr. Speaker, with your permission, I should like to lay on the Table of the House a statement on Korea.

Statement

Parliament has been kept informed of developments in Korea and in the course of debates held in both Houses in December, reference was made to the work of the Neutral Nations Repatriation Commission and the Custodial Force of India.

2. According to the terms of reference, the N.N.R.C. had to carry out its work in three stages. The first was the Explanation stage, which ended on the 23rd December, 1953. Thereafter, the N.N.R.C. was required to refer the cases of the remaining prisoners to the Political Conference and to await its decision until the 22nd January 1954. Finally, there was the third and the last stage during which prisoners released to civilian status were to be as-

sisted to go to neutral countries. This process was to be completed within one month and the N.N.R.C. was to be dissolved on the 22nd February.

3. As is well-known, difficulties arose and the N.N.R.C. was unable to give effect to the terms of the Agreement fully. Only about one-tenth of the prisoners had received explanations when this process came to an end. A few days later, on the 28th December 1953, the N.N.R.C. submitted a report to the two Commands, giving reasons for the failure of the explanation process. The Majority Report was signed by the representatives of India, Poland and Czechoslovakia, and there was a separate Minority Report signed by the representatives of Sweden and Switzerland. The Majority Report pointed out that the prisoners who had been handed over by the U.N. Command were organised in groups and were not completely free from the influence of the former detaining side. The activities of the P.O.W. Organisation and its leadership were not conducive to the creation of conditions for the exercise of the right of repatriation in an unfettered manner. Furthermore, these activities derogated from N.N.R.C.'s custody and control and made the task of establishing freedom of choice one of great difficulty. This was confirmed, to some extent, by the minority report which admitted the fact that the organisation exercised its firm control over prisoners desiring repatriation.

4. On the 23rd December, the Northern Command made a formal request to the N.N.R.C. to continue explanations. They pointed out that explanations had been given for only ten days out of the prescribed ninety, and that the responsibility for this rested

with the POW organisation and the U.N. Command. This request had the support of the Czech and Polish Members of N.N.R.C., but was opposed by the Swiss and the Swedes. The Indian representative took the view that an extension of the period of explanations was necessary in order to carry out the terms of the agreement, but such an extension was only possible if there was an agreement between the two Commands. In the absence of a fresh agreement, the N.N.R.C. had no power to allow access to explaining representatives after the 23rd December. On the 2nd January 1954, the Indian representative, who was also Chairman of the Commission, asked both the Commands if they would agree to an extension. The U.N. Command replied that they were not prepared to consider this request.

5. As there was no agreement for an extension of the period and the explanations could not be continued, the N.N.R.C. had to decide about the dispositions to be made on the 22nd January when its custody was due to terminate. On this question also, there was a difference of opinion within the N.N.R.C. Article 11 of the terms of reference of N.N.R.C. made it clear that the cases of the remaining prisoners should be submitted to the Political Conference. The Swiss and Swedish representatives agreed with the U.N. Command's interpretation that this reference was not obligatory. The Polish and Czech representatives supported the Northern Command's interpretation which was to the effect that the prisoners must remain in custody until the Political Conference had met. The Indian representative's view was that the prisoners could not be released to civilian status until the Political Conference had considered their cases, but custody could not be continued after the 22nd January in the absence of a fresh agreement between the two Commands. In the absence of such agreement the only two courses open to the N.N.R.C. were either to restore custody of the prisoners to the two Commands on the 22nd January, or to terminate its custody on that date.

6. The Chairman made a reference to both the Commands about this matter. He pointed out that the Political Conference had not met and there was no prospect of its meeting. He invited them to consider the situation and give fresh directions. The Northern Command replied that custody should not be terminated, while the U.N. Command made it clear that on no account should custody continue beyond 22nd January.

7. It was clear that custody could not be continued in the absence of a fresh agreement. The N.N.R.C. was, in any case, dependent for logistical and other support on the two Commands. It could not release the prisoners to civilian status without referring their cases to the Political Conference, nor could it retain custody. Mere termination of custody might have led to anarchy and disorder, so the Chairman followed the only remaining course, namely, to call upon both the Commands to accept restoration of custody with effect from the 22nd January.

8. The Northern Command refused to accept restoration of custody. The U.N. Command accepted restoration under protest, while making it clear that the prisoners will be treated as civilians with effect from the 22nd January. The Chairman again pointed out that this would be a breach of the terms of reference and requested the U.N. Command to keep the prisoners in their custody until the Political Conference had met. The POWs were restored to the U.N. Command on the 20th January and, in spite of the Chairman's request that they should be kept in custody, the U.N. Command released them on the 22nd January. The Chairman's request had the support of the majority of the Members of the Commission. In their view, the step taken by the U.N. Command amounted to a breach of the terms of reference.

9. As the Northern Command refused to accept the prisoners on their side, the N.N.R.C.'s custody was withdrawn with effect from the 22nd January.

About three hundred and forty prisoners remained in the Northern Camp under the protection of the Custodial Force of India. Some days later, the Chinese and North Korean Red Cross took charge of these prisoners and they left the Northern Camp. Two prisoners who had expressed a desire to go to neutral countries remained under the protection of the CFI.

10. When the prisoners in the Southern Camp were being returned to the custody of the U.N. Command, one hundred and sixteen of them elected repatriation. These latter were immediately validated and repatriated the same day.

11. One hundred and one prisoners who had previously escaped from their respective compounds and had expressed a desire to go to neutral countries remained under CFI protection. Thus, in all, one hundred and three prisoners from both Camps remained under CFI protection.

12. A large number of the one hundred and three prisoners remaining with the CFI had asked to be sent to countries which were among the sixteen belligerent countries. They were told that they could not do so, as they could only elect for a neutral country. If they were unwilling to change their choice they were told that they would have to return to their former detaining power. Most of them were willing to be so returned, provided the U.N. Command gave them assurance that they would not be handed over to the Governments of South Korea or Formosa. The U.N. Command were not prepared to give these assurances, and, in fact stated definitely that anyone returned to them would be handed over to either the Government of South Korea or Government of Formosa. Subsequently, fifteen prisoners out of these one hundred and three, agreed to be handed over to the U.N. Command's custody. They were restored to the U.N. Command and were immediately released by it.

13. The remaining eighty-eight prisoners continued under the protection of CFI. Some of them had expressed a desire to settle down in India, while others had named other neutral countries. The cases of all these eighty-eight prisoners were referred to the Secretary-General of the United Nations and it was made clear that they would be kept under our protection, on behalf of the United Nations, pending a final settlement about their future. They have been brought to India with the Custodian Force.

14. In addition to these P.O.Ws. there were seventeen prisoners under trial on charges of murder etc.. in the Southern Camp. In all these cases investigation had been carried out and a *prima facie* case of murder had been established. The N.N.R.C. was anxious to complete the trials and the U.N. Command was repeatedly requested to co-operate by sending defence witnesses and in other ways. The trial could not be completed in the absence of defence witnesses. The U.N. Command further expressed its inability to produce the defence witnesses and called upon the N.N.R.C. to hand back these prisoners. As the N.N.R.C. was due to be dissolved on the 22nd February, it had no alternative but to hand back these prisoners under protest. These prisoners were handed back on the 18th February and the U.N. Command were requested to take steps to ensure that the guilty parties were suitably punished. We have no authentic information about the action taken by the U.N. Command in this matter.

15. The Custodial Force of India and other Indian personnel were withdrawn from Korea in stages. Five ships were used for the purpose of effecting the withdrawal of our men. The first group left on the 9th February and arrived in India on the 21st February. The eighty-eight prisoners were included in this party. The fourth ship reached India on the 13th March. The Commander of the Custodial Force, Major-General Thorat, returned in this ship. The fifth and the last group is expected to reach India on the 18th

March. The Chairman of the N.N.R.C., Lieut-General Thimayya, has already arrived in India.

16. The eighty-eight POWs who have been brought to India are at present living in the Delhi Cantonment. They consist of seventy-four North Koreans, two South Koreans and twelve Chinese. The majority of them are young men and the largest group consists of students. There are also some doctors, engineers, tradesmen, technicians and farm labourers among them. Further enquiries are being made about their qualifications and also about the neutral countries they wish to go to. After these enquiries have been completed, full information will be sent to the Secretary-General of the United Nations.

17. The N.N.R.C. submitted its final report to the two Commands on the 21st February and was dissolved on the 22nd February. The two reports of the N.N.R.C. are at present being printed and will soon be placed on the Table of the House. Apart from disposal of the eighty-eight POWs who have been brought to India, the responsibilities assigned to India in Korea have come to end. India accepted these responsibilities at the request of both the Commands in order to help in settling the question of repatriation of prisoners of war. Because of a disagreement between the two Commands on this question, the signing of an Armistice was held up for more than a year. Eventually, an agreement was reached which was based on some proposals which had been put forward by India in the Seventh Session of the General Assembly.

18. India's representatives in Korea had to deal with a complex problem and their difficulties were aggravated by the differences between the two Commands. In carrying out this difficult and delicate task, India's representatives both in the Commission and the Custodial Force, showed a high sense of duty. Their patience, tact and firmness, in many difficult situations, earned them the respect of those who came in contact with them.

#### STATEMENT ON KOREA

**The Prime Minister and Minister of External Affairs and Defence (Shri Jawaharlal Nehru):** The statement laid on the Table of the House is rather a long one, and I do not propose to take up the time of the House by reading it through. It is a factual statement, and if I may say so, there is nothing new in it which hon. Members do not know and which has not appeared at various times in the Press. It is really a kind of continuation of the account of what our Forces had to do in Korea since I made a statement in this House in December last. Now, that chapter is practically close so far as the Neutral Nations Repatriation Commission is concerned.

The only point remaining over for us is the fact that we have got 88 of those old prisoners of war here in Delhi with us, and we are holding them on behalf of the United Nations—that is, not the United Nations Command, but the United Nations Secretariat in New York. We have referred the matter to the Secretary-General of the United Nations as to what we are to do with them.

These 88 persons are those who refused to be repatriated and at the same time refused to be handed over to their old detaining sides. Out of the 88, 2 are from the Southern Camp and 86 are from the Northern Camp. These are the persons who first elected to go to various neutral countries, and among the neutral countries named was India. They could not be sent to neutral countries unless the neutral countries accepted them and there were arrangements for them to be sent.

Some of them said at the moment that they wanted to go to the United States of America, but the United States were not a neutral country; so, they could not be sent there. These difficulties could not be got over, and we pointed this out to them before our Custodian Force came back. We said again that either we could send them back to their own homes or hand them

over to the U.N. Command. A number of them said that they were prepared to be handed over to the U.N. Command, provided they gave an assurance and a guarantee that they would not be handed over to the South Korean Government or the Government of Formosa. The U.N. Command were not prepared to give this guarantee to them, and in fact said, "As soon as you come to us, we will release you, and you can go anywhere you like."

The result was that we had the choice of leaving them in the Camp and coming away, or bringing them with us. When these people learnt that we were on the point of leaving, they,—some of them, at any rate,—were much agitated that they might be left behind, and some of them even threatened something in the nature of suicide. They said, "We won't be safe here if you go away; therefore, we might as well commit suicide." Maybe, it was an idle threat. Now, we could not very well leave them in the lurch, and so we brought them here with us, and here they are with us at the present moment.

We are in communication with the U.N. Headquarters in New York as to what to do with them. That, more or less, closes the chapter of our work in Korea in connection with the Neutral Nations Repatriation Commission and the Custodian Force. I am sure that, as previously, this House would like me to express on its behalf our high appreciation of the work of our representatives in Korea.

---

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

PRESENTATION OF FOURTH REPORT

Shri M. A. Ayyangar (Tirupati): Sir, I beg to present the Fourth Report of the Committee on Private Members' Bills and Resolutions.

---

PAPERS LAID ON THE TABLE

PART ONE OF THE REPORT OF THE DAMODAR VALLEY CORPORATION FOR 1951-52; DAMODAR VALLEY CORPORATION BUDGET ESTIMATES FOR 1954-55

The Deputy Minister of Irrigation and Power (Shri Hathi): Sir, I beg to lay on the Table a copy of Part One of the Report of the Damodar Valley Corporation for the year 1951-52, under sub-section (5) of section 45 of the Damodar Valley Corporation Act, 1948. [Placed in Library. See No. S-76/54.]

I also beg to lay on the Table a copy of the Damodar Valley Corporation Budget Estimates for 1954-55 in accordance with sub-section (3) of section 44 of the Damodar Valley Corporation Act, 1948. [Placed in Library. See No. S-77/54.]

---

GENERAL BUDGET—GENERAL DISCUSSION—contd.

Mr. Speaker: The House will now resume further discussion on the General Budget. Before the discussion is resumed, I should like to remove one misapprehension or misunderstanding in the minds of hon. Members. Some of them are inclined to think that if a list is given or a name is sent, they need not try and make an attempt by rising to catch the eye of the Speaker. I want to make the position clear, that it is not sufficient merely to send in one's name or party's name. Each hon. Member whose name is included in the list has to make an attempt, of course, not by disturbing the proceedings but by rising, to show to the Speaker that if called upon he is willing to speak. After this explanation, I need not say anything further.

An Hon. Member: It is very heartening.

Shri R. K. Chaudhuri (Gauhati): Can I attempt to catch the eye of the Speaker?

**Mr. Speaker:** Yes, everybody can, but they should not scratch those eyes!

**Dr. N. B. Khare** (Gwalior): I have not only caught your eyes, but I have shown myself to the Chair.

**Mr. Speaker:** Order, order. Mr. A. M. Thomas may continue his speech.

**Shri A. M. Thomas** (Ernakulam): Mr. Speaker, Sir, I was dealing with the question of the shortfall in our expenditure. The sentiments expressed by me with regard to the hindrances created by the administrative machinery of our country have been expressed in his own inimitable way by the Prime Minister in the latest issue of Kurukshetra, which has been put in our hands this morning.

[MR. DEPUTY-SPEAKER in the Chair]

The Prime Minister says:

"Our administrative machinery, good in many ways, has not yet been fully adapted to the changing circumstances in the country and has not been geared up for swift action. Delays occur at every step, and even the money that we allot for various schemes is not spent. We tend to work in fits and starts and that constant pressure which is so necessary is not maintained."

Mr. Deputy-Speaker, these expressions portray the feelings of several people in our country. I referred to the intention of the framers of the Plan to utilise some of the several allocations made in the Plan through village panchayats. That undertaking or that assurance has not been carried out. There are certain States where the panchayats have been formed by elections through adult suffrage as for Parliament or State Assemblies. If these self-governing institutions are properly utilised as agencies for spending some of the amounts under the Five Year Plan, the moneys set apart

for local works etc. would not have lapsed. I am not minimising our achievements on our major projects. They are notable and everybody can feel proud about them. We are on the way to economic recovery,—there can be no dispute about it,—and I hope there should not be any necessity for the hon. Finance Minister to be apologetic when he presents the next year's budget with regard to shortfall in expenditure in various sectors.

I wish to make a passing reference to the revenue aspect before I deal with the taxation proposals as such. Shri Tulsidas Kilachand, the champion of the private sector, said that considering the tempo of our development expenditure, there could have been some reduction in the direct taxes. He however breathed a sigh of relief that no enhancement in the direct taxes has been made. I may tell him that the day of reckoning is coming, and soon after the report of the Taxation Enquiry Commission, the Central Government will enhance the direct taxes wherever possible. I should say that Shri Gadgil was rather unfair in making his remarks, which were rather embarrassing, about the personnel of the Taxation Enquiry Committee and at this stage he ought not to have made those observations. In the Budget speech that has been made by the hon. Finance Minister, he has stated about the loan of Rs. 18 crores due to us from Pakistan. In his reply to the budget discussion last year, he expressed the very same sentiments in more or less identical language as he has expressed in this year's Budget speech. He also stated then that the Pakistan Government "had given an indication of their view of it by the inclusion of Rs. 5 crores which means Rs. 7·4 crores in Indian money in their budget and we by including Rs. 9 crores." The House would like to be told as to what happened to the allocation and why it has not been possible for the Central Government to realise that money. The Budget speech is rather silent with regard to this aspect.

When I deal with the taxation proposals of the hon. Finance Minister, I regret to say that he has been rather unimaginative in certain of his proposals. The levy on art silk fabric has been mentioned by my hon. friend, Shri Gadgil and I do not wish to refer to it. The proposal, in the words of the Finance Minister, "to levy a moderate duty" on cement, soap and footwear is unjustified. The housing problem is still acute. Exemption from tax on income realised from new housing construction has been introduced to give an incentive to put up additional structures and thereby encourage investment on houses. The rent control measures adopted by the various State Governments have retarded the growth of house-building in the country. I would submit that this levy on cement will affect supply of buildings, and make the shortage of accommodation still more acute.

India's footwear industry, requires two primary commodities, leather and rubber. For the better part of last year, the footwear industry was in the doldrums. On account of the present tax, the price of footwear will rise and it will affect the sales and ultimately the industry itself.

As far as the soap industry is concerned, the new levy will seriously injure small-scale industries and I would urge on the Finance Minister to explore the possibilities of having some modification such as levy on an *ad valorem* basis and a limit of exemption based on output in order to avoid hardships suffered by these industries.

It is a delicate task for me to touch upon the question of levy on betel nut as I am a member of the Central Arecanut Committee and its Vice-President for the current year. I come from a State which is one of the arecanut growing States and so I would certainly plead for protecting the growers from competition by cheap imported stuff. But I am tempted to remark that the policy of the Central Government in this matter may not, in the long run, encourage

consumption, and therefore increase the demand. When we examine the history of import duties on betel nut, we will be able to find that the duty per hundredweight went up from Rs. 14 to Rs. 112. The imports are restricted to 900,000 cwt. If that quantity is imported, the duty that will be collected this year will be Rs. 10.08 crores on product valued at Rs. 2.9 crores, and without the middleman's charge, the consumer will have to pay Rs. 13 crores for goods bought at Rs. 2.9 crores. In this connection, I would urge on the Agricultural Ministry to take necessary measures for attaining self-sufficiency in this agricultural product.

I would point out that complaints from my part of the country regarding certain special types of duty such as on the export of pepper have not been considered at all. The pepper industry was expecting from the Finance Minister a reduction in export duty on this important but declining dollar-earner. The export duty of 30 per cent. continues to be levied. It may be taken note of that India is faced with serious competition from abroad notably from Java and Sarawak as regards supply of this product.

