

Par. 821152  
836

Thursday,  
28th July, 1955



# PARLIAMENTARY DEBATES

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## HOUSE OF THE PEOPLE

### OFFICIAL REPORT

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PARLIAMENT SECRETARIAT  
NEW DELHI

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LOK SABHA

Thursday, 28th July, 1955

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

रुग्मोबोलफिया सपेटाइना

\*१६४. श्री एम० एल० द्विवेदी : क्या बाणिज्य तथा उद्योग मंत्री २२ मार्च, १९५५ को दिये गये तारांकित प्रश्न संख्या १३२१ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) रुग्मोबोलफिया सपेटाइना के निर्यात पर किन कारणों से रोक लगाई गई है ; और

(ख) क्या यह सच है कि कुछ भारतीय निर्यातक इस रोक का उल्लंघन कर रहे हैं और "एन्टीरेस रैबलेट्स" के नाम से इसका निर्यात कर रहे हैं ?

बाणिज्य मंत्री (श्री करमरकर) :

(क) इसके भारी निर्यात को देखते हुये थोड़ी भ्रवधि के लिये पूर्णतः रोक लगाना आवश्यक समझा गया था, जिससे देश की आवश्यकताओं के लिये यह उपलब्ध होती रहे। अब इस रोक में कुछ ढील कर दी गई है और थोड़े परिमाण में इसे निर्यात करने की अनुमति दी गई है।

(ख) जी, नहीं।

श्री एम० एल० द्विवेदी : अभी तक यह दवा कितनी मात्रा में बाहर भेजी गई है और कितने मूल्य की भेजी गई होगी ?

श्री करमरकर : मैं मात्रा बता देता हूँ १९५४ में ५४० टन और १९५५ में ५५ टन दवा बाहर भेजी गई।

श्री एम० एल० द्विवेदी : क्या इस देश में इसका प्रयोग बढ़ाया जा रहा है, यदि हां, तो किस तरह से ?

श्री करमरकर : जी हां, बढ़ाया जा रहा है।

श्री कासलीबाल : क्या मंत्री महोदय यह बता सकते हैं कि चूँकि यह दवा बहुत ही इम्पॉर्टेंट है और इसकी यहाँ बहुत शार्टेज है, इसलिये क्या यहाँ पर इसकी खेती का प्रबन्ध किया जायेगा ?

श्री करमरकर : यह ठीक है कि यह बहुत इम्पॉर्टेंट दवा है और इसकी यहाँ पर शार्टेज है और इसके बढ़ाये जाने का प्रबन्ध किया जा रहा है।

Sardar Hukam Singh: On 15th April, while replying to the debate on the Demands for Grants, the Minister had stated that the export of this would not be banned unless the indigenous manufacture of alkaloids was also interfered within India. Was that condition satisfied before this ban was relaxed ?

The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari): All statements made by Ministers are subject to other conditions being equal. Apparently, in this case other conditions were not equal.

Salt Mines, Mandi

\*१६५. Shri Barman: Will the Minister of Production be pleased to refer to the answer given to Starred Question No. 401 on the 2nd March, 1955 and state:

(a) whether the drilling operations for the purpose of ascertaining the extent of rock salt reserves in Mandi area has been completed;

(b) if so, the estimate of the reserve;

(c) what process of exploitation is intended for the purpose and at what cost?

**The Deputy Minister of Production (Shri Satish Chandra):** (a) Yes, during the last week of June 1955.

(b) On the basis of the core drilling operations carried out during 1952-53 and 1953-54 the reserves are estimated to last for about 10 years at the rate of production of 66,000 tons of pure salt annually. The Geological Survey of India are now engaged in the calculation of the total reserves on the basis of the further drilling undertaken during 1954-55 but they have indicated that a much larger quantity of salt may be available for working over a longer period.

(c) The process recommended for adoption is the wet mining process by the brine chamber method. The total cost of the scheme has been estimated at Rs. 1 crore.

**Shri Barman:** Is it a fact that the adoption of this brine chamber method will affect adversely the solution of out unemployment problem? If so, to what extent?

**Shri Satish Chandra:** In an under-developed area like Himachal Pradesh where this mining will be done there is likelihood of substantial employment being provided to the local people.

**Shri Barman:** Is it a fact that India is now largely surplus in salt, and if that be so, cannot this only reserve of rock that in Mandi be reserved for future exploitation?

**Shri Satish Chandra:** It is true that India has become a little surplus in sea salt during the last one or two years. At the same time, certain quantities of rock salt are being imported from Pakistan and there is a great demand, in Northern India especially, for rock salt, deposits of which have been found at Mandi.

**Shri S. C. Samanta:** May I know when the drilling operations began, and whether the sum that was allotted in 1952-53 has been spent?

**Shri Satish Chandra:** Drilling operations were carried on in 1952-53 and 1953-54, and necessary data have been collected. There are sufficient deposits for exploitation of rock salt in the Mandi area. Further drilling operations are being carried on at present to see whether additional deposits are available.

**श्री हेमराज :** क्या मैं जान सकता हूँ कि इसके लिए फैक्टरी कहाँ लगाई जायगी?

**श्री सतीश चन्द्र :** द्रांग में, जो कि योगेन्द्रनगर के पास है, सबसे पहले काम शुरू होगा।

### **Export Promotion Council**

\*166. **Shri A. K. Gopalan:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether Government have taken any decision regarding the proposal to constitute Export Promotion Councils for commodities like pepper, cashewnuts, etc.

(b) if so, whether they have been constituted and for which products; and

(c) the names of the members of these councils and the places where their offices are located?

**The Minister of Commerce (Shri Karmarkar):** (a) and (b). Yes, Sir. It is proposed to set up shortly an Export Promotion Council for Cashewnuts and Pepper.

(c) Does not arise.

**Shri Punnoose:** May I know the reason for the delay in setting up this Council when the necessary legislation was undertaken long ago?

**Shri Karmarkar:** I do not know of any legislation that is necessary for the setting up of this Council.

**Shri Punnoose:** The decision was taken much early. Why is this delay in setting up the Council?

**Shri Karmarkar:** Because various interests had to be consulted. As my hon. friend well knows, the growers, importers, processors and exporters of cashew kernels had to be consulted; we have taken our own time to make a decision with regard to our representatives. But the hon. Member will doubtless be comforted to know that it is coming quite early.

**Shri N. Sreekantan Nair:** In view of the difficulty of getting raw nuts from South Africa, will Government also consider the question of inclusion of the development of internal cultivation among the functions of the Council?

**Shri Karmarkar:** That is a very good subject, if it is included within the purview of the functions.

**Shri Punnoose:** May I know that what interests are going to be represented on this Council, whether the growers are given representation and if so, what percentage of representation?

**Shri Karmarkar :** I think we might wait till the announcement of the personnel of the Council. It is yet too early to say. I would advice my friend to wait till the announcement is made.

**Shri Punnoose :** What is the percentage of representation.....

**Mr. Speaker :** The Council is not yet announced.

**Shri Punnoose :** I am sorry I have not been understood. I wanted to know whether proper representation was going to be given to the growers.

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari) :** Yes, the idea is that growers will have representation.

**Shri A. M. Thomas :** The Spices Inquiry Committee had recommended that apart from the constitution of export promotion councils, export promotion agencies should be set up in places like New York. May I enquire whether Government have any such idea, and if so when such agencies are likely to be formed ?

**Shri T. T. Krishnamachari :** These matters are all being discussed with the appropriate governments. I am not in a position to say that a decision has been reached on these matters yet.

### Machine Tools

**\*167. Shri Punnoose :** Will the Minister of Commerce and Industry be pleased to state :

(a) whether it is a fact that Government have conducted a survey of the requirements of machine-tools in the country;

(b) if so, whether the survey has been completed;

(c) the findings thereof; and

(d) the action Government propose to take thereon?

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

(b) The survey is going on and is expected to be completed at an early date.

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

**Shri Punnoose :** It is reported that certain foreign manufacturers are collaborating with Indian manufacturers in the production of certain machine tools. May I know at what stage this stands?

**Shri Kanungo :** The survey is going on with the establishments that are using

the machine tools as to the probable demand for the same. The question of manufacture is a separate one.

**Shri Punnoose :** It is reported that the Birlas have entered into an agreement with the Soviet Union to start a machine tool factory. Could I be enlightened on that?

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari) :** Government have no information.

**Shri Tulsidas :** May I know whether the Central Advisory Council of Industries have granted licences for the manufacture of machine tools? If so, how many licences have been given?

**Shri T. T. Krishnamachari :** I require notice.

**Shri Tulsidas :** May I know whether Government have accepted the report of Messrs. Joss De Scaife, M.I. Mech and M.I. Prod, machine tool experts, in this respect, and may I also know what are the chief recommendations of these three experts with regard to the lines on which the machine tool industry should be developed?

**Shri T. T. Krishnamachari :** The experts whom the hon. Member mentioned made a report in regard to the existing stage of machine tools. It was partly because of the report of these experts that we have undertaken a survey, and the decision of Government can only be made after the results of the survey are known.

### Foreign Trade

**\*168. Shri Nanadas :** Will the Minister of Commerce and Industry be pleased to state :

(a) whether it is a fact that the Tuticorin-Ceylon Current Exporters and Importers Chamber have represented to Government the difficulties in the way of carrying on their normal trade;

(b) if so, the difficulties enumerated by them; and

(c) the steps Government propose to take for removing these difficulties?

**The Minister of Commerce (Shri Karmarkar) :** (a) to (c). The Tuticorin-Ceylon Current Exporters and Importers' Chamber have recently sent a few representations dealing with their difficulties in the export of onions and chillies, and these have all been considered and either been or are being replied to. I do not know which particular representation the hon. Member has in mind. If he will please furnish the necessary particulars, I shall look into it.

**Shri Nanadas:** Is it a fact that the Ceylon exporters represented to the Deputy Controller in the month of April the difficulties in exporting onions, chillies, rice, pulses and oil-cakes, and if so, what action Government has taken to tide over their difficulties?

**The Minister of Commerce (Shri Karmarkar):** I think I shall ask for information and shall supply it to the House.

**Shri Nanadas:** May I know whether it is a fact that our exporters are not able to get reasonable prices and also good demand because of the delay in giving quotas and licences?

**Shri Karmarkar:** With regard to commodities like onions and chillies, my hon. friend will appreciate that internal requirements have to be consulted and it takes a small time lag, not a big time lag, and that cannot be avoided.

**Shri Nanadas:** May I know the surplus we have got in those four articles, available in the country?

**Shri Karmarkar:** I can give our policy for the half-year January to June 1955. The total quota of chillies was about 7,150 tons and of onions 58,000 tons. Since the export was at a slow pace, we have extended the period upto the end of September 1955.

**Mr. Speaker:** Next Question.

**Shri Kamath:** May I suggest Questions Nos. 178 and 202 be also taken up with this Question No. 169?

**Mr. Speaker:** Question 178—Shri Krishnacharya Joshi is not here. Question 202 is by Shri D. C. Sharma. If it is convenient for the hon. Prime Minister to answer these, I have no objection.

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** We shall answer them together.

**Mr. Speaker:** Questions Nos. 169 and 202 will be taken up together.

### Ceylonese Citizenship Act

\*169. **Shri D. C. Sharma:** Will the Prime Minister be pleased to refer to the reply given to starred question No. 1990 on the 6th April, 1955 and state:

(a) whether there has since been any correspondence between the Governments of Ceylon and India with regard to the amendment of the Ceylonese Citizenship Act; and

if so, the nature thereof?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) No, Sir.

### Indians in Ceylon

\*202. **Shri D. C. Sharma:** Will the Prime Minister be pleased to refer to the reply given to unstarred question No. 355 on the 21st March, 1955 and state:

(a) whether any decision has since been arrived at between the Governments of India and Ceylon with regard to the Stateless persons in Ceylon; and

(b) if so, the nature of the decision arrived at?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) and (b). No, Sir. The two Governments agreed to consider this matter after the completion of registration as Ceylon citizens and as Indian citizens within the contemplated period of two years.

**Shri D. C. Sharma:** May I know if the provisions of the Ceylon Citizenship Act have been studied and it has been found out how they affect the Indians settled there in spirit as well as in practice?

**Shri Sadath Ali Khan:** The whole issue was carefully examined and then it was felt that we were not directly involved in this amending Act, to which the hon. Member has referred.

**Shri D. C. Sharma:** Is it a fact that on account of this legislation the Indians there are being debarred from registering themselves as voters and also as citizens?

**Shri Sadath Ali Khan:** We have no information.

**Shri D. C. Sharma:** Is it fact that a Tamil M.P. has resigned, in a sense, his seat in the Ceylonese Parliament, to register his protest against this?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** The position in regard to people of Indian descent in Ceylon is, according to our views, very unsatisfactory. The hon. Member was referring to a particular enactment and my colleague said that that particular enactment did not directly concern us; indirectly it does concern us of course. But the broad question of Indian descent there of course remains and it is causing us much concern.

**Shri Kamath:** Is the Prime Minister in a position to state how many persons of Indian descent have so far applied for Ceylonese citizenship, how many have been registered as citizens and how many are still Stateless?

**Shri Jawaharlal Nehru:** I cannot obviously produce the figures suddenly here. I think those figures have been given in answer to a previous question. I may

say that recently, during the last two or three months, the registration has been very very small and the acceptances by the Ceylon Government were approaching all.

**Shri Kamath:** Has the Ceylon Democratic Congress at any time requested Government for representation before or during negotiations with the Ceylon Government?

**Shri Jawaharlal Nehru:** I do not understand the question.

**Shri Kamath:** Not representation, but consultation.

**Shri Jawaharlal Nehru:** The Ceylon Democratic Congress is an organisation in Ceylon and not in India.

**Shri Kamath:** Did they request Government that they be consulted before the Indian Government held talks with the Ceylon Government? Mr. Aziz is their President.

**Shri Sinhasan Singh:** May I know whether the Colombo powers, of which India and Ceylon are two members, tried to evolve methods of common citizenship between their countries *inter se*?

**Shri Jawaharlal Nehru:** It has nothing to do with this or like disputes.

**पंडित डी० एन० तिवारी :** क्या सरकार के ध्यान में यह बात आई है कि सीलोन में सिटीजनशिप के लिये लोग जो दरखास्तें देते हैं उनकी सुनवाई की जो तारीख मुकर्रर की जाती है उसकी सूचना दरखास्त देने वालों को वह तारीख निकल जाने के बाद मिलती है, और इस तरह उनकी दरखास्तें खारिज कर दी जाती हैं?

**श्री जवाहरलाल नेहरू :** जी हाँ, ऐसी शिकायतें सुनी हैं।

**Sardar A. S. Saigal:** Is it a fact that the Act is directed against persons of Indian origin who have failed to obtain civilian Ceylon citizenship?

**Shri Sadath Ali Khan:** It seems so—against persons of Indian origin who have failed to obtain Ceylon citizenship by registration under the Indian and Pakistani Residence Citizenship Act of Ceylon. If they come through the backdoor by marrying Ceylon citizens, they will probably come under this Act.

**Shri Bogawat:** Is it a fact that about 50,000 people are sent out of Ceylon illegally by the Ceylon Government?

**Shri Jawaharlal Nehru:** I do not understand the hon. Member's "sent out illegally". I do not know whom he refers to. There are various types of people there. Some sent out are those who may be called illegal entrants in Ceylon. The number has become relatively little now. The Ceylon Government has every right to send out persons who have illegally entered Ceylon. Whether a person has illegally entered or not is a question of fact. I suppose the hon. Member was referring to others.

**Shri Bogawat:** By "illegally" I mean "without giving a hearing or without doing any justice". Is it a fact that about 50,000 people have been sent out illegally?

**Shri Jawaharlal Nehru:** I still do not understand the hon. Member.

**Mr. Speaker:** I do not think it needs an answer. Next question.

### राष्ट्रीय विस्तार सेवा योजनायें

\*१७०. डा० सत्यवादी : क्या योजना मंत्री यह बताने की कृपा करेंगे कि :

(क) सामुदायिक परियोजना और राष्ट्रीय विस्तार सेवा योजना केन्द्रों में हरिजनों तथा अन्य पिछड़े हुये वर्गों के आर्थिक और सामाजिक विकास के लिये क्या विशेष कार्यक्रम पूरा किया गया है ; और

(ख) क्या इस सम्बन्ध में परियोजना पदाधिकारियों को कोई विशेष निदेश दिये गये हैं ?

**योजना उपमंत्री (श्री एस० एन० मिश्र) :**

(क) और (ख). सामुदायिक परियोजना और राष्ट्रीय विस्तार सेवा के कार्यक्रमों का प्रयोजन ग्रामीण समाज का सामूहिक विकास है। इसलिये इन विकास क्षेत्रों में रहने वा निम्न निम्न ग्रामीण वर्गों के प्रति भेद भावना की दृष्टि न रख कर समानता का व्यवहार किया जाता है। किन्तु आदिवासी क्षेत्रों में उनकी विशेष आवश्यकताओं को ध्यान में रखते हुये राष्ट्रीय विस्तार सेवा के अन्तर्गत एक उपयुक्त विकास क्रम लागू करने का विचार किया जा रहा है।

**डा० सत्यवादी :** क्या यह बात सही है कि पक्की गलियां और नालियां बनाने की इंडस्ट्रीज और दूसरे ऐसे कामों में इन केन्द्रों में हरिजन आबादियों के साथ ग्राम तौर पर सीतेली मां जैसा सलूक किया जा रहा है ?

**श्री एस० एन० मिश्र :** जी, इसकी बुनियाद तो कोई मालूम नहीं होती ।

**डा० सत्यवादी :** इस बुनियाद को मालूम करने के लिये क्या सरकार ऐसा मुनासिब समझती है कि हरिजन अपलिफ्ट के कामों के मुताल्लिक कोई प्रोग्रेस रिपोर्ट अलग मांगी जाये ?

**श्री एस० एन० मिश्र :** ऐसी प्रोग्रेस रिपोर्ट मांगने की तो कोई खास जरूरत महसूस नहीं की जाती, लेकिन जहां इस तरह की शिकायतें हों, उनकी सूचना सरकार को देनी चाहिये ।

**Shri N. B. Chowdhury:** May I know whether in the budgets for the community projects and NES blocks any amount is specially allocated for the welfare of the Harijans and such other backward classes ?

**Shri S. N. Mishra:** As I had already submitted, this programme is meant for the development of the entire rural community in the area without any discrimination whatsoever. So, no such allocation is made for any particular class.

**The Minister of Planning and Irrigation and Power (Shri Nanda):** In any allocations that are made and the programmes that are being worked out special care is taken that expenditure is directed towards these areas and groups which need it most and where development has been delayed.

**Shri B. S. Murthy:** May I know whether any attempt is being made in order to remove the *cheris* in the community project and NES areas and, if so, what are they ?

*Cheri* is a place where Harijans are segregated and several hundreds of them will be there in the community project areas. May I know whether any special care is being taken to remove them ?

**Shri S. N. Mishra:** I could not follow it.

**Shri B. S. Murthy:** Sometime back the Prime Minister was placed to state that to have a *cheri* is an ugly sight in

India. In view of that, have any steps been taken to remove the segregated area known as *cheris* where Harijans alone are being inhabited ?

**Shri S. V. Ramaswamy:** It is a Harijan basti.

**Shri S. N. Mishra:** So far as these segregations are concerned, I have submitted that this programme is for the development of the entire rural community and if such areas as the hon. Member had said exist, they will receive particular attention.

### Atomic Energy

**\*171. Shri S. N. Das:** Will the Prime Minister be pleased to state:

(a) whether India and Egypt have agreed to exchange information on atomic energy; and

(b) if so, whether any specific steps have been taken in this direction ?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) and (b). No formal agreement has been reached between India and Egypt to exchange atomic energy information. India has however agreed to assist Egypt generally in the field of atomic energy by making available training facilities particularly in nuclear science, electronics instrumentation and geological survey.

**Shri S. N. Das:** May I know whether any persons from Egypt have come over to India for such training ?

**Shri Jawaharlal Nehru:** I do not think so; I know they have not come yet.

**Shri Kamath:** Has the Egyptian Government set up an atomic research department or atomic energy commission as we have done ?

**Shri Jawaharlal Nehru:** I do not know.

**Shri N. Sreekantan Nair:** May we know whether Egypt or any other country had sought to purchase monazite from this country and whether Government intends to sell to any of them ?

**Shri Jawaharlal Nehru:** Not Egypt. But some countries have sought to purchase monazite from us. I do not think that Egypt is at present in a position to utilise it with advantage.

### ग्रामोद्योग गवेषणा केन्द्र

\*१७२. श्री नवल प्रसाकर : क्या उत्पादन मंत्री ८ नवम्बर, १९५४ को दिये गये तारांकित प्रश्न संख्या १७० के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि तब से सरकार ने ग्रामोद्योग के लिये एक पृथक गवेषणा संस्था स्थापित करने का निश्चय किया है ; और

(ख) यदि हां, तो कहाँ ?

उत्पादन मंत्री (श्री के० सी० रेड्डी) :

(क) हां, जी ।

(ख) वर्धा, मध्य प्रदेश ।

श्री नवल प्रसाकर : क्या मैं जान सकता हूँ कि इसके लिये कोई प्रारम्भिक कार्यवाही कर ली गई है और अगर कर ली गई है तो उसका विवरण क्या है ?

उत्पादन उपमंत्री (श्री सतीश चन्द्र) :

यह तय हुआ है कि वर्धा में जो मगनबाड़ी का प्रबन्ध खादी बोर्ड अपने हाथ में ले लेगा और उसके लिये सब बातचीत हो चुकी है ।

Shri R. S. Diwan: May I know if this will be a Government institution and if it is a Government institution whether it will be supervised by the production Ministry or any other Ministry?

Shri K. C. Reddy: It will be an institution under the Khadi and Village Industries Board but the overall supervision will be that of the Production Ministry.

Shri Dabhi: May we have some idea of the research work done at these centres and the non-recurring expenditure?

Shri Satish Chandra: The estimated non-recurring expenditure is about Rs. 4.34 lakhs and recurring expenditure will be about 4.38 lakhs. About the nature of its work, I can only say that it will deal with all problems of research relating to tools and implements and the development of new techniques which can be applied make units of village industries more efficient and economic.

Shri Chattopadhyaya: May I know whether, when this research institute is instituted, the co-operation of the village master craftsmen will be sought the carrying out of the research?

Shri Satish Chandra: The co-operation of all those who can make a contribution and whose assistance will be useful will certainly be invited by the Khadi and Village Industries Board. But this institution will be run mainly by that Board.

### Tobacco Imports

\*174. Shri C. R. Chowdary: Will the Minister of Commerce and Industry be pleased to state whether steps are being taken or are proposed to be taken to minimise the import of tobacco?

The Minister of Commerce (Shri Karmarkar): Steps are being taken to produce high quality tobacco in India and to improve methods of curing. With the improvement in quality of Indian tobacco, imports are expected to be reduced.

Shri C. R. Chowdary: May I know the countries from which tobacco is allowed to be imported for the purpose of making cigarettes and its value?

Shri Karmarkar: I have got figures for cigarettes and pipes the quantity imported from U.K. in 1954-55 is 10,000 lbs. worth Rs. 150,000. From the others, it was 2,000 lbs. worth Rs. 10,000. The quantity imported from U.K. in 1954-55 for cigarettes was 121,000 lbs. and its value was 1,38,89,000. The figures for the United States of America are 9,000 lbs. and Rs. 44,000. For the rest the figures are 1,000 lbs. and Rs. 16,000.

Shri C. R. Chowdary: May I know if it is a fact that we are surplus in this commodity and if so why these imports are being allowed for making cigarettes?

Shri Karmarkar: We do believe in producing high class cigarettes and so far the time being we find it necessary to import certain types of tobacco for this purpose.

Shri Nanadas: May I know the steps taken by the Government to develop Jafna variety of tobacco in our country and the results?

Shri Karmarkar: The Indian Central Tobacco Committee and its research stations are trying to ensure that India attains self-sufficiency in this respect. For instance, the Wrapper and Tobacco Research Station in Dinhat has evolved some strains of leaves which compare favourably with foreign imported leaves but their burning quality requires further improvement. Like that we are making progress.

### Flood Control Schemes

\*175. **Shri Ibrahim:** Will the Minister of Irrigation and Power be pleased to state the names of the States that have so far asked for loans for the execution of flood control schemes?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** During 1954-55, loans for financing Flood Protection given to Assam, Bihar, Jammu and Kashmir, Punjab, Uttar Pradesh and West Bengal. In so far as loan assistance during 1955-56 is concerned, it was decided at the third meeting of the Central Control Board held on the 28th March 1955, that the States concerned should, send their over-all programme of work before September, 1955. Such programmes have been received so far from Orissa and Uttar Pradesh only.

**Shri S. N. Das:** Since the Central Government has taken up these flood control measures, may I know the number of schemes in different States that have been completed, and to what extent they have proved successful in preventing flood?

**Shri Hathi:** So far as the various schemes in different States are concerned, it will not be possible to give the exact number. What the Central Government has done is to give Central assistance to the various States for financing their schemes. They have to send their programme. But so far as Assam, West Bengal and U.P. are concerned, they have special schemes for protection from floods. In such schemes the work, so far as this year's target is concerned, has been completed. But it is not possible for me to give the number of the schemes in various States.

**Shri N. B. Chowdhury:** May I know what steps Government have taken to see that losses do not take place due to the work being left half done without sufficient safeguards before the rainy season?

**Shri Hathi:** So far as the Government is concerned, they take all precautions that the works are not completed and not left half done. That is the main precaution which we take before fixing up the targets. It may be that the full protection work may not be completed within one season. But whatever target is fixed, we are trying to reach that target.

**Shrimati Renu Chakravartty:** May I know if the West Bengal Government has not asked for any loan or any help in any form for flood control measures in North Bengal for harnessing the Teesta?

**Shri Hathi:** They have not done so for the year 1955-56, but for the year 1954-55 they had asked for a loan of Rs. 50 lakhs.

**The Minister of Planning and Irrigation and Power (Shri Nanda):** I may add that the Bengal programme has been made and provision has been made also for the current year.

**Pandit D. N. Tiwari:** May I know whether the money allotted to the Bihar Government has been expended in full or whether some portion is still to be expended in full or whether some portion is still to be expended for 1954-55?

**Shri Hathi:** I think they have spent Rs. 35 lakhs.

### Tungabhadra Project

\*176. **Shri Sivamurthi Swami:** Will the Minister of Irrigation and Power be pleased to state:

(a) the acreage of land brought under irrigation under the Tungabhadra Project;

(b) the mileage of canals constructed so far; and

(c) the total number of distributaries which comprise this canal system?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) 19,600 acres.

(b) 231 miles.

(c) 204 distributaries.

**Shri Sivamurthi Swami:** Though the project work has been completed two years ago, what are the reasons that such a small acreage of lands is irrigated?

**Shri Hathi:** For various reasons there has been delay in the utilisation of the water. In the first place, last year the water was released in July; by that time it had already rained and perhaps the cultivators were not ready to receive the water. The second reason was that the land under irrigation was not ready; it had to be levelled before carrying the tributaries and that required some labour, money, etc. The third reason was that people in that area were not used to irrigation; they were used to dry cultivation only. Efforts are being made by the State Government to educate the people in this respect and to give them loans for levelling and bunding the land.

**Shri Sivamurthi Swami:** May I know whether any scheme has been formulated by the State Government and sent to the Centre for help for development of this area?

**Shri Hathi:** They have asked for loans for this purpose.

**Shri Sivamurthi Swami:** May I know whether it has been sanctioned?

**Shri Hathli:** The loans for both Mysore and Hyderabad have been sanctioned.

**Shri T. Subrahmanyam:** Is it a fact that the Government of Mysore have requested the Central Government to make available to them a crore of rupees to be distributed as loans to the agriculturists for development work?

**Shri Hathli:** I think a loan of Rs. 54 lakhs has been sanctioned for Hyderabad State but the figure is subject to verification.

### Petrol

\*177. **Shri P. C. Bose:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether it is a fact that the price of petrol has been raised from May, 1955; and

(b) if so, the reasons therefor?

**The Minister of Commerce (Shri Karmarkar):** (a) No, Sir.

(b) Does not arise.

In regard to (a) I should add that in fact from 20-6-55 petrol prices have been reduced.

**Shri P. C. Bose:** I had to pay more in the beginning of May. Will the hon. Minister please make some enquiries?

**Shri Karmarkar:** My hon. friend should take greater care before making payment and should pay strictly according to the rates that are prescribed.

**Shri Natesan:** May I know on what basis the ceiling price of petrol is fixed in this country?

**Shri Karmarkar:** The accounting procedure is what is known as the valued stock accounting system. If my friend asks any questions on that I will have to ask for notice.

### Steel

\*179. **Shri Bibhuti Mishra:** Will the Minister of Commerce and Industry be pleased to state the estimated total requirements of steel in 1955?

**The Deputy Minister of Commerce and Industry (Shri Kanungo):** About 2.5 million tons.

**श्री बिभूति मिश्र :** सरकार अपने देश के उत्पादन से इसके लिये कितना लेगी और बाहर से कितना मंगायेगी ?

**श्री कानून्गो :** देश का उत्पादन १.२ मिलियन टन है । इसके अलावा बाकी जरूरत पड़ेगी वह बाहर से मंगाना पड़ेगा ।

**श्री बिभूति मिश्र :** सरकार ने जो इस्पात की आवश्यकता निश्चित की है, उसमें क्या यह भी निश्चित किया गया है कि इतना देहात के सर्च के लिये दिया जायेगा और इतना शहर के सर्च के लिये दिया जायेगा ?

**श्री कानून्गो :** जब स्टेट गवर्नमेंट अपनी मांग करती है खेती बाड़ी के लिये और घर बनाने के लिये, तो वही तय करती है कि देहात को कितना स्टील दिया जायेगा और शहरों को कितना दिया जायेगा ।

**Sardar Hukam Singh:** In assessing these requirements, may I know whether the full demands of Defence, Railways, development schemes and housing schemes for D.P.'s have been allowed or whether there has been any cut in those demands.

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari):** The demands have been allowed to the extent the supplies were available.

**सठ गोबिन्द दास :** जितना लोहा अभी बाहर से आता है उसको हिन्दुस्तान में तैयार करने के लिये कितनी फैक्ट्री और बनानी पड़ेगी और कब तक यह भाशा की जाती है कि हमारी जितनी जरूरत है उसको हम यहीं से पूरा कर सकेंगे ?

**श्री कानून्गो :** अभी तो दो फैक्ट्रियां बन रही हैं और उनके अलावा तीसरी की चर्चा हो रही है । इन तीन फैक्ट्रियों के चलने से अपनी सब जरूरत पूरी हो जायेगी और ज्यादा जरूरत होगी तो और दूसर कारखाने खोलने होंगे ।

### Village Industries

\*180. **Shri Gadilingana Gowd:** Will the Minister of Production be pleased to state:

(a) whether it is a fact that a scheme known as the Intensive Area Scheme has been taken up in about fifteen centres to improve the village industries;

(b) the number of centres opened in Andhra State under this Scheme; and

(c) the criteria for selection of these centres?

**The Deputy Minister of Production (Shri Satish Chandra):** (a) Yes, Sir.

(b) One.

(c) Availability of constructive workers and willingness on the part of the people to work the scheme are the main criteria for selecting a centre.

**Shri Gadilingana Gowd :** May I know if there is any possibility of extending the scheme to one or two more areas in Andhra if workers are available?

**Shri Satish Chandra :** The Khadi Board will consider the possibility of opening more centres if workers are available.

**Shri Gadilingana Gowd :** May I know if a State Board for Village Industries has been formed in Andhra State if so, may I know where it is located and who are its personnel?

**Mr. Speaker :** He wants to know whether there is any State Board for this purpose and, if so, where it is located. I think the Minister said that the matter is under the Khadi Board.

**The Minister of Production (Shri K. C. Reddy) :** Yes, Sir, under the Khadi and Village Industries Board.

**श्री हेम राज :** बाकी राज्यों में भी इस किस्म के कोई सेन्टर खोले गये हैं ?

**श्री सतीश चन्द्र :** ३५ सेन्टर खोले जा रहे हैं जिन में से १५ पिछले वर्ष स्वीकृत हुये। २० इस साल शुरू किये जा रहे हैं, लेकिन खादी बोर्ड को तय करना है कि वह किन किन जगहों पर खोले जायेंगे।

**श्री हेम राज :** क्या पंजाब में कोई खोला गया है ?

### आजाद काश्मीर

\*१८१. **श्री रघुनाथ सिंह :** क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि हाल ही में 'आजाद काश्मीर' के अनेक नागरिक भाग कर भारत में आ गये हैं ; और

(ख) यदि हां, तो उनकी संख्या कितनी है ?

**वैदेशिक कार्य मंत्री (श्री सतीश चन्द्र) :** (क) और (ख). जम्मू और काश्मीर राज्य का जो हिस्सा

अब पाकिस्तान के कब्जे में है, मालूम हुआ है कि वहां से हाल ही में वहां से लगभग तीन हजार आदमी इधर आ गये हैं।

**श्री रघुनाथ सिंह :** इन आदमियों के यहां भाग कर आने का कारण क्या है ?

**श्री साबत अली खां :** यह बात तो आनरेबल मेम्बर खुद समझते हैं। वहां के हालात ऐसे ही होंगे कि लोग भागे क्योंकि कोई खुशी से तो भाग कर आता नहीं है।

**श्री रघुनाथ सिंह :** क्या पाकिस्तान में उन लोगों पर फायरिंग हुई थी जिसके कारण वह लोग भाग कर यहां आये हैं ?

**श्री साबत अली खां :** यह मैं नहीं जानता।

**पंडित डी० एन० तिवारी :** जो लोग यहां भाग कर आये हैं क्या उन्होंने इंडियन सिटिजेनशिप के लिये कोई दस्तावेज दी है ?

### असबारी कागज के कारखाने

\*१८३. **श्री भक्त वरुण :** क्या वारिण्य और उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) अभी तक किन किन राज्यों ने दूसरी पंचवर्षीय योजना के अन्तर्गत असबारी कागज के नये कारखाने स्थापित किये जाने के लिये अपने सुझाव भेज दिये हैं ;

(ख) विभिन्न योजनाओं के ब्योरे क्या हैं ; और

(ग) इस सम्बन्ध में भारत सरकार ने अन्तिम निर्णय क्या किया है ?

**वारिण्य और उद्योग उपमंत्री (श्री कामुनगी) :** (क) से (ग). पंजाब और हिमाचल प्रदेश के राज्यों ने द्वितीय पंचवर्षीय योजना अवधि में अपने प्रदेशों में असबारी कागज के कारखाने स्थापित करने के प्रस्ताव योजना कमीशन को भेज दिये हैं। पंजाब

सरकार के प्रस्ताव के अनुसार सरकारी क्षेत्र में भस्मबारी कागज के ऐसे कारखाने की योजना दी गई है जिसमें भारम्भ में ५० टन प्रति दिन भस्मबारी कागज तैयार किया जायेगा। बाद की साथ के एक अन्य कारखाने रेयन श्रेणी की लुगदी तैयार करने का भी प्रस्ताव है। हिमाचल प्रदेश सरकार का प्रस्ताव बांस, भाबर घास आदि से भस्मबारी कागज बनाने का कारखाना खोलने के विषय में है, जिसकी उत्पादन क्षमता १०० टन प्रति दिन है और ये दोनों ही प्रस्ताव अभी प्रारम्भिक अवस्था में हैं और उन्होंने कोई ठोस रूप में नहीं ग्रहण किया है। योजना कमिशन ने उपर्युक्त राज्य सरकारों को लिखा है कि सम्बद्ध राज्यों के कच्चे माल के साधनों के बारे में और अधिक व्यावहारिक जानकारी उपलब्ध होते ही उनके प्रस्तावों पर, अन्य प्रस्तावों के साथ उचित विचार किया जायेगा।

**श्री भक्त बर्बन :** क्या इस बात का पता लगाने की कोशिश की गई है कि हमारे देश को कितने भस्मबारी कागज की आवश्यकता है और उसके मुकाबले में हमारे देश में अब कितना उत्पादन हो रहा है और भगले दो या चार वर्षों के अन्दर हम कितना उत्पादन कर सकेंगे ?

**श्री कानूनगो :** हमारे देश के अन्दर एक कारखाना है और वह इस साल के अखिर तक ५० हजार टन कागज तैयार कर सकेगा जब कि हमारी जरूरत बहुत ज्यादा है, तकरीबन ७०,००० टन प्रति वर्ष।

**Shri Raghunath Singh:** How much are we importing?

**Shri Kanungo:** About 70,000 tons

**श्री भक्त बर्बन :** क्या इस बात का पता लगाने की कोशिश की गई है कि इन दो राज्यों के अलावा जिनका कि माननीय मंत्री जी ने उल्लेख किया है, यानी पंजाब और हिमाचल प्रदेश, दूसरे राज्यों में भी जहां कच्ची सामग्री उपलब्ध है कारखाने खोल कर इस सामग्री का उपयोग किया जायेगा?

**श्री कानूनगो :** जो चीज भस्मबारी कागज बनाने के लिये जरूरी है वह प्रान्तों में नहीं मिलती है। मद्रास में युक्सिलपटस से कागज बनाने की कुछ चर्चा हो रही है

**Shri Punnoose:** Have Government received any proposal from the Madras Government to open any second factory in Malabar?

**Shri Kanungo:** No.

### Minorities in Pakistan

\*184. **Shri Radha Raman:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that the Central Ministers for Minority Affairs of India and Pakistan undertook a joint tour of selected areas in the Eastern Zone of Pakistan; and

(b) if so, what were their observations and recommendations?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) and (b) Mr. Ghyasuddin Pathan, Pakistan Minister for Minority Affairs and Shri Anil K. Chanda, deputising for our Minister for Minority Affairs, undertook a joint tour of certain areas of East Pakistan, West Bengal and Tripura in April 1955. These periodical tours are undertaken by the Ministers for Minority Affairs in accordance with the Prime Ministers' Agreement of April 1950 to acquaint themselves with the conditions prevailing in the Eastern Zone and to help restore confidence among the minorities. No joint report is submitted by the Ministers.

The Minister for Minority Affairs has, however, communicated Shri Chanda's personal impressions of the tour to the Minister for Minority Affairs in Pakistan who has since intimated that the Government of Pakistan are taking effective steps to redress the grievances of the minorities in East Pakistan.

**Shri Radha Raman:** May I know whether these tours which are periodically undertaken have produced substantial results so far as the exodus of people from East Pakistan to India is concerned?

**Shri Sadath Ali Khan:** Yes, Sir. As a matter of fact the monthly exodus of Hindus from East Bengal which was to the tune of 24,983 and 30,181 in February and March, 1955 respectively came down to 19,376 and 20,647 respectively in April and May, 1955.

**Shri Meghnad Saha:** May I know if it is not a fact that one of the several Ministers, as a result of the tours has

expressed the opinion that as long as Pakistan remains an Islamic State it would be impossible for the minorities to remain there and if that is a fact, what steps are being taken as a long-term measure by the Indian Government to meet this emergency? And, may I also know if it is not a fact that nearly 3000 refugees are coming every week to Sealdah station and about 2000 refugees to Tripura because they find it impossible to stay in East Pakistan?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** The hon. Member's question is something much more than a question. So far as the last part is concerned, that is, whether a considerable number of migrants or refugees are coming, that is a fact. Whether it is Sealdah station or elsewhere, it is a fact. It is a very painful fact. My colleague just gave some figures which show some diminution but not too much, in the rate of the people coming over. The reasons for this are partly known; most of them are known. The major reason is that they come because conditions there, by and large, are not suitable for them to remain there. What these conditions are we can discuss.

As for what the hon. Member said about "Islamic State," we personally— it is a personal opinion entirely—do not think the use of these words carry us this way or that way. It is the real conditions that count. If the conditions were good, that would not matter so much. If the conditions are bad, that becomes one of the factors also which affect the people.

**Shri Meghnad Saha:** May I know if it is not a fact that Mr. Fazlul Huq, the leader of the biggest Muslim group reiterated the other day that Pakistan is going to be an Islamic State and in an Islamic State any minority has to be in the status of a jimmy which is protected; they have no civic rights at all?

**Shri Jawaharlal Nehru:** Did Mr. Fazlul Huq say that part too, or is that an inference drawn by the hon. Member? To say that Pakistan is an Islamic State is an oratorical exuberance of Mr. Fazlul Huq or anybody else. But, the other inference that the hon. Member drew, probably from ancient Islamic history,—I do not think has any relevance today.

**Shri Gidwani:** May I know whether any steps have been taken by the authorities in Pakistan to remove the grievances of the minority community with regard to discriminatory treatment given to them in matters of employment and business, which is now the cause for exodus?

**Shri Jawaharlal Nehru:** Probably, so.

## Titanium

\*185. **Shri Matthen:** Will the Prime Minister be pleased to state:

(a) whether Government are aware that titanium metal has become a key material for the manufacture of aeroplanes;

(b) how far the scheme of Government to come to an understanding with the National Lead of the U.S.A. for the erection of a factory in Travancore-Cochin State has progressed; and

(c) what has been the result of the negotiations to take over the British firm Messrs. Hopkin and Williams Ltd., in Travancore-Cochin, who are processing the raw materials of Ilmenite, Monazite, Rutile, etc.?

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

(b) There is no proposal from the National Lead Company to set up a factory in Travancore-Cochin State.

(c) The decision to nationalise the mineral sands industry has been taken. The initial negotiations with the private firms are being handled by the Travancore-Cochin State Government.

**Shri Matthen:** May I know whether the hon. Prime Minister is aware that our ilmenite, which we have got in very large quantities—almost unlimited quantities and from which titanium is manufactured, is the cheapest in the world and with the largest titanium content.

**Shri Jawaharlal Nehru:** I could not follow the question.

**Mr. Speaker:** He wants to know whether the Prime Minister is aware that some kind of ore from which this metal is manufactured and which is available in India is the cheapest variety.

**Shri Jawaharlal Nehru:** I have not quite grasped the question. Anyhow, I am not aware of it. I do not know about it.

**Shri Matthen:** Is the Prime Minister aware that both U.S.A. and U.K. have started working their plants for the manufacture of titanium out of the ilmenite we have supplied to them at these cheap rates.

**Shri Jawaharlal Nehru:** No, Sir. I have no information about this precisely.

**Shri Meghnad Saha:** May I know in view of the fact that titanium has become a metal of great economic value and India has got titanium deposits to a very large extent, whether any research has been undertaken in the National Chemical Laboratory

or any other laboratory for the extraction of titanium out of these sources as is being done by a well-known process in the United States of America and elsewhere? I also want to know whether if any scientific laboratory needs any plant for extraction of titanium, that will be encouraged by the Government?

**Shri Jawaharlal Nehru:** If I am to answer these specific questions adequately, I should have full information on the subject. The value of titanium is very well known and that work is being done, but I cannot tell the hon. Member precisely what type of work is being done.