Referring to deficit financing, differing views have been expressed and I do not want to enter upon that, but I would submit that the drive that we have made for mobilisation of savings has not been enough. At the time of the last war, when there was alien rule here, it was possible for the British Government to raise savings on a large scale. Why independent India is lagging behind! I would say that we should try to place the mobilisation of savings on a "war footing".

I would submit that the Central Ministry of Finance can even attempt to start a State lottery. A similar thing has been attempted in Ireland, in South-West Australia and in Ceylon. When so much of money is going to the cross-word puzzles and such other questionable ends, there is

[Shri A. M. Thomas]

no reason why the Central Government also should not make an attempt in this direction.

I would now come to one point which has been debated threadbare on the floor of the House. The Finance Minister remarked that "measures for increasing employment opportunities have become a part of the Plan." I would submit that implementation of the Plan of the kind given to a State like Travancore-Cochin will not at all ease the employment situation in that State. With a population of 92,81,000,—we know that even the population of our sister country, Ceylon, is only 8 million,—that State is finding it difficult to make both ends meet and also to find avenues of employment for its citizens. The Finance Minister was pleased to remark in 1952 that the State required a little more industrialisation. In answer to a question put by me with regard to the changes made in the Plan as regards outlay for that State, it was stated that Rs. 3·4 crores was also set apart. I do not wish to take the time of the House by pointing out the break-up of the figure, but that allotment will not touch even the fringe of the problem—I would go further and say that it will not affect the problem at all.

**Mr. Deputy-Speaker:** Hon. Members must have due regard to the time and it is embarrassing for me to go on pressing the bell. Fifteen minutes are given to every hon. Member and a little more time for group leaders.

**Shri A. M. Thomas:** One more minute, Sir.

**Mr. Deputy-Speaker:** I have already allowed one minute.

**Shri A. M. Thomas:** I wish to say that in the present Plan or in the Plan as expanded, nothing is seen regarding efforts for further industrialisation of that State. I can understand the location of an industry like steel in places where raw

material and other things are available. But with regard to industries like electrical equipments and telephones, I do not understand why such industries should not be located in my part of the country. That will certainly ease the employment situation in a State where the problem is most acute.

**Shri H. N. Mukerjee** (Calcutta North-East): Sir, we are discussing the Finance Minister's fourth budget and I am constrained to say that it is perhaps his worst budget, which is saying a lot. I must say at once, Sir, that I have no pleasure in saying it, because in our different ways we all like the Finance Minister. But there is no doubt that faced with the challenge of our stirring times, when basic change is in India's air and when the people's readiness for high endeavour is a global phenomenon, our reaction to that challenge, as shown in the Budget, has been pitiful and distressing.

The Finance Minister, of course, thinks otherwise, and he gives in his review of economic conditions a somewhat distorted picture of prosperity. He refers to a so-called improvement which is supposed to have taken place. But he does so in the background of a serious economic crisis which is developing, the symptoms of which he has had to take note of himself.

In this connection, I would like to refer to certain statements which were made by the Prime Minister before the recent meeting of the Federation of Indian Chambers of Commerce and Industry, which, Sir, I take it, ought to have informed this Budget and all efforts connected therewith. He said on that occasion:

"The type of progress that we want in this country is not some temporary statistical progress, but the progress of 36 crores of our people in every way. The main objective should be the well-being of the entire people and not of a handful here or there."

Then he said:

"In the context of the present conditions in the world and in our own country, this progress has to be achieved in the quickest possible time."

The time element, he added, is a very important factor. Then he further said:

"No country which depends mainly on outside aid for her defence, security, progress and general well-being can hope to achieve anything substantial."

Sir, I take it that these objectives which all of us support, should inform our budget and all our efforts. But I fear, that the Budget which we are discussing does not go in that direction.

Of course, as I said, the Finance Minister has had to take note of the crisis which is not only brewing but has already appeared on the surface. He points out, first of all, that the general index number of industrial production had gone up in 1953 to a certain extent, but at the same time industry is confronting difficulties. Jute is faced with the problem of maintaining its export market; tea is bothered about falling prices and industries like paints, power-driven pumps, and asbestos cement sheets are faced with lack of demand. If this is the position, even before the much feared recession—the American recession—has got going, then we cannot really have any justification for the complacency which I fear the Finance Minister shows in the rest of his Budget.

If we look at the index of industrial production, Sir, we shall find how very precarious the position is.

I find at page 401 of the *Eastern Economist* (Budget Number) that coal is static; as far as engineering industries are concerned, the growth is not very remarkable; especially when we remember the Moolgaokar Committee's report that nearly 30 per cent. of our capacity is lying unused in the

engineering industries and we are getting things from outside which we ought to manufacture here. There is some improvement in chemicals, but apart from that, I do not see in the growth of industrial production any sign that we are on the right track. As far as iron and steel is concerned, there has been something like a fall which is sought to be explained away by saying that there was a strike for some time in the Burnpur factory. But, Sir, that is not the whole story. We have to go ahead with our iron and steel programme which we have almost criminally neglected since 1948.

Secondly, the Finance Minister admits that there has been "an aggravation of the problem of unemployment". Now, Sir, it is an irony to hear parallel talk of improvement in the general economic situation and aggravation of the problem of unemployment! I am sure, the Finance Minister will have some very recondite reason for this sort of thing. He may give us all kinds of arguments out of extremely learned economic treatises. Speaking from the point of view of the common man,—which surely it is the object of economists to subserve,—we do not understand how one can say that there is an aggravation of the problem of unemployment and at the same time an improvement in the general economic situation.

Now, in regard to this, this aggravation of the problem of unemployment is going to be with us, like the poor who are with us always. According to capitalist philosophy we are going to have this unemployment all the time: we are going to have large numbers of people on the scrap heap. In this connection, Sir, the *Eastern Economist*, discussing the problem of employment under the caption "Budget and the People" says: that for seven years from now, when by stages investment can be lifted from about Rs. 600 crores per year, where it stands this year, to Rs. 1,300 crores which seems to be the required figure to secure the balance, we shall have this unemployment figure growing

[Shri H. N. Mukerjee]

from time to time. We cannot absorb the working population which is coming of age and there is, besides, the problem of overpopulation about which capitalist economists make such a dismal song.

The result is that the position today is by no means satisfactory. I say that when tens of thousands are thrown out of jobs, and we are told that there is an increase in production, this must have been brought about by a depleted labour force; the mass of the people live in dire poverty while the top-dogs in society, the landlords and the capitalists amass as rent, interest and profit a far bigger proportion of the nation's total production.

The Finance Minister has admitted that the so-called improvement in the balance of payments position has been achieved at a reduced level of trade. Our export earnings in the first nine months of 1953 were Rs. 375 crores, which shows a decline of Rs. 125 crores, compared with the corresponding figure of 1952. This decline in export earnings has been more than balanced according to the Finance Minister by the decline in imports which at Rs. 434 crores were less by Rs. 174 crores, as compared with the previous year.

I feel that this is a very very serious matter about which we have to take note. What appears to have happened is that while we have exported the same quantity of our goods as before we have received less in value. On the other hand, what we have received from the international market has been less in quantity. It therefore appears, Sir, that the usual terms of "buyer's market" and "seller's market" have no real relevance as far as we are concerned. The position seems to be that with regard to commodities which we have to sell, we are in the buyer's market while with regard to commodities which we have to buy, the buyer's market does not appear to exist, as far as we are

concerned. These are perhaps matters which the Finance Minister might explain away as matters of minor detail. That is why he has said towards the end of his speech in a peroration that there is "a vast upsurge in our national life", and he has referred to the Plan as the panacea for our economic ills. But we find again—he has mentioned it himself—a shortfall in the developmental expenditure.

I need not go into the details of that. We have read the Progress Report of the Five Year Plan, and as you yourself must have noticed, Sir, it makes rather melancholy reading. If this happens at a time when we have got this Plan, when we have got to go ahead, with as fast a tempo as we can mobilise, then surely things are in a bad way. What has happened is the intensification of crisis and that is why the incomes of Government are falling more and more. There is a deficit this year in the revenue account of Rs. 26.06 crores. Actually, it should be Rs. 9 crores more, because the Finance Minister's expectation of Rs. 9 crores from Pakistan is in the present context almost a wild goose chase. The total for two years of deficit on revenue account is Rs. 52 crores; with the deficits in the States budgets also, it would come to about Rs. 70 to 75 crores of deficit which the country has to face. In capital expenditure, our deficit for two years is Rs. 378 crores. The way which is suggested by the Finance Minister—I do not blame him—for that is deficit financing.

This question of deficit financing has given rise to much controversy but knowing the Finance Minister as we all do, I was reminded, when I heard the idea, of a rhyme which the Finance Minister must have read—rhymes written by the writer of *Alice in Wonderland* which says:

"I thought I saw a banker's  
clerk descending from the bus,  
I looked again and saw it was a  
hippopotamus.

If this should come to tea, I thought I, there won't be much for us".

Deficit financing descends from the bus looking as innocuous and respectable as the white-collared banker's clerk but later on it might turn out to be a hippopotamus which might drink all the tea that we have got in our mansion.

We have already found that the International Monetary Fund reported against deficit financing. I do not say we should not take recourse to it because I do not see how in a backward economy like ours when we are going ahead with a Plan we shall not have recourse to some kind of deficit financing. But it will be all right only when it is really controlled. That, I am afraid, is not what the Finance Minister is going to do. He has his predilections and that is writ large in the entire Budget. He is allowing a large amount of unutilised resources to remain in the hands of a microscopic minority of the people, who are bagging a lion's share of the nation's produce. I say, Sir, that he is firmly refusing to impose taxes or to enhance the rate of taxation on the richer classes of society. Since 1947, the concessions to big business have amounted to many crores of rupees. Direct taxation has been reduced from 47 per cent. of the total tax revenue in 1947-48 to 28.3 per cent. in 1954-55. At the same time we find a series of new burdens on users of such commodities as betelnut, soap, footwear, medium and coarse cloth.

The Finance Minister comes forward and says, "I cannot do anything about changing the taxation structure of our country because there is the Taxation Enquiry Commission reporting in a year or two's time". I wonder why this kind of argument shall be advanced. The other day, we heard the Home Minister saying that the Press Commission was going to report on the Press laws, but the Government did not say on that occasion, "We should await the recommendations of the Press Commission". They

went ahead because they wanted to do so; because they wanted to manacle the Press and the people. If Government really wanted to tax those sections of the population which are able to bear further taxation, Government should have come forward with their plans and placed them before us.

What I suggest is that there should be a total reversal of our policy towards both foreign and Indian monopoly capital. The Finance Minister has still a soft corner for foreign capital and foreign assistance in spite of what has been happening recently. I do not blame him for it because it happens to be his conviction, that we can go on depending so largely upon foreign assistance. In this connection, I want to say that there are companies operating in this country which are making enormous profits—Indian as well as foreign but most of them foreign. For example the Dunlop Rubber Company with a working capital of Rs. 1.46 crores made from 1945 to 1952, almost every year, on an average one crore of rupees as profit. I referred to this matter on the floor of this House on the 15th May last year and on that occasion the Minister of Commerce and Industry got up and said he agreed with me and that the position was worse in the case of Firestone. Dunlop had 53 per cent. of the capital in Indian hands while in the case of Firestone all the profits were being sent out of this country; nothing is ploughed back in this country. The Bengal Coal Company and the Assam Oil Company are among the many other examples we can see. Why cannot we do something about it? If we cannot expatriate foreign capitalists, why do we not put a ceiling on profit and see that nobody takes more than 6½ per cent. or something like that? I do not make it as an absolute suggestion but there should be a ceiling on profits, here and now.

I say this because from the side of the capitalists very dangerous demands are being made. If you read their speeches, if you listened to the

[Shri H. N. Mukerjee]

speeches delivered in the meetings of the Federation of Indian Chambers of Commerce and Industry, what do you find? 'Have more rigid labour laws, have a reduction in wages, to give more incentive to private capital'. This is what they say. But how exactly has private capital behaved is a matter which our country would like to know. Our country would certainly like to know why it is that private capital has behaved so badly.

In the *Free Press Journal* (Republic Day Issue), we find the profits of eighty companies are given together. With a total paid up capital of Rs. 82.53 crores they have built up in one year a net profit of Rs. 14.76 crores and accumulated Rs. 68 crores in the reserve funds. The *Indian Finance* (Silver Jubilee Issue 1953) estimated that during 1947 to 1950 the annual investment in the private sector averaged Rs. 80 crores. But since 1950-51, when our great Plan came into operation, the rate of investment has sharply declined. During the last three years the total investment in the private sector amounted, according to the information I have been able to gather, to about Rs. 60 crores; that is, on an average Rs. 20 crores per year. According to the target fixed in the Plan the private sector should have ploughed back into industry at least Rs. 40.66 crores per year. This means that big business has been refusing to invest its capital unless a very heavy price is paid for the same, a price which will have to be paid by our common people in terms of suffering.

These are matters which are of very great importance, which have got to be taken into account before we give the Finance Minister the line-clear to proceed in accordance with whatever scheme he has in mind. Restriction of monopolist rights is a point which I would emphasise over and over again; this is a matter of the first importance. The overwhelming bulk of finances in the country is in the hands of these capitalists. I have mentioned

in this House several times, I imagine, the existence of the safe deposit vaults which contain deposits of the devil knows how much treasure, but upto this time we have not got an opportunity to find out, just for the sake of discovery, for its own sake, as it were, how much money is stowed away in these vaults for the security of those who are the top-dogs of society.

This Government should take a series of positive measures. It must make sure that the profit, whether it is made by our own capitalists or foreign, is compulsorily directed into those channels which would go to serve the interests of the people and the general economic development of the country and not simply the requirements of the export trade which is so largely banked upon by the Government's economic policy. Such investments may not always bring quick and high returns for businessmen but they will tend to prevent lopsided development of our economy. This kind of control on investments does not mean nationalisation, that is, Government ownership of private industries. That is not what I am advocating at the moment because that cannot be done. But at least there could be statutory fixation of limit over profits. There should be prohibition of remittances to Britain on industrial, trading, shipping, insurance and other profits.

Only the other day we found published the Reserve Bank sample survey on the amount of money which is taken away by foreign firms, banking companies, insurance companies. We should prohibit the remittance to Britain of industrial, trading, shipping, insurance and other profits which amount to about Rs. 200 crores every year. We should compulsorily plough back all profits into lines which are determined by Government after discussion in Parliament, so that they go to industries which promote industrialisation and serve the real needs of the people. These are some of the points which we must bear in mind if we are to go ahead.

Sir, in this connection I would refer only to two sections of the Mutual Security Act of the United States which, I think, we ought to recall, specially in view of the Prime Minister's recent statement on the U.S.-Pak Pact and its repercussions. Section 2 of the Mutual Security Act, under the caption "Purpose of the Act", says:

"The Congress declares it to be the purpose of this Act to maintain and to promote the foreign policy of the United States by authorising military, economic and technical assistance to friendly countries."

That is the objective of the Act, Section 511(b) of the Mutual Security Act reads:

"No economic or technical assistance shall be supplied to any other nation unless the President finds that the supplying of such assistance will strengthen the security of the United States and promote world peace, and unless the recipient country has agreed to join in promoting international understanding and goodwill and in maintaining world peace, and to take such action as may be mutually agreed upon to eliminate causes of international tension."

Here is a hornet's nest. Any day the campaign of blackmail to fit our country into the everlengthening chain which is being built round the Soviet Union and China, will become even more menacing than today. We have to take preventive measures, positively, firmly and effectively, with the assistance of our own people. I read only yesterday in a Calcutta paper that the Chief Health Officer of the Calcutta Corporation has said that one out of every ten citizens of Calcutta is suffering from tuberculosis infection. I have been reading books by doctors who, I find, are now developing a social conscience and realise that tuberculosis is a disease born out of

the social phenomenon of poverty and malnutrition, and is due mainly to the disastrous conditions of living to which our people are reduced. I may also tell you, Sir, about another experience which I had in Cranganore in Travancore-Cochin. I happened to be there almost in the wake of the Prime Minister. I had heard something about the collapse of the coir industry. I was asked if I wanted to see how the coir workers worked. I went up a few cubits from the main road. I saw women working under a canvas awning. Women of all ages from about eight or nine to maybe, sixty years of age. The women said to me: "See how we work. We are working from seven in the morning to half-past eight in the evening and we get three and a half annas for this job. Even then, we do not get work and there is unemployment. Do you know what happens to us?" And they showed me their hands. Sir, I shall never forget it as long as I live. I touched those hands, the hands of little girls, bruised, battered, broken and blemished beyond recognition. I felt so ashamed of myself. I have not done real hard manual labour in all my life. I touched the hands of those young girls who should be playing in the sunlight but have been working day in and day out to get three and a half annas after fourteen and a half hours of work. Soft hands which should be ready for being kissed and petted were brutally bruised and battered. I can never forget what I have seen. Now, the Prime Minister goes there and says the people must work harder. Even the Finance Minister has said that there should be more hard work and stinting. My people are ready for hard work. They have to be ready even for de-humanising work; for otherwise they cannot get their bread, without such work they cannot go on living. But, at the same time, you do not give them opportunities for work. You keep them in the fear of hunger. You do not give them freedom from hunger and freedom from fear. Then, how the devil are we going to work this Plan? Unless our people get a feeling that we are

[**Shri H. N. Mukerjee]**

on the right track, how are we going to work it? I am reminded of what was said about the English and their theory of utilitarianism, the theory of the greatest happiness of the greatest number. About it, Nietzsche said: "Who wants happiness? Only the English man does". Our people are suffering and have suffered for so long that they do not care for mere happiness, for the sake of it. Our people can be roused to great achievement only when they realise that by their work their children and their children's children will have a real share in the world's sunshine, a share in the glory and the achievements of civilisation. That is our perspective and that is the way in which we should work. But we do not do that. The Finance Minister, after the Sydney Conference, joined in issuing a communique where they all said that their efforts are devoted to "the full spiritual life of the individual." Fine words, Sir. We want more opportunities for a really full spiritual life of the individual. For that purpose it is necessary to have a different kind of society, a society which shall no longer be polluted by the kind of profit motive which alone is installed in positions of power by the Government of the day. That is why I say that the Budget is a damp and dismal document which cannot ignite that exhilaration which is absolutely necessary if our people are to build a brave, new world nearer their heart's desire.