**Shri N. Sreekantan Nair:** May I know whether the provision of Rs. 2 crores in this year's budget to purchase a skeleton plant been utilised, and whether the plant has come and been set up?

**Shri Jawaharlal Nehru:** I do not know.

**Mr. Speaker:** They are general questions. No specific information is being asked. Next question.

### Tea

\*187. **Pandit D. N. Tiwary:** Will the Minister of Commerce and Industry be pleased to state:

(a) the effect of the fall in price of tea on Indian producers;

(b) the steps taken by Government to arrest the fall in prices; and

(c) whether Indian and Ceylonese merchants have taken any joint action in the matter?

**The Minister of Commerce (Shri Karmarkar):** (a) The fall in tea prices resulted in lower profits for the Indian producers. It might be added that the market is now reasonably steady.

(b) No Special action on the part of Government was considered necessary. The export duty on tea was reduced in accordance with Government's declared policy.

(c) Government have no information.

**Pandit D. N. Tiwary:** May I know whether it is a fact that lowering of the prices of tea in England by the Joseph Lyons Group companies in May, 1955, was the manipulation to get cheaper qualities of Indian tea, or was due to some other reason, and if so, what are those reasons?

**The Minister of Commerce and Industry and Iron and Steel (Shri T.T. Krishnamachari):** This fact the hon. Member perhaps knows: that the price of tea was very high and it was rising. I suppose the country which consumes tea had to take adequate precautions to bring down the price of tea.

**Pandit D. N. Tiwary:** What were the prices in May, 1955, and why did they come down? May I know whether it was a manipulation to get cheaper tea or it was due to some other causes?

**Shri T.T. Krishnamachari:** The man who pays knows where the shoe pinches, and therefore, he likes prices to come down and perhaps some action was taken by the concerned Government and by the concerned interests to bring down the price of tea.

**Shri K. P. Tripathi:** May I know if it is not a fact that it was after this pitching of the Joseph Lyons Group Companies that the tea interests of England combined to bring down the price to teach Ceylon a lesson, and if it is a fact which is known to the hon. Minister?

**Shri Karmarkar:** I think you should address that question to the Ceylon Parliament.

**Shri Kamath:** May I know whether it is a fact that most of the superior quality and high-class blends of tea are being exported, and they are not available for home consumption because of the export policy?

**Shri T. T. Krishnamachari:** I should like to have notice.

### Community Projects and N.E.S. Blocks

\*188. **Shri Hem Raj:** Will the Minister of Planning be pleased to lay a statement on the Table of the House showing:

(a) the number of Community Projects and National Extension Service Blocks to be opened during 1955-56, state-wise; and

(b) the amount proposed to be spent on each kind of such blocks?

**The Deputy Minister of Planning (Shri S. N. Mishra):** (a) A statement is laid on the Table of the House. [See Appendix I, annexure No. 45].

(b) Rs. 7 lakhs and 15 lakhs for each National Extension Service Block and Community Development Block, respectively.

**श्री हेम राज :** क्या मैं जान सकता हूँ कि साढ़े सात लाख और पंद्रह लाख रुपये में से, जो कि एक ब्लाक पर खर्च किया जायगा, सरकारी कर्मचारियों पर कितना खर्च होगा और वास्तविक काम पर कितना खर्च होगा ?

**श्री एस० एन० मिश्र :** इस के बारे में तफ़्तीलात कई बार इस हाउस में दी गई है ।

इस वक्त वे मेरे पास नहीं हैं और नोटिस मिलने पर दे दी जायेंगी।

**श्री हेम राज :** क्या मैं जान सकता हूँ कि क्या ऐसा ही बजट हर एक ब्लॉक के लिए बनाया गया है? पर्वतीय क्षेत्रों की समस्यायें मैदानों की समस्याओं से मुक्तलिफ हैं ऐसी सूरत में क्या वहाँ का बजट मुक्तलिफ तरीके से बनाए जाने की योजना विचाराधीन है?

**श्री एस० एन० मिश्र :** उन प्रश्नों के बारे में, जिनकी खास समस्यायें हैं, विचार किया जा रहा है कि वहाँ पर राष्ट्रीय विस्तार योजना का क्या आकार-प्रकार हों। कुछ दिनों के बाद जब हम विचार कर लेंगे, तो पूरा विवरण इस सदन के सामने देंगे।

**Shri Heda:** Are there any States which have expressed their inability to open so many N.E.S. Blocks and Community Project centres because of the paucity of village level workers, and if so, what are the names of those States and what is the shortage of the workers?

**Shri S. N. Mishra :** These allotments of the blocks to the States are made having regard to the progress made, extent of people's response and the extent of personnel available. So, we always make these allotments on the basis of the availability of the technical personnel; and wherever these shortages have been felt, they are now being sought to be removed.

### Dambaroo Fall

\*190. **Shri Biren Dutt:** Will the Minister of Irrigation and Power be pleased to state:

(a) whether any investigation has been carried out regarding the Dambaroo Fall in Tripura; and

(b) if so, the results thereof?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) No, Sir.

(b) Does not arise.

**Shri Biren Dutt:** May I know whether it is proposed to start the investigation?

**Shri Hathi:** At present, it is not possible to carry on the investigations on the spot because of the rains.

**Shri Biren Dutt:** May I know whether there is any report already submitted by some other investigation committee in the early days?

**Shri Hathi:** There is a preliminary report prepared by the former Tripura State in 1948.

### Steel Plant

\*191. **Shri S. V. Ramaswamy:** Will the Minister of Iron and Steel be pleased to state;

(a) whether the Government of Madras have submitted any proposal for the setting up of a steel plant in the South for inclusion in the Second Five Year Plan, based on the availability of lignite of South Arcot and iron ore of Salem; and

(b) if so, the decision taken in the matter.

**The Minister of Commerce and Industry and Iron and Steel (Shri T.T. Krishnamachari):** (a) Yes, Sir.

(b) As the lignite project about the deposits of South Arcot is still in a preliminary stage, it is considered premature at present to take up the detailed investigation of a steel project in Madras, for inclusion in the Second Five Year Plan.

**Shri S. V. Ramaswamy :** May I know what is the nature of the steel plant that has been proposed by the Madras Government? Is it the ordinary high shaft furnace plant or the special low shaft furnace plant?

**Shri T. T. Krishnamachari:** Apparently the Madras Government is not aware of the technical possibilities of different types of plants. They have not made any suggestion in that regard.

**Shri S. V. Ramaswamy:** What steps are being taken to expedite the extraction of steel?

**Shri T. T. Krishnamachari:** That question must be addressed to my hon. colleague, the Minister of Production.

### Orissa Salt Factories

\*192. **Shri Sanganna :** Will the Minister of Production be pleased to refer to the reply given to starred question No. 2244 on the 15th April, 1955 regarding the crisis in Orissa salt factories and state:

(a) the reaction of Government to the Resolutions passed by the labourers working in the various salt factories at their meeting held on the 20th March, 1955 in respect of rates of wages and other incidental charges; and

(b) the results achieved in this regard

**The Deputy Minister of Production (Shri Satish Chandra):** (a) The settlement of labour disputes falls within the sphere of the State Government. The requests contained in the Resolutions passed by the workers in respect of rates of wages and other incidental charges are therefore matters for consideration by the State Government.

(b) A statement is laid on the Table of the House, containing the information as far as is available. [See Appendix I, annexure No. 46].

**Shri Sanganna:** In what way are the Government of India concerned in matters of this nature?

**Shri Satish Chandra:** These are small salt factories owned by private individuals. There has been some disputes between the employers and the employees. The Government of India do not come in the picture except the extent of watching that the production of salt does not suffer. The Salt Commissioner has been on the spot. He has tried to exert his influence with both the parties. Some settlement has been reached, and there has been absolutely no trouble during the current financial year.

**Shri Sanganna:** The decisions of the factory owners are final, and are they not subjected to influence by the Government of India or the respective State Governments?

**Shri Satish Chandra:** Certain decisions were arrived at between the parties concerned and I think they must have been implemented. If not, the matter should be taken up with the State Government.

**Shri Nanadas:** In view of the fact that the employers always resort to piece-rates in order to reduce the wages of workers in salt industry, may I know what steps Government are going to take to fix up minimum wages for the workers in this industry?

**The Minister of Production (Shri K. C. Reddy):** Certain States have already enforced the Minimum Wages Act in respect of the labourers working in the salt factories. I do not know at present which States have enforced the Minimum Wages Act, but we are urging on the various States to enforce such legislation in their respective States.

**Shri Nanadas:** May I know the number of States which have enforced the Minimum Wages Act for the salt industry?

**Shri K. C. Reddy:** I want notice.

## WRITTEN ANSWERS TO QUESTIONS Indians in Ceylon

\*178. **Shri Krishnacharya Joshi:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that a deadlock has developed over the implementation of the Indo-Ceylon Pact on the citizenship of the persons of Indian origin in Ceylon;

(b) the steps taken by the Government of Ceylon to implement the Pact; and

(c) the main difficulties in the working of the Pact?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) Yes, Sir.

(b) and (c). Under the Indo-Ceylon Agreement it was agreed that:—

(i) Ceylon Government would prepare an Adult Register.

(ii) They may proceed with the amendment of their Immigrants and Emigrants Act shifting on the accused the onus of proof that he was not an illicit immigrant.

(iii) The registration of persons as Ceylon citizens would be completed within two years.

(iv) There would be separate electoral register for the registered citizens for a period of 10 years.

(v) Some seats would be reserved in the Ceylon's legislature for the representatives of registered citizens in consultation with the Prime Minister of India.

(vi) Ceylon Government would offer inducements to encourage registration of persons of Indian origin as Indian citizens.

But the Ceylon Government have amended their Immigrants and Emigrants Act without preparing an Adult Register. The Ceylon authorities are disposing of applications by mass rejections. Separate electorates have been provided for 12 years. They have fixed four seats in the House of Representatives without consulting the Prime Minister of India.

The action taken by the Ceylon Government is not in accord with the Indo-Ceylon Agreement and hence the difficulties in the implementation of the Pact.

## Indians in Canton China

\*182. **Shri Bhagwat Jha Azad:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that the Indian Nationals who have landed properties in Canton China have to produce documentary evidence before the Authorities there to establish their ownership; and

(b) if so, the reasons therefor ?

**The Parliamentary Secretary to the Minister of External Affairs :**  
(Shri Sadath Ali Khan) : (a) Yes.

(b) Since the properties believed to be owned by Indian Nationals were taken over by the House and Land Property Control Bureau, Canton, of the Canton People's Government, on grounds of insufficient proof of ownership, the claimants are required to furnish documentary evidence to establish their ownership.

### Film Censorship

**\*186. Shri Eswara Reddi :** Will the Minister of Information and Broadcasting be pleased to state :

(a) whether it is a fact that Government propose to adopt measures for a stricter censorship of films.

(b) if so, their nature and when they are expected to be introduced ; and

(c) whether the views of producers and artistes have been sought in this regard ?

**The Minister of Information and Broadcasting (Dr. Keskar) :** (a) to (c). Censorship of films is being done in accordance with the directives issued by the Central Board of Film Censors to its Examining Committees. Within that framework the members of the panels appointed by the Board have been discharging their duties with due care and vigilance.

A communication has recently been received from the Congress Working Committee suggesting stricter censorship of films. Clarifications about certain points in that communication are being sought and it is under examination.

### Coal Washeries Committee

**\*189. Shri T. B. Vittal Rao :** Will the Minister of Production be pleased to refer to the reply given to Starred Question No. 1266 on the 21st March, 1955 and state :

(a) whether the examination of the Report of the Coal Washeries Committee has since been completed ;

(b) if so, the recommendations that have been accepted ; and

(c) whether a copy of the report will be laid on the Table of the House ?

**The Deputy Minister of Production (Shri Satish Chandra) :** (a) and (b). the report is still under consideration but Government hope to reach a final decision on the subject very shortly.

(c) Copies of the report have already been placed in the Library of the Parliament.

### Rationalisation of Industries

**\*193. Shri Tushar Chatterjee :** Will the Minister of Commerce and Industry be pleased to state :

(a) whether Government have taken any step to see that the conditions laid down in the Resolution on the rationalisation of the textile and jute industries as adopted by the Lok Sabha in September, 1954, are properly followed ; and

(b) if so, their nature ?

**The Deputy Minister of Commerce and Industry (Shri Kanungo) :** (a) and (b). All cases of rationalisation in the Jute and the Cotton Textile Industry come under Government scrutiny for one reason or another under the Import and Exports (Control) Act, 1947, the Industries (Development and Regulation) Act, 1951, or the Cotton Textile (Control) Order, 1948. Before giving the necessary permission, Government satisfy themselves that the rationalisation proposed is in the country's interest and that its implementation will be so spaced as to cause the least displacement of labour.

### Canal Water Dispute

**\*194. Shri Bogawat :** Will the Minister of Irrigation and Power be pleased to state :

(a) whether any agreement as to the distribution of canal waters has been reached between India and Pakistan and whether the final pact has been worked out ; and

(b) if so, the nature of the agreement reached ?

**The Deputy Minister of Irrigation and Power (Shri Hathi) :** (a) and (b). A short term agreement for *ad hoc* transitional arrangements for Kharif 1955 was signed on the 21st June, 1955 and its text was released to the Press on the 24th June, 1955. The talks are still continuing and no final agreement has been reached so far.

### Indians in Kenya

**\*195. Shrimati Ila Palchaoudhury :** Will the Prime Minister be pleased to refer to the reply given to starred question No. 257 on the 25th February, 1955 and state the steps taken by Government in connection with an order of the Principal Immigration Officer, Kenya declaring Shri Jaswant Singh, an Indian Barrister of Nairobi a prohibited immigrant and directing him not to enter Kenya ?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan) :** The case has been taken up with the Government of the United Kingdom through their High Commissioner in India but so far without any results.

### Indian Tea Auction Committee

**\*196. Shri N. M. Lingam :** Will the Minister of Commerce and Industry be pleased to refer to the reply given to starred question No. 1067 on the 16th March, 1955 and state :

(a) whether any decision on the Report of the Tea Auction Committee has since been taken ; and

(b) what are its main recommendations ?

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

(b) A statement is laid on the Table of the House. [See Appendix I, annexure No. 47].

### Indian Coffee Board

**\*197. Shri N. Rachiah :** Will the Minister of Commerce and Industry be pleased to refer to the reply given to starred question No. 640 on the 7th March, 1955 and state :

(a) whether the Indian Coffee Board has since been reconstituted ; and

(b) if so, the names of the members of the newly constituted Board ?

**The Minister of Commerce (Shri Karmarkar) :** (a) and (b). No, Sir. The matter is still under consideration.

### Handloom Industry

**\*198. Shri Sinhasan Singh :** Will the Minister of Commerce and Industry be pleased to state :

(a) the amount given to the various States by the Centre for the development of handlooms during the years 1954-55 and 1955-56 so far ; and

(b) whether there is any proposal for the apportioning of spheres of production by textile mills and handloom by reserving counts of yarn for different industries ?

**The Deputy Minister of Commerce and Industry (Shri Kanungo) :** (a) A statement is laid on the Table of the House. [See Appendix I, annexure No. 48].

(b) Government have no such proposal under consideration.

### Second Five Year Plan

**\*199. Shri M. L. Agrawal :** Will the Minister of Irrigation and Power be pleased to state :

(a) whether it is a fact that the Uttar Pradesh Government have submitted a plan for the development of power and flood control during the Second Five Year Plan ; and

(b) if so, the main features of this plan ?

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

(b) A statement is laid on the Table of the House. [See Appendix I, annexure No. 49].

### British Steel Mission

**\*200. { Shri Barman :  
Shri Raghunath Singh :  
Shri Ibrahim :  
Shri Jhulan Sinha :  
Shri K.P. Sinha :**

Will the Minister of Iron and Steel be pleased to refer to the reply given to Short Notice Question No. 18 on the 7th May, 1955 and state :

(a) whether the British Steel Mission has since submitted its report ;

(b) the places visited by the Mission in this connection ; and

(c) whether they have selected any place for the purpose ?

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

(b) The Mission toured Bengal and Bihar and visited Durgapur, Sindri, Chittaranjan, Bokaro, Jamshedpur and some coal mines.

(c) It is expected that the Commission will recommend the site on which the plant is to be erected in their report.

### Nahan Foundry

**\*201. Shri Punnoose :** Will the Minister of Iron and Steel be pleased to state :

(a) whether the Committee appointed to enquire into the industrial dispute in the Nahan Foundry has submitted any report ; and

(b) if so, whether Government have taken any action thereon ?

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

(b) Does not arise.

### पहली पंचवर्षीय योजना

\*२०३. डा० सत्यबाबी : क्या योजना मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि पहली पंचवर्षीय योजना में सामुदायिक परियोजनाओं तथा राष्ट्रीय विस्तार सेवा योजनाओं के लिये निश्चित की गई राशि का बहुत थोड़ा भाग अभी तक व्यय हुआ है ; और

(ख) यदि हां, तो इस प्रयोजन के लिए कितनी राशि निश्चित की गई थी और अभी तक उस पर वास्तविक व्यय कितना हुआ है ?

योजना उपमंत्री (श्री एस० एन० मिश्र) :

(क) जी, नहीं ।

(ख) योजना में निर्दिष्ट ८६.३० करोड़ रुपये में से २१.५८ करोड़ रुपये ३१ मार्च १९५५ तक खर्च किये गये ।

### Indo-British Trade Agreement

\*२०४. Shri S. N. Das : Will the Minister of Commerce and Industry be pleased to state :

(a) whether it is a fact that negotiations for re-examining the Indo-British Trade Agreement have been started; and

(b) if so, the main points proposed to be discussed?

The Minister of Commerce (Shri Karmarkar) (a) No, Sir.

(b) Does not arise.

### महात्मा गांधी की समाधि

\*२०५ { श्री नवल प्रभाकर :  
श्री एस० नार० कुण्डा :  
श्री डाभी :  
श्री भागवत शा आजाब :

क्या निर्माण, आवास और सम्भरण मंत्री ११ अप्रैल, १९५५ को दिये गये तारंकित प्रश्न संख्या २१५४ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या तब से राजघाट पर बनने वाली महात्मा गांधी की समाधि का रूपांकन (डिजाइन) स्वीकार कर लिया गया है, और

(ख) यदि नहीं, तो इस सम्बन्ध में अन्तिम निर्णय कब तक होने की सम्भावना है ?

वारिष्ठ्य मंत्री (श्री करमकर) :

(क) जी नहीं ।

(ख) इस समय निश्चयात्मक रूप से कुछ कहना कठिन है । नये रूपांकनों (डिजाइन्स) की मांग की गई है और भाषा की जाती है कि ये सितम्बर के अन्त तक प्रा जायेंगे । उसके पश्चात् सरकार उन पर जितनी जल्दी हो सकेगा, विचार करेगी ।

### Sericulture

\*२०६. Dr. Ram Subhag Singh : Will the Minister of Production be pleased to state :

(a) whether Government have given any grant this year to any State for the development of Sericulture;

(b) if so, their names; and

(c) the total amount of grants given to each State?

The Minister of Production (Shri K. C. Reddy) (a) Yes, Sir.

(b) Mysore.

(c) Rs. 3.55 lakhs.

सामान क्रय समिति (स्टोर्स परचेज कमिटी)

\*२०७ { श्री कुप्पलराय जोशी :  
श्री शिवाजी :  
श्री श्री० एम० राजभोज :  
श्री शिवनाथ रेड्डी :

क्या निर्माण, आवास और सम्भरण मंत्री २१ मार्च, १९५५ को दिये गये तारंकित प्रश्न संख्या १२३३ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या सामान क्रय समिति (स्टोर्स परचेज कमिटी) न, जिसे केंद्रीय क्रय संगठन के कार्य की जांच के लिये नियुक्त किया गया था, अपना अन्तिम प्रतिवेदन दे चुका है; और

(ख). यदि हां तो उसकी मुख्य सिफारिशें क्या हैं ?

वणिज्य मंत्री (श्री करमरकर) :

(क) जी,

(ख) मिति की रिपोर्ट की प्रतियां सभा के पुस्तकालय में रख दी गई हैं। उनकी मुख्य सिफारिशों का सारांश रिपोर्ट के अग्रपृष्ठ १५ में दिया हुआ है।

### Small Scale Industries

\*208. { **Shri Nanadas:**  
**Shri Gopala Rao :**

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

(a) whether the Union Government have sanctioned any further aid during 1955-56 for the development of small scale industries in the various States;

(b) the names of the industries sought to be helped by this aid; and

(c) the amount sanctioned to each industry, State-wise.

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

(b) and (c) A statement is laid on the Table of the House. [See Appendix I, annexure No. 50].

### N.E.F.A.

\*209. { **Pandit D.N. Tiwary :**  
**Shri Raghavaiah:**

Will the Prime Minister be pleased to state:

(a) whether it is a fact that the activities of agitation launched by the Naga National Council have taken a violent turn;

(b) the number of tribesmen and military personnel killed since March, 1955; and

(c) the number of persons arrested and prosecuted?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) Yes. There have been instances of violent activities.

(b) and (c) Information has been called for and will be placed on the Table of the House when received.

### Lignite Mining

\*210. { **Shri T.B. Vittal Rao :**  
**Dr. Rama Rao :**

Will the Minister of Production be pleased to refer to the reply given to Starred Question No. 1642 on the 29th March, 1955 and state :

(a) whether Government have since received the project report on the mining and exploitations of lignite in South Arcot; and

(b) if not, when it is likely to be received?

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

(b) By April, 1956.

### Subsidised Industrial Housing Scheme

\*211. **Shri Tushar Chatterjee :** Will the Minister of Works, Housing and Supply be pleased to state the extent to which the Subsidised Industrial Housing Schemes has been implemented by Employers with the financial assistance of Government?

**The Minister of Commerce (Shri Karmarkar):** A statement is placed on the Table of the Lok Sabha. [See Appendix I, annexure No. 51].

### Heavy Electrical Equipment Plant

\*212. **Shrimati Ila Palchoudhury :** Will the Minister of Production be pleased to refer to the reply given to Starred Question No. 2648 on the 27th April, 1955 and state :

(a) whether any Technical Consultants have since been appointed for detailed investigations in connection with the setting up of the proposed State-owned Factory for Heavy Electrical goods; and

(b) if so, their number?

**The Deputy Minister of Production (Shri Satish Chandra):** (a) Not yet.

(b) Does not arise.

### Employment Survey

\*213. { **Shri D. C. Sharma :**  
**Shri Jaulan Saha :**

Will the Minister of Planning be pleased to refer to the reply given to starred question No. 278 on the 25th February, 1955 and state :

(a) whether the survey of the employment situation undertaken in the country has since been completed; and

(b) if so, the results thereof ?

**The Deputy Minister of Planning (Shri S. N. Mishra):** (a) No, Sir.

(b) Does not arise.

**Pilot Building Trades Training Scheme**

\*214. { Shri S. N. Das :  
Shri Bibhuti Mishra :

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

(a) the number of Training Centres that have been started so far under the Pilot Building Trades Training Scheme;

(b) the names of places where such centres have been started; and

(c) the number of trainees that are undergoing training at present?

**The Minister of Commerce (Shri Karmarkar) :** (a) Two

(b) (i) New Delhi and (ii) Sarojini Nagar (Lucknow)

(c) A statement giving the information is placed on the Table of the Sabha. [See Appendix I, annexure No. 52].

**हिन्दी में संधियां तथा करार**

\*२१५. डा० राम सुभग सिंह : क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि क्या यह सच है कि भविष्य में विदेशों से जो संधियां ग्रथवा करार होंगे उनका प्रारूप हिन्दी में भी तैयार होगा ?

बैदेशिक कार्य मंत्री के सभा सचिव (श्री सावत भल्ली लाल) : कुछ समय हुआ, सरकार ने यह निश्चय किया था कि जहां तक हो सके, संधि का एक सरकारी रूप हिन्दी में भी होना चाहिये। इसका प्रयोग अब तक कई बार किया जा चुका था। कुछ खास कठिनाइयों की वजह से कभी कभी, खास तौर पर विदेशों में इस पर धमल करना सम्भव नहीं हो सका है। लेकिन भविष्य में इन कठिनाइयों के कम होने की आशा है। ग्राम तौर पर संधि के तीन अलग अलग सरकारी रूप होते हैं, एक हिन्दी में, दूसरा अन्य देश की भाषा में और तीसरा अंग्रेजी में। ये सब रूप एक समान लागू होते हैं।

**Hirakud Dam Project**

\*216. Shri Barman : Will the Minister of Irrigation and Power be pleased to state :

(a) whether any land inhabited has been submerged during the Monsoon season of 1955 at the Hirakud Dam Project;

(b) the total population affected thereby; and

(c) the arrangements made to evacuate them to a safer place ?

**The Deputy Minister of Irrigation and Power (Shri Hathi) :** (a) and (b). No submergence of inhabited land has so far taken place during the Monsoon season of 1955. However, 46 villages are likely to be submerged. The population of 20,000 in these villages have all been evacuated.

(c) Free transport facilities were made available to the people to shift with their personal effects to places of resettlement selected by them. Tenements for three hundred cultivator families and two hundred agricultural labour families have been built in Govt. reclaimed areas. In addition 5 transit camps were opened for temporary accommodation at suitable places.

**Training in Ship-Building**

74. Shri D. C. Sharma : Will the Minister of Production be pleased to state :

(a) the number of Indians sent abroad so far for training in ship-building;

(b) the expenditure incurred on them; and

(c) the names of the countries to which they were sent ?

**The Minister of Production (Shri K. C. Reddy) :** (a) 36 as follows :—

(i) 19 sent by the Scindia Steam Navigation Co. Ltd.

(ii) 10 sent by the Hindustan Shipyard Ltd.; and

(iii) 7 sent by the Central Government (excluding the personnel of the Defence Services sent abroad for training in Shipbuilding).

(b) Expenditure incurred on the 19 trainees sent by the Scindia Steam Navigation Co., Ltd. is not known. The Hindustan Shipyard Ltd. has incurred so far an expenditure of Rs. 3,462/12/- on the training of a welder foreman after the Shipyard was taken over by Government. The expenditure in respect of the remaining nine trainees will be known only after their return to India. As regards the seven trainees sent by Government, a total expenditure of Rs. 70,775/8/7 has been incurred so far in respect of five trainees.

For the remaining two the training of one has been completed but the expenses involved on him are not yet available and are being collected. No expenditure in respect of the other trainee can be furnished until his training is over.

(c) The United Kingdom, the Netherlands, France and the United States of America.

#### India Stores Department, London

75. **Shri D. C. Sharma** : Will the Minister of Works, Housing and Supply be pleased to state :

(a) the total number of officers in the India Stores Department in the U.K. and the total amount of purchases made by them during 1954; and

(b) whether the Department gets confirmation of their transactions beforehand from Government ?

**The Minister of Commerce (Shri Karmarkar)** : (a) The total staff consists of 531 persons of whom 117 are gazetted officers.

The value of purchases during 1954 was Rs. 38 crores.

(b) Powers have been delegated to the Officers of the India Store Department to make purchases upto certain limits in consultation where necessary with the Financial Adviser to the High Commission. Purchases exceeding these limits require the prior approval of Government. A statement showing the existing delegation of powers is placed on the Table of the House. [See Appendix I, annexure No. 53].

#### Small Industries

76. **Shri D. C. Sharma** : Will the Minister of Production be pleased to state :

(a) the names of the various institutions in Punjab run or aided by the Union Government for imparting training in cottage and small scale industries ;

(b) the number of candidates trained in that State during 1954; and

(c) the expenditure incurred on them ?

**The Minister of Production (Shri K. C. Reddy)** : (a) to (c). Necessary information is being collected and will be laid on the Table of the House.

#### Penicillin

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

(a) the quantity of penicillin manufactured annually in the country; and

(b) whether its quality is the same as that of the imported penicillin ?

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari)** : (a) It is only recently that the Government penicillin factory has started bulk production of penicillin; and its production for the last four months is about 1 million mega units.

(b) Yes, Sir.

#### Tea Export

78. **Shri D. C. Sharma** : Will the Minister of Commerce and Industry be pleased to state the steps Government propose to take to encourage the export of tea ?

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari)** : Propaganda in foreign countries is the main step Government have taken and Government propose to take for encouraging export of tea.

#### सामुदायिक परियोजनायें

७९. डा० सत्यवादी : क्या योजना मंत्री यह बताने की कृपा करेंगे कि :

(क) विलासपुर (हिमाचल प्रदेश) में सामुदायिक परियोजना पर आरम्भ से अब तक प्रतिवर्ष अनुमानतः कितना व्यय हुआ है; और

(ख) आगामी वर्ष के लिये कितना धन निश्चित किया गया है ?

योजना उपमंत्री (श्री एस० एम० मिश्र) :

(क) १९५२-५३ ०.८५ लाख रु०  
१९५३-५४ २.४२ लाख रु०  
१९५४-५५ २.३६ लाख रु०

(ख) आगामी वर्ष के सम्बन्ध में आंकड़े अभी प्राप्त नहीं हुए हैं। वार्षिक व्यय राशि राज्य सरकार द्वारा निश्चित की जाती है और यह १९५६-५७ का बजट तैयार होने पर उसमें सम्मिलित की जायेगी।

#### अल्प-धन्य वर्ग गृह निर्माण योजना

८०. श्री बाल्मीकी : क्या निर्माण, आवास और संभरण मंत्री यह बताने की कृपा करेंगे कि :

(क) अल्प-धन्य वर्ग गृह-निर्माण योजना के अधीन स्वामीय निकायों को (राज्यवार) ऋण सहायता के रूप में अब तक कितना धन स्वीकृत हुआ है; और

(ख) मेहतरों तथा सफाई करने वालों की भावास आवश्यकता का कहां तक ध्यान रखा जायेगा ?

**वाणिज्य मंत्री (श्री करमरकर) (क)** स्थानीय निकायों को ऋण देन क लिये राज्य सरकारों को विशेष रकमों की मंजूरी नहीं दी गई है। यदि कोई राज्य सरकार चाहे तो वह केन्द्रीय सरकार से कर्ज में मिली हुई रकम का चौथाई भाग तक स्थानीय निकायों को कर्ज दे सकती है। सभा की मेज पर एक विवरण रक्खा हुआ है [रेसिडे परिशिष्ट १, अनुबंध संख्या ५४] जिससे यह मालूम होगा कि अब तक २४ राज्य सरकारों क लिये कितने कर्ज की मंजूरी दी गई है और उसमें से वे कितनी रकम स्थानीय निकायों को कर्ज दना चाहती हैं।

(ख) स्थानीय निकायें जब योजना के अनुसार अपने कम क्षमदनी वाले कर्म-चारियों के लिये मकान बनायेंगी तो वे निस्सन्देह मेहतरों तथा सफाई करने वालों की आवश्यकताओं का ध्यान रखेंगी।

#### अम्बर चर्खा

८१. श्री नवल प्रभाकर : क्या उत्पादन मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि अखिल भारतीय लादी तथा प्रामोद्योग बोर्ड 'अम्बर चर्खा' चालू करना चाहता है; और

(ख) यदि हां, तो साधारण चर्खों की अपेक्षा इसकी क्या विशेषतायें हैं?

उत्पादन मंत्री (श्री कं० सी० रेंड्री) :  
(क) जी, हां।

(ख) एक विवरण सभा पटल पर रखा जाता है। [रेसिडे परिशिष्ट १, अनुबंध संख्या ५५.]

#### Cloth Export

82. **Shri Ibrahim:** Will the Minister of Commerce and Industry be pleased to state:

(a) the quantities of mill-made and handloom cloth exported under trade pacts for purchase of food and other essential goods and for other reasons during 1954; and

(b) the total commitment for export during the above period?

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari) :** (a) and (b). The Government of India's trade agree-

ments with certain countries during 1954 provided for the export *inter alia* of cloth from India and the import of certain food items and other essential commodities. There were, however, no firm commitments in the nature of a barter agreement as to the quantities of cloth to be exported loom cotton cloth exported to these countries during 1954 was 106 million yards.

#### Machine Tools

83. **Shri Ibrahim:** Will the Minister of Commerce and Industry be pleased to state the production of machine tools in the country during 1954 and the corresponding figure in 1947?

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari) :** A statement giving the information is attached. [See Appendix I, annexure No. 56].

#### Community Projects

84. **Shri Gadilingana Gowd:** Will the Minister of Planning be pleased to state:

(a) the amount sanctioned for the two Community Projects in Andhra State and the amount actually spent by them so far;

(b) whether the work is progressing according to schedule; and

(c) if not, the reasons therefor?

**The Deputy Minister of Planning (Shri S. N. Mishra) :** (a) The amount approved for a period of four years is Rs. 130 lakhs and the amount spent upto 31-3-1955 is Rs. 30.6 lakhs.

(b) and (c). The progress is considered fairly satisfactory.

#### भारत में भूतपूर्व फ्रांसीसी बस्तियां

८५. **सेठ गोविन्द दास :** क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि भारत में भूतपूर्व फ्रांसीसी बस्तियों के आयात एवं निर्यात की मात्रा क्रमशः १९५३-५४ तथा १९५४-५५ में क्या रही ?

प्रधान मंत्री तथा वैदेशिक कार्य मंत्री (श्री जवाहरलाल नेहरू) :

वर्ष	आयात	निर्यात
१९५३-५४	१३,०५६ टन	८,६९५ टन
१९५४-५५	१३,४५१ टन	८,०७० टन

#### Compensation to Displaced Persons

86. **Shri B. K. Das:** Will the Minister of Rehabilitation be pleased to state:

(a) whether there are any displaced persons who fall outside the compensation scheme but whose maintenance allowances are to be continued; and

(b) if so, their number and the estimated annual amount involved in their cases ?

**The Minister of Rehabilitation (Shri Mehr Chand Khanna):** (a) No.

(b) Does not arise.

### स्वात समकारी निधि

८७. श्री के० लो० लोचिया : क्या बाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(ग) स्वात समकारी निधि की स्थापना कब हुई थी;

(ख) इस निधि में कुल कितना धन जमा है; और

(ग) १९५१-५२, १९५२-५३, १९५३-५४ तथा १९५४-५५ में इस निधि में जमा किये गये तथा खर्च किये गये धन का ब्योरा क्या है ?

बाणिज्य और उद्योग तथा लोहा और स्वात मंत्री (श्री टी० टी० कृष्णमाचारी):

(क) १ फरवरी, १९५३।

(ख) ४६,१४,९५,८१५ रु० ३१ मास, १९५५ तक।

(ग) एक विवरण संलग्न है। [बेसिये परिशिष्ट १, अनुबन्ध संख्या ४७]।

### आकाशवाणी की पत्रिकायें

८८. श्री अमर सिंह डामर : क्या सूचना और प्रसारण मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या आकाशवाणी द्वारा प्रकाशित पत्रिकाओं में कोई विज्ञापन छपते हैं; और

(ख) यदि हां, तो प्रत्येक से औसतन मासिक आय क्या है ?

सूचना और प्रसारण मंत्री (डा० कैसकर): (क) जी हां, अखिल भारतीय रेडियो के देशी कार्यक्रम पत्रिकाओं में विज्ञापन छपते हैं।

(ख) सूचना एकत्र की जा रही है और लोक सभा के मेज पर रख दी जायेगी।

### Housing Schemes

**89. Shri H. N. Mukerjee:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) the total amount provided for expenditure on Housing schemes of different categories in the First Five Year Plan period;

(b) the amount spent on that account up-to-date; and

(c) the steps taken or proposed to be taken for preventing lapse of amounts provided for this purpose?

**The Minister of Commerce (Shri Karmarkar):** (a) The total provision for Housing Schemes in the First Five year Plan is Rs. 38.5 crores. The plan does not indicate a distribution of this amount among different categories of Housing.

(b) The assistance sanctioned upto the end of June, 1955 amounts to over Rs. 39 crores. The actual disbursements made, however, amount to about Rs. 12.1 crores, as payments under the Subsidised Industrial Housing and Low-Income Group Housing Schemes are related to progress of construction.

(c) The State Governments have been requested to speed up implementation of their housing programmes so that as large a portion of the sanctioned amount as possible (upto a maximum of Rs. 38.5 Crores) could be actually disbursed to and utilised by them before the end of March, 1956.

### कुटीर तथा दस्तकारी उद्योग

९०. श्री लक्ष्मीधर जेना : क्या उत्पादन मंत्री यह बताने की कृपा करेंगे कि कुटीर तथा दस्तकारी उद्योगों के विकास के लिये विभिन्न राज्यों को १९५२-५३ से १९५५-५६ तक कितना धन अनुदान तथा ऋण के रूप में अब तक दिया गया है ?

उत्पादन मंत्री (श्री क० लो० रेड्डी):

जहां तक रेशम, दस्तकारी, खादी तथा ग्रामोद्योग का सम्बन्ध है एक विवरण सभा की टेबल पर रखा जा रहा है। [बेसिये परिशिष्ट १, अनुबन्ध संख्या ५८]

**Nilokheri Township**

91. **Shri D. C. Sharma:** Will the Minister of **Rehabilitation** be pleased to lay on the Table of the House a statement showing;

(a) the number of residents of the Nilokheri Township;

(b) the initial cost of construction of the Township; and

(c) the expenditure incurred on running this township during the years 1952-53, 1953-54 and 1954-55?

**The Minister of Rehabilitation**  
(**Shri Mehr Chand Khanna**): (a)  
6,315.

(b) Rs. 45,49,594/-/-.

1952-53	6,96,377
1953-54	2,49,093
1954-55	1,04,469

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# LOK SABHA DEBATES

(Part II—Proceedings other than Questions and Answers)



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# LOK SABHA DEBATES

## (Part II—Proceedings other than Questions and Answers)

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8694

Thursday, 28th July, 1955

The Lok Sabha met at Eleven of the Clock.

[Mr. Speaker in the Chair]

### QUESTIONS AND ANSWERS

(See Part I)

12 NOON

### PAPERS LAID ON THE TABLE

#### ANALYSIS OF TARIFF CONCESSIONS

The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari): I beg to lay on the Table a copy of the Analysis of Tariff Concessions exchanged by India with the other Contracting Parties, July, 1955. [Placed in the Library. See No. S-224/55.]

### COMMITTEE ON ABSENCE OF MEMBERS FROM SITTINGS OF THE HOUSE

#### TENTH REPORT

Shri Altekar (North Satara): I beg to present the Tenth Report of the Committee on Absence of Members from the Sittings of the House.

Shri Kamath (Hoshangabad): May I know whether the position in this respect has improved since the last report was presented?

Mr. Speaker: In which respect?

Shri Kamath: Absence of Members from the sittings of the House.

172 LSD.—1.

Mr. Speaker: The hon. Members will see that in dealing with the various matters which come before this House, we are trying to do our best and it will certainly take some time—some years—before there can be any assessment of this. Up till now individual applications were coming and they were placed before the House; and naturally, more as a matter of courtesy than as a matter of further consideration, the House used to agree that the leave be granted. Therefore, a committee was set up. The committee is now examining every application on its merits and making its recommendations. I think the committee is functioning for nearly two years and it is not fairly easy to see how the position is today.

### MOTION FOR ADJOURNMENT

MAHABIR JUTE MILLS LIMITED,  
GORAKHPUR

Shri S. L. Saksena (Gorakhpur Distt.—North): There is an adjournment motion in my name.

Mr. Speaker: It is an obviously untenable adjournment motion. Still I will read it to the House. The motion seems to be a long statement instead of touching the subject in short.

"The active and wholly unjustified support of the Government to the utterly lawless attempt of the Mahabir Jute Mills Limited, Sahjanwan, in Gorakhpur District....."

The hon. Member means the U.P. Government.

Shri S. L. Saksena: About labour.

Mr. Speaker: Everything is here in the Centre; there is labour, there is

[Mr. Speaker]

education, there is sanitation; everything is here. But when he means Government, he refers to the U.P. Government; at least I take that to be his intention.

".....to start the factory now after six months of utterly illegal and deliberate lock-out by recruiting black-legs after wrongfully dismissing almost all its labour force numbering over one thousand....."

I do not think I need read it further. It makes various statements of facts about the correctness of which nobody can be sure, at least in this House or under this Government. I find the statements made in a rather reckless language. We do not know the facts and therefore I do not propose to read the motion further; but I will dispose of it on the simple ground that it is a State subject and has nothing to do with the responsibility of the Centre.

#### ALLOCATION OF TIME ORDER

Mr. Speaker: The House will now proceed with the further consideration of the following motion moved by Shri Satya Narayan Sinha on the 26th July, 1955:

"That this House agrees with the allocation of time proposed by the Business Advisory Committee in regard to the Government legislative and other business as announced by the Deputy-Speaker on the 26th July, 1955."

In this respect also, I believe there is either a misapprehension or a not proper apprehension of facts. The House knows that it has to put through a certain amount of business and therefore it becomes necessary, taking into consideration the overall picture of business as also the needs of the individual pieces of legislation or motions, to consider as to what would be the best and fair allocation of time. For this purpose, a Business Advisory Committee was constituted. The com-

mittee is representative of all sections in the House. It is not that the committee functions by a majority. The Members in the committee representing the various groups and even individuals sit together, take into consideration the importance—the relative importance—of this measure and that measure in relation to the entire business of the House and then decide as to what would be the probable time that is required and come to a conclusion which, I may mention, is many times a compromise conclusion on the side of giving more time,—not of curtailing time,—and the conclusions are all unanimous. That has been the practice till now. Every effort is made to see that there is unanimity on the point of allocation of time, because the committee is very keen to see that the Members' legitimate right of making speeches or moving amendments or having a say on a particular subject is not curtailed and proper time is given. After that, the motion comes before the House. Of course, there is also a rule made here—rule 37—to recognise the inherent right of every Member to move any amendment to the motion. Nobody denies that a Member has a right to move any amendment to any motion, but it will be accepted that that right does require some limitation in practice as a matter of convention, if business is to be put through and if the Parliament is to function efficiently and properly. Such motions, therefore, have been always treated—till now at least—as formal motions, because all sections of the House are represented on the committee, and what the committee decides is after considering all points of view. Still, I am not saying that Members have no right to move amendments; they can move amendments as they like, and considering the possibility, a rule was also framed that an individual speech should not be of more than five minutes and the discussion should not continue for more than half an hour—rule 37. Here the amendments moved or sought to be moved by Mr. Kamath who is followed by another Member—he too perhaps tables his amendments for the

first time—are advocating extension of time. I am just stating the practical difficulties. The hon. Member is entitled perfectly to urge whatever point he likes and is within his legal rights in moving the amendments. I am repeating this so that he need not think that there is going to be any curtailment of the right of a Member to move an amendment. The matter stands on practical considerations. The allocation of time has to take into consideration the entire business so far as possible and the relative importance; the committee have made allocations in this manner. The hon. Member wants extensions. It is in the hands of the House now to extend or not to extend; but I am trying to give the background as to how the committee was formed, why it was formed and what is its objective. And last but not the least, I am suggesting to the House that we are the first Parliament and we are therefore trying to establish certain conventions which we will be following continuously. Of course, we may err and if we err, we shall be correcting ourselves and we shall be changing also. But let some kind of conventions be formed and let motions of this type, amendments of this type, not be brought in the way it has been done. For the third time I repeat, I do not dispute the right. It is a help to create a convention just as in the matter of Appropriation Bills. We concede the right of a Member to make a speech on the Appropriation Bill. But, we have adopted a convention, which is now firm, that nobody gets up and an Appropriation Bill is put through in two minutes or one minute. Similarly, in this case also, I would like hon. Members to take into consideration all these points of view.