**Shri Kasliwal** (Kotah-Jhalawar): Mr. Deputy-Speaker, Sir, whenever the Deputy Leader of the Communist Party intervenes in any debate, the debate tends to take an acrimonious turn. I have been marking that the tone of acerbity in his speeches of late has become more or less stabilised. The frequent use of words 'damn', 'damnation', 'dismal', 'condemnation' and so on, which he has of late been using for this side of the House is something which is beyond imagination.

Now, coming to the Budget, he has said that the Finance Minister has

given a distorted picture of prosperity. He did not care to show at all how that picture was full of distortion, but he went on to quote some passages which I could not follow in the context. He went on to say something about industrial production and started quoting some passages from a capitalist paper. The *Eastern Economist* in which it is alleged to have been said that industrial production has fallen off. He also mentioned certain things about deficit financing. I will take up his remarks about deficit financing when I come to that particular question.

Yesterday, Mr. Tulsidas, when he opened the debate on this Budget said certain things which made me feel as if he was enunciating an economic theory which had its legs in the nineteenth century. He said certain things about high rates of taxation and reduction in capital formation in the private sector. A very effective answer to him was given yesterday by Mr. Gadgil, and today in another context, my friend Mr. Mukerjee has also given him an answer. I do not propose to take up the time of the House on that particular matter.

4 P.M.

Coming to the Budget, I will say that the Finance Minister has given us a very steady picture of the country. The Finance Minister is not prone to giving spectacular pictures to this House. He has a steady mind, if I may be permitted to say so, and being of a steady mind, he is not used to paint lurid pictures.

In his Budget speech he has said that the Budget is being tagged on to the Five Year Plan. It is but natural that it should be so, for we have to fulfil the Plan completely and show to the world that it is being worked democratically. The whole world is looking to us with bated breath that this country which is working on a democratic basis is going to work a Plan which up till now has been worked only on a totalitarian basis. So, it is but natural that our Budget should be tagged on to the Plan.

I had just referred to the question of deficit financing. I am not one of those who are frightened by it. Several speakers in this House have given various views on deficit financing, but I must say very plainly that I think it is very necessary in this country for two reasons. One of them is that we have been feeling that there are certain deflationary tendencies in the country. Those tendencies have got to be corrected. My hon. friend Mr. Kilachand said yesterday that there was a reduction in capital formation. That also goes to show that there are certain deflationary tendencies in the country. If there are any inflationary trends to be found in the country, I may say we are well placed in the matter of foreign exchange and imports could be easily expanded and inflationary tendencies checked.

The Finance Minister in his speech gave us a review of the economic situation and he said how production both in the agricultural sector and the industrial sector has maintained a progressive trend. He gave us figures to show that in spite of strikes, in spite of many reasons, and, as my hon. friend Mr. Mukerjee said, in spite of a fall in production in coal, iron and steel and sugar, on the whole industrial production had risen by five per cent. over last year. In the public sector also there has been a considerable rise in production. The latest establishment of a new iron and steel factory has to be very much welcomed, and I have a belief that very soon the Government will also take up the question of establishing another steel plant in Madhya Pradesh.

So far as agricultural production is concerned, it is obvious that by and large food shortage has been overcome all over the country. Not only has the area under cultivation in respect of coarse grains increased, but in respect of wheat and rice also it has increased considerably. I think I can say without fear of contradiction that today we are on the high road to self-sufficiency in the matter of food production.

**Shri M. S. Gurupadaswamy (Mysore):** Thank the Rain God.

**Shri Kasliwal:** You may go on thanking the Rain God, but we are going to thank ourselves.

**Shri S. S. More (Sholapur):** Thank the Finance Minister.

**Shri Kasliwal:** Then I want to refer to another important question which has been raised by only one Member in the House yesterday, though in a very different context. Before I do so, I shall refer to our Defence Services and the Defence Service estimates.

I would like, as the hon. Prime Minister was pleased to say, to express my high appreciation of the magnificent job which our forces have done in Korea.

I want to place before this House certain figures regarding our Defence estimates. The figures are:

Net expenditure		
Land Forces ...	Rs.	143'00 crores
Navy ...	"	11'89 "
Air Force	"	35'00 "

You will be pleased to see what a difference there is between these figures. Since 1952 voices have been raised in this House that our Defence Services are lopsided, that there is a kind of imbalance in our Defence Services which has got to be corrected. I am sorry there is neither the Deputy Minister for Defence nor the Minister for Defence Organisation present here. I would like to enquire what steps they have taken to correct this imbalance in our Defence Services.

So far as the Army is concerned, I am glad that since 1952 the figure has remained constant, but the expenditure on the Navy has also remained constant and no steps whatsoever have been taken to remove this imbalance, this lopsidedness in our Defence expenditure. I can give figures to show that since 1951-52 our expenditure so far as our Naval Forces are concerned, has remained exactly where it was, and our establishments and our units,

[**Shri Kasliwal**]

so far as the Navy are concerned, are also remaining exactly more or less where they were except with regard to the addition of one single tanker. The estimates for 1952 say:

"The Indian Navy consists of afloat establishments, such as cruiser, destroyers, frigates, mine-sweepers, survey ships, store carrier etc....."

The Defence Services estimates of 1953-54 exactly repeat the same language, and the Defence estimates of 1954-55 also repeat the same thing except that they mention one additional tanker.

**Shri M. S. Garupadaswamy:** They do not know any other language.

**Shri Kasliwal:** I want to know what exactly is the attitude of our Minister for Defence Organisation. I want to know whether he has had a look at the map of India, whether he knows how long our coast line is and whether he will ever place our country in a position to defend our coast line. I find that we have bought one single, solitary cruiser in the last four years, and nothing has been said to show that there is possibility of an addition of another cruiser anywhere. I maintain that it is our duty and responsibility to properly maintain the defence of the Bay of Bengal. The southern sea and the Arabian Sea are equally our responsibility. Without at least three cruisers and supporting destroyers and frigates and other smaller units it is not possible to defend the huge coast line of our country. But what has our Minister for Defence Organisation done? I want to draw your attention to the figures. They have remained more or less constant: Rs. 11.89 crores, Rs. 11.73 crores and Rs. 11.52 crores. This is the position in which our Navy is placed in spite of the fact that since 1952 several Members in the House have been crying that our Navy is very weak, that the entire defence services are lopsided. I remember a veteran Member of this House, Mr. Shiva Rao referring in particular to this question.

What is the attitude of the Minister for Defence Organisation so far as Defence capital outlay is concerned? I would like to draw the attention of this House to certain figures which have been given in the Defence Services estimates for 1954-55. For the year 1952-53, the estimated defence capital outlay on the Navy was Rs. 3.79 crores nearly, but the actual amount spent was only about Rs. 1.77 crores. Out of Rs. 3.79 crores, nearly Rs. 2 crores remained unused. For the year 1953-54, the original estimates were Rs. 3.91 crores, but the revised estimates stand at only about Rs. 2.52 crores, so that a sum of nearly Rs. 1.40 crores remained unused. And what are the estimates for the next year? They are placed at Rs. 7.44 crores. I want an assurance from the Defence Minister that all this money will be used during the next year, and he will not again come to this House and say next year that it was very unfortunate that this money could not be used because we could not make any purchases of defence equipments, for our Navy, so this money will be pushed forward to the next year's budget, and so on.

One minute more.

**Mr. Deputy-Speaker:** At the end of fifteen minutes, if hon. Members say, one or two more minutes, what am I to do?

**Shri Kasliwal:** I want to draw the attention of the House to another small matter. Time and again, whenever the question of the expansion of the Defence estimates has come up, we have been told, we are going to have reserves, we are going to have auxiliary forces etc. What is the position with regard to the reserves, and the Territorial Army? Only this morning, I happened to read a small note in the brief statement of the activities of the Defence Ministry, which was circulated to us, which reads as follows:

"For various reasons, partly financial difficulties, and partly difficulties of recruitment, the expansion of the Territorial Army has

been rather slow. A change of policy in some respects seems to be called for, if the Territorial Army is to expand, and the matter is under serious consideration, at present."

You will recall that so far as the Navy was concerned.....

**Mr. Deputy-Speaker:** Shrimati A. Kale. Hon. Members must stick to the time; otherwise, in the middle of a sentence they will have to sit down.

**Shrimati A. Kale (Nagpur):** I am grateful to you for the opportunity given.....

**Mr. Deputy-Speaker:** This takes away so much of time. Hon. Members must straightforwardly deal with the subject.

**Shrimati A. Kale:** I am the last person to take more time. It is only the other speakers that have taken more time.

**Mr. Deputy-Speaker:** Hon. Members are unnecessarily spending their time, showering encomiums on me.

**Shrimati A. Kale:** The Budget, though deficit, is an encouraging one, as there is a provision made to relieve, partially at least, rural unemployment, by the measures taken for the promotion of khadi and village industries. Similarly, as the income-tax structures remain the same, the private sector would be encouraged to fulfil its quota in the Five Year Plan, and thus help to relieve, to some extent at least, urban unemployment as well, provided it is given facilities to come forward. The present taxation policy is a cumbrous one, and it therefore hinders the growth of trade and industry. The same is true with regard to our labour laws also. Our labour legislation should be such as not to come in the way of production, because we must remember that the private sector has to play a very important part in the future development of our country.

One cannot but note with satisfaction the fact that the hon. Finance

27 P.S.D.

Minister has advocated deficit financing for the completion of the Five Year Plan. But I regret to note that he has thought it fit to levy duty on soap and footwear which are the articles in every day use by the lower middle and the middle classes, while he has not thought it proper to levy duty on cigarettes and other luxury goods.

The other day, in the course of his speech in the Council of States, the hon. Finance Minister has stated that as the extent of foreign aid during the second Five Year Plan period would be very much less, and as the sterling balances would also have greatly diminished by then the country will have to rely on its own resources. I wish this would have occurred to him much earlier, judging by the trend of events. It is therefore very necessary that all our resources have to be pooled together. In this connection, I would humbly suggest that he should make use of the surplus human energy that is available in the country. I understand that in response to the call of the Chinese Prime Minister, nearly five lakhs of people, including women, offered their voluntary services for the construction of a big dam, and completed it within six months. What is true of China can be true of India also, provided there is the right approach. This should not be difficult so long as we have the popular Prime Minister at the helm of affairs. So far as my State is concerned, I do feel sure that, within the influence and popularity of the Prime Minister, and the organising capacity of Sant Tukdoji Maharaj, a large army of voluntary workers could be easily raised, provided the top-men are free from corruption. Sant Tukdoji has already tried this experiment, and has set up a network of village workers, for the reconstruction of villages, without any help either from the State or from the Centre. This work of his compares very favourably with that of community projects. I feel confident that there are such influential people in all the States, and if only they are approached, they will surely come forward to help in this gigantic task of national reconstruction.

[Shrimati A. Kale]

I am sorry to note that no substantial help has been given to my State during the current year, in spite of the fact that it is an undeveloped one. It is one of the accepted principles that underdeveloped countries are to be helped first, and it is on this basis, that we have been getting so much of help from other countries. But our Government do not appear to follow this policy, in respect of the States that are hopelessly backward.

The story of the steel plant is over now, but it has left its mark on us. The hon. Production Minister, during his visit to Nagpur, indicated that the next plant would be located in Madhya Pradesh. I do hope that he would fulfil this promise and would not recede from it on some flimsy and technical grounds. Further, in the course of his statement on the location of the new steel plant that he made in this House on 25th August 1953, he had stated:

"The Government of India have also decided that a further intensive survey, examination and analysis of the mineral resources of Madhya Pradesh should be immediately taken in hand, with particular reference to iron ore and coal, to facilitate the economic and industrial development of these resources."

After this statement, it was clear to my mind that we were not getting the steel plant, and that has come true. Dr. Bhatnagar and others were supposed to proceed to my State for investigation in the first week of March. But I do not know what has happened.

**My story of woe is not yet complete.** While opening the high media separation plant in Bhandara District, in Madhya Pradesh, Dr. Bhatnagar said that industries would come to Madhya Pradesh, provided water sources are discovered there. It is surprising that the Government of India do not seem to have taken any notice of this, because in spite of the possibility of tapping the Wainganga, the Mahanadi, the Purna, the Tapti, the Narmada and

the Arpa rivers running through the State, no river valley scheme has been included in the Plan. Our State did carry on investigation in regard to the Wainganga and the Narmada, and spent a few lakhs of rupees in collecting data, but the Centre did not think it fit to include any of them in the first Five Year Plan. What have we done to justify this treatment?

Ours is a surplus State, so far as grain is concerned, and it has always come to the help of the Centre at the time of crisis; it has also helped the other deficit States with rice and jowar. Do not the Central Government realise that if only the Wainganga scheme had been taken up, more food could have been produced? So also, it would have helped the production of sugarcane and tobacco also.

Tobacco, as you know, is a sterling-earning commodity. Besides, it would have been easy to start industries like paper, cement, wood pulp etc. I hope Government would realise the urgency of the fact that a backward State like Madhya Pradesh must develop its industries, if it has to raise the standard of living, and also tackle the unemployment problem. It is painful to note that not one development scheme has been included in the first Five Year Plan, in respect of our State. If the waters of the Purna river were harnessed, the rich lands of Berar would have yielded two crops a year, and thus helped to reduce the shortage of grains.

Research must be carried on with regard to the *kosha* silk that we produce, with a view to finding out whether its quality could be improved by scientific treatment. The Central Silk Board can investigate into this matter, so that the *kosha* silk could be profitably used for sarees and other garments.

Similarly, we produce a large quantity of linseed, the fibre of which, I understand, could be processed for making textiles of the quality of rayon and artificial silk.

We have also got plenty of manganese, which is exported as a raw

product. If this can be treated into ferro-manganese, not only will it help us to earn more dollars, but it will help to reduce the freight charges on manganese, and also to relieve the problem of unemployment.

Thirdly, there is a great demand for telephones in Nagpur. As a member of the Telephone Advisory Committee, I know that applications have been pending for years together.

**Shri P. N. Rajabhoj** (Sholapur—Retired—Sch. Castes): On a point of order. The hon. Lady Member is reading.

**Mr. Deputy-Speaker:** There is no point of order. The hon. Lady Member is giving valuable information, and she is referring to her notes. The hon. Member ought to be a little more chivalrous.

**Shrimati A. Kale:** While Rs. 14 crores are being spent in Calcutta, Rs. 1.45 crores are being spent in Delhi, and Rs. 3 crores in Bombay, no provision seems to have been made for us. Even a comparatively smaller place like Hyderabad is getting Rs. 25 lakhs. After all, what is our demand? We want only 1,000 new connections. I hope that Government will revise their decision in this matter and fulfil this much-awaited need.

I find in the Budget that Rs. 4 crores have been set apart to establish an All-India Medical Institute in Delhi. I entirely agree with the scheme. It is going to be a very useful one, but I am afraid that Delhi is not the place for it. It should be away from Delhi because, as you know, Delhi is a vulnerable place. As things are moving, we do not know what is in the womb of the future. Therefore, I most humbly suggest that this Institute should be located at Nagpur where a new medical college has been constructed at a cost of more than Rs. 2 crores. I earnestly appeal to Government to reconsider their decision and locate this Institute at Nagpur, which is the geographical centre of India.

Then, a sum of Rs. 5 lakhs is to be spent on leprosy research. Our State,

again, does not come into the picture, in spite of the fact that we have a high percentage of leprosy. As far as I know, there are two non-official institutions besides some missionary hospitals working in our State. Dattapur Institute at Wardha, I understand, is adequately provided by the Gandhi Memorial Fund. The other one at Amraoti is a comparatively recent one and is in need of help. It is managed by a veteran old Congress worker, Dr. Shivajee Rao Patwardhan. I do hope that Government will give some help out of the Rs. 5 lakhs to this very deserving institution.

It is a matter of great satisfaction that Government have allotted Rs. 30 lakhs for family planning. Last year, only Rs. 3 lakhs were sanctioned. This means that Government realises the need and urgency of this question. Only the other day, Dr. Gilder, while speaking in the Council of States, suggested the use of soyabean in food, so that fertility could be checkmated. I request that this should be experimented upon in different States. The rhythmic method, I repeat, is neither efficacious nor practical in the present condition of rural India. Therefore, we have to take recourse to other methods.

In conclusion, I would again draw the attention of this House to the fact that my State has not got a fair deal. It has been criminally neglected. No river valley project, no scheme of any kind, no electrification, no steel plant, nothing of the kind has been given to us, in spite of the fact that we have so many potentialities. If developed properly, I feel sure that ours will be one of the richest States in India and will be able to come to the help of the Centre in times of need.

**Shri N. C. Chatterjee** (Hooghly): Although this Budget has been applauded by a section of the Press which is in the grip of the big bosses of capital, I regret that from the common man's point of view it is disappointing. I say that it is disappointing, not because I am sitting on the Opposition Benches, but because I am afraid it is not a realistic Budget. The Finance Minister's speech does not at all give an indication that he is really alive to

[Shri N. C. Chatterjee]

the needs of the situation, or that he is conscious of the dangers of the crisis ahead of us. His outlook is really limited to merely working out past commitments. There are no big changes; there are no heartening announcements. On the other hand, deficit finance to the tune of the total shortfall of Rs. 250 crores is bound to lead to inflation, whatever economic homilies may be preached. We know that this kind of deficit finance must lead to the aggravation of the misery of the common man.

The country is not developing an import surplus and therefore it will affect the poorer classes, particularly the fixed-income-earning middle classes. Unfortunately, there is no relief for the poor; there is no relief for the unemployed; there is no big scheme, no adequate provision for the refugees. On the whole, there is very little evidence of an architect's mind behind this Budget.

Higher duty on soap and footwear: I do not know—it may gladden the heart of some people, very orthodox and reactionary—but it will not be liked by the ordinary people. The levy on textiles will specially hit the poorer classes who are already hard hit. Competent economists have pronounced the verdict that the success of the Five Year Plan will depend upon the voluntary and effective co-operation of all classes of people. Unlike totalitarian countries, in a democratic set-up, it is neither desirable nor feasible to mobilise the necessary resources and services by regimentation from the top. Unfortunately, it is again a matter of deep regret that there is very little co-operation between the Government and the people in working out the Five Year Plan.