There is one further aspect which I may mention. If a business is taken up and it is felt in the House that more time is required, the time is extended by taking the consensus of opinion in the House. There is also the other experience in the Bill which was put through—the Tariff (Amendment) Bill. The Committee's allocation was about three hours and the matter was disposed of within 1½ hours. That

would also show as to how this Committee is functioning. It is not the idea to muzzle anybody; the idea is to help to put through the business of the House. I remember in the last session also, on a certain measure,—I do not remember what measure it was—with a view to attain unanimity, a certain period of 5 hours was agreed to; but the Bill collapsed in two hours—there was nothing further about it—it collapsed in the sense that the time insisted on was not made use of. All this is done because we want to create a kind of convention whereby the Members formally and informally meet and agree to a programme and willingly allow their rights to be curtailed if it comes to that. That is the background. I shall now put the motion.....

**Shri Kamath (Hoshangabad):** Sir, with great deference to the judgment....

**Mr. Speaker:** He can move his amendment. His time is five minutes.

**Shri Kamath:** I beg to move:

That at the end of the motion, the following be added, namely:—

"subject to the following modifications that—

(a) '5 hrs.' instead of '3 hrs.' be allotted to Indian Coinage (Amendment) Bill.

(b) '5 hrs.' instead of '3 hrs.' be allotted to Abducted Persons (Recovery and Restoration) Continuance Bill.

(c) '5 hrs.' instead of '3 hrs.' be allotted to Spirituous Preparations (Inter-State Trade and Commerce) Control Bill.

(d) '15 hrs.' instead of '10 hrs.' be allotted to Code of Civil Procedure (Amendment) Bill, (Motion for reference to Select Committee).

(e) '15 hrs.' instead of '10 hrs.' be allotted to Citizenship Bill, (Motion for reference to Select Committee).

(f) '40 hrs.' instead of '25 hrs.'

[Shri Kamath]

be allotted to Companies Bill, (for General Discussion only), and

(g) '20 hrs.' instead of '10 hrs.' be allotted to discussion on the Reports of the Commissioner for Scheduled Castes and Scheduled Tribes for the years ending 31st December, 1953 and 31st December, 1954."

With great deference to the judgment and wisdom of the all-parties Business Advisory Committee over which you yourself preside,...

Mr. Speaker: I may tell him that at this meeting I did not preside. Sometimes I preside: not always.

Shri Kamath: I did not say you presided at this meeting. I submit that in certain circumstances the Committee may not be regarded as infallible in its decisions and I may, in all humility, say that this is one of those situations. However, after the last part of your observations wherein you said that the time schedule for any Bill before the House can always be extended with the consensus, or unanimous or majority opinion of the House, I concede that much of the *raison d'être* for this amendment no longer exists. Yet, I would suggest that so far at least, as these two Bills are concerned—they are very important in my humble judgment—the Citizenship Bill and the Companies Bill,—in my estimation they deserve much more time than has been allotted to them by the Business Advisory Committee. In the last Parliament, I remember, there was no such time schedule fixed beforehand for the consideration of Bills. The usual weapon in the armoury of the House and you too, was, if a speech was insufferably dull or irrelevant or repetitive, to call the Member to order,—and the supreme weapon of moving for closure which you, in your judgment and wisdom, did not always accept, sufficed for regulating the consideration of Bills and debates in Parliament. I may also, if the House will pardon me, a personal reminiscence recall that in September, 1952 when I observed from the gallery the House

of Commons proceedings, I noticed that there was no time-limit imposed on the speeches of Members as is now the case here. Yesterday, for the first time, I found that speeches on Bills were restricted to 15 or 20 minutes, which was not the case in the last Parliament. It is, may I say, rather improper to impose restrictions on Members who have got something to contribute to the debate on any measure before the House. If Members' time are restricted and if they are told beforehand that they will have to confine their observations to 15 minutes, their contribution in certain cases may not be as effective as it might otherwise be. I, therefore, suggest that in the first place, this time-limit on speeches that is being observed nowadays in this Parliament should go, and the debate should be regulated as was used to be done in the last Parliament. You used to do it and the Deputy-Speaker used to do it very well in the last Parliament. I do not see any reason why that practice should not be followed in this Parliament as well. I do not wish to take any more time of the House, but, I wish to suggest that, in the first place, this time-limit on Members' speeches on Bills before the House,—this rule or convention—should be done away with. Every motion of the Business Advisory Committee,—every motion like this containing a time-schedule for the entire legislative work—should like any other motion be brought before the House for discussion, and approval with or without change. I really grant that the House may not always amend the motion. There may be certain situations, however when such change may be necessary.

In this particular case, I do not insist upon the changes suggested with regard to all the Bills. But, certainly I would like the House to consider earnestly my amendments so far as the Citizenship Bill and the Companies Bill are concerned. I have suggested that for the Citizenship Bill the time may be extended from 10 to 15 hours and for the Companies Bill from 25 to 40

hours. May I, in the end, also state that I did a bit of arithmetic? The total number of hours allotted to the various Bills comes to 90. On an arithmetical computation, it works out to 18 working days at the rate of 5 hours a day. The House according to the calendar is going to sit for 49 or 50 days. Again on some Saturdays the House will sit and as the House is aware, the sittings are sometimes extended beyond evening, until nightfall or even till midnight as happened in the last Parliament more than once. I do not know if this Parliament has experienced that. But we had dinners outside on the lawns at night.

**Shri S. S. More (Sholapur):** We have no experience of that dinner here.

**Shri Kamath:** But we had. I am sorry for you.

**Mr. Speaker:** He can proceed.

**Shri Kamath:** Is that bell intended for Shri More or for me?

**Mr. Speaker:** For Shri Kamath.

**Shri Kamath:** My suggestion for extension of time would mean an increase of only about 4 days. Still we will have another 28 days for the other legislative business of the Government. And considering that the House has always sat in accordance with your instructions, longer in the day and also on Saturdays sometimes, I do not see any reason why this amendment as a whole should not be accepted, or at least this part of the amendment relating to the Citizenship Bill and the Companies Bill. I commend this amendment for the acceptance of the House.

**Mr. Speaker:** The amendment is now before the House.

**Shri M. A. Ayyangar (Tirupati):** All that Shri Kamath has not asked is that God may extend the period of a day from 24 to 30 hours. He has further gone into the fundamentals. Under the rules there is a Business Advisory Committee. It is too late for him if he goes back to the Noah's Arc period. It might have been so in 1952 when he

was here. This Business Advisory Committee had not been appointed. Rules had not been framed. By way of amendment it is not open to him to question the rules themselves. Therefore, he must abide by the rules. So, when once the Business Advisory Committee goes into this matter and decides that so much time should be allotted for a particular Bill, it becomes necessary to restrict, to impose a time-limit on speeches. But we never insisted that 20 minutes should be stuck to. As a matter of fact, yesterday though five hours had been allotted for the Industrial Finance Corporation Bill, after five or six speeches—of course, no hon. Member's speech ought to be criticised; all are hon. Members, they have spoken exceedingly well—they only went on emphasizing what others had already said, at least many of them. That gave added emphasis to the proceedings. Under these circumstances, to say that we are curtailing the freedom of speech is wrong. As a matter of fact, though he said that 20 minutes are allowed by the Speaker, I allowed 35 minutes in one case and 40 minutes in another case and so on. Nobody ever complained, and the debate was as full as could be ordinarily expected.

The Business Advisory Committee is fully representative of all parties, and even others had been invited. I was presiding in your absence, Sir and I had made it clear to every hon. Member who was a party to the proceedings there that it was open to him to suggest a limit and that if others also agreed with the reasonableness of the demand, I was willing to go as far as they liked. And I imposed a condition that it was obligatory on them to stand by what they did. There was unanimity with respect to this. I do not think any hon. Member who was there representing any party or group would ever say that we wanted to hustle either there or here. I am sure hon. Members will not keep quiet but utilise the ten minutes allotted to them; let each one of them who was a party stand up here and support it. Otherwise, there is no meaning in being members of the Business Advisory

[Shri M. A. Ayyangar]

Committee. Let it not be left only to the Chairman to go on, either there or here to support.

So far as the length of time is concerned, my friend calculated 50 days and so on. We have not yet come to the other stages of the Company Law Bill. For the first stage alone we have devoted or allotted 25 hours. Hon. Members are aware that though 25 hours were fixed, freedom was given to the Speaker or whoever might be presiding to extend this by five hours more. My hon. friend might have asked other Members here. He wants their assistance in allowing him to speak. He may have asked them about this. They are not far away from him. Under the circumstances, no rigidity is observed here. On the other hand, we allow hon. Members to exhaust themselves also sometimes. That is what is happening in the House. Therefore, to say that the rest of the time should be devoted only to the first stage of the Companies Bill and that the second stage may be concluded in the interval or recess is wrong. His suggestion has no legs to stand upon.

So far as the Citizenship Bill is concerned, the Minister for Parliamentary Affairs originally suggested that 15 hours may be allotted. That was on the footing that all the stages of the Bill would be discussed here, and there would not be any reference to a Select Committee. On account of the importance of the Bill we suggested—and there was unanimity of opinion—that this Bill might be referred to a Select Committee, in which case 15 hours would be a waste of time of the House for Select Committee reference only. At that stage we thought ten hours would be enough. It is not as if we go on extending the hours of the day. We come at 11 O'Clock, and even without going for lunch, some of us continue to work here till 5 P.M., and very often we are prepared to sit till 6 P.M.

Fandit Thakur Das Bhargava (Gurgaon): Some of us who work on the

Committees come at 8-30 and go after six.

Shri M. A. Ayyangar: Yes, we have Committee meetings, and in between there is work. At 4 O'Clock I have got a committee today. I know how many hours you, Sir, work. My hon. friend has come in only just now.

Shri Kamath: I was here long enough.

Shri M. A. Ayyangar: He might have been. It is idle to contend that we should automatically go on extending the time from 4 to 5 hours, from 5 to 6 hours and so on, and put in an amendment. I would only urge upon every Member of this House that there is no intention to hustle, and neither the hon. Speaker nor I have ever hustled. We have been anxious to get as complete an opinion as possible and give as much opportunity of debate as possible to every section of the House and every individual so long as he does not repeat himself. I would respectfully urge the House not to change even a comma in the motion, and not to accept even a single amendment of the hon. Member.

Shri Asoka Mehta (Bhandara): Even before the Deputy-Speaker made a pointed reference to me.....

Shri M. A. Ayyangar: No, no. I only turned to you.

Shri Asoka Mehta:.....I was going to speak on the subject. He made a pointed reference to me because I happen to represent my party in the Business Advisory Committee. You were good enough to invite my friend and colleague, Shrimati Sucheta Kripalani, to that Committee. We have been functioning in that committee for a long time and I am happy to endorse everything that you have said about the way in which that committee functions, and we have found that while you have very often given us valuable guidance, we have been equally happy when, in your absence, the Deputy-Speaker has been in the Chair also.

As far as the last meeting of the Business Advisory Committee was concerned, all the decisions were taken by consultation and by complete agreement. Unfortunately, full details are not given here as the Deputy-Speaker pointed out. Twenty-five hours allotted for the Companies Bill are only for the first stage, for general discussion. There also, the Deputy-Speaker pointed out that if there was a question of floor or ceiling, it might be extended even to 30 hours. The total time that the Government themselves had suggested was 90 hours, but we felt that it would be too early at this time to decide how much time should be allotted to clause by clause discussion. In the course of the general discussion it might emerge as to what are the clauses to which special attention should be given and accordingly future programme could be drawn up.

Likewise, some of us are very anxious that other questions of policy should be taken up. We had a discussion whether more time should be given to Bills or whether we should divide our time between discussion of Bills and issues of policy. You will recollect that some time back we had a discussion on economic policy which was very useful. At that time, you yourself had said that only the industrial policy might be taken up then and agricultural policy might be taken up at some later time. There are a number of other questions which some of us have brought up and time has to be found for this kind of policy discussion also. All these things are entered in the minutes. Unfortunately, the minutes are not made available to all the Members. I do not know if a convention cannot be created by which they could be distributed to all the Members so that they would know what we are discussing inside the Business Advisory Committee. As far as my hon. friend Shri Kamath is concerned, well, it is a question of considering the wisdom of the new Parliament in the light of the wisdom of the old Parliament. I am not com-

petent to go into that matter, because I had not the privilege of sharing the wisdom of the old Parliament. But it is my fault that as a representative of the party I should not have sat down with him and explained to him the conventions on which we have been working. I apologise to you for not having fulfilled my responsibilities. At the same time, I would appeal to my valued colleague Shri Kamath not to press his amendment, and I can assure him that in future—as we have always done in the past also—before we attend the Business Advisory Committee meeting, we would be normally consulting our colleagues in Parliament, because we do not go there and put forward our individual opinions. But this time, the meeting was held—and I was very happy it was held—on the very first day when Parliament assembled, and for various reasons into which I need not go, it was not possible for us to consult all our colleagues. But if there is any blame to be attached, the blame should be attached to me only.

I would, therefore, request Shri Kamath to withdraw his amendment, and I would also request you, Sir, not to consider this as a kind of any breach of convention on the part of Shri Kamath. If anything has been done, which should not have been done, it is because I failed to fulfil my responsibility.

**Shri A. K. Gopalan (Cannanore):** I do not want to speak much. I also think that it is necessary that we have to respect the decisions of the Business Advisory Committee. If, on the other hand, this new procedure that has come up today is accepted and there are going to be amendments to the decisions of the Business Advisory Committee, then there is no need to have a Business Advisory Committee at all. If the Business Advisory Committee is going to discuss something first, and later on Members belonging to the different parties and groups are also going to bring forward amendments like the present one, then we shall have to consider the question whether there

[Shri A. K. Gopalan]

should be a Business Advisory Committee at all. So, I would also request my hon. friend Shri Kamath to withdraw his amendment.

As far as policies are concerned, certainly there are certain policies to be discussed. And as my hon. friend Shri Asoka Mehta has just stated, there are certain things that have to be discussed in the case of Bills in particular and when Bills are discussed, there is also the right to see that enough time is given for the discussion. But those are different matters.

As far as this amendment is concerned, I would only say this, in regard to the functioning of the Business Advisory Committee. I would like to point out that whenever there is a discussion in the Business Advisory Committee, usually there are so many differences between each party and group, as far as the timings are concerned; one may like to have more time for one subject, and another may like to have more time for another. But we adjust ourselves there, so that only the thing that is generally agreeable is put forward here. So, I feel that whatever difficulties may be there, the decisions or recommendations of the Business Advisory Committee must be placed here, and as a convention they must be accepted.

If any change in the constitution of the Business Advisory Committee or any such thing is to be made, then certainly Shri Kamath can make his representation to see that the practice of individual Members bringing forward amendments to the recommendations of the Business Advisory Committee is allowed. But if that is done, then I feel the Business Advisory Committee's function itself will come to a close. If, however, we want the Business Advisory Committee to function, and if we think that it is better to have some decisions, then I feel that Shri Kamath's amendment should not be accepted.

बीजत ठाकुर वाच भागवत : श्री कामत साहब की तकरीर को सुन कर मुझे कोई तान्दुब नहीं

होता है। उस वक्त जब यह बिजनेस एडवाइजरी कमेटी बनी थी हमारे दिनों में यह सवाल आया था कि जो बड़ी लम्बी चाँड़ी तकरीर करने वाले हैं, और जिन में से मैं भी एक हूँ, उन का क्या बनेगा। मेरे साथ दोस्त क्योंकि नये आये हैं और उन के दिल में भी यही सवाल है, और इसी प्वाइंट आफ व्यू को ले कर उन्होंने यह तरमीन पेश की है। लेकिन मैं उन से अर्ज करना चाहता हूँ कि मैंने भी डिप्टी स्पीकर व स्पीकर साहब की एबसेंस में कई बार इस कमेटी पर प्रिजाइड किया है और मैंने वहाँ पर कई कानूनों के लिए ज्यादा टाइम देने के लिए कहा भी है, क्योंकि मैं जानता हूँ कि मैं भी उन मॅम्बरों में से हूँ जो कि लम्बी चाँड़ी तकरीर करते हैं। लेकिन मैं अर्ज करना चाहता हूँ कि हमारे जो रूलर आज मौजूद हैं वे हाउस आफ कामंस से डिफरेंट नहीं हैं। हमारे रूलर के मुताबिक हर एक मॅम्बर को अख्तियार है कि अगर वह चाहे तो किसी भी बिल पर कितना ही बोल सकता है। रूल भी यह है और इस से डिफरेंट नहीं है। लेकिन मैं अर्ज से अर्ज करता हूँ कि अब रूलर का सवाल नहीं है अब तो सवाल यह है कि बिलना टाइम बिजनेस एडवाइजरी कमेटी ने मुक़र्र किया है हमें उस के मुताबिक एडजस्ट करना होगा। अब वह जमाना नहीं है कि लोग आठ आठ घंटे बोल लिया करें। वह जमाना चला गया है अब हम आठ आठ घंटे बोल नहीं सकते हैं। एक जमाना था जब कि मेरे जैसा एक अदने से अदना मॅम्बर जब फाइनेंस बिल पेश हुआ करता था एक दो घंटे बोल लिया करता था। यह जो बिजनेस एडवाइजरी कमेटी अब बनाई गई है उस में सब पार्टियों के नुमाइन्दे मौजूद हैं। उन सब की राय को सुन कर यह कमेटी बकत मुक़र्र करती है। इस बास्ते जब यह कमेटी सारे हाउस की एक रीप्रिजेन्टेटिव कमेटी है और जिन फँसलों पर यह पड़चती है उन में मजबूत तरमीन पेश करने

की या उन को फ्लाउट करने की कोई गुंजाइश नहीं है। मैं मानता हूँ कि बिजनेस एडवाइजरी कमेटी में हाउस के तमाम मॅम्बर मौजूद नहीं हैं, लेकिन हर एक पार्टी के नुमाइंद हैं और मॅम्बर को हक हासिल है कि वह उस के फॅसलों के अन्दर एमॅंडमेंट ले आये। लेकिन इस तरह की एमॅंडमेंट कि जिस के अन्दर हर एक बिल के वास्ते और ज्यादा वक्त मांगा गया है मैं समझता हूँ वाजिब नहीं है। अगर कोई खास बिल हो जिस के अन्दर कोई मॅम्बर थोड़ा फील करता हो कि इस के लिए और ज्यादा वक्त मिलना चाहिये और इस पर और बहस होनी चाहिये तो हम ने हाउस में दूँखा है और कई मर्तबा दूँखा है कि जनाब की तरफ से या डिप्टी स्पीकर साहब की तरफ से या जो कोई भी इस कुर्सी पर बैठा हुआ होता है उस की तरफ से इस बात की इजाजत दी जाती है। इस बिजनेस एडवाइजरी कमेटी के होते हुए भी जनाब ने, डिप्टी स्पीकर साहब ने, मैं ने, जब मैं चेंबर में था या किसी और ने जो उस वक्त चेंबर में था, मुकर्रा वक्त से ज्यादा वक्त दिया है। और जो यह कहा गया है कि मज्जलिंग होता है.....

श्री कामत : मैं ने मज्जलिंग का लफ्ज इस्तेमाल नहीं किया।

पंडित ठाकुर दास भार्गव : जब यहां पर हाउस में मज्जलिंग होता है तो प्रोटैस्ट भी किया जाता है और कहा जाता है कि हम ज्यादा बोलना चाहते हैं।

अब जब कि यह कमेटी बनी है तो यही नहीं है कि इस के मॅम्बर को ही बुलाया जाता है लेकिन खास खास मौकों पर दूसरे असास को भी बुलाया जाता है। जनाबेवाला, मैं कांग्रेस पार्टी का एक मॅम्बर हूँ और मैं चाहता हूँ कि हमारी पार्टी की पालिसियां ज्यादा से ज्यादा आगे बढ़ें। और अच्छे कानून जल्द से जल्द पास हों लेकिन कई बार

ऐसे मौके आये हैं जब कि मैं ने खुद कई बिलों के बारे में ज्यादा वक्त तलब किया है। लेकिन अगर हम हर एक मौके पर और हर एक बिल के बारे में इस तरह से एमॅंडमेंट लाने लगे तो इस कमेटी का क्या फायदा रह जाता है.....

Shri Kamath: Only for two Bills.