A very competent economist who is held in high esteem in all circles has said that we should deplore the tendency of frowning upon any criticism and assuming a monopoly of knowledge and a monopoly of wisdom on the part of those in power. Whatever may be

the immediate reaction to the regrettable Pak-American deal, our Government, I understand, has welcomed American economic aid for building up India's economy and financing India's development plans. I understand that President Eisenhower has publicly made an offer of giving substantial economic aid to India. I hope that India will not be written off in the economic field in view of her recent protests against the Pak-American Pact. We should never be a party to any policy which will leave India isolated and make her economically weak or industrially backward.

I read in the *New York Times* of the 5th March that even after the protests which were very strongly made by the Prime Minister of India, America has been helpful in certain respects. I understand that India has recently bought, according to this leading American paper, at least thirty Sherman tanks and a number of helicopters in the United States. India has also been licensed by the United States to get certain exclusive United States processes in the manufacture of military equipment in America. Also, twenty-six C-119 Flying Boxcars have been bought by India through the good offices of the American Government. I hope there are no strings attached, no conditions attached to these purchases, which are in any way derogatory to India, and nothing which can possibly lead to India's accepting a position of subordination. I understand, also as this paper says, that this has been done under the programme which is called the Mutual Defence Assistance Programme, and I hope that this kind of assistance will be rendered to India in the future. Our Government seems to be speaking with two voices. The Finance Minister says that we are going to have no increase in the Defence expenditure. The outlay on Defence is only Rs. 205,62,00,000. He has explained that the increase of Rs. 6 crores is only due to the revised estimates in regard to normal development provisions. Within 72 hours of Mr. Deshmukh's Budget speech, comes the speech of Shri Jawaharlal Nehru, the Prime Minister of India. He delivered

a strong speech, a very forthright speech. Some people have regretted portions of that speech, too. He called upon the people to unite and to be **alive to the dangers ahead. I am quoting** the Prime Minister's language:

"In this grave situation that has arisen, this House and this country will, I have no doubt, stand united. This is no party matter but it is a national issue on which there can be no two opinions."

There is no doubt that the situation is grave. The situation is serious; the situation demands maximum national unity. But so far as the situation as a reflection on the ability of our policy-makers is concerned, there is a certain room for honest difference of opinion. Of course, what the United States Government and the Pakistan Government are going to do is clearly wrong, but it has got to be admitted that this is a big defeat of the Foreign Minister of India. His policy has failed. Apart from the failure in our attitude or policy towards Pakistan, which has proved to be of a substantial nature, the so-called high prestige of India is supposed to be going up higher in the international sphere. The Finance Minister seems to be one of those people who have been lulled into a sense of unfortunate, pleasant complacency due to the insistent talk of India's ever-increasing prestige in the international sphere. The fact is that the sentiments, the feelings and the aspirations of a great nation like India, a great country like India consisting of 360 millions of people, have not been properly interpreted to the world outside, and especially to the Western democracies. I feel that our Embassies have not done their duty. I feel that our costly Embassies have been more a liability. I also feel that our propaganda machine has been seriously defective. I think that if India's point of view had been properly presented to the rulers of America and those who are in power in the Western democratic world, this calamity could have been avoided. What is the good of simply blaming the United States of America for not naming Pakistan as the aggressor? Pandit Nehru has dis-

covered it only six years later and he now says that they have not yet named Pakistan as the aggressor in Kashmir. But, has the leader of the other bloc done it? They are equally reluctant and hesitant in naming Pakistan as the aggressor. Therefore, it is no good simply blaming one bloc; they are both the same, so far as the real issues are concerned in which India is vitally interested.

I feel that in spite of our high moral prestige, we have been misunderstood both on the Kashmir issue and on other issues. Our international prestige has created no visible effect; so far as the liquidation of foreign pockets in India is concerned, they are still sticking to the Indian soil and we have heard on the floor of the House that our diplomatic representations have not been receiving any attention.

I wonder whether the hon. Finance Minister belongs to the same Cabinet of which Pandit Jawaharlal Nehru is the Prime Minister. If so, where is the evidence in his budget that there is any sense of reality, any sense of appreciation of the grave situation? What is the good of the Finance Minister saying that it is all right; we should be complacent; there should be no question of increasing armaments and our Army needs, and that the Budget will be carried on, so far as Defence expenditure is concerned, on the old routine methods? The framers of the Budget have not taken into consideration the dangers ahead. This Budget does not show that the Finance Minister of India was at all alive to the grave situation about which the Prime Minister spoke within 72 hours, on the floor of the House, after the Finance Minister's speech. Why was there no change in the Budget in view of the new development, in view of the new crisis? How does the Finance Minister propose to prepare the country; how does he want to checkmate any possibility of aggressive invasion of India? If there had been any sense of reality, this Budget should have reflected the grave need of preparing the whole country for this emergency. The call should have been given, not merely for demonstrations and meetings and

[Shri N. C. Chatterjee]

speeches and flags and homilies. But the call should have been given for the militarization of the youth of the nation and for an objective approach to the situation. I am not here to make a debating point. Every patriotic Indian, every true son of Mother India is deeply perturbed today. Eternal vigilance is the price of liberty and it is not merely vigilance but active preparation in this crisis which is wanted. I am making some constructive suggestions. I am sorry the Finance Minister is not here, but his Deputy is here.

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** It will be conveyed to him.

**Shri N. C. Chatterjee:** I know the Deputy Finance Minister is here but the Commerce and Industry Minister seems to be deputising in his place too.

Firstly, I say a Citizens Force should be immediately built up.

Secondly, the Territorial Army should be expanded. This morning, we got a booklet called, 'Brief Statement of the Activities of the Ministry'. It is an amazing document. The Government says that to advise the Government of India a Central Advisory Committee has been constituted under the Chairmanship of the Minister of Defence. Members of Parliament, prominent public men and representatives of employers and labour are all represented on it. The Committee held two meetings during the year. After the tragic death of Dr. Syama Prasad Mookerjee, I was invited by the hon. Minister to accept a seat on this Advisory Committee, and, since I accepted that seat on the Committee in the month of June or July, it has never met. This is a Wonderful Committee! This Committee has never met and I have been assured by my hon. friend Mr. Patnaik,—who you know takes a great deal of interest in building up the Territorial Army,—that there has been no notice of any meeting since the month of May last. It is really fooling with the problem. This is really misleading the public by saying that you are going to do something.

Thirdly, an Auxiliary Territorial Force should be built up; a proper unit should be trained and the amount sanctioned should be substantially increased.

Fourthly, an armament factory should be developed and expanded. An honest attempt should be made to make the country self-sufficient.

Fifthly, the administrative set-up should also be changed.

The Education Ministry has done practically nothing to enthuse the youth of the country. Pakistan, I know, is giving effective military training to the youth of that country. What are we doing? We are starting Natya Akadami and Sahitya Akadami, making ridiculous exhibition of ourselves. The Sahitya Akadami or the Natak Akadami will not solve the critical problem ahead of us. The Education Ministry should do its duty seriously and not be dealing with the problem in this way.

My next charge is that the Home Minister is not also doing his duty (*Interruption*). Of course, he is thoroughly happy after his Press Act and after his Preventive Detention Act. But, there are fifth columnists in the country and he has made no attempt to weed them out. The Central Intelligence Bureau should be expanded and greater resources should be placed at its disposal. The Organisation is inadequate. It is a disappointment that there are people in India who are pro-Pakistanis and who are still talking of the two-nation theory and they were allowed to convene a conference at Aligarh. The Home Department had done nothing to suppress the propaganda which was started there. (*Interruption*). On the other hand, if my information is correct, passports and visas were granted to people who came from the other side to attend that conference. In this matter I am appealing to the Government that they should not make us ridiculous in trying to implement that wonderful Nehru-Liaquat Ali Pact—which had been sunk fathoms deep. At least 10 lakhs of people were squeezed

out of East Pakistan and made completely homeless, destitute, and paupers on the streets of Calcutta and West Bengal, simply because they happened to be Non-Muslim citizens of a pure 'Pak' State. Solemnly today in the year 1954, our Government cannot read the writings on the wall and they are bringing back to this country some people from Pakistan in order to resettle them, under a pact, which is dead, as mutton. It is particularly disastrous that the Uttar Pradesh is going to be the recipient of these people and that is the State which was the breeding ground of the most fanatical communalists and which created Pakistan and there the poison was started for the purpose of vivisecting Mother India. It is high time that this game should stop and we should be more practical and realistic.

Lastly, I am appealing to the Government that they should rather frame their budget so as to make it possible for making our borders secure. I, as a Bengali, say that our eastern border is insecure. We know what steps they take in East Bengal. We know that in the border regions there are pockets from which all Hindus have been driven out and that is a very serious problem, and infiltration is going through all along in West Bengal. Our frontiers are not secure. You have given pledges in solemn words assuring 80 million people who are still living in East Pakistan, and it is your duty to set up a border militia for the purpose of guarding them, and I say that it will hearten our poor brothers and sisters who are in great agony on the other side of the border. As a matter of fact, it is very difficult for them to come out, but it is our duty and the duty of the Government to look after them. Did not Pandit Nehru and Sardar Patel give them solemn assurances by stating that in hours of danger they will never be forgotten by us? In spite of our political differences with the Prime Minister of India, we say that if there is any attack or any serious danger to our country, we shall be one with the National Government and it is the duty of every son and daughter of Mother India to stand by

our National Government in any crisis. It is a pity that neither Eisenhower nor Dulles nor any of his advisers has understood the Indian mind and the Indian soul. If there is any country in the world which confidently declares that it is against totalitarian regime, that country is India. If there is any nation in the world which is opposed to regimentation of life, that is the great Indian nation. We will be false to our tradition, to our civilisation, to our culture and to our religion if we accept the position of being a stooge or slave of totalitarian or Bolshevik powers. That way India shall never go.

[PANDIT THAKUR DAS BHARGAVA  
in the Chair]

Our case has not been properly put, it has not been properly presented. It is a matter of great regret that we maintain costly embassies, but India's position has not been explained and they have not done their duty. I do not want to tell you what private conversation I had with the Prime Minister or with Mrs. Pandit, but I know that everybody who has been to foreign countries will tell you that our chances of presenting the case had been badly missed. Our propaganda machinery has been thoroughly inefficient and useless, and there should be a drastic change made in this respect. We will never sacrifice our principles. We will not lower our flag and throughout the millennium India has never sold her soul, India has never submitted to cultural or spiritual aggression, India has resisted all kinds of moral aggression, and if necessary, we shall do so again. We shall not allow ourselves to be deflected by the exultation of material wealth or the egoism of military power; we shall fight and it would be better if we are realistic. It is better if we withdraw the Kashmir issue from the United Nations. If you are really strong, let us not paralyse Bakhshi Ghulam Mohammed's hands by saying that there will be a plebiscite, particularly after the clear, unequivocal declaration demanded by the late Syama Prasad Mookerjee, with whom I also worked and suffered for the same cause, and particularly when their Constituent Assembly has declared clearly, unequivocally

[Shri N. C. Chatterjee]

cally and unambiguously that the accession of that State to India is final and irrevocable. Let us not create more uncertainty and more confusion. Let us stick to that and boldly proclaim "no more of tinkering with our position". Let us withdraw our case from the U.N. and the only duty of the Finance Minister, if he is really a Minister of a national government, should be to plan his defence budget so as to conquer back one-third of Kashmir territory which is illegally occupied by the Pakistan forces—illegally, unconstitutionally and immorally.

**Shri S. C. Samanta** (Tamluk): Mr. Chairman, Sir, I welcome the Budget, though at the same time I must confess at the outset that I am the worst hit by this Budget. My hon. friends know that in the last budget I tried to put betel in the essential commodities. Now not only betel but betel nut has been hit by the Finance Minister. If the Finance Minister has received a memorandum from the Calcutta Kirana (spices) Merchants Association, I would request him to ponder over the portion where the Association has refuted the arguments which he has put forward in his Budget speech for imposing a tax on betel nut. I must express that betel nut is mostly used by the poorer classes of people and it is a tonic to the mass consumers outside. So, I would request the Minister to think over it.

Another item which has been mostly hard-hit is soap. The Finance Minister has put forward the argument that this industry was given protection, now it has stood on its own feet and so it should give something. Can we expect something from this industry? Still, the industry has to depend on materials that are not so profusely manufactured and in this case the poor people have been hard hit. This is my request. But, at the same time I know, Sir, that somehow or other money must be procured so that we may proceed ahead with our Plan. Any tax is bound to be unwelcome. But, instead of discussing the Budget in terms of rupees, annas and

pies, I would like to discuss it in another form. We must budget the man-power that exists in India. That is the real thing. I am confident, Sir, men can make money; but money necessarily cannot make men. So, when we discuss the budget in terms of rupees, annas and pies, we must not forget the other side of the picture—that is how far we have succeeded in utilising and mobilising the man-power in our country. I know, Sir, that the Planning Commission is moving ahead with the community projects and other similar schemes. Here I would ask Government to pause for a while to see how far we have been able to decentralise the democracy that we have evolved. There may be pitfalls in the type of democracy that we have evolved in India. I am glad we are proceeding ahead with it. There may be many people who may find shortcomings in our system. We welcome it. But it is very necessary that we must pause a while and see in retrospect how far we have succeeded in decentralising our administration. As it is we cannot but admit the fact that our administration is top heavy. Only when we are able to establish village panchayats throughout the country and transfer all responsibility to them, can real democracy flourish in India.

Then, Sir, I come to a subject to which I referred last year—it so happened that as is the case now, the Finance Minister was not present in the House when I spoke on this subject last year—the separation of Postal finance from General Revenues. I do not know how far Government have proceeded in the matter. Though the Posts and Telegraphs finance is not separated at present, interest on capital is payable to the General Revenues. Out of the surplus an outright contribution to the General Revenues is made. The balance is maintained as a *pro forma* credit to the Department. Of course the Department receives rebate of interest. I cannot understand how this arrangement can go on year after year. The Railway finance has been separated. The Posts and Telegraphs Department is run on the same lines

as the Railways. Both are commercial and utility Services. Under the present arrangement the Postal Department is unable to give facilities to its employees. I do not wish to elaborate upon this matter, but I would request the hon. the Finance Minister, and through him the Cabinet, to ponder over the matter and settle this question very soon. In this connection I would like to bring one fact to the pointed attention of the Finance Minister. Last year parcel and book post rates were enhanced. The literary world has been hard hit by it, because books sent by post are heavily charged. I suggest Government should reconsider this matter.

Then I come to my favourite subject of homoeopathy and Ayurved. I am sorry neither the hon. the Health Minister, nor her Deputy is in the House. Government has admitted that it would not be in a position to provide treatment under the modern system of medicine to everybody in the country. The hon. the Prime Minister said that if the other systems of medicine are based on science they may be accepted. Some State Governments have accepted them and every now and then people are proving that they are scientific. I would request Government to start a research institute to find out whether there is science in them or not. If there is no science in them, they would not have lived all these years. If it is proved that there is science in them, I am sure the hon. the Prime Minister will encourage them. I would ask the Health Minister to consult the Prime Minister and move somewhat more rapidly, so that these systems of medicine may come to the help of our suffering millions.

Sir, recently the World Health Organisation carried out a survey on cholera. I am sure the House would be astonished to hear that the worst affected cholera area in the world lies on the deltaic region of the Ganga. That is the area from where I come. The thanas of Mahishadal, Tamluk, Sutahata Shibpur thanas and some thanas in the Twenty-Four Parganas

are the worst affected areas. The West Bengal Government is trying their best to cope with the situation, and have succeeded to a certain extent. But their resources are limited. I would request the Central Government to dig at least one tube-well in every village and see to what extent this prevents the occurrence of the epidemic. Government may take one thana at a time.

Then, Sir, I come to my State, the problem State of West Bengal—problematical in every way. The Government of West Bengal are trying their utmost. But there are some schemes, e.g., the Ganga Barrage and Durgapur, which can be proceeded with only by the Centre.

5 P.M.

About the utility of Ganga Barrage, I must not narrate more because five or six Ministries of the Centre are in one or the other way connected with it and Government is pushing forward. The West Bengal Legislature has unanimously passed a resolution put forward by Shri B. K. Sarkar about this Ganga Barrage. This question of Ganga Barrage was taken up about 100 years ago by the then Government. So about its utility I need not speak, but I want to say that Government should keep itself alive to this so that it may find a place in the second Five Year Plan because if the Government did not look after Bengal it must at least look after Calcutta port which is the mouth passage of the Commerce and Industry Minister's import and export trade.

**An Hon. Member:** He is not here.

**Shri S. C. Samanta:** He is here.

Lastly I want to say a few words about the displaced persons in West Bengal. It has been ascertained by the Central Ministry that their number comes to 31 lakhs but I must ask you to count them in another way. How many people were living in East Pakistan before Partition? If you add a ten per cent. increase on the number of Hindus in Pakistan then, and deduct those who are now living there, according to the Census of East Pakistan, you

[Shri S. C. Samanta]

will get the real figure. I request the Government to collect this figure.....

**Mr. Chairman:** The hon. Member must finish now. He wanted two more minutes and still he has not finished.

**Shrimati Sucheta Kripalani** (New Delhi): Mr. Chairman, this year's Budget has failed to rouse any enthusiasm in the country. It has earned some approbation from the capitalist interests, no doubt, but as far as we are concerned it has rather cast a gloom on the future prospects.

The hon. Finance Minister in his speech said that the "main purpose of the Budget was orderly implementation of the Plan". It is very natural for him to have said so, as he was one of the authors of the Five Year Plan and this is his fourth Plan Budget. We have to see, when tested by this criterion, whether Government's efforts have been successful or they are disappointing. Before examining the progress of the Plan, I shall first try to assess the economic situation in the country because the Finance Minister's speech—the first portion of his speech—examined in detail the economic situation as it obtains today.

In his speech, the hon. Finance Minister has taken credit for improved food production, elimination of inflationary pressures from our economy and higher industrial production. Let us now examine them one by one. I shall take the food problem: no doubt it has improved but how far the improvement is due to Government effort and how far it is due to natural causes is to be seen. Besides, we see a very peculiar phenomenon: there is increase in food production but there is no purchasing power. People are on the verge of starvation as they used to be before.

About the higher industrial production, the hon. Finance Minister has quoted that the general index number of industrial production has gone up. It was 128·7 in 1952 and it has gone up to 133 in 1953. We agree. He has expressed some complacency. He has

also said that the "complaint common in 1952 that industry was facing severe recession has disappeared." Therefore, he concludes that industry is doing very well. But along with it what do we see? This higher industrial production co-exists with the growing unemployment. That means the increase in production is due to the utilisation of idle capacity and not by increase in investment or employment of a larger labour force. Therefore, to my mind, our economy stands self-condemned. Our economy is subjected to a planned readjustment at a huge expenditure. This is the fourth year of the Plan and what do we see? When we are reaching the fourth year, we see growing unemployment. Therefore, I do not think that there is much ground for self-complacency.

Now, let us examine the progress of the Plan as revealed in the Budget. In making an assessment of the progress, we are handicapped because this assessment has to be measured in terms of expenditure made and not of work achieved. The Plan provides no estimate of work for money spent and therefore, it is not possible for us to assess whether any money has been wasted. Anyhow, even by this assessment, what do we see? We find very interesting information.

In the year 1951-52 the expenditure for the Plan was Rs. 262 crores; in 1952-53 the revised estimate was Rs. 322 crores and the actuals were Rs. 285 crores. In 1953-54 the Budget was Rs. 413 crores but the actuals spent was Rs. 400 crores. Therefore, the Finance Minister's expectation that in three years we shall spend Rs. 1,000 crores of the Plan amount will not be fulfilled. We will hardly spend Rs. 950 crores. The total amount budgeted in the Plan is Rs. 2,250 crores and if we have not been able to spend Rs. 1,000 crores, in 3 years we will have to spend the Rs. 1,300 crores in the next two years. That means that Rs. 650 crores per year. I think it is impossible for the Government to spend such

an amount fruitfully. Therefore, even taking the assessment on the basis of expenditure alone, the Five Year Plan will fall short of its target.

Now, let us examine another aspect which is even more serious: the resources position of the Plan. Here all the estimates are going wrong. Out of Rs. 2,250 crores estimated the budgetary resources were to contribute Rs. 1,258 crores, mainly from the State sector. It is well known that the States have not been able to pull their weight and this money is not forthcoming. Even at the Centre, the Railway Minister's speech revealed that the Railways' contribution to the Plan will fall short by about Rs. 60 crores. Thus there is a total shortage of two to three hundred crores under this one head.

We cannot expect very much from foreign borrowing beyond the original estimate. There has also been a setback in the small savings scheme. You will remember that there was a gap of Rs. 360 crores which was to be bridged somehow but the only possibility to bridge the gap was deficit financing. So, what is the real position of our resources today in regard to the Five Year Plan? Our real position is like this: Rs. 290 crores were included in the Plan on account of deficit financing against our sterling balances; there was a gap of Rs. 365 crores in the original Plan; and Rs. 175 crores has been added due to the expansion in the Plan and there has been a shortfall in the budgeted resources to the extent of Rs. 200 to 300 crores. If the main purpose of the Budget is to make the Plan successful, an analysis of the resources and expenditure position of the Plan is very disquieting.

How is this big gap to be met? It is to be met by deficit financing. The hon. Finance Minister in his speech dealing with the ways and means position waxed eloquent about deficit financing. He even said that the consequences of deficit financing will be deflationary and not inflationary.

We beg to differ from him. Deficit financing to the extent of Rs. 250 crores, as envisaged in the Plan, is most likely to have an inflationary effect. Already we see an upward trend in the general index of prices. This country is not developing an import surplus. Therefore we do not see that the conditions are favourable for large-scale deficit financing. I feel that perhaps the hon. the Finance Minister is banking on the fact that much of the amount budgeted for development schemes will not be spent. We have seen here a very interesting feature. We see that a considerable amount budgeted for development has not been spent during the current year. The Finance Minister himself is rather disturbed about it. Ours is a welfare state, but the money budgeted for our development schemes did not get spent. That is the funny part of it. I would like to read out to you what the Finance Minister himself says:

"A substantial portion of the saving is due to lapses in the provision for basic and social education and economic development in the Tribal Areas, where the progress on the implementation of developmental schemes has been slower than anticipated."

And then he says:

"Under extraordinary charges the budget included a total provision of Rs. 17.37 crores for community development schemes, local works, industrial housing and Grow More Food. The total expenditure on these items is now estimated at Rs. 8.72 crores."

They have not been able to spend the amount budgeted for. I will give his own views about this. I am quoting from his own speech:

"Hon'ble Members may wonder whether the increased sums provided for development, both in the revenue and in the capital budget, are likely to be spent in full, when one remembers the large savings in

[**Shrimati Sucheta Kripalani**]

the provision for developmental expenditure in the last two years and anticipated savings in the current year. The reasons for the slower progress of development schemes, which these lapses reflect, have, I freely confess, been a matter of some concern to Government."

Sir, this is a matter of great concern to us also, because we would like to know what are the reasons for the budgeted amount not being spent. We would like to know how far red-tapism and woodenness of the Government is responsible for it. I recently came to know with regard to one of these development projects that it took such a long time for the Government to go through the normal process for sanctioning money; that the money was sanctioned so late; it could not be possibly spent before 31st March. Unless it spent within that date it lapses. For various reasons money sanctioned for development schemes is not being spent. Perhaps the Finance Minister is banking on this inability of the Government to spend certain of the amounts budgeted and thus he thought he will not have to take recourse to deficit financing on a large scale.

Now I would like to say a few words about the taxation proposals. I consider these proposals as ill-conceived. That is the mildest word I can use. The Finance Minister proposes to tax coarse cloth, footwear, soap, betel nut among other things. The tax on all these items will place a heavy burden on the poor and middle class people. This I consider to be grossly unfair.

It is said that the Finance Minister has a soft corner for the private sector. We are told he is nursing the private sector in the hope of capital formation. Whether his hope of capital formation will materialise or not, I cannot say. But I can say that meanwhile this burden which is being placed on the poor classes will liquidate the poor classes. The argument given against imposing direct tax is that they want to await the report of the Taxation Enquiry Commission. But

why the same argument does not hold good for imposing indirect taxation, I do not understand. The poor people have been taxed beyond capacity. Yet we do not hesitate to impose further taxes upon them. But in regard to people having higher incomes we do not want to tax them because we want to await the report of the Taxation Inquiry Commission.

These taxes will not only hit the poorer section of the people, but they are likely to hit some of the industries concerned. For instance, some of the soap manufacturers came to me.

In regard to soap I am half inclined to agree with what Acharya Kripalani said as his first reaction to the budget, that we will have to go dirtier. I find that in India the per capita consumption of soap is only 10 ounces. In England the per capita consumption is 26 to 27 lbs. In America it is 30 lbs.

**Shri T. T. Krishnamachari:** We are a clean nation!

**Shrimati Sucheta Kripalani:** Yes, we are very clean! And getting cleaner, I think! With all that, there is over-production in soap. There is a crisis in the industry? Why is there a crisis in the industry? Not that we do not need soap. We do need soap. But there is no purchasing power. On top of it there is going to be this tax. What will be the result? The result will be that many of the concerns which are already struggling will have to go out of the field. I have come across some very interesting figures relating to soap production which will interest our friend Mr. Hiren Mukerjee. There are 66 organised soap factories and their total production is 85,000 tons. Out of these 66 organised factories Lever Brothers Combine alone produces 60,000 tons and the rest is produced by our small soap concerns. All these small units will be killed by this tax. I therefore suggest that this tax should be removed. And if at all Government wants to impose it, then at least the smaller units should be exempted. Units that produce below

250 units should not be taxed; let there be a sliding scale. Let Lever Brothers go, and our own Indian ventures can carry on this work very well.

**Mr. Hon. Member: The Commis-**

Minister seems to agree.

**Shri T. T. Krishnamachari:** I cannot but agree.

**Shrimati Sucheta Kripalani:** I am happy to note that there is an atmosphere for helping cottage industries in the budget this time. Whether the measures taken will really help cottage industries or not, I am happy to see this attitude for protecting cottage industries.

About the shoe industry too I would like to say why this tax should not be imposed. As it is, our people are going without shoes because very few people can afford to buy them. But on top of it we want to put a tax. I shall give you a few interesting figures. Our organised shoe industry produces 28 million pairs of shoes. Out of these 5 million are leather shoes and 23 million are rubber and canvas shoes. Out of the five million pairs of leather shoes the price of about half the number ranges from three to four rupees per pair, and the average price for a pair of rubber or canvas shoes is two rupees. That means the poor and middle class people use them. When this tax is imposed either they will have to pass on the tax to the consumer or the industry will have to pay it. The position of the industry is not at all sound. The price of rubber has gone up from Rs. 90 to Rs. 138. In the last few years the shoe industry has not been doing very well. In 1950 some of the factories had to close down because of accumulated stocks. A big factory like Cooper Allen had a loss of Rs. 8 lakhs. When the condition of the shoe industry is like this, by imposing further taxation what do we expect? If they try to pass on the tax to the consumer, thirty per cent. of their sales will go down. Under these circumstances the industry will be seriously harmed by this tax.

Towards the close of his speech the hon. the Finance Minister has said that we have to work very hard and we have to sacrifice when the nation is developing. We agree with this and we are all willing to sacrifice and work hard. He says:

"Development involves sacrifice, and the essence of democratic planning is that the sacrifice should, as far as possible, be evenly spread and should readily and voluntarily be forthcoming."

I am surprised at this talk of the "sacrifice being evenly spread out". It is a sarcasm when the word is used in this context in this country where there is vast differences in the incomes of people, where the majority of the people are living on the verge of starvation. We go on imposing indirect taxes by which the poorest man has to bear the burden, therefore, it is a mockery to talk of evenly distributing it. This budget is not a poor man's budget. It is a budget which is pampering and helping the rich people. It would have been more graceful on the part of the Finance Minister to have said "yes, we want to help the rich people whose support we want". Let there be no humbug and no pretence that this budget is for helping the common man.

**Shrimati Khongmen (Autonomous Distts.—Reserved—Sch. Tribes):** Sir, I should like to make very brief observations on some points in the Budget as presented to us by the hon. Finance Minister, and then deal with some problems that have been worrying my constituency and me and which need attention.

First of all, I should like to congratulate the hon. Finance Minister,—he is not here,—for the very able manner in which he has prepared the Budget for the 360 million people of our country. I believe the country is safe in his hands and there is no fear of curtailment half way in completing the national schemes that we are undertaking.

[Shrimati Khongmen]

Unlike my hon. friend Mr. Samanta who has spoken a few minutes ago, I welcome the proposal to increase import duty on betel nuts as this will give a fillip to the cultivators of betel nuts and help those families with cultivable land. But, along with this the question of transporting betel nuts particularly in the hill area will have to be given first consideration and urgency; otherwise the benefit will be lost to them. I have no objection to his levying excise duty on artificial silk fabrics and some other articles mentioned in his Budget speech. I would have no quarrel with him on levying an import duty on footwear if it had been confined to certain types. Now-a-days footwear is a necessity, and duty on footwear will hit the poor middle class very hard which is already hard hit by the great fall in purchasing power.

The duty on soap to my mind, is the last straw on the camel's back. Soap is an extreme necessity and any taxation on such a commodity should have been avoided. Unfortunately, Government have found it necessary to tax this basic necessity, which will fall heavily on the poor. The percentage of taxation in terms of income will be extremely heavy on the poor in comparison to that on the rich.

Now, I want to bring to the notice of this House the case of the State of Assam. I should like to remind the House that Assam lies at the easternmost corner of India and has an extensive strategic border of over four hundred miles running mostly through hills and touching foreign States in almost all directions. The House is not unaware of the many unpleasant incidents that happen every now and then in these areas. Only this morning, we heard in this House about a similar incident that happened in this area. Therefore, a huge amount of expenditure for security purposes is required. Assam is also one of the most underdeveloped States and it was expected

that it would get priority in development schemes. It is unfortunate, however, that nothing has been done. Although we are contributing more than two crores to the Central exchequer, I regret to say that the Centre has not undertaken any development scheme worth the name as in other parts of India. Then again since partition people living in the border areas have been undergoing untold hardships, due mainly to lack of communication and transport. I have been crying hoarse in this House for relief to be given to these people. In spite of the best intentions and assurances of the hon. Prime Minister, the marketable commodities of the people in the border could not be taken out for the same reason for lack of communication and transport. This year only seventeen air trips lifting 1,400 maunds—1,442 maunds to be exact—and that also from only one place namely, Shella, could be arranged. We are thankful for this, but it must be conceded that this is less than even half of what is needed. 1,400 maunds is less than half the quantity of the total produce. Regular and long-range schemes have to be adopted to give due and reasonable relief to these people by making adequate arrangements for the transport of their saleable commodities; otherwise, these people are gradually facing destruction.

I shall now mainly deal with the subject of the administration of tribal areas. Under the Constitution, special rights have been reserved for the 25 million tribal people of India and large sums of money have been set apart for tribal welfare in addition to other grants. The purpose is to raise the backward tribal people to the standard of the more advanced and privileged section of our population and to make them part and parcel of the national life of India. Our internal situation requires that the co-operation and sympathy of these tribal people should be sought. Selection of proper personnel is necessary. They should be persons not only with tact, but who

know the language and mental outlook of the particular area in which they may be posted for service. During the British rule, efficient and seniormost officers due for promotion used to be posted to Excluded and Partially Excluded Areas. They were also required to pass in the colloquial test in the concerned tribal dialect for which rewards used to be offered. I am sorry to point out that now-a-days, people ignorant of the language, customs and manners of the tribal people are being posted there. Then, we are told that recently a staff of officers has been recruited for certain tribal areas, namely, the North-Eastern Frontier Agency. In this connection, I am obliged to comment that there were two defects in the recruitment. Firstly, the recruitment board seems to have started on the assumption that all tribesmen have the same language, customs and manners, so that a man serving in a distant tribal area was considered to be fit for any area in spite of his ignorance of the particular tribal language, customs, manners etc. of the area in which he is posted. Secondly, some of the officials selected for tribal areas are said to be believers in the theory of segregation of the tribes and their preservation as anthropological specimens of antiquarian interest. Able hill officers and officials of the nearest plain were excluded in the selection, giving rise to the interpretation that the policy of segregation was revived. It seems there has been some mistake somewhere. But, I only hope that it is accidental and it does not extend to the bringing back of the reactionary, antedated and anti-national policy of segregation. I should also like to point out that the special department for Scheduled Tribes is, unfortunately, clubbed together with the department for Scheduled Castes, the problems of the one being completely different from the other. The criticism against this department is that there are very few people who know the language, customs and manners of the major tribes of the country. It is unfortunate that many of the non-official advisers are

people who are completely innocent of the ways and methods of the tribes to be able to deal adequately with the problems and requirements of the tribes. There are tribal representatives in the Parliament as well as in the State legislatures everywhere. But, their co-operation is neither welcomed nor sought. The educated section of the tribal population could have been utilised as India's cultural, social and political representatives.

**Shri R. K. Chaudhuri:** On a point of information, I am sorry to interrupt, regarding the question of segregation, is the hon. Member aware of the opinion expressed by Dr. Verrier Elwin that tribals and non-tribals should always be segregated and that gentleman is the Adviser of the Government of India on tribal matters?

**Shrimati Khongmen:** I have heard about it.

**Shri R. K. Chaudhuri:** Do you agree with that?

**Shrimati Khongmen:** I have already expressed my opinion on the subject.

**Shri R. K. Chaudhuri:** Yes; that is right. I am sorry to have interrupted.

**Shrimati Khongmen:** I was saying that the educated section of the tribal population could have been utilised as Indian's cultural, social and political representatives in the tribal areas. Unfortunately, their co-operation is neither sought nor welcomed. Instead of foreign anthropologists guiding the Government in regard to the policy in tribal affairs, in my humble opinion, it would be far better if the Government could take advantage of the Tribal Members in this House and the Members representing the tribals in the various State legislatures.

In conclusion, I would like to say that it is rather unfortunate that discontent and trouble is allowed to brew in the tribal areas. Sweeping and irresponsible statements have been made by some persons who are now running the administration against social workers who are doing their

[Shrimati Khongmen]

best to help these most neglected tribal people. Instead of winning the confidence and co-operation of these simple, honest people, they are being driven to hostile camps. With independence, the tribals of India want to take part in progress and the fruits of civilisation. In order to ensure the unity and integrity of the entire nation, it is necessary that we make every endeavour to win their sympathy and confidence and that the Government machinery be made conducive to this purpose.

**Pandit Munishwar Datt Upadhyay**  
(Pratapgarh Distt.—East): Some of the members on the other side of the House have expressed disappointment at this Budget. It appears that our Finance Minister is really disappointing in the beginning although, in the end, we find that he has always been satisfactory so far as his Budgets go. We have seen that in the Budgets that he has been presenting to this House, in almost all these years, whenever he started with a deficit, he always ended with a surplus at the end of the year. We have seen in the budgets of these six years from 1948 to 1953, whereas the sum total of the estimates was a deficit of Rs. 8 crores, ultimately, it turned into a surplus of Rs. 355 crores at the end. So, I would assure my friends on the other side that they should not be disappointed on account of the position of the budget as it has been presented today.

Then, this Budget is not an ordinary budget where there may be an adjustment of revenue and expenditure and an attempt made to simply balance the budget. It is really an extraordinary budget and we have to make provision for financing gigantic development schemes in the country. For that budget, the ordinary revenues of the States can never be adequate. Either there should be heavy taxation or he must have resort to deficit financing or he must incur debts. In this case, as he has given the reasons,

there was no scope for taxation, on account of the Taxation Enquiry Commission sitting and considering the entire structure of taxation in the country. Therefore, he has resorted to deficit financing. So there too, I would submit that by the time we come to the end of the year, we would find that probably this note of deficit financing disappears.

If we go to the figures, we will find that the amount that the Finance Minister had to find was Rs. 474 crores. Out of this sum of Rs. 474 crores, he has expected Rs. 48 crores from foreign aid. As regards this item, a number of hon. Members have expressed doubt. I share that doubt with them. It is very likely that we may not get this amount under this item. It is not that we shall not get anything out of it; it is likely that that amount may not be available to us. Even if that amount is not available, I think that does not very much matter. That amount may not be available if the situation worsens. In that case, all your budgeting will not be adequate and we shall have to make extra provisions, maybe extraordinary provisions. That raises the question of a grave situation as has been apprehended by some of the hon. Members on the other side who have just now spoken. But, then we have to see what the other items are. The other item is Rs. 45 crores from small savings.