पंडित ठाकुर दास भार्गव : और हम किसी तरह से भी अपने आप को एडजस्ट नहीं कर सकेंगे। जनाबेवाला, इस तरह से हर बिल के बारे में एमॅंडमेंट्स लाना मरै विचार में वाजिब नहीं है। हम ने दूँखा है जनाब ने या डिप्टी स्पीकर साहब ने या मैं ने जब मैं चेंबर में था अगर कोई मॅम्बर ज्यादा वक्त लेना चाहता था और रिलवेंट बोलता था, कोई नई बातें कहता था, रंपीटीशन नहीं करता था तो ऐसे मौकों पर उस को काफी समय तक बोलने की इजाजत दी जाती रही है हालांकि स्पीच करने का टाइम भी मॅम्बर साहिबान की मर्जी से ही फिक्स किया जाता था। ऐसे हालात में किसी ने ज्यादा टाइम देने के लिए आबजैक्ट नहीं किया।

इस वास्ते मैं कामत साहब से कद्गंगा कि अब जब कि सारी पोजीशन एक्सप्लेन कर दी गई है और सारी चीज उन के सामने आ गई हैं, वे अपनी एमॅंडमेंट्स को वापस ले लें और जो हाउस के नये जमाने में कन्वेंशन हो चुकी है उस को उन्हें मान लेना चाहिये।

Shri Jaipal Singh (Ranchi West—Reserved—Sch. Tribes): While I fully endorse the recommendations.....

Mr. Speaker: Order, order. We have exhausted already half an hour, or perhaps five minutes more than that. The only course is.....

Shri Jaipal Singh: May I seek a clarification in view of what you have said? I fully endorse the recommendations of the Business Advisory Committee. I myself have been a member

[Shri Jaipal Singh]

of it now and previously also. But there is something which you have said; although I agree with it, I feel that the House must reserve the right to make comments on the recommendations of the Business Advisory Committee when there have been lapses in that Committee.

You will remember that the Minister of Parliamentary Affairs lapsed very badly last year over this question of providing time for a discussion on the Report of the Commissioner for Scheduled Castes and Scheduled Tribes. This year.....

Mr. Speaker: Order, order. He is going into past history which will not be relevant to the discussion of the present motion. I have already stated that every Member has a right—it is not the intention to deprive anyone of that right—but there are ways and ways of exercising the right. I am just throwing a suggestion; if any Member feels dissatisfied over the allocation of time by the Business Advisory Committee, the better course, to my mind, would be not to table an amendment to the motion but to represent the matter to the leader of his own party who was there in the Business Advisory Committee. He could then explain to him the reasons as to why a particular time was fixed up, and the matter is always open for discussion. I, therefore, advisedly said that even in this House when some time was allocated and it was felt that some more time was necessary, the result of the adoption of this motion being that it becomes the allocation order of the House, it becomes necessary to take the sense of the House, and the House can revise its view on a further representation or a further examination of the situation as it arises from time to time. That is the proper remedy, and not moving amendments and all that. That is the whole clarification which I would like to make.

Shri Kamath: May I seek a clarification as to whether those Members

of the House who are interested in this matter will be permitted to attend the meeting of the Business Advisory Committee. (Interruptions).

Mr. Speaker: Every care is taken to see that Members who are likely to be interested in a particular subject are specially invited, and if any particular Member says that he is interested in respect of a particular Bill or a particular subject, the question of inviting him to remain present at the time of the consideration will be taken into consideration by the Business Advisory Committee. The hon. Member will realise one thing, that when we meet in committees, we do not represent parties; we function as a whole House and we do what, we think, is the best in the interest of the entire House. Absolute insistence on a Member's right might lead to absolute waste of time; that also is a thing to be seen. So all these things are looked into.

Shri Kamath: May I say that this discussion, with the assurances and fresh information given, has cleared the air and served the purpose which I intended? I, therefore, do not want to press my amendment. I ask for leave of the House to withdraw my amendment.

*The amendment was, by leave, withdrawn.*

Mr. Speaker: Now, I come to the other amendment.

Shri Dabhi (Kaira North): I have not moved my amendment.

Mr. Speaker: I only want to know whether he wishes to move his movement.

Shri Dabhi: That is what I say...

Mr. Speaker: If he wishes to make a speech giving his reasons as to why he tabled the amendment, there is no time for it.

Shri Dabhi: No, no. In view of what you have said, I do not want to

move my amendment. But one thing I would mention. The hon. the Deputy-Speaker himself suggested that we should send in amendments.

**Shri M. A. Ayyangar:** Does he say that I suggested amendments should be moved?

**Mr. Speaker:** Let there be no discussion on that point now. What the Deputy-Speaker said is reported in the proceedings of the House, and everybody knows what it is.

The question is:

"That this House agrees with the allocation of time proposed by the Business Advisory Committee in regard to the Government legislative and other business, as announced by the Deputy-Speaker on the 26th July, 1955."

*The motion was adopted.*

**Mr. Speaker:** So this becomes the allocation of time order of the House.

#### BUSINESS OF THE HOUSE

**The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha):** With your permission, I would like to announce the priority of business also. I wish to inform the House that Government intend to take up legislative business, for which the Business Advisory Committee has recommended allocation of time, in the following order:—

1. Further consideration of the Industrial and State Financial Corporations (Amendment) Bill;
2. Indian Coinage (Amendment) Bill;
3. Land Customs (Amendment) Bill;
4. Spirituous Preparations (Inter-State Trade and Commerce) Control Bill;

5. Prisoners (Attendance in Courts) Bill;
6. Delhi Joint Water and Sewage Board (Amendment) Bill;
7. Code of Civil Procedure (Amendment) Bill;
8. Durgah Khawaja Saheb Bill;
9. State Bank of India (Amendment) Bill; and
10. Industrial Disputes (Appellate Tribunal) Amendment Bill.

**Shri Kamath (Hoshangabad):** May I request you to direct that the Minutes of every meeting of the Business Advisory Committee be circulated to the Members of the House?

**Shri S. S. More (Sholapur):** May I request that the present schedule be circulated to the Members with the timing?

**Mr. Speaker:** The present order of priority, as stated by the hon. Minister of Parliamentary Affairs, will be circulated for the information of the Members. As regards the other request of Shri Kamath, I am afraid it is very difficult to accept it. The conclusions are there and the Minutes are circulated to the Members, and the Members representing the sections of the House can always communicate their contents to all Members.

#### INDUSTRIAL AND STATE FINANCIAL CORPORATIONS (AMENDMENT) BILL

**Mr. Speaker:** The House will now proceed with clause by clause consideration of the Bill further to amend the Industrial Finance Corporation Act, 1948, and the State Financial Corporations Act, 1951.

[MR. DEPUTY-SPEAKER in the Chair]

Clauses 2 to 6.

Clauses 2 to 6 were added to the Bill.

**Clause 7.— (Amendment of section 10, Act XV of 1948).**

**Shri N. B. Chowdhury (Ghatal):** I beg to move:

In page 2, line 7 for "A chairman" substitute "A whole-time chairman".

The object of this amendment is to conform to the recommendation of the Enquiry Committee. There, it has been observed:

"We suggest that the Corporation should have a whole-time paid chairman to be appointed by Government. Such a chairman will have more direct touch with Government and better acquaintance with Government policy and will be responsible both to the Government and to the board.... The position of the chairman will, in that event, be analogous to that of the Governor of the Reserve Bank".

We are entrusting the Chairman with wide powers. Therefore, it is necessary that in view of the additional powers that are now being given and also in view of the experience we have about the working of the Industrial Finance Corporation, the Chairman should be a whole-time paid official. Although we require that such an official should have the experience of production and other necessary qualifications, the person should be a person of high integrity and should always keep a close watch over the affairs of this Corporation. I think that the work of the chairman should be the work of a whole-time official and not simply a part-time official.

**Mr. Deputy-Speaker:** Amendment moved:

In page 2, line 7, for "A Chairman" substitute "A whole-time Chairman".

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):** I have already stated in my speech yesterday....

**Shri Asoka Mehta (Bhandara):** There are more amendments to this clause, before the Minister replies.

**Mr. Deputy-Speaker:** I wanted to ask him to refer to other amendments also, but by that time the hon. Minister would dispose of this amendment and hereafter I will call upon to move the other amendments. In future I shall ask all the amendments relating to a particular clause to be moved and discussed before the Minister replies.

**Shri A. C. Guha:** Let the other amendments also be moved now and I will reply afterwards.

**Shrimati Sucheta Kripalani (New Delhi):** I beg to move:

(1) In page 2, for line 12, substitute:

"(1A) for the existing proviso, the following shall be substituted, namely:—

"Provided that a concern in which a Director of the Industrial Finance Corporation is a Managing Director or a Director/Partner/Shareholder in the Managing Agency concern shall not be eligible for loan."

(2) In page 2, line 10, add at the end:

"of whom one or more shall be economists, chartered accountants and managerial experts".

My second amendment is a very simple one and I do not think I need explain much. We find that most of the members of the Board are business people. We would therefore, like some economists to be there who are capable of taking an overall view of the economic needs of the country and helping the Committee in the proper distribution of the industries and in selecting the right industries for development. Some of the members of the Enquiry Committee felt that it is necessary to keep



[Shri A. C. Guha]

Then there remains only one director for the Government to nominate. I do not think it will be proper to put a definite category there compulsorily. The Government should have free choice and for one director, that is, to be nominated by the Government, they will always see that the right person is nominated and they would not leave out of consideration economists or chartered accountants. We shall try to put some economist or professor whenever the Board is to be reconstituted. I hope the chairman of the Enquiry Committee will not press her provision in the Bill. I may also tell the House that when I appeared before the Committee, I think I myself suggested something like that, but now I feel that that would be administratively putting some difficult conditions for the Government. It should be left open to the Government to select the right type of person. Simply because one man is an economist or a chartered accountant, it would not give any special assurance, unless the man is of the right sort of man. We would like to keep the choice of the Government somewhat free in this respect.

As for the other amendment, regarding putting a ban on the directors of the Corporation for getting a loan from the Corporation, yesterday I mentioned that during 1954, out of so many applications sanctioned, only three concerns, with which some directors of the Corporation were connected, got any accommodation, of these two are co-operative societies and the director of the Corporation, connected with these co-operative societies, has got only a nominal interest in them; the other is the chairman of a loanee company, and I presume he is a director on behalf of some Co-operative Society—most probably co-operative societies, but I am not very sure—and is a Member of this House.....

Shrimati Sucheta Kripalani: I have not spoken of co-operative societies

at all. Here I want that the managing agents should only be debarred.

Shri A. C. Guha: In regard to concerns having a managing agent or managing director, working as a director of the Corporation, no loan has been given during this year after the publication of this report and of the resolution of the Government.

Shrimati Sucheta Kripalani: If it is a fact, then why not provide so in the law?

Shri A. C. Guha: No. Providing that in the law means a complete ban not existing even under the Banking Companies Act. And the difficulty is this—Shri Asoka Mehta also suggested that this Corporation should have more business and should not be so stiff in distributing or sanctioning loans, etc. There have been several suggestions to that effect yesterday. Again, if we put some more restrictions, which are harder and stricter than those prevailing now even in commercial banks, then it would limit the scope of the Corporation to a very restricted sphere. I hope this restriction would not be pressed. I can give this assurance that the restrictions that we had already put on loans for any concerns with which the directors of this Corporation might be connected, would serve as a sufficient check. The Chairman of the Enquiry Committee will recall certain managing agency firms in which a particular person had an interest of two annas or two pice in a rupee. That does not mean that that gentleman has not got enough interest in those concerns. So one may bypass this provision suggested by the movers of this amendment by substituting some benamidars in the partnership or in the managing agency and keeping his own name outside the list of partners in a managing agency firm. This will not give any sure guarantee for preventing this kind of cases, which the Chairman of the

Enquiry Committee had in her mind. One should only depend on the vigilance of the other directors of the Corporation and the Government. I can assure her that the Government is quite alive to this matter and we shall see that no abuse of this nature is indulged in future. I also share the feeling that the directors of the Corporation were taking undue advantage of their directorship in the Corporation but as I said yesterday except in one case, the combined interest of all the other directors of the Corporation in the loanee company is only just 1 per cent. That should not be a very big amount. But it is not necessary to put a complete ban on these categories of people—a ban which is not prevailing even in the Banking Companies Act. I therefore, hope that they will not press their amendments and I can give them this assurance that Government will keep a close eye on these so that this kind of thing may not happen again.

**Mr. Deputy-Speaker:** I will put these amendments to the vote of the House.

**Dr. Jaisooriya (Medak):** Is there no debate on these?

**Mr. Deputy-Speaker:** Before the Minister gets up, they must have asked. I looked round and found only the hon. Minister on his legs. I have no objection. If any new points are raised the hon. Minister will have an opportunity to explain them also.

**Dr. Jaisooriya:** I have one point and that is with regard to the first amendment—a whole-time chairman or a part-time chairman. I noticed that from yesterday the hon. Minister has been in two minds himself about it.

**Mr. Deputy-Speaker:** Someone was suggesting that there ought to be no whole-time chairman; there must be only a part-time chairman. I think it was Shri Tulsidas. In between the two, the Minister seems to be oscillating.

**Dr. Jaisooriya:** Crushed to pieces.

Sir, I wanted to make only one point. If my memory is correct, in the previous set-up the managing director was the king-pin round whom everything revolved. Now, we have removed the managing director and made the chairman the most important person. If this is not to be a half-penny-two penny concern, and if we have transactions running to many crores, it seems to me rather penny-wise and pound-foolish not to have a full-time chairman when a lot of responsibilities has been put upon him. I am not in a position to understand what the exact objection is. If your big enterprise will not have enough work, shut it down. You have to create more work by proper work.

**Mr. Deputy-Speaker:** May we know the intention of the hon. Minister?

**Shri A. C. Guha:** We are going to appoint a whole-time chairman. Only we want to keep it open to the Government to appoint a whole-time man; if there is not sufficient work, then, they may also put a part-time man. But we are going to appoint a whole-time man almost as soon as this Bill is passed.

**Mr. Deputy-Speaker:** May I ask hon. Minister one question? I find some announcement in the papers this morning. Is it intended that a Secretary or a Joint Secretary of a Ministry, if appointed to this post, should do both this work and the work in the Ministry?

**Shri A. C. Guha:** No, Sir. But I do not want to make any commitment.

**Mr. Deputy-Speaker:** The House is entitled to know.

**Shri A. C. Guha:** There has been no finality about it. But whoever may be appointed, he will have no connection with the Finance Ministry or any other Ministry of the Government.

**Mr. Deputy-Speaker:** Likewise, if a businessman is appointed, will he have one foot in the business and another in this?

**Shri A. C. Guha:** I do not think there would be any such position.

**Mr. Deputy-Speaker:** What is the difficulty in making it clear that he is a whole-time official of this Corporation?

**Shri A. C. Guha:** I have said that there is no ban on the appointment of a full-time chairman. It has been left open to the Government. If there is not sufficient work, then some Joint Secretary or somebody would be put there to do the work for two or three hours a day or if necessary, if there is not sufficient work, the chairman may be asked to do some other job. It should be left open to the Government to decide the course according to the volume of business on hand in the Corporation.

**Dr. Jaisooriya:** This seems to me not a very satisfactory explanation for one certain reason. We had already had experience of that in the last set-up. Although there was a part-time chairman and an executive committee, the managing director did the whole show himself. Now, we want proper responsibility to be placed upon the chairman; it will be unfair to place such heavy responsibilities upon a part-time chairman. We should not be too niggardly. We must create enough work and make him fully responsible.

**Shri A. C. Guha:** He will be fully responsible to the Corporation and he will be the chief executive officer. The general manager will be under him. Government will surely see what is the best for the Corporation and as I have said there is no ban for a whole-time chairman being appointed.

**Mr. Deputy-Speaker:** The House would like to know this. Is it a matter of economy for the Government or the Finance Ministry?

**Shri A. C. Guha:** There was a managing director getting Rs. 3,000 or so. Now there will be a general manager and a whole-time chairman. So, the overhead charges are likely to increase but if the volume of business does not justify two whole-time men, then Government may decide

not to put a whole-time chairman. But it is the intention of the Government to appoint a whole-time chairman who will have nothing to do except attending to the work of this Corporation.

**Mr. Deputy-Speaker:** In which case, Government will only change the names—there will be a general manager in place of the managing director.

**Shri A. C. Guha:** No, Sir. The managing director has very large statutory authority under the Act but here the general manager will have no such authority. Under the Act, the managing director was the chairman of the executive committee. But here he will be a mere official of the Corporation—not even a director of the Corporation nor a member of the central committee.

**Dr. Jaisooriya:** May I ask if he is a full-time man or a part-time man: how does the pay vary?

**Shri A. C. Guha:** At any time if it is decided that the Corporation does not require a whole-time chairman, then we may do as what we have been doing at present. The Financial Commissioner of the Railways is now acting as the chairman but he does not get anything from the Corporation. So, if at any time it is decided to have a Joint Secretary or a Secretary of the Government as the part-time chairman, he will not get anything from the Corporation; he will get his pay from the Government. It is just a measure of economy for the Corporation. It is the responsibility of the Government to give a minimum amount of dividend to the shareholder every year. Every year a certain amount is being given by the Government to the Corporation. I think it should be the concern of this House to see that the Corporation is run as economically as possible...

**Dr. Jaisooriya:** And as efficiently as possible, I hope.

Shri A. C. Guha: Without efficiency, there cannot be any economy.

Dr. Jaisooria: We did not have it last time.

Shri Mohanlal Saksena (Lucknow Distt.-cum-Bara Banki Distt.): Sir, the House would like to know what the present decision of the Government is. Is it going to appoint a whole-time chairman for this? Does the hon. Minister visualise that at any stage one of the Joint Secretaries of the Ministry will be a part-time chairman, which means that he, as chairman of that Corporation, may be making some recommendation to the Ministry and as Joint Secretary he will be accepting that?

Shri A. C. Guha: At least half a dozen times I have mentioned that it is the intention of the Government to appoint a whole-time chairman immediately the Bill is passed. There is no question about the intention of the Government.

Shri Mohanlal Saksena: Is he going to be one of the Joint Secretaries?

Shri A. C. Guha: He will be in sole charge of the Corporation. He will have no other duty except doing the work of the Corporation.

Shri Mohanlal Saksena: Will he have some status in the Ministry as Joint Secretary? There are other government institutions where Joint Secretaries are acting as chairmen.

Mr. Deputy-Speaker: The hon. Minister has said that he will be a whole-time servant, in which case he will have no other assignment. If he is in service, he will come on deputation.

Shri A. C. Guha: Even if any officer is sent on deputation he will have nothing to do on the Government side for that period. At present we have got an official from the Reserve Bank to act as General Manager. The Reserve Bank has lent his services to the Corporation to act as General Manager. He does not get any pay from the

Reserve Bank and he does not do any work in the bank. He is simply attending to the business of the Corporation and getting his pay from the Corporation.

Shri Mohanlal Saksena: Subsequently when it is found that the work is not sufficient for him, the Minister, I understand, has said that a Joint Secretary may be asked to work for two or three hours. Even in that case I would like to point out that it would not be a satisfactory arrangement because if he is an officer in the Ministry as Joint Secretary and as chairman of the Corporation he makes certain recommendations, I am sure the Ministry is likely to accept them because he is there. So what I want is that the work of the chairman should be supervised independently by the Ministry and not by a common officer for the sake of economy. I can understand if some officer of the Reserve Bank acts as chairman. But, just now the Minister has said that a Joint Secretary of the Ministry may be appointed to work as part-time chairman. That arrangement, I submit, is not satisfactory and I would like the hon. Minister to state that this will not be resorted to in any case.

Shri Tek Chand (Ambala-Simla): Sir the assurances as to the present intentions of the Government as given by the hon. Minister are relieving, but if these are the intentions that are going to be given effect to why not clothe them in the statute itself?

So far as the office of the chairman of this great Corporation is concerned, he has to shoulder a very heavy and responsible burden not only in matters of probity of conduct, but so far as talents, scrutiny and vigil are concerned, his responsibility is equally onerous. Therefore, it is meet and proper that you have a whole-time chairman and the little stinting and skimping as to the question of his salary and the difference that will make in the salary of a whole-time chairman and a part-time

[Shri Tek Chand]

chairman is to my opinion a very false economy. Your chairman is going to have a very weighty voice in the matter of advancing lakhs and lakhs of rupees to a particular applicant. It is his duty to examine with the utmost thoroughness, with the utmost care and with the utmost vigil the credentials of the applicant. His capacity to repay the amount, his incapacity or inability to have a similar loan from other quarters,—these are very responsible and weighty considerations that will need his closest attention. Therefore, it is very proper that we should have a whole-time chairman and the question of the difference in the salary of a whole-time chairman vis-a-vis a part-time chairman is a consideration that should be not at all germane to the issue.

Regarding the other matter raised by Shrimati Sucheta Kripalani that no director of the company or no director or managing director or partner in an applicant company should adorn the board, I feel that there is a very great substance in this amendment. It is a good principle that lender and borrower should not be one and the same person. A man who goes to borrow money should not be in a position as borrower to influence the judgment of the lenders because he happens to be one of their colleagues. There is an unintended proneness, an almost embarrassing inclination to readily accede to the wishes of a colleague who figures as a borrower or representative of a borrowing concern. That proneness should be avoided; that tendency should be resisted, though it seems that it is extremely embarrassing for the other colleagues to put their foot down and say: "No. Your concern is not going to get the loan." I think it will be a very good, healthy, wholesome and clean practice if such an applicant does not figure among the members of the board. If he happens to be a man of that stature and distinction who is a fit person in the eye

of the Government to be allowed on the board of directors of the Finance Corporation, then surely his stature outside will be equally high so as to enable him to obtain sufficient loans and advances from banks and other sources. It should not be difficult for a man of his status to obtain loans and other financial assistance from banks and other financing institutions. The Financial Corporation is not the only lending concern in this country. We will be laying down a very useful convention; a very useful tradition, and it will be in the interest of the Government as much as in the interest of the board of directors, that no person should be able to point his finger of scorn or finger of criticism at the Corporation, at the Government or at that particular director. It is not enough; it is not satisfactory that such a person will be a non-voting member. Well, he may not vote. This is not a matter that should be decided by votes. The merits and demerits of the application have to be carefully scrutinised, and so far as I am able to conceive, ordinarily, in all these matters of advancing loans and determining the amounts which should be advanced, there should be unanimity rather than a matter determined by votes especially when large amounts are going to be advanced. As a matter of fact, the convention ought to be, if there is one objecting member to the advance, the advance ought not to be given. The nation's treasures are not going to be frittered away in that manner. Therefore, it is not sufficient that he is going to be a non-voting member. I think his silence will be sufficiently eloquent otherwise to persuade his colleague to permit the advance a substantial amount to his concern. Moreover, there is no dearth of talent; there is no dearth of probity in this country, that if you have not got such a person who is both going to be a lender and borrower there will be extreme difficulty in manning this great organisation. There is no such

difficulty and the Government may not labour under any fear or misconception that if this facility is not given there will be difficulty in getting suitable persons elected to man the board. Therefore, I am of the opinion that we should have not only a whole-time Chairman but that there should be this further restriction that an applicant for loan should not be on the Board.