Efforts are being made, and it is likely that we might get more than Rs. 45 crores. Then, it is expected we will realise Rs. 56 crores under "Miscellaneous"—I need not go into details, but I think that is quite a sound proposition—and that makes the total Rs. 149 crores. Besides that we have to raise Rs. 75 crores by way of long-term loans and Rs. 250 crores by issue of Treasury Bills. Out of that Rs. 140 crores are to be covered by sterling balances from which we have not drawn for three years, and Rs. 53 crores we would get from repayment

of debts, and the balance that remains is Rs. 132 crores. Allowing for the proposed taxes of Rs. 12 crores, it will be reduced to Rs. 120 crores. While speaking in the Council of States the other day, the Finance Minister said that the inflationary potential will be of the order of Rs. 75 crores only. So, probably he had some other items also in mind on account of which the inflationary position will not come about.

But then, he has not covered another item—our rice deal with Burma. That is also likely to bring us a certain amount. I think it might be Rs. 18 crores. And there might be other items also. So, it appears that the fear of inflation that we find just at present is likely to disappear when we come towards the close of the year.

Of course, it is said that we are likely to have debts in the future to the extent of Rs. 500 to Rs. 600 crores. That is bound to come when we are going to finance our big development schemes in the country.

In regard to the proposals that have been made for taxation, I have serious objection to some of them. They are regressive and fall on poor and middle class consumers. I would refer to betel nuts. Import duty has been imposed on the amount we are importing, while the amount that we are producing here is absolutely tax-free. The consumption in the country is 33 lakh maunds and the quantity that we are producing is 22 lakh maunds. The quantity we are importing is something more than 9 lakh maunds. So, in this amount of 22 lakh maunds we are not getting anything, but prices have risen on the entire amount that the people are consuming with the result that the consumer has to pay something like Rs. 26 crores while the Government gets hardly Rs. 8 crores, if the entire tax is taken on betel nuts. So, my submission is it is not proper to leave the local production tax free. That too is limited to about 2½ lakh acres on which certain kinds of betel nuts are grown. People have not to do much for cultivation or irrigation.

**Shri T. T. Krishnamachari:** It is wrong. It is a very difficult process.

**Pandit Munishwar Datt Upadhyay:** Even then cost of production is proportionately small and I would submit that tax should be imposed on the home production also. And if that is imposed, tax on foot wear and other items may not at all be necessary.

Then I would submit that the tax on soap is also not to the benefit of the country, because the demand for soap is decreasing on account of high prices, and if prices are raised there would be no demand at all. The problem of the industry is to expand, and it will not be possible if this tax is imposed.

In regard to foot wear also, the increase in prices is likely to decrease the demand, and it is the poor consumers who have to meet the tax.

Then I would like to make submissions in respect of the funds that have been found by the hon. Minister for financing development schemes. That is the most important part of his Budget. These schemes are being worked out mostly by the States, and the States have spread the working to the districts. The planning is really being done at the district level, and the people who are preparing them are not competent to do it. The District Magistrate who newly goes there or the Development Officer prepares these schemes. They come up before the Government, and the people here are not in a position to examine them thoroughly, and the result is that our planning is very defective on that account. If this continues, our planning will not be very satisfactory.

The States are suffering from want of funds. I know of U.P. They have no funds although they have a very moderate scheme of Rs. 115 crores only, while the other States have much bigger schemes. Their debts have increased from Rs. 61 to about Rs. 200 crores. They have submitted a scheme for solving unemployment in

[Pandit Munishwar Datt Upadhyay] the State to the Central Government, costing about Rs. 48 crores and unless the necessary funds are given to them, it will not be possible for them to proceed with the scheme. Out of Rs. 8,166 lakh allotment they are allowed only Rs. 71 lakh i.e. 8 per cent. in the Budget under subvention and grants.

Before I end, I would like to make a few suggestions. Immediate attention should be paid to planning at the district level. Expansion of small-scale and cottage industries should be undertaken, and finance should be provided for that. The State of U.P. which requires funds for executing the development plans should be helped. Step be taken to give Hindi its due place. Defence industries should be started immediately, although it is not necessary that provision should be increased for defence forces just now. The Finance Minister may kindly present more accurate figures in the Budget. He should not disappoint people in the beginning although it becomes satisfactory at the end. As I have already said, excise duty on the local production of betel nut should be imposed. I am sure there will be no need for deficit financing to any great extent as the hon. Minister has anticipated.

**Shri Sarangadhar Das (Dhenkanal-West Cuttack):** May I make a submission before you call upon the other speakers? This discussion has been deprived of two hours, due to the debate on the Sydney Conference yesterday. Many of us on this side feel that these two hours should be made up. Our proposal is that we should sit tomorrow and the day after at one o'clock instead of at two o'clock. I hope you will kindly bear this in mind. Otherwise, we shall not get any chance to speak.

**Mr. Chairman:** This proposal should come before the hon. Speaker, when he comes. The discussion is not to be finished today, but will continue tomorrow also. When he comes, this proposal may be made.

**Shri Sarangadhar Das:** If the hon. Speaker does not come now, it means then that the proposal will be considered tomorrow, and the House cannot have the advantage of an additional hour tomorrow.

**Mr. Chairman:** He may have to consult the Government Whip, viz., the Minister of Parliamentary Affairs. So, it is better that this suggestion is made to the hon. Speaker, in writing.

**Shri Sarangadhar Das:** May I say that we had consulted the Minister of Parliamentary Affairs, privately, and he had given his consent to us?

श्री एस० एन० दास (दरभंगा मध्य) : सभापति जी, इस वर्ष हमारे वित्त मंत्री ने जो बजट इस संसद् के सामने पेश किया है, बमुकाविले पिछले चार साल के बजट के, इसे मैं प्रगतिशील कह सकता हूँ। इस में कोई शक नहीं कि यह बजट विकास का बजट है। इस में भी कोई शक नहीं कि इस बार हमारे वित्त मंत्री ने अपने दृष्टिकोण में कुछ परिवर्तन किया है। सभी जानते हैं कि इस सरकार ने औद्योगिक क्षेत्र में मिक्सड इकानी को मंजूर किया है। लेकिन मेरा स्थाल है कि अभी भी बाबूजूद इस बात के हमारे देश के बहुत से अर्थ शास्त्री गांधियन इकानी की ओर आने लगे हैं, फिर भी हमारी सरकार के सामने जो एक कुहासा है वह हटता नहीं मालूम होता है। यह बात सही है कि पिछले वर्ष हमने कुछ ऐसे कानून बनाये हैं कि जिन से मालूम होता है कि हमने हिन्दुस्तान की दशा को देखते हुये और सास कर बेकारी के सावाल को देखते हुये छोटे छोटे उद्योग और गृह उद्योग की तरफ हमने ध्यान दिया है। लेकिन फिर भी इस बजट को देखने से और वित्त मंत्री के भाषण को पढ़ने से मालूम पड़ता है कि अभी भी उन का दिमाग अच्छी तरह से साफ़ नहीं हुआ।

मैं इस बजट का पूरे तौर से विरोध नहीं करता। इस में बहुत सी ऐसी बातें हैं कि जिन से मुझे आशा की झलक दिखाई देती है, और यद्यपि धीरे धीरे ही सही, लेकिन हमारे वित्त मंत्री आगे बढ़ते हुये दिखाई पड़ते हैं। सन् १९५० ई० से इस सभा में बैठते हुये मैं देखता आया हूँ कि समय पर हमारी सरकार निर्णय नहीं करती है। मुझे याद है कि पिछले तीन बायों में वित्त मंत्री ने इस स्थाल से धनी और सम्पन्न लोगों पर टैक्स में रियायत की कि यहां के धनी लोग कैपीटल कामोंशन में जाग लेंगे। लेकिन पिछले तीन साल की बजट स्थीच पड़ने के बाद और इस साल बजट को देखने के बाद मालूम होता है कि अब हमारे वित्त मंत्री निराश हो गये। फिर भी अभी उन लोगों की तरफ उन का ध्यान नहीं गया है।

मैं अपने वित्त मंत्री को आज बधाई देता, लेकिन वित्त मंत्री के भाषण में एक बात पड़ कर मुझे जो चोट लगी है उस को मैं इस सभा के सामने रखना चाहता हूँ। उन्होंने कहा है कि हिन्दुस्तान का चेहरा, the face of India is changing and changing for the better. मुझे मालूम नहीं होता है कि किस इन्डिया के उन्होंने दर्शन किये हैं। क्या दिल्ली का चेहरा बदल रहा है? दिल्ली दिनों दिन चमकती जा रही है। डैवलैपमेंट स्कीम को देखिये सो दिल्ली में डैवलैपमेंट के लिये बहुत रुपया रखा गया है। लेकिन हिन्दुस्तान, गांव में बसने वाला हिन्दुस्तान गरीबों का हिन्दुस्तान, किसानों का हिन्दुस्तान, उन की ज्ञोपड़ी में जाइये, उन के खाने को देखिये, उन के पहनने को देखिये, उन की दवा दारू का इन्तजाम देखिये, उन की शिक्षा का इन्तजाम देखिये, तो वहां उन के चेहरे में जरा भी खून नहीं मालूम होता। न मालूम हमारे वित्त मंत्री को कैसे मालूम हो गया कि हिन्दुस्तान का चेहरा बदल रहा है। मुझे

याद है, मैं ने कहीं सुना, कि आचार्य विनोदा भावे ने कहा था कि हिन्दुस्तान के योजना कमीशन के मैम्बरों को हमारे साथ कुछ दिनों देहतों में धूमना चाहिये, तब हिन्दुस्तान का सच्चा दर्शन उर्म को होगा। मालूम नहीं विनोदा जी के उस विचार का उन पर क्या असर पड़ा। मुझे इस बात के कहने में जरा भी संकोच नहीं है कि हमारे देश के बहुत से वर्ष शास्त्री ऐसे हैं कि जिन को कि हिन्दुस्तान का ज्ञान नहीं है। इसलिये वे जब बजट बनाते हैं तो वे ऐसी विचार धारा में पड़ जाते हैं, ऐसी किताबी ज्ञान में पड़ जाते हैं, वे हिन्दुस्तान की वास्तविकता से दूर हो जाते हैं। नतीजा यह होता है कि हिन्दुस्तान में राजनीतिक तौर पर देखें तो हम हजार काम करते हैं फिर भी जनता हम से सन्तुष्ट नहीं दिखाई देती है, क्योंकि जहां हमको काइ काम दो वर्ष पहले करना चाहिये वा वह अब बाद में करते हैं। नतीजा यह होता है कि :

“का वर्षा जब कृषी सुखाने,  
समय चूकि पुनि का पछताने”।

सभापति जी, समय कम है, इसलिये मैं यह कहना चाहता हूँ कि हमारी सरकार को, खास कर के हिन्दुस्तान के वित्त मंत्री को, जिन के हाथ में थेली है, हिन्दुस्तान के सेकड़े में ९० गांव में रहने वालों की तरफ ध्यान रख कर बजट का निर्माण करना चाहिये। एक बात में यह कहता हूँ कि हिन्दुस्तान के नक्शे में सेकड़े में ९० जहां रहते हैं, वहां दो वर्ष से रिजर्व बैंक आफ इन्डिया इस बात की इनकावायरी कर रहा है कि हिन्दुस्तान में खेती के लिये क्या क्रेडिट हो, किस कदर हिन्दुस्तान में खेती के लिये क्रेडिट की जरूरत है। अभी तक इनकावायरी हो ही रही है। एक वर्ष या डेढ़ वर्ष पहले मैं ने प्रश्न किया था कि रिजर्व बैंक आफ इन्डिया की इनकावायरी जो हो रही है उस की क्या रिपोर्ट

[श्री एस० एन० दास]

है तो मंत्री महोदय ने कहा, the report will be submitted shortly इस के बाद डेढ़ वर्ष बाद में ने सवाल किया तो हमारे माननीय उपमंत्री जी जो यहां बैठे हुये हैं, उन्होंने कहा, the report is going to be submitted shortly इस से इस बात का अन्दाजा लग जाता है कि हिन्दुस्तान में हम किसानों की तरफ, गरीबों की तरफ, मजदूरों की तरफ ध्यान कम रखते हैं। दिल्ली जैसे शहरों को सजाने में और उसका चेहरा बनाने में हम ज्यादा ध्यान देते हैं।

सभापति जी, मैं ने अभी जिक्र किया कि तीन वर्ष से हमारे वित्त मंत्री कहते आ रहे थे कि हम टैक्स में इसलिये रियायत करते हैं, बड़े बड़े धनियों के ऊपर, कि वह हिन्दुस्तान में ज्यादा उद्योग चलाने के लिये जो पूँजी की ज़रूरत है, वह सेविंग करके उस में लगा देंगे। लेकिन अभी तक उन की आंखें नहीं खुलीं। तीन साल के अंकड़े आप देखिये। हमारे पास इस समय वह आंकड़े भौजूद नहीं हैं, लेकिन मैं इस बात को कह सकता हूँ कि इस में सरकार को बार बार निराशा का ही सामना करना पड़ा है। और फिर आज भी जब सरकार का ध्यान टैक्स लगाने की तरफ जाता है तो बड़े बड़े धनी सम्पन्न लोग जिनके पास ज्यादा धन है, उन से लेने के बायां यह सुपारी पर, कपड़े पर, उस में भी मोटे कपड़े पर और जूतों पर, जिस से मध्यम और नीचे की श्रेणी के लोगों को ही ज्यादा बक़ा लगेगा, उन की तरफ ही उसका ध्यान जाता है। हिन्दुस्तान के शरीर में खून है ऐसा नहीं कह सकते कि खून बिल्कुल नहीं है। लेकिन एक अंग बड़ा मोटा है, दूसरा अंग पतला है। एक अंग में खून की बहुतायत है, दूसरे अंग में खून की कमी है। इसलिये मैं कहता हूँ कि सरकार को सब से पहले जब टैक्स लगाने

का वक्त आये तो धनी लोगों के ऊपर, जिन के पास आवश्यकता से अधिक है, उन के ऊपर वह अधिक से अधिक टैक्स लगाये और उन से काम न चले तब जनता की ओर देखे।

सभापति जी, मैं इस बात को मानता हूँ कि हिन्दुस्तानियों को योजना को पूरा करने के लिये यातना भोगनी पड़ेगी। प्लान के साथ पेन, तकलीफ होती ही है और टैक्स लगाया जाता है तो आंख से आंसू गिरते ही हैं, चाहे वह धनी हो या गरीब। हिन्दुस्तान की जनता को इस पंचवर्षीय योजना को सफलीभूत करने के लिये जहां तक हो सके कठिनाई का मुकाबिला करना पड़ेगा। इस बात को सभी जानते हैं कि वह कठिनाई का मुकाबला तो संकड़ें वर्षों से करता आया है। आज भी योजना को पूरी करना है तो वे जानते हैं कि योजना बिना यातना के नहीं हो सकती। लेकिन हमारी सरकार का क्या कर्तव्य है? हमारी सरकार का कर्तव्य यह है कि वह देख ले कि हिन्दुस्तान किस वर्ष के हाथ में, कितने लोगों के हाथ में, आवश्यकता से अधिक है, जिसको लेकर हिन्दुस्तान का विकास किया जा सकता है। इसलिये जब हम लोग दो तीन साल पहले बोलते थे कि हिन्दुस्तान की जांच करो तब कमीशन बद बिठाया गया है। और, जैसा हमारे माननीय मित्र श्री गाडिंगल ने कहा, इस कमीशन की क्या रिपोर्ट आने वाली है, इस का आभास हम लोगों को कुछ कुछ मिल गवा है। आजकल हमारे पास, और मैं समझता हूँ कि हमारे और भाइयों के पास भी, कुछ ऐसा साहित्य आता होगा। जो हमारे बड़े बड़े सम्पन्न लोग हैं, जिन के पास संच हैं और बहुत पैसा है, वह तरह तरह से विभिन्न दृष्टि से कागज और साहित्य हमारे पास छाप कर भेजते हैं।

उनका आशय है कि धनी वर्ग के हाथ में सम्पत्ति नहीं है, टैक्स के लगाने लायक धन नहीं है, उच्चे व्यवसाय में फायदा नहीं हो रहा है—इसलिये टैक्स दूसरे तरीके से होना चाहिये। लेकिन हिन्दुस्तान के जो गरीब हैं, उन की तरफ से बोलने वाले दुर्भाग्य से समझिये अथवा सौभाग्य से हम लोग हैं, अब हम लोग जो बात कहते हैं, उसका असर कहां तक होता है यह तो भगवान जाने, लेकिन मैं यह कहना चाहता हूँ कि हिन्दुस्तान की अर्थ नीति हिन्दुस्तान में जब पंचवर्षीय योजना बनी तो जल्दी इस बांत की थी कि पहले हिन्दुस्तान की टैक्सेशन पालिसी की जांच तुरंत करनी चाहिये थी। हिन्दुस्तान में टैक्सेशन इनकावायरी कमेटी का चार वर्ष के बाद बैठता बताता है कि हमें प्लान करने के लिये जितनी तैयारी करनी चाहिये हम ने नहीं की। इतनी देर के बाद तो यह टैक्सेशन इनकावायरी कमीशन बैठा, और जस्ते पर तुर्तु यह कि अभी तक उसकी रिपोर्ट हमारे सामने नहीं आई है जिससे हम यह ठीक ठीक जान सकें कि हमारे देश में, केन्द्र में, प्रदेशों में या स्थानीय जितने कर लगाये जाते हैं। उनका असर देश के किस अंग पर गरीब पर, मजदूर पर, किसानों पर, मध्यम वर्ग के लोगों पर और बड़े लोगों पर कितना पड़ता है, इसलिये कोई भी नई नीति निर्वाचन करने के लिये हमारे पास सब आवश्यक आंकड़े उपलब्ध होने चाहिये। जब तक हमारे पास उसके सभी आंकड़े न हों, तब तक हम नई नीति निर्वाचन नहीं कर सकते हैं। हमारे वित्त मंत्री महोदय ने यह अवश्य कह दिया है कि यह बात नहीं है कि हम और कोई टैक्स नहीं लगाना चाहते हैं, लेकिन चूंकि इनकावायरी कमीशन बैठा हुआ है और उस की स्पिष्टी आने वाली है, इसलिये फिलहाल हम कोई नया टैक्स नहीं लगा सकते, उसकी रिपोर्ट आ जाने के बाद लगायेंगे।