**Shri Tulsidas (Mehsana West):** The hon. Minister just now mentioned that the intention of the Government is that it may be that the working is not efficient and that the Chairman would be a person either of the rank of a Secretary of a Ministry or any other person whom the Government think is the proper person to be the Chairman, and therefore the remuneration paid may not be high or perhaps it may not be paid at all. That is a very good intention, in my opinion. But if the intention is to have an officer of the Government as the Chairman, then it would be proper that he should be at least there as a whole-time Chairman. Otherwise, if that person is one other than an officer of the Government, then he may not be a whole-time Chairman. He may be an honorary Chairman and may look after the concern, but I personally feel that when an officer is appointed, then it is better that he belongs to the Corporation. Otherwise, as I mentioned yesterday, it would become a part and parcel of the department of the Government and the policies will be more or less what the policy of that department would be.

With regard to the other point which my friend Shri Tek Chand mentioned just now as regards the interest of the directors, it may happen this way. As you know according to the constitution, there are two directors elected by the shareholders. The elected directors may happen to be shareholders. According to this amendment, a sharehol-

der also is debarred or is not eligible to be a director of the Corporation. I can understand that nominated directors of the Government must not be entrusted to any other body in the Government, but the other question is there. Supposing a person is elected by the shareholders.

**Mr. Deputy-Speaker:** I do not think the hon. lady Member thought that if a man may have one share of Rs. 100 in a concern, he should be ineligible.

**Shrimati Sucheta Kripalani:** That is only in regard to a managing agency.

**Shri Tek Chand:** That is managing agency, and not in the company.

**Shri Tulsidas:** May I point out that there are various concerns which are public limited companies and of which the person may be a shareholder, and the public limited company is a managing agency of different companies. I may give an example. The Killick Industries, Ltd. today is a public limited company. There may be a number of shareholders in that company. That company is a managing agency of different other companies. The person may be merely a shareholder, and how does one know whether he is holding a share? Perhaps any one in the House may also be a shareholder in that company because it is a public limited company. As such I do not understand why he should be disqualified. I think this is a lacuna.

**Mr. Deputy-Speaker:** Is the hon. Member agreeable to the rest of the amendments? The principle is that the borrower ought not to be the lender. Therefore, it is not so much the category as the acceptance of the principle. If the topmost man is one who is also a director, that will be dangerous, leaving alone the other shareholders. What was intended on this side of the House was that he ought not to hold a responsible

[Mr. Deputy-Speaker:] position in the Corporation, that is, one who has got a responsible post in the other concern. Then, one hand will pay it to the other! If the principle is accepted, then which category ought to be here is a matter for pruning.

Shri Tulsidas: As I said yesterday, banks give loans and they give money in far greater measure than the Corporation. It happens that there may be a number of concerns in which a director may be interested as a director or a shareholder of a particular company or companies. In fact, I know in a particular case of this type, where the director simply goes out of the board meeting and the board meeting carries on with the work and with the deliberations whether loan is to be given or not. If that principle is accepted that a person should not take any part, in such circumstances, in the board meetings, it will be good.

Mr. Deputy-Speaker: Rs. 50 lakhs seems to be the minimum here.

Shri Tulsidas: That is the maximum. It is not the minimum here.

Mr. Deputy-Speaker: Only without the consent of the Government it is the maximum. In fact, there is no maximum at all.

Shri Tulsidas: If the Corporation feels that it is in their own interests to give this particular loan because there is a director on the board who has not taken part in the deliberations in coming to a decision with regard to giving those loans, then do you think that it would be fair to the company which needs finance, that because the director is a common director both on the Corporation as well as in another body, the company should not get financial assistance? I do not think that that is the intention. If the Corporation is willing to give any assistance that is required, is it the idea that he

should not be given a loan because he is a common director?

Mr. Deputy-Speaker: So far as these matters are concerned—the competency or the solvency of the concern, the need of the concern, etc., and the over-riding interests of the concern—they are matters which have to be judged independently.

Shri Tulsidas: As I said, independent judgment is possible when a person who is interested is not present when the deliberations are taking place. There is no question of any particular reason for him to be there at the time of the deliberations. I do not see any reason. That is what I wish to say.

Shri A. C. Guha: As regards the first point that a whole-time Chairman is required it is our intention to keep a whole-time Chairman, but at the same time we like to have our hands free in this matter. But there may be certain contingencies when a compulsory provision of a whole-time Chairman may act adversely for the Corporation. But as long as there is any necessity, we shall surely keep a whole-time Chairman and that Chairman will be doing nothing except the work of the Corporation, and he will get his remuneration from the Corporation only. He will be the chief executive officer responsible for the work of the Corporation. But still we feel that we should have some option in certain contingencies also to put a part-time Chairman.

Mr. Deputy-Speaker: When the Chairman, for instance takes leave, a part-time Chairman may act in his place.

Shri A. C. Guha: Suppose X is appointed as Chairman. The Government wants to remove him immediately for misconduct. We must find a proper man. So we may put some of the Secretaries or the Joint Secretaries to do the job for one month or two

months. But the position will be different if we put in an obligatory clause saying that we shall have a whole-time Chairman. I think the Government should have some option in this matter.

As for the other matter regarding the restrictions, a broad question of principle is involved. It is the intention, as expressed yesterday by a number of Members, that this Corporation should have some expansion of business and should do more business and be helpful to some young industries, particularly the new industries. But if we put all these restrictions which are not available even in the Banking Companies Act and if you want to make this Corporation stricter in sanctioning loans, than the commercial banks, then it is better not to run this Corporation at all. The parties can go to the banking companies, where they will get better terms. Why should we put here the restrictions which are not found in the Banking Companies Act? Even then I can imagine certain positions where a designing person can very easily by-pass those restrictions. Whatever those restrictions are, a designing person can easily by-pass those restrictions and get the money. He may not be the partner; he may put the son or nephew or the son-in-law as the partner and he may be keeping himself out of the sight. So, these restrictions on paper would not mean any safeguard for the funds of the Corporation. That will depend only on the vigilance of the board of directors as well as of the Government, and I should also suggest, the vigilance of this House as well. With these words, I hope that the amendments will not be pressed.

**Shri N. B. Chowdhury:** As nobody has opposed amendment No. 1, I want that voting on this amendment should be postponed.

**Shri A. C. Guha:** I oppose the amendment.

**Shri N. B. Chowdhury:** Except the hon. Minister, no other Member from

any section of the House has opposed.

**Mr. Deputy-Speaker:** The convention is that during lunch interval we do not order a division of the House on any motion. Since there seems to be so much of insistence upon this amendment, I shall put it to the vote of the House after 2.30.

We started discussion on this at about 12.45; the third reading must be over by about 2.45.

**An Hon. Member:** It would be a round number.

**Mr. Deputy-Speaker:** I will now put amendment No. 2.

The question is:  
In page 2, for line 12, substitute—

“(iii) for the existing provisos the following shall be substituted, namely:—

“Provided that a concern in which a Director of the Industrial Finance Corporation is a Managing Director or a Director/Partner/shareholder in the Managing Agency concern shall not be eligible for loan.”  
Those in favour will say ‘Aye’.

**Some Hon. Members:** Aye.

**Mr. Deputy-Speaker:** Those against will say ‘No’.

**Some Hon. Members:** No.

**Mr. Deputy-Speaker:** It is difficult to decide from the voice. I shall put it after the lunch interval.

The question is:

In page 2, line 10, add at the end—

“of whom one or more shall be economists, chartered accountants and managerial experts”.

The motion was negatived.

**Clause 8—**(Insertion of new section 10A in Act XV of 1948, Chairman of the Board.)

**Shri N. B. Chowdhury:** I beg to move:

In page 2, lines 17 and 18.

omit "the Board with the approval of".

**Mr. Deputy-Speaker:** Amendment moved:

In page 2, lines 17 and 18,

omit "the Board with the approval of".

**Shri N. B. Chowdhury:** Yesterday I have given the reasons why the words "the Board with the approval of" should be deleted. Nowadays the need for putting a ceiling on personal income is being increasingly felt. We know that there are officials getting very high salaries and so in this particular case, I want that the salary and allowances should be determined by the Government and not by the Board, because the person who is going to get the salary and allowances will be the chairman of the Board, and it is likely that the directors in the Board may be willing to pay a very high salary to the chairman. Yesterday I referred to the Chairman of the State Bank also, but in that connection Mr. Deshmukh, the Finance Minister, said that if the man is of a very high calibre, then there is no question of any limit to his emoluments. I cannot accept that here, while even the poorest of the poor are being asked to make contributions to national reconstruction, etc. Therefore, whatever the competence or the calibre may be, he should not get more than a reasonable amount as salary. So we want that the Government themselves should fix the salary and allowances. This is very necessary in view of the recent audit report in respect of the Industrial Finance Corporation. I have already referred to the misuse

of the travelling allowance rules and how they have exceeded their powers by travelling in air-conditioned class when they were not permitted to do so. In view of all this, it is very necessary that the salary and allowances should be fixed by the Government and not by the Board with the approval of the Government, because when some recommendations come from the Board, generally the Government would accept those recommendations. So I want that the words "the Board with the approval of" should be deleted.

**Shri A. C. Guha:** It should be the concern of the Board to fix the salary of the chairman. The provision is there that it should be fixed with the approval of the Central Government and I think that is a sufficient safeguard against the Board fixing any abstract salary. I do not think there is any necessity for this amendment.

**Mr. Deputy-Speaker:** For the State Bank, does the Board fix the salary of the chairman?

**Shri A. C. Guha:** I think that is the position, but I am not sure. I think the Board fixes it with the approval of the Central Government; I do not think the Board has been altogether by-passed.

**Mr. Deputy-Speaker:** Does the Reserve Bank fix the salary of the Governor?

**Shri A. C. Guha:** The Reserve Bank cannot be compared to this; the Reserve Bank is cent per cent a government body, whereas in this Corporation 60 per cent. of the shareholders are private.

**Mr. Deputy-Speaker:** The question is:

In page 2, lines 17 and 18,

omit "the Board with the approval of".

The motion was negatived.

**Mr. Deputy-Speaker:** The question is :

"That clause 8 stand part of the Bill."

*The motion was adopted.*

*Clause 8 was added to the Bill.*

*Clause 9 was added to the Bill.*

**Shri Kamath (Hoshangabad):** On a point of the Constitution, under Article 100, there should be quorum in the House, while voting, at any rate.

**Mr. Deputy-Speaker:** We are not being static; every day we are progressing.

**Dr. Suresh Chandra (Aurangabad):** There is quorum in the House.

**Mr. Deputy-Speaker:** As I have said, whenever hon. Members want a division, I will put it off. If there is unanimity, even then does the hon. Member want me to put it off? So far as clauses 8 and 9 are concerned, there is nothing against them.

**Clause 10.—(Amendment of section 12, Act XV of 1948).**

**Shri N. B. Chowdhury:** I beg to move:

*In page 3, after line 11, add:*

"(ii) After clause (d) of section 12 of the principal Act, the following shall be added, namely:—

'(e) has not produced income-tax clearance certificate.'"

Section 12 of the principal Act provides certain disqualifications for persons who are likely to be directors of the Corporation. So many conditions have been laid down. For instance, no person shall be a director who is a salaried official of the Corporation, other than the Managing Director, who has at any time been adjudged an insolvent, who is found to be a lunatic, or has been convicted of an offence, etc. It enumerates the disqualifications for a director. I want to add this condition after (d) that anybody who has

failed to produce the Income-tax clearance certificate should not be entitled to be a director, either elected or nominated. Government know who are evading taxes. This point was raised in connection with the discussion on the State Bank Bill. The Government refused to accept one of our amendments of this nature. There was the Income-tax Investigation Commission. They asked for a voluntary disclosure. The Government made it a principle not to disclose the name of any person who might have been found guilty of evading taxes although we insisted that the names of such persons should always be disclosed to the public so that these people may not commit similar offences again. Here it is very necessary that at least such persons who fail to produce such a clearance certificate for the period for which such payment is already due, should not be considered eligible for being elected or nominated director of the Industrial Finance Corporation. I want that this additional condition should be put in so that we can have really qualified directors, who are honest people and are not people who are likely to be influenced by all sorts of things.

**Mr. Deputy-Speaker:** I doubt as to whether this amendment is in order. Qualifications come under section 12 of the principal Act. All that is sought to be done by this amending Bill is this. Reference to section 12 comes in only for the purpose of substituting the word 'Chairman' for Managing Director or Deputy Managing Director. It is not intended that clause 12 dealing with disqualifications should be touched in any way. If they want to introduce a new disqualification or amend any existing disqualification, certainly hon. Members will have an opportunity to introduce disqualifications or remove disqualifications. The section is not touched. The amendment is only consequential. Because the managing directorship is done away with and a Chairman is being appointed under an earlier clause, for the

Mr. Deputy-Speaker: The words 'Managing Director' or 'Deputy Managing Director' wherever they occur, the word 'Chairman' will have to be substituted.

Shri N. B. Chowdhury: The clause is going to be amended. I want to put in some other clause also.

Mr. Deputy-Speaker: This is only consequential. In another clause he might have said, for the words 'Managing Director' or 'Deputy Managing Director', the word 'Chairman' shall be substituted; in which case, you cannot say, 'I am going to add a disqualification. Anyway, what has the hon. Minister to say?'

Shri A. C. Guha: Apart from the question of the amendment being out of order, this matter was discussed on several occasions. Though personally I have sympathy with the intention of the mover, there are some administrative difficulties. Certain cases may be before the Income-tax Tribunals; I think a number of these cases I think a large number may be before these tribunals and until these cases are decided, they won't have the clearance certificate and all will be debarred. Further this has not been provided even in the Companies Bill that would be coming before the House. This is a small Bill not dealing with the entire policy of the Government. I do not think this amendment can be accepted.

Mr. Deputy-Speaker: The question is, in page 3, after line 14, add—

"(ii) After clause (d) of section 12 of the principal Act, the following shall be added, namely:—

(e) has not produced income-tax clearance certificate."

The motion was negatived.

Mr. Deputy-Speaker: The question is, That clause 10 stand part of the Bill.

The motion was adopted.

Clause 10 was added to the Bill.

Clauses 11 to 15 were added to the Bill.

Clause 16—(Amendment of section 23, Act XV of 1948).

Shri Asoka Mehta: I beg to move:

In page 5, after line 38, add—

"(ii) After clause (d) of subsection (1) of section 23 of the principal Act, the following shall be inserted namely:—

(dd) retaining as part of its assets participating as well as mixed debentures."

I pointed out yesterday in the course of my observations on the Bill that increasingly the Industrial Finance Corporation is likely to nurture new enterprises, that if these new enterprises are to be built up in course of time, naturally, they will be flourishing and prosperous and it should be open to the Corporation to share in the growing prosperity of the concerns that it helps to build up. I also pointed out that in other countries, provisions are made to that effect. In Italy, in the I.R.I., which is run on lines similar to those on which we run the Industrial Finance Corporation, which is a bigger body with far more responsibilities, there is already a provision for participating debentures, that is, debentures bearing interest at a rising rate, proportionate to the dividends which the companies concerned are paying, or there are mixed debentures which are convertible in whole or in part into shares of the respective companies. At present, so long as any company is indebted to the Corporation, generally, it is precluded from paying a dividend of more than 6 per cent. Anything over and above 6 per cent. is utilised for the purpose of paying back the loan and the loan is usually expected to be paid back in 12 or 15 years. By that time, in 10 or 15 years, the concern will get properly establish-

ed. We will get back our loan and interest. The entire benefit of having established such a successful and prosperous concern will go to the shareholders. We would like the shareholders to share the prosperity. We would also like the Corporation to share the prosperity so that it would be possible for the Corporation to have larger resources to help other concerns. That would be possible if the Act permits the Corporation to go in for participating as well as mixed debentures wherever it is thought to be necessary and advantageous. Yesterday, I tried to bring to your attention the arguments that have been put forward by the Government. I read out from the Resolution that the Government have passed on the subject and I also tried to reply to the various points that have been raised there. I shall not waste your time by repeating those points. I do not think the Minister, in his reply to the debate yesterday, tried to go deeply into the matter. If the intention is to allow the Corporation to run on the lines on which it has been running so far, that is a different matter. As I pointed out, the tempo has not been rising. I expect in the near future that the tempo will rise because we are going to have substantial industrial development and I hope the Industrial Finance Corporation will play an important part. If the tempo is to rise and if a large number of new undertakings are to be assisted and helped to develop, provision should be made in the Act for permitting the Corporation, on suitable occasions, to take advantage of the prosperity of the concerns it has helped. My amendment is meant to give the Corporation power to do so whenever a situation arises.

**Mr. Deputy-Speaker:** Amendment moved:

In page 3, after line 38, add—  
(1) After clause (d) of sub-section (1) of section 23 of the

principal Act, the following shall be inserted namely:—

(dd) retaining as part of its assets participating as well as mixed debentures."

**Shri A. C. Guha:** I think the purpose of the hon. Member is that the corporation should participate in equity capital, is it not?

**Shri Asoka Mehta:** Yes.

**Shri A. C. Guha:** Under the present Act the corporation may retain a part of the assets such as any stocks or shares or debentures which may come to its possession in the course of its ordinary business, but there is a definite ban here on the corporation directly participating in the company's share capital, subscribing to shares of any particular company or industrial concern. As I stated yesterday, there might have been some reason one year or two years before for asking this corporation also to participate in equity capital, but now that we have got two other corporations, the Development Corporation and the Industrial Credit and Investment Corporation, whenever there is any suitable case they will participate in equity capital. So, I do not think there is any urgency now for this corporation to participate in equity capital. It is the policy of the Government as yet to leave it simply more or less to function as a bank, to advance loans—of course, not with all the strict formalities of banking—it will have certain element of risk in it, but still more or less it will be something like a bank, not participating in the equity capital.

**Shri Asoka Mehta:** My point is not being answered. When a loan is advanced, it retains the right to convert it into equity capital at a future stage in case the concern becomes prosperous. It is only a contingent right.

**Mr. Deputy-Speaker:** But if it ends in a loss, then what?

— **Shri Asoka Mehta:** The loan is there, it will be recovered.

**Mr. Deputy-Speaker:** After participation?

**Shri Asoka Mehta:** There is no participation at any stage.

Supposing Rs. 30 lakhs are given and after Rs. 10 lakhs have been repaid, if the corporation feels that it wants to convert the balance of Rs. 20 lakhs of loan into equity capital, it should be open to the corporation to do so.

**Mr. Deputy-Speaker:** Then, thereafter if it ends in a loss, what happens?

**Shri Asoka Mehta:** Then, of course, it goes.

**Mr. Deputy-Speaker:** If any particular concern prospers, it also prospers.

**Shri Asoka Mehta:** It will only get the loan plus the interest. It will have no continued share in the prosperity of the concern.

**Mr. Deputy-Speaker:** Once it takes shares, what happens?

**Shri Asoka Mehta:** Then, it continues to share in the concern.

**Mr. Deputy-Speaker:** That is the point from the other side.

**Shri A. C. Guha:** We do not like the capital of this corporation to be locked in any equity capital. We like it to be kept as fluid as possible, so that the money may come back and it may be re-invested and I think the hon. Member yesterday particularly made a point that the Corporation may give more loans to new ventures. So, it will be proper for the Corporation to keep its money free and liquid so that it can invest in new companies also.

So, this amendment in a way seeks to change the character of the corporation fundamentally and as stated

yesterday and also today, Government has not the intention. There might have been some reason two years ago when those two other corporations had not been set up, but now I do not think there is any particular reason for this corporation to go into equity capital.

**Mr. Deputy-Speaker:** The question is:

Page 5, after line 38, add—

“(ii) After clause (d) of subsection (1) of section 23 of the principal Act, the following shall be inserted namely:—

‘(dd) retaining as part of its assets participating as well as mixed debentures.’”

Those in favour will say “Aye”.

**Some Hon. Members:** Aye:

**Mr. Deputy-Speaker:** Those against will say “No”.

**Some Hon. Members:** No.

**Mr. Deputy-Speaker:** The “Noes” have it.

**Shri Kamath:** The “Ayes” have it.

**Mr. Deputy-Speaker:** All right. Hon. Member may rise in his seat.

**Shri Kamath:** After 2-30.

**Mr. Deputy-Speaker:** The Mover of the Amendment has not asked.

**Shri Kamath:** I have asked on his behalf.

**Mr. Deputy-Speaker:** It is open to him to disown it.

**Shri Asoka Mehta:** I own him on my behalf.

**Mr. Deputy-Speaker:** Then, this also will stand over. Amendment No 8 to clause 16 will stand over.

Clause 17— Amendment of section 23, Act XV of 1948).

**Shrimati Sucheta Kripalani:** I beg to move:—

In page 5, line 41, after "substituted" add—

"and the following shall be added at the end, namely:—

"The Managing Agents of any borrowing concern shall not dispose of their shareholdings in the borrowing concern without the prior approval of the Corporation."

The object of this amendment is very simple. It is better that the managing agents should have a financial interest in the company they are managing. Usually they do, but it may occur that a managing agency may borrow large sums from the corporation and after that gradually sell off the shares if the company is not doing well or for any other reason, they may in course of time not have any financial stake in the company which they are managing. We feel if such a contingency arises, Government money is at risk. Therefore, it is proper that some control should be put on the managing agency's freedom in selling their shares. That is why we want that whenever they are about to do such a thing, the Government should get prior intimation of it, and they be permitted to do so only with the prior approval of the Government.

This is merely to safeguard the Government's financial interest.

**Mr. Deputy-Speaker:** Amendment moved:

In page 5, line 41, after "substituted" add—

"and the following shall be added at the end, namely:—

"The Managing Agents of any borrowing concern shall not dispose of their shareholdings in the borrowing concern without the prior approval of the Corporation."

**Shri A. C. Guha:** We have already issued certain directives to the Corporation and those will be found in the Resolution of the Government:

"Government agree that the financial stake of the Managing Agents or Managing Directors should be taken into account but consider that it would not be desirable to insist on any particular minimum share-holding by them in the borrowing concern. The Corporation have pointed out that the personal guarantee of the managing agents is also taken as a rule as additional security.

As for non-disposal of shareholding in a borrowing concern, Government consider that where such financial stake has been taken into account by the Corporation as a factor of safety, transfer without the approval of the Corporation should be prohibited."

We have already issued this instruction and there is no necessity for putting it in the Bill itself.

**Shri Tek Chand— rose.**

**Mr. Deputy-Speaker:** How does it happen that the hon. Member rises only after the Minister speaks.

**Shri Tek Chand:** Very often one has to rise in order to reply to the comments of the Minister.

**Mr. Deputy-Speaker:** No, I will not allow it. The hon. Member is trying to invert the whole procedure of this House. I am sorry I am not able to agree with him.

In view of the Minister's statement, need I put the question?

**Shrimati Sucheta Kripalani:** Yes, Sir, because, if you will permit me, we have seen in the course of our enquiry that many a times there is not sufficient personal guarantee. It has to be put in the Bill.

Mr. Deputy-Speaker: The question is—  
In page 5, line 41, after "substituted" add—

"and the following shall be added at the end, namely:—

"The Managing Agents of any borrowing concern shall not dispose of their shareholdings in the borrowing concern without the prior approval of the Corporation."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 17 stand part of the Bill."

The motion was adopted.

Clause 17 was added to the Bill.

Clause 18 was added to the Bill.

Clause 19— (Amendment of section 28, Act XV of 1948.)

Shrimati Sucheta Kripalani: I beg to move:

In page 6, after line 11, add—

"(iii) the following proviso shall be added, namely:—

"Provided the transfer by way of sale shall be effected with the prior approval of Government."

Yesterday in my speech I pointed out that when the corporation takes over a company which is not doing very well, the object of the corporation mainly is to realise the funds that they have advanced to the company and to sell it off as early as possible. There are certain disadvantages in doing that. I told you that in the case of Sodepur Glass Works we were told that people were deliberately trying to see that the company did not do well in order to facilitate another rival company

which was ready to buy it. So, if a provision like this is there that the corporation cannot sell it without the prior approval of the Government, that will put an end to any such irregular moves that were pointed out to us. Also, when a company does not do well, the object of the corporation would normally be merely to recover the money that they had advanced. What about the money of the shareholders?

2 P.M.

If the Government takes over and runs the company properly, then the shareholders also will have a chance to recoup their money. That is why we feel that as far as possible the company should be run by Government. When we have a Production Ministry it is not impossible for Government to run it; and if Government are not ready to run it, at least a reference should be made to Government before the company is sold.

Mr. Deputy-Speaker: Amendment moved.

In page 6, after line 11, add—

"(iii) the following proviso shall be added, namely:—  
"Provided the transfer by way of sale shall be effected with the prior approval of Government."

Shri A. C. Guha: This provision is with reference to the recommendation in the Enquiry Committee's report regarding the Sodepur Glass Works. The recommendation was that it should not be sold but that Government should run it, or something like that. We also tried to see that the company should be run by Government or by somebody on behalf of Government. But it has not been possible to find any agency to run this Sodepur Glass Works, or take it on lease. We advertised it, and the corporation set up a negotiating committee; that negotiating committee also tried to negotiate with

some parties, who, the negotiating committee considered, might be in a position to run the factory. But neither the negotiating committee nor Government have been able to find any party to run it. We tried also with the Production Ministry. They have also refused. So, the corporation has no other option left but to put the Sodepur Glass Works on sale.

These contingencies would depend on the circumstances. But I can give this assurance that no sale of such concerns would be done without reference to Government. This can be done even by a directive. And I can give this assurance that we shall send a directive to the corporation that no sale of any concern which may come to the corporation in the course of their lending money shall be put on sale without any reference to Government. I hope this will satisfy the chairman of the Enquiry Committee and she will not press her amendment.

**Shrimati Reas Chakravarty (Basirhat):** What is the objection to it? I could not follow.

**Mr. Deputy-Speaker:** There is a provision for giving directives under the Act. This is something like an assurance. Hon. Members might have seen that from time to time the hon. Minister of Parliamentary Affairs makes a statement on the floor of the House as to what assurances have been carried out and what more have to be carried out. This has become a regular feature here. Under these circumstances, these directives even though they are not put in the body of the Bill, may be as good as the Act. But it is left to the hon. Mover of the amendment.

**Shri A. C. Guha:** If you would permit me to add two more lines, I would say that the delay in publishing the Government Resolution on the Sodepur Glass Works is mainly or solely due to the fact that we have not been able to find any party to run the company on behalf of Government.

**Shri Asoka Mehta:** What about the Production Ministry?

**Shri A. C. Guha:** They have refused.

**Shri Asoka Mehta:** They have also refused?

**Shri A. C. Guha:** We tried also abroad to find some expert in Belgium and West Germany, I think, and we could not get anybody.

**Mr. Deputy-Speaker:** What about the original promoters?

**Shri A. C. Guha:** They are finished. It is not possible for them to run the company. Who will finance them for running the company? For running the company now, they will require a working capital of something like Rs. 30 to 40 lakhs.

**An Hon. Member:** That is nothing.

**Shri Asoka Mehta:** But when the corporation is going to give to that Indo-Japanese firm?

**Shri A. C. Guha:** The corporation is not going to give any loan for working capital. It has to be raised

**Shri S. V. Ramaswamy (Salem):** If it has spent Rs. 1 crore, does it matter if it spends a few lakhs of rupees more to keep it running?

**Shri A. C. Guha:** It is not a few lakhs; it is Rs. 30 to 40 lakhs. And there must be a suitable agency. I do not think that even the chairman of that Enquiry Committee would think that these former managing agents would be a suitable agency for running this concern.

**Shrimati Sucheta Kripalani:** I agree with you there.

**Shri S. V. Ramaswamy:** How does it happen that when one goes by within a distance of seventy miles, one finds that in the private sector an industry which has started subsequently is running all right? How does that happen?

**Shri A. C. Guha:** I know. Somebody may run his own factory.

[Shri A. C. Guha]

But there is no party in India who would be ready to run this factory on behalf of Government, on lease or anything like that.

**Shri Kamath:** Better advertise it.

**Shri A. C. Guha:** We did advertise.

**Shri S. V. Ramaswamy:** Are there no technical experts in the Government of India, who can run this?

**Shri A. C. Guha:** No.

**Shri Mohanlal Saxena:** Is it in such a hopeless condition?

**Shri A. C. Guha:** Only the Production Ministry can be the technical side of Government. We consulted them, and they said they cannot. The Ministry of Commerce and Industry also sent somebody abroad to find out whether a suitable technician or specialist in glass can be had from Belgium or Germany and so on; and they could not find anyone.

**Mr. Deputy-Speaker:** Has there been no expert all along?

**Shri A. C. Guha:** Anyhow, that is another case.

On this point, my contention is that it is not possible to put in any compulsory provision as to how the corporation will dispose of a concern that may come to the corporation. Only, I can give this assurance to the hon. Mover of this amendment that in any such case, the corporation would not put on sale the concern without reference to Government.

**Shrimati Sucheta Kripalani:** May I make a suggestion? If the hon. Minister agrees to provide it in the rules, I would withdraw my amendment.

**Shri A. C. Guha:** In a directive by Government, Government can give that directive.

**Shrimati Sucheta Kripalani:** Why not rules?

**Shri A. C. Guha:** We can issue a directive.

**Shrimati Sucheta Kripalani:** But directives keep on changing.

**Mr. Deputy-Speaker:** It is not that for every small amount, such as Rs. 10,000, Rs. 20,000 or Rs. 1 lakh there must be a particular provision.

**Shrimati Sucheta Kripalani:** They do not give small amounts. This is meant for bigger amounts.

**Shri Asoka Mehta:** They give only medium-and long-term credit.

**Mr. Deputy-Speaker:** The question is:

In page 6, after line 11, add:

"(iii) the following proviso shall be added namely:—

'Provided the transfer by way of sale shall be affected with the prior approval of the Government.'"

*The motion was negated.*

**Mr. Deputy-Speaker:** The question is:

"That clause 19 stand part of the Bill."

*The motion was adopted.*

Clause 19 was added to the Bill.

Clauses 20 to 23

**Mr. Deputy-Speaker:** There are no amendments to clauses 20 and 21. Shri D. C. Sharma has given notice of an amendment seeking to introduce a new clause 21A. I am not allowing this amendment. It reads:

"In page 6, after line 36, insert:

"21A. Insertion of new section 42A in Act XV of 1948: After section 42 of the principal Act, the following section shall be inserted, namely:—

'42A. The Rules made under section 42 of the Act shall be laid on the Table of Parliament

for a period of thirty days before the date of their publication in the Gazette....."

But section 42 of the Act is not touched at all by this Bill. This is only an amending Bill.

**Shri D. C. Sharma** (Hoshiarpur): May I make a submission? With due deference to your ruling, I beg to submit that as a member of the Committee on Subordinate Legislation I have come to know from various directions that the rule-making power which is conferred by an Act on a Ministry is not always made very judicious use of.

I think it was you who brought this Committee on Subordinate Legislation into being, and I therefore think that it is you who should be a very jealous guardian of its privileges. The fact of the matter is this.

**Mr. Deputy-Speaker:** I am not a dictator.

**Shri D. C. Sharma:** In the original Bill there was no provision for laying the rules framed under this section on the Table of the House, before they are published in the Gazette. When there was an omission there, do you mean to say that that omission should continue for all time to come? I do not think that logic would justify this kind of move.

There was an omission there, because at that time the committee was not very vigilant. Now, the committee is very vigilant. We are holding meetings, and we are scrutinising every Act, and we are bringing this to the notice of the Ministry that they should frame the rules and place them on the Table of the House, before they are published in the Gazette, in due course of time. We are doing that now. At that time we were not vigilant, and there was an omission, but I do not think that you being a custodian of parliamentary procedure, parliamentary propriety and parliamentary dignity would now say that this

omission which was made at that time on account of lack of vigilance on our part should continue. I do not think you would say so.

I, therefore, think that these two new clauses, namely 21A and 24, which refer to the rule-making powers given to the Ministry for making rules, should be enforced. If that is not done, I think there will not be the proper kind of procedure. I would, therefore, appeal to your sense of propriety and your sense of procedure (laid down by you so far as the committee is concerned) that these clauses should be there.

**Mr. Deputy-Speaker:** What has the hon. Minister to say?

**Shri A. C. Guha:** You have already said that this amendment will be out of order. But I can give this assurance even without this amendment which has been declared out of order, that these rules will be laid on the Table of the House. We have no objection to the rules being laid on the Table of the House, not before the rules are being framed but as soon as they are framed.

**Mr. Deputy-Speaker:** Unfortunately I myself was party to a prior ruling during the debate on the Indian Tea Control (Amendment) Bill on the 15th July 1952. There the Deputy-Speaker made the following observations in regard to the scope of discussion on that Bill:—

"This is only an amendment Bill. With respect to an amendment Bill, only those sections are relevant which are touched upon by clauses of the Bill and not other substantive provisions of the Act, except in cases where the clauses of the Bill necessarily lead to amendment or modification of any other section which is intimately connected therewith. The other sections are not relevant".

I am afraid I cannot allow these amendments. But it will satisfy

[Mr. Deputy-Speaker] Shri D. C. Sharma, who has tabled these amendments to know that this assurance has been given by the Minister. Whatever is laid on the Table of the House will come before the Committee on Subordinate Legislation who will examine it. Therefore, I will treat that there are no more amendments to clauses 20 to 23.

[The question is:]—  
“That clauses 20 to 23 stand part of the Bill.”  
The motion was adopted.

Clauses 20 to 23 were added to the Bill.  
Clause 1 was added to the Bill.

[Mr. Deputy-Speaker:] I will take up the Enacting Formula and the Title after clauses 7 and 16 are disposed of. Now, it is 2-12. Let us wait till 2-15 P.M. by which time more hon. Members may come back from lunch, though there is quorum. Or, I can add these minutes usefully to the third reading.

Shri A. M. Thomas (Ernakulam): That is better.

Clause 7—contd.

[Mr. Deputy-Speaker:] The question is—  
In page 2, line 7,

—for “A chairman” substitute—  
“A whole-time chairman”.

The motion was negatived.

Mr. Deputy-Speaker: The question is—

In page 2, for line 12, substitute—

“(iii) for the existing proviso the following shall be substituted, namely:—

“Provided that a concern in which a director of the Industrial Finance Corporation is a managing director or a director/partner/shareholder in

the managing agency concern shall not be eligible for loan.”

Those in favour of this amendment will kindly stand in their seats.

There are fourteen.

Those against this amendment will kindly stand in their seats.

There is an overwhelming majority against the amendment. So it is negatived.

The motion was negatived.

Shri Kamath: We want division. This is important.

Mr. Deputy-Speaker: It is not necessary. Let us not have the pleasure of it here because there are only a few more minutes, and some hon. Members may like to speak during the third reading stage.

Shri Kamath: Let the names be recorded.

Mr. Deputy-Speaker: It is not necessary. It is not such an important matter.

The question is:—

“That clause 7 stand part of the Bill.”

The motion was adopted.

Clause 7 was added to the Bill.

Clause 16—contd.

Mr. Deputy-Speaker: Now, I shall put amendment No. 8 to clause 16 to the vote of the House.

The question is:—

In page 5, after line 38, add:—

“(ii) After clause (d) of subsection (1) of section 23 of the principal Act, the following shall be inserted, namely:—

“(dd) retaining as part of its assets participating as well as mixed debentures”.

The motion was negatived.

**Mr. Deputy-Speaker:** The question is:

"That clause 16 stand part of the Bill".

*The motion was adopted.*

*Clause 16 was added to the Bill.*

*The Enacting Formula and the Title were added to the Bill.*

**Shri A. C. Guha:** I beg to move:

"That the Bill be passed".

I do not like to make any long speech now. I think there is hardly any time also. I can only hope that whatever might have been the controversy over this Corporation in the past, it will now get all the support that it deserves from the House, and it will work properly under the new Act. This Act practically radically changes the constitution and structure of the Corporation, and that is in pursuance of the recommendations of the Enquiry Committee.

In conclusion, I convey my thanks to the Inquiry Committee, and particularly its chairman, for exposing the defects of the Corporation. We have tried our best to remedy these things.

**Mr. Deputy-Speaker:** Motion moved:

"That the Bill be passed".

**Shri A. M. Thomas:** Although there has been delay of about one year and three months after the Government took their decision on the Report of the Sucheta Kripalani Committee, it is gratifying that the Bill is being passed now, modelled on the recommendations of that Committee. It is also gratifying to note that the hon. Minister who has piloted the amendment Bill was, as a private Member, one of the persons responsible for drawing the pointed attention of the House to the irregularities and acts of commission and omission of this Corporation.

**Mr. Deputy-Speaker:** It is now for others to draw his pointed attention to them.

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**Shri A. C. Guha:** Yes. I shall keep my ears quite open.

**Shri A. M. Thomas:** But when I heard the discussion on the amendment Bill yesterday, I felt that the whole question should have been approached from a more liberal standpoint. The House is certainly entitled to pass strictures on the working of this Corporation without fear or favour. But I would invite the attention of the House to the remarks which have found a place on page 74 of the Report of the Inquiry Committee:—

"While we welcome and appreciate the interest evinced by Parliament and the public in the working of this central credit institution established for providing assistance to industrial concerns operating in the private sector, we consider it desirable to avoid all criticism about the working of the Corporation made in a manner likely to affect the credit of the Corporation."

To this fact attention has also been drawn at page 39 of the report. Also the appointment of a body to supervise the working of this Corporation as well as similar corporations has been considered by this Committee, and it says:

"It is obvious that a full Parliamentary body is not the proper forum for discussing the detailed working of such statutory corporations. In the case of a credit institution like the I.F.C. it is all the more necessary to avoid detailed discussions as it is likely to affect the credit of the Corporation and its borrowers."

It appears that the credit of this Corporation has perhaps been affected by the discussion that was carried on in the House in December, 1952. It will be found from the progress report of the Corporation for the year 1953-54 that the number of applications received during the year was substantially small, being only 43, as against 74 in the preceding year. There is also another trend and it is further borne out by the increase in the number and

[Shri A. M. Thomas]

the amount of applications withdrawn. I have been able to find out that there has been a decline in the progress of the Corporation. In the year 1952-53, it had been possible to meet the dividend liability without any subvention from Government and that has not been possible in the year 1953-54. It may also be perhaps due to the nature of the debate in the House in December 1952. I am not for a moment suggesting that the House should not be vigilant or alive to the working of this institution, but we must bear in mind this aspect when we discuss the working of the Corporation. Moreover, the discussion that we are having with regard to this Corporation should also be a model discussion on the working of the investment corporation, the development corporation and several other statutory corporations that we are setting up. Bearing this background in view, I cannot resist the temptation of drawing the attention of the Government to one or two aspects which are mainly covered by the audit report. The Minister was right when he said about the impression formed on reading the report of the special committee that had been appointed by the government that the Corporation has on the whole been exonerated from the charges. The statement that the hon. Minister made yesterday was quite true. I was not able to find out any single charge established against the managing director. The only thing that I have been able to find, apart from general suggestions, is that the managing director had been very helpful to the Committee in giving all sorts of information to them. But the audit report, I might submit, gives an altogether different picture, and there are several disturbing features which are discernible from this report. The hon. Minister stated that it is for the Public Accounts Committee to go through the audit report and then make its own observations on it.

I want to draw the attention of the Government to one or two things. One is the disturbing feature that has been pointed out in the audit report, that is,

the growth of administrative expenditure is out of proportion to the business transacted. Even in the report of the Sucheta Kripalani Committee, at page 23, we find that when a comparison is made with regard to similar corporations in other countries, it has been observed that it might appear that the expense ratio of the Corporation is high and it may be that there is room for economy. That is with regard to the year 1952. But afterwards, the picture that we get, even after the submission of this report, is rather not encouraging and not at all satisfactory, and this will be found from the audit report. It will appear that during the six years of the existence of this Corporation, the expenses on establishment have been steadily increasing. During the year ending June 1953, the increase was Rs. 60,801, and during the year ending June 1954 there was a further increase of Rs. 62,935. I do not want to read the observations contained in the audit report and how these officers have travelled in air-conditioned coaches and so on. In fact, those things which have been brought out in the audit report are not in any way creditable to the persons who are managing this Corporation nor to the officers of that concern. I am glad to find that the Minister, in the course of his reply to the several points raised, gave an assurance that it will be his endeavour to see that the establishment expenses are kept to the minimum and that there will not be as much loss as is now being incurred by the Finance Corporation.

Another fact that I wish to bring to the notice of the House is that, apart from the losses incurred by the Corporation, there is increased expenditure on the part of the persons who approach the Corporation to get their loans sanctioned. Paragraph 35 of the report draws pointed reference to it and it says:

"It has been represented to us that, though the rate of interest charged by the Corporation is not by itself unreasonable, taking into account the legal expenses, stamp

fees for documents and travelling expenses in connection with negotiation of loans, the total cost of securing financial accommodation from the Corporation works quite high."

That may be one of the reasons, I should think, why the small concerns were not in a position to apply for help from the Corporation as it will perhaps be too prohibitive for them. That aspect must be borne in mind and it must be, as far as possible, placed within the reach of the ordinary industrialist. The rate of interest that we charge is not, after all, low—it is 6½ per cent.—so much so the other expenses which an applicant has to bear will have to be reduced considerably.

I do not want to add anything more, but I should say that although criticisms were levelled in the House that this Bill is quite inadequate and it does not take into account all the recommendations of the Sucheta Kripalani Committee Report, what can be done by an enactment of Parliament has been done by this Bill. The other recommendations of the report relate to administrative matters and other policy matters, defects in the working and how they can be avoided, the vigilance that the Government must exercise, the directives that they must give and so on. It has been pointed out that after the establishment of this Corporation Government had chosen to give directive only once, and that was in 1948. These aspects have been pointed out by the Committee, but the statutory requirements