ममापति महोदय, हमारे लिये बजट के जांच करने की कमीटी सब से पहले यह है कि विधान में हमने अपने लिये जो एक सामाजिक और आर्थिक आदर्श रखा है उस पर हम उस बजट को जो हमारे सामने आये उसे कस कर देखें कि आया वह ठीक उत्तरता है कि नहीं और हम देखें कि यह बजट हमें विधान में जो हमने अपने डाइरेक्टर प्रिसिपल्स आफ स्टेट पालिसी में आर्थिक आदर्श दिये हैं उस तरफ हमें ले जा रहा है या नहीं। देश में जो आज विषमता पाई जाती है और जिस विषमता को देखकर आवार्य विनोद भावि गांव गांव धूम कर लोगों के हृदय में परिवर्तन लाना चाहते हैं और जिस विषमता के बारे में स्वयं गांधी जी ने कहा था कि दिल्ली के महल और गांव के झोपड़े में जो विषमता है, जब तक हम उसे दूर नहीं करेंगे तब तक हम संविधान में दिये हुये सामाजिक और आर्थिक आदर्शों को प्राप्त नहीं कर सकते हैं। लेकिन मुझे दुख के साथ कहना पड़ता है कि अभी तक यह विषमता दूर नहीं हो पायी है। यह ठीक है कि हमारे और हमारी सरकार के सामने अनेक कठिनाइयां थीं। देश का विभाजन हुआ और लड़ाई से उत्पन्न परिस्थिति का सामना सरकार को करना पड़ रहा था, उस समय कठिनाइयाँ जहर थीं लेकिन आज तो वह कठिनाई नहीं है, और अब हमें आशा करनी चाहिये कि इस विषमता को दूर करने के लिये सरकार सक्रिय कदम उठायेगी। मैं तो देहात का रहने वाला हूँ और जानता हूँ कि खेत जब चौरस होता है समतल होता है तो उस में उत्पादन बढ़ता है। हम और हमारी सरकार चाहते हैं कि हर क्षेत्र में हमारा उत्पादन बढ़े, लेकिन जब तक खेत समतल न बनाया जाय, उसमें जुटाई नहीं हो सकती है और उत्पादन नहीं बढ़ सकता है, उसी तरह से समाज में जब तक यह आर्थिक विषमता है, एक तरफ तो बड़े

## [श्री एस० एन० दास]

बड़े बनी मानी लोग हैं और दूसरी तरफ दीन, हीन और गरीब लोग हैं जिन के पास न तो खाने को है और न तन ढाकने को कपड़ा है, इस विषयमता के कायम रहते हुये आप चाहें कि देश में उत्पादन बढ़ जाय, यह नामुमकिन बात है। थोड़ो बहुत उत्पादन बढ़ गया है लेकिन वह देश की समृद्धि का परिचायक नहीं है। देश में उत्पादन बढ़ने से ही समृद्धि होती है यह बात नहीं है, बल्कि यह भी ज़रूरी है कि उत्पादन के साथ साथ उसकी स्वपत किस तरीके से होती है। यह ठीक है कि हम अब उपजाते हैं, लेकिन देखना यह होता है कि उस अब का कितना अंश देश के गरीब और भूखे आदमियों को मिल पाता है। हमारी समृद्धि इस बात पर निर्भर करती है कि क्या पिछले चार पांच वर्ष में हमारा कंजम्पशन पर कैपिटा (per capita) बढ़ा या नहीं और बढ़ा तो कितना बढ़ा। कपड़े का उत्पादन हम करते हैं लेकिन देखना यह है कि हम देश में फ़ी आदमी को कितने गज़ कपड़ा दे सकते हैं? मेरा स्थाल है कि हमारा जो कपड़े पर कैपिटा (per capita) कंजम्पशन है वह घटा है, तो यह चिन्ह देश के समृद्धिशाली होने का नहीं है। हमारे वित्त मंत्री ने जो यह कहा है कि देश का चेहरा बदल रहा है, मैं समझता हूँ कि देश का कोई अंग बदल रहा है, मुन्द्र हो रहा है, लेकिन अधिकांश अंग जो देश के अन्दर रहने वाला है, उसके चेहरे में किसी तरह का परिवर्तन नहीं आया है। ज़रूरत इस बात की है कि उसके चेहरे पर व्यान रख कर अपनी योजना बनावें, तभी हम लोगों को संतोष हो सकता है।

**Shrimati Ammu Swaminadhan (Dindigul):** Sir, I should first of all like to congratulate the Finance Minister on his budget chiefly because of the allotment of money made for helping the

cottage industries. I feel that is a very great necessity in this country where we have so many hundreds of villages. They need all the money that the Government can give them to develop such villages. I feel very happy that he has given this amount for the development of cottage and handloom industries.

But while I congratulate him on this matter, I feel rather unhappy about certain taxation measures.

**Shri Nambiar (Mayuram):** That is the contradiction.

**Shrimati Ammu Swaminadhan:** Hon. Members from this side of the House as well as the opposite side have already spoken about the taxation measures. I too would like to say a few words about these. I am chiefly concerned with two taxation measures—taxation on soap and taxation on 'other varieties of cloth'. Superfine cloth, I think, is generally purchased by people who can afford as it is rather expensive cloth, but the 'other varieties of cloth' are generally purchased by the middle class people and the poor people. Today I would like to say a few words about the middle class man, about whom very few people in this House or outside evidently speak.

**Shri Nambiar:** We all do.

**Shrimati Ammu Swaminadhan:** I think the hon. Member from the Opposition usually speaks about the poor people, the man in the street. But I think the person today to be most pitied is the middle class man. It is understood that in every country the middle class man forms the backbone of the country. But I am afraid in India the backbone is getting broken very steadily and very soon we may be wiping out such a class of people altogether. Now, the middle class man is going to suffer greatly from both these taxation measures.

Today we cannot do without soap. In the olden days perhaps it was

possible that people used certain kinds of nuts and some kinds of roots etc., for washing. But today we have not got the time even to prepare those things. We have to use washing soap and it is washing soap which is taxed today. I know washing soap, manufactured by cottage industries, is not taxed, but that manufactured in factories is taxed. But there are so many small industries which will suffer a great deal, apart from the people who have to buy the soap. There are so many big soap factories in this country, and small soap factories which produce only a few hundred tons or even less than that. They are employing quite a few people living in those villages and those people will all have to go out of job if these factories are closed, as I am told they will have to be closed if this tax is imposed. I therefore hope the hon. Finance Minister will consider this question favourably and will come to the conclusion that this particular tax on soap is not necessary. If he still feels that it is necessary, let him tax the big factories which produce above so many tons of soap a year or a month. Perhaps they can bear that burden. But, generally these taxes fall upon the consumer and not so much on the people who manufacture them. Today the consumer—and I again come to the middle class people—cannot afford to buy ordinary commodities like soap and cloth by paying more than what he is already paying. The price of foodstuffs has gone up so much that even to feed the people of his house he is in difficulty. How is he going to pay the extra price for such things as soap and cloth, the very necessities of everyday life? I feel that these two taxes are not fair and I hope the Finance Minister will consider this question and see that the middle class man is not very hard hit. The hon. Minister for Commerce and Industry is sitting near him and listening and I hope he will also give proper advice because he knows the middle class man—especially from the South—very well.

I would like to say a few words about unemployment. I know the

Government is thinking very seriously on how to cope with this great problem which is facing our country—more especially the unemployment among the educated young people. There are so many engineers today wandering about all over India looking for jobs, knocking at every door they can get at, even asking for jobs as clerks on Rs. 50 and so on. They are again, middle class people who are looking for jobs. After 5 years or more of hard training, they come out of the engineering colleges full of hope and full of desire to do something for the country, where engineers are so badly needed. They find that there is no job available to them at all. There are more and more technical institutions and polytechnics opened in the country and more and more students join them. If the Government cannot absorb these young people who come out as trained technicians from these institutions, why not close them and open some other institutions where they can get trained for certain other trades which will be useful later? It is really heart-rending to see so many young people without any job who are qualified to do the work which the Government wants them to do, young people who have a desire to work for the country going about wandering in search of jobs, coming to people like us and asking us whether we know of any place where they can get any job. They want to serve the country. It is very sad indeed, and I hope the Government will, during the year 1954-55, pay special attention to this problem of unemployment that is prevailing in this country.

There is another question, which, I think, is in the minds of all of us, the question of the great over-population of our country. We know that the Health Ministry is taking up this matter and I think about Rs. 30 lakhs has been allotted to the family planning scheme by the Government of India. But it is not enough to allot a certain amount of money. How is

[**Shrimati Ammu Swaminadhan]**  
this money going to be spent; are we realistic about this? We hear about certain theories advanced by certain doctors who come to this country. I do not quite know if those theories will work in this country in practice.

**Shri Nambiar:** They will not.

**Shrimati Ammu Swaminadhan:** I feel certain measures have to be taken by Government and I have a few suggestions with regard to that. First and foremost, there should be clinics attached to all the hospitals in this country where advice will be given to those who do not want more than two or three children, and health visitors who should go in different areas giving education to the people who want to be educated on this subject. I would like to read out just a few lines from a paper which is published by the International Planned Parenthood Federation. I can say, it is an excellent publication which gives us very good ideas of what is being done in other countries as well as in India.

"In my opinion the most urgent problem confronting the world today is the rapid increase of population which threatens to overcrowd the earth in the not distant future, with resultant shortage of food and lower standards of living which must certainly lead to grave economic disturbances, famines and wars, and threaten civilization itself.

Beneficent scientific research has contributed toward the prolongation of life and the preservation of the weak and unfit, who under former conditions could not have survived nor added descendants to the race. I believe that scientific knowledge cannot safely be used for these humane objects, unless it be used at the same time to improve the quality and reasonably

limit the numbers of those who are born into the world.....to the end that children shall be begotten only under conditions which make possible a heritage of mental and physical health, and a favourable environment."

I, who have been travelling in my part of India, have seen—and I am sure other Members have also seen whenever they travel in the country—hundreds and hundreds of unwanted children thrown away. Somebody opens a home for these children. On the first day he or she who takes up this work, starts with one child but within a week the whole home is full of such unwanted children. What kind of race are we going to have? We want the future citizens of India to be healthy and happy people who will contribute to the welfare of this country. Are we just going to increase the number of unwanted children, unwanted by the parents or the country? I am sorry the Health Minister is not here, nor even the Deputy Health Minister, but I am sure they would be told these few words of mine which I have said in all humility, I feel that they should pay more attention as to how they are going to implement the family planning scheme so that the people who really need it will be able to get proper advice, and be able to go to the clinics which should be run by medical people.

I want to say a few words about the Social Welfare Board. The Welfare Board is doing a great and splendid piece of work in giving relief to many institutions which are run in this country for the welfare of our people, but I do feel that more planning is necessary as to what kind of institutions are going to be helped and what are the agencies which are going to help such institutions. Very often, there is a good deal of overlapping in giving money to such institutions. If you want to give money to child welfare,

you should have a scheme for that. Of course, money is needed all over India, and you will have to distribute the money in such a way that every social welfare centre which is running or which will be started for welfare of children, will get the benefit of the money that is being spent by the Social Welfare Board. There are other institutions also where women are looked after if they are not able to do anything to earn their livelihood or if they are very poor. I feel there should be a plan as to how you are going to help people all over the country; what is the agency which is going to work for the distribution of funds? These are the few points that came to my mind while I was reading the report of the work that is being done by the Social Welfare Board. At the head of the Social Welfare Board we have a woman,—thank God we have a woman—who is very able, who is very efficient, and who has worked among the poor people of the country and knows the difficulties experienced by them. While feeling happy about the Social Welfare Board, I would like once more to urge that there should be more planning and more schemes with regard to the way the money is going to be utilised.

I think I have taken perhaps my full time. I am happy about the Budget because money for the things which are wanted has been provided in the Budget, and I hope the implementation of the different items will be as good as what is mentioned in the Budget.

**Dr. N. B. Khare:** I give you special thanks today for this opportunity because today I begin the 73rd year of my mundane existence. I am peculiarly happy today to be able to address this august House of my proud people. You know that I seldom speak in the House and then I am very brief. Therefore on account of today being my birthday, you will not cast a spell or ring the bell. The Budget season is a reminder of the Christmas season, where the host feeds his friends and admirers. The Treasury

Bench appears to me like the host and we on this side play the part of the turkey which adorns the table.

I do not care for the figures and sometimes some Ministers also do not believe in the figures, that is, statistics, and I would not make any mention about them. What is the use of figures given by the Government which asks us to believe in an unmathematical equation which is India minus Pakistan is India!

I will content myself with only offering general remarks. Finance Minister in his previous speeches was not in favour of deficit financing, but now it appears he has changed because he has provided for 250 crores worth treasury bills to be sold—this is deficit financing. The reasons given by him are that economic conditions have improved. Are we to understand that because the deficit is double that of last year's, our economic conditions have improved doubly? No doubt, there is improved production in the country and that requires more money in the hands of the people. This, according to him, is the justification for deficit financing. He says that the economic climate is very favourable. I may tell him that the economic climate may be also erratic as is the case with the meteorologist's estimate of a climate. For the last few years it is well known to everybody that the price index is going up, unemployment has increased, export trade has fallen and demand for our raw material is decreasing. Therefore, I would urge the Finance Minister to be cautious with his deficit financing.

Sir, I must say that I rather do not like development programmes for which we are dependent upon Norway, Canada and the United States of America. I strongly believe along with our Prime Minister that we must be self-dependent in these matters.

Sir, the Government is extravagant. I am sure the Finance Minister has got no power to effect economy in the

[Dr. N. B. Khare]

administration. He raises money by skilful manipulation and the money is lost in nepotism and corruption. Development programmes are not fulfilled according to schedule and the money is wasted in fads like grow more food campaigns and khadi.

A Taxation Enquiry Commission has been appointed and its report is awaited. I therefore strongly feel that new taxes like the tax on art silk, soap, cement, footwear ought not to have been imposed and are absolutely indefensible. As a protest the Punjab Silk Mills have closed. Import duty on raw cotton has been abolished and excise duty on poor man's coarse cloth raised. I think this again is absolutely unwarranted.

The Finance Minister asks for sacrifice. No doubt, people should be prepared for sacrifice, especially when there is an emergency looming large. I assure him that in spite of all our differences we would in that case stand by Government. But Government also should gain the confidence of the people and Government has failed severely to gain the people's confidence.

Who are affected by these taxation measures? They are the people with insufficient incomes and fixed incomes, who are already finding it difficult to make both ends meet.

After these general remarks, I come to Defence. There is not sufficient provision made in the budget, especially when the United States-Pakistan Military Pact has nearly created a grave crisis. The other day I read somewhere that the Defence Minister said that he was trying to manufacture defence stores and getting instruments for that and that he will be ready in the next three or four years. I am asking him: What did you do for the last six or seven years? Why did you wait so long? There is a saying in Sanskrit:

सन्दीने भवने तु कूपखननं

प्रत्युषमः की दृशः

or in Hindi, we say

प्यास लगे तब कुदा सोदो

Shri Velayudhan (Quilon cum Mavelikkara—Reserved—Sch. Castes): What does it mean?

Dr. N. B. Khare: I am not a Sanskrit teacher—go to school.

Now I have come to the Intelligence Service, the Home Department. It is well known that there is a ring of spies all over India from Pakistan. Under these conditions, Government has allowed the settlement of 7,000 Muslims who had left India six or seven years ago, in Uttar Pradesh. Do they think, these Muslims are washed in milk and not steeped in poison? Is it secularism? With secularism there is nothing wrong, if it means benevolent neutrality to all religions; but in this country secularism means persecution against one religion. To allow those people to settle here under these conditions, I may say, is imbecility or unwisdom. There is also the Christian conversion going on and they have demanded the Naga land and they insulted our Prime Minister when he visited Assam last year. In Travancore-Cochin there is great conversion. I am favourable to all religions but these conversions do not take place conscientiously; they are seductions due to temptation; it also undermines the loyalty of the person to Bharat. Therefore, it should be halted. But I think they will never do so because—I shall explain it in an Urdu couplet:

An Hon. Member: We will have to go to an Urdu school, now.

डा० एन० बी० खरे :

ऐ हिन्दुओं को क्यों खाक में न मिलायेंगे हम  
इज्जत को तेरी शौक से क्यों न घटायेंगे हम  
तालीम जैसी पायी है उस राह जायेंगे हम  
किशिचिन मज़हब की मदद क्यों न करेंगे हम  
साहब ने दी है खाते हैं रोटी डबल जो हम

By double roti, I mean the foreign help that we are getting from Christian countries. Even the Prime Minister had to protest against the use of Christian propaganda for political purposes in Travancore-Cochin.

Then, there is Information and Broadcasting. There is a picture shown in Delhi, named *Samrat*, in which an idol of lord Shri Krishna whom we worship is broken by a Muslim hero. This offends the feelings of the Hindus and Government should take steps to cut off the particular portion. No doubt we are suffering from moral degradation and this materialism and modern science have failed—howsoever necessary it may be for our progress—to purify human soul. Swami Vivekananda says, 'India is nothing if not religious; the genius of India is religion' and even Pandit Nehru in his book 'Discovery of India' on page 625 says: 'Some faith seems necessary in things of the spirit which are beyond the scope of our physical world, some reliance on moral, spiritual and idealistic conceptions, or else we have no anchorage, no objectives or purpose in life.' I agree with him. I hope he will follow his policy contained in his own publication.

With regard to External Affairs, as my friend Mr. Chatterjee pointed out, our embassies are useless; they are only white elephants. In Nepal, our neighbour, we have sent our military mission; there we train their people but there our Indian nationals, the forest contractors are insulted. In South Africa there is the *status quo* and everyone knows it. Here, they say that we shall not allow foreign pockets on Indian soil. I do not see how they will do it. On account of cupidity and treachery they have created two hostile States on our border, and with what face, I do not know, can they say that they will liquidate these foreign pockets? Nothing will happen because they have no strength in their initial column. All these things will

end only in empty promises and smokescreens.

About this rice deal with Burma, I must tell you that rice in India is sold at £35 per ton but the Government of India have agreed to purchase rice from Burma at the rate of £48 per ton and this difference in price will be made up, will be adjusted in the debt which Burma owes to India. Burma may be benefited but our Indian tax-payer is a loser; this is not at all a business transaction; it is a political transaction. There is one Mr. Rashid, Minister in the Burma Cabinet; he is the brother of Mr. Rauf, our Ambassador in Burma. This is a combination of three R's—Rafi, Rauf and Rashid. It may enhance the prestige of Rashid in Burma but our tax-payer is the sufferer.

I come to the Education Department.....

**The Minister of Agriculture (Dr. P. S. Deshmukh):** The hon. Member has brought the wrong R's together.

**Dr. N. B. Khare:** There is a Cultural Council with this Education Department. And what do they do? They have a library. Of course it is a semi-official committee—I am subject to correction. I am told that in the library of this Committee there are five or six thousand Persian and Arabic books, two thousand English books, but not a single Hindi or Sanskrit book. If somebody wants to go to foreign countries to preach *vedanta* philosophy, which is not a part of religion but which is a peaceful approach, spiritual approach to world peace, Government does not help. But it helps for sending actresses who only play with their gluteal muscles. Is this our culture? We do not want this Arabian Macaulay as the head of this Department.

**Shri M. D. Joshi (Ratnagiri South):** On a point of information...

**Dr. N. B. Khare:** I am not giving way, Sir. I now come to the Civil Aviation Department. There is an employees' Union CADEU I know their grievances. It is a young service. They have very genuine grievances.

[Dr. N. B. Khare]

And their simple demand is to appoint an expert committee to enquire into their grievances. This demand should be accepted. There is nothing wrong in it.

Then I come to the Legislative Department. I asked so many questions. But what happens? I get these slips. For the edification of the House I will read these slips—so many of them. (An Hon. Member: Disallowed?) Yes disallowed—*ek, do, teen, char*. And how important they are? One is about conferment of titles. There are some about the aerodrome at Diu in Portuguese territory. One is regarding Shri A. P. Pant, our Ambassador in East Africa, another about the Pak-U.S. Military Alliance, and another regarding some other matters like Ceylon, Sabarimala.

**Shrimati Khongmen:** On a point of order. In respect of a question which has been disallowed, may I know whether the hon. Member could bring them before the House?

**Mr. Chairman:** Why not? There is no objection to it.

**Dr. N. B. Khare:** I know that our military personnel should be kept contented, especially in the matter of their pensions. Knowing the hardships that these people suffer from when they get military pensions, invalid pension, family pension or anything, I brought forward the Military Pensions Bill. I shall read a few lines from the Statement of Objects and Reasons to the Bill.

"The prerogative rules and regulations have now become void with effect from 26th January 1950. The Constitution does not recognize prerogative powers. These regulations and rules are not published in the Official Gazette and do not satisfy the definition of 'rule' and 'regulation' enacted by the General Clauses Act, 1897. The subject of Army Pensions falls

under the head of 'Union Pensions' in Entry 71 of the Union Legislative List I, in the Seventh Schedule of the Constitution. The subject of 'Union Pensions' is required to be legislated upon by the Parliament. No legislation is proposed so far by the Government."

Therefore I brought this Bill. It is necessary under article 117(3) of the Constitution to get the recommendation of the President to move this Bill. The recommendation is denied to me. There is a letter on behalf of the President. It is only a denial of the recommendation. This is how our Legislative Department functions:

"इधर से मारे अब्बा जान,

उधर से मारे चच्चा जान।

बीच में बच्चा खोता जान,

अल्ला मियां बचा उस की जान"।

**Shri A. M. Thomas:** What is this language?

**Dr. N. B. Khare:** Urdu. Sir, I have got a very important subject.

**Mr. Chairman:** The hon. Member has already taken much time.

**Dr. N. B. Khare:** I will speak on it on a cut motion on the demands for grants.

**Mr. Chairman:** When the demands are moved, that will be the occasion.

**Dr. N. B. Khare:** Then I will talk about this corruption.

**Mr. Chairman:** So I think he has finished?

**Dr. N. B. Khare:** Yes, I must obey you, Sir.

**Dr. Amin (Baroda West):** Mr. Chairman, Sir, one finds it very difficult to agree with the Finance Minister when he says that the general economic situation in the country continues to improve; but one entirely agrees with

him when he confesses as to a sin—"aggravation of the problem of unemployment". Much has been said on the floor of this House and outside, and various measures have been suggested for increasing employment opportunities. I would not, therefore, deal with this problem in details. I would make a reference to only one point which has not received careful consideration of the Government.

One of the major factors responsible for unemployment is the rapid increase in our population. Whatever employment opportunities will be created by implementing our Five Year Plan will be offset by the unchecked growth in population, and all our hopes for providing full employment to all our countrymen and raising their standard of living will remain as unfulfilled pious hopes. I have heard of a strange statue of Nandi, the Divine Bull at Kolhapur, which has the peculiarity of advancing half an inch in one year and retarding by three-fifth of an inch the next year. So, the total progress is negative, as would the total progress of our plans be if we multiply ourselves as we are doing now. Let me quote the greatest intellect of our age, Bertrand Russel, from his book "Impact of Science on Society":

"What is the inevitable result if the increase of population is not checked? There must be a very general lowering of the standard of life. With that lowering there must go a great diminution in the demand for industrial products. In the end there will be a uniformity of misery. The nations which at present increase rapidly should be encouraged to adopt the methods by which in the West the increase of population has been checked".

Now, before I come to the Budget proposals for the coming year, I would make a reference to one point—and this is an important point—namely, the efforts made by the State Governments for raising the finances required for the successful implementation of

our Five Year Plan, and the manner in which public money has been utilised. Sir, the Finance Minister has said in his speech that the States have not shown the same readiness to augment their resources to the extent envisaged in the Plan. He further said:

"I do feel that the States should make a more determined contribution towards shouldering the burdens of the Plan, than they have done so far".

Sir, mere feelings would not help us, nor the language in which they have been advised will appeal to them. It should be made very clear to the States that unless they give up their moral fads and utilise the money for the development of our country's economy, they will not be eligible to the Centre's assistance. Personal fads and individual eccentricities won't go well with economics. As, it is the duty of the State Governments to raise additional finances for the development of the country's economy, it is also the duty of the Central Government to see that every pie given to the States by way of loans or grants is properly utilised. I know of a State which gave a contract for the digging of 400 tube-wells to a worthless son-in-law company. This favoured company dug 24 wells out of 400 wells and out of these 24 wells, 20 wells have proved unwell.

Coming to the Budget proposals for 1954-55, I would say that the burden on the consumers has increased. As you know, food, clothing and shelter are the three elementary requirements of the people. The increase in the rate of excise duty on the cloth will increase the burden on the consumers. The consumers are already paying sales tax to the State Governments and it seems that there is an unhealthy rivalry between the Central Government and the State Governments to snatch away as much as possible from the public pocket by way of taxes. The increase in the price of cloth may reduce its consumption and the estimated revenue of Rs. 6.5 crores may be offset by a general decline in the

[Dr. Amin]

revenue from this source. A fresh levy of excise duty on artificial silk fabrics reflects the puritan mode of living of some of my friends on the opposite and the less said about it, the better. Betel nuts seem to be suffering from the ill effects of "Rahu".

Every year this poor betel nut has to pay an additional duty although by no stretch of imagination it is an article of luxury. The Finance Minister seems to have ignored Indian customs. The betel nut is considered as a sacred fruit and its use at the time of religious ceremonies and marriage ceremonies is widespread. Betel nut is a means to *pan* and *pan* is a poor woman's substitute for lipstick. Not to tax lipstick but to tax *pan* is to show preference to artificial decoration. The duty on soap is a tax on general cleanliness of the people. The duty on footwear will add to the difficulties of the common man and I would only say that to tax soles is to be soulless.

Before I finish my speech, I would like to refer to the last paragraph of the Finance Minister's speech in part B. It sounds more like an election manifesto than a part of the Budget speech. In this paragraph, a detailed account has been given about the achievements of the Government since 1947 against several difficulties. This House very well knows about the achievements of the Government and it also knows about its failures. The point is that we would have been able to make better progress with the same resources and money during the same period if we had utilised our resources in the proper manner.

In some cases expenditure on projects has exceeded the estimated costs. There are instances where public money has been mishandled. When I say this, I refer to the Industrial Finance Corporation about which much has been said on the floor of this House recently. All this and such

other misdeeds will find a place on the debit side of the Government. To be a judge in one's own case is to have no sense of justice. To put one's own back in self-praise is to lack ordinary courtesy. Neither the Government nor the Opposition are the true judges. In a democracy, the judgment of the people is the abiding verdict.

**Mr. Chairman:** I have an announcement to make.

The House will continue general discussion on the General Budget on Monday, the 22nd March, 1954, and will also sit half an hour extra on Wednesday and Thursday, the 17th and 18th March, 1954, respectively, to complete the total allotment of 16 hours for discussion on the General Budget.

The House will also sit on Saturday the 27th March, 1954, from 1 P.M. to 7 P.M. Consequently, the programme relating to discussion on Demands for Grants will be altered as follows:

Tuesday the 23rd March, 1954,  
and Wednesday, the 24th March,  
1954 ... External Affairs

Thursday the 25th March 1954  
and Friday the 26th March, 1954  
... Defence.

Saturday the 27th March, 1954  
... Defence half a day; Education  
... half a day.

Other Government business to be announced later will also be put down on Saturday the 27th March, 1954. Mr. Sanganna. He is absent.

**Shri N. Somana (Coorg):** Somana may be called.

**Mr. Chairman:** Mr. Patnaik.

**Shri U. C. Patnaik (Ghumsur):** During the last two years, since the first session of Parliament, suggestions have been made from both sides of the House for a reorientation in our approach in budgeting and in planning. The suggestions were that there

should be greater co-ordination between the different departments to ensure economy side by side with greater efficiency. For want of time I will not repeat them now. It is indeed characteristic of the old bureaucratic approach of those in charge of framing the Budget and planning for the country's welfare, that modern methods of reorganisation for ensuring greater efficiency and effectiveness in budgetary expenditure are being totally ignored.

Recently, since the pronouncements of the Prime Minister about United States aid to Pakistan, we had expected that at long last there would be a change, that at least this year Government would wake up to the necessity of the hour, and see that different departmental activities are co-ordinated, so that there would be greater economy, there would be better defence, and at the same time, there would be no need to incur further expenditure or to come up with heavy Supplementary Demands in case there is any war emergency. The consequence of Pakistan getting modern weapons and equipment from the United States of America has not been, I respectfully submit, considered by the Finance Minister and his Ministry in formulating the Budget. It is a reality of which they ought to have taken notice of and prepared the country. If the Cabinet is in whole-hearted agreement with the Prime Minister's repeated pronouncements on the subject, if his Cabinet colleagues have no mental reservations, the Budget should have indicated a different approach, viz., to find out how far, without entering into an arms-race ourselves, without developing a war-psychosis, we could plan for our expenditure, so that within the present aggregate, we can carry on with our development programmes, and at the same time, in a war emergency have the maximum defence strength. This is the main question which the framers of the Budget ought to have posed before themselves before they finalised this year's Budget.

I would also submit that it is quite possible to co-ordinate the different departmental activities, and deviate from the old method of budgeting that we have inherited from the British regime, or the budgeting which we have been continuing ever since, in order to see that our expenditure under one head enures to the benefit of the other, that instead of looking forward to foreign aids of various kinds, we try to manage as far as possible, within the funds at our disposal. It is indeed, very important that we do so, at any rate in the present set-up of things.

In view of the American military aid to Pakistan, which may prove embarrassing to us in various respects, and which may have serious consequences in respect to our defence preparations anybody would have expected our Finance Minister and the Cabinet to come forward with a different type of Defence budget.

Before I go into the details, I would just point out one thing in regard to the community projects, development blocks, etc. with regard to which the Defence Minister is asking for the budget grant. I am having in view a particular community project, where I am also one of the members. After nearly thirteen months of expenditure, we were told that out of a sum of Rs. 3·48 lakhs, only Rs. 6,000 had been spent on irrigation projects, an item that appeals to the people most. There had yet been no contact with the masses, no youth organisations had been started, although we had already spent Rs. 3·42 lakhs on purchasing things, on pay of officers and staff, on trucks and other equipment that come from outside. We have got seven-ton trucks, while the weight that is allowed on the bridges under the local Acts is only five tons. We were not allowed to purchase a frigidaire we required within the country, and so we had to wait for the consignment to come from America

[Shri U. C. Patnaik]

for nearly a year, with the result that our health staff had to work without a frigidaire, and they did not know where to keep their vaccines and medicines.

**Shri Pataskar** (Jalgaon): What is that place?

**Shri U. C. Patnaik:** I am referring to the Bhanjinagar development Project, which has been said to be one of the best projects in India, because it has been able to spend a sum of Rs. 3-48 lakhs, the bulk of which has been spent on buildings, on purchase of equipment, trucks etc., and on pay of staff and very little has been done to enthuse the people, although we have some of the best officers on the Staff.

I am just pointing out this as an example of our Americanised way of looking at things, with our American aid, and American advisers for these community projects; under the Ford Foundation, T.C.A., Point Four Programme and similar other programmes, we have got a number of advisers, and the work on these projects is progressing in the American way which I would respectfully submit, is not the Indian way. I beg to point out, Sir, that if we had wanted these community projects to work properly, we should have tried to enlist the sympathy of the peasants, by giving them water facilities and other things, which they need most, and not give them buildings and some seven-ton trucks from America. Similarly, we ought to have tried to organise the youth in these project areas, and take advantage of the local organisations and akhadas, by building up T.A., A.T.A., and Labour Force Units to see that the youth and the people of the localities concerned work with enthusiasm in these community projects. In view of the little help that we are getting from America by way of equipment etc. we have adopted, in spite of the American military aid to Pakistan, certain methods which are not paying dividends, and I fear a

time will come, when in spite of our great publicity, all this will become a flop.

Just as we have on the socio-economic side a number of American advisers both for the projects as well as for our administrative reorganisation, we have also got a number of British advisers for the Defence Organisation in various capacities. I shall deal with this particular subject, if I get a chance to participate in the discussion on the Demands for Grants under Defence. For the present, I will content myself with pointing out that in various spheres we have these foreign advisers, in various civilian and defence installations. In view of the U.S. aid to Pakistan, instead of taking them as our conscience-keepers, we must keep a watch on them, and see that they look after our interests and not give us advice which will tag us on to foreign aid, and hitch our wagon to the stars of the U.S.A., or to the Union Jack.

I would point out in this connection that there have been so many revealing facts which have been elicited during discussion on various branches. We have got a number of foreign heads or advisers in various departments, apparently innocuous. For instance, the Geological Survey has a foreign Director General; his brother is the geological head for Pakistan. You see the map that we have got, I mean the map that is hung in the Parliament Library. It has come from America and there the sovereignty of certain places like Junagadh and Kashmir is shown as doubtful—whether they belong to India or Pakistan.

Then I would like to come to another important point, and that is about Home defence, which is a very vital branch in the present context. I refer to it because it does not come under the Defence Ministry. It is

not know under what Ministry Home defence, if at all there is any such subject, comes. During war,—from 1939 to 1944—we had a miniature, skeleton Home Defence organisation consisting of Civil Defence, A.R.P., Civic guard, Fire-fighters, First aid and so on though confined to certain urban areas. That was abolished since 1944-45 and we do not know which Ministry is responsible for Home Defence today. This is a very important matter because when we come to the Defence budget we will find that today in the present set-up it is not the Defence Ministry which is responsible for home-defence. The main people who have to defend the country in the event of a war in the modern set-up are the Home Defence forces, the civilian or citizen forces, the "potential reserves" of the country, who are to be reorganised for defence in emergencies while doing national service in civilian associations during peace times. So a citizen army or a Home Defence organisation is the crying need of the hour. It could very well be organised without much expenditure by co-ordination of different departmental efforts. For instance, by co-ordination *inter se* among the Home, Defence, Education and Planning Ministries, co-operation of the State Governments and the civilian public that will ensure real defence in the event of an attack with modern weapons, or air raids, sabotage, fifth column and other activities. The regular Defence forces of the three Services have an "initial value" and are there to receive the first shock of enemy attack—whereas modern defence in the ultimate analysis is that of the civilian public, of the human and material resources. I would ask this question of the Finance Minister who is in charge of our budget, what are the arrangements in this country for Home Defence if there is a simultaneous aerial attack directed against different industrial centres, lines of communications, and populated cities? What is the defence you have got against fifth column? Is it not possible for you to utilise certain non-official agencies, for instance, rifle associations, glider organisations, scouts

organisations; retired military personnel, the T.A. and the auxiliary territorial force and so many other organisations on the civilian side, without correspondingly large expenditure, to meet an enemy attack—not exactly a military attack, but an attack against our vital targets by locating saboteurs, and allaying panic? These are the most elementary things. I would put it to the Finance Minister, as well as to the Defence Minister and the Home Minister, in fact, to the entire Cabinet, if they really believe in the lead that has been given by the Prime Minister during recent weeks, if they really want to make India independent and self-sufficient, what is the arrangement that they have got for the real defence of the country? How far have they taken the public into confidence? How far have they tried to utilise the civilian manpower? How far have they tried to utilise rifle associations and other associations?

The other day when the hon. Home Minister replied to the debate in this House about rifle organisations, the auxiliary territorial forces and other civilian forces, he was very favourable and we felt that his speech was in accordance with the Prime Minister's lead in order to make India depend upon itself in the event of an attack. But, as a matter of fact, when we look into the budget, when we try to ascertain what is the amount that is allotted, we find nil—Nil. That is the real position. I would like to point out to the Cabinet and to my friends on the other side that if they really want to save the country from panic and other consequences of an attack against certain areas or certain bridges which may cut us off from Kashmir—in which case our entire forces there will be sandwiched they should make some arrangements to see that the whole country is prepared for any contingency. I would again repeat here that not much money will be necessary; just a small amount will do. But the fact that there is no provision at all under appropriate heads, the fact that in spite of promises to rifle associations, no money

[Shri U. C. Patnaik]

Is allotted for that or for any organisation to train and organize civilians for national defence show that we are not prepared to meet the envisaged situation. Our budget makers appear still to per their implicit faith in the Anglo-Americans who are our advisers both on the civil and on the military side.

7 P.M.

Only one word more and that is about retrenchment and other factors which are creating a sort of disaffection and discontent in our vital Services. It is quite possible that by inter-departmental co-operation and

co-ordination, we could avoid all this discontent and troubles and see that our efforts are maximised. For instance, when people in the Defence organisation are retrenched, such as Civilian Gazetted Officers E.C.Os., T.C.Os., S.R.Os., and others are going to be retrenched, why don't you utilise these people for alternative employments? And why do you recruit new people? I will come to this if I get a chance later on, as my time limit is over this evening.

*The House then adjourned till Two of the Clock on Wednesday, the 17th March, 1954.*

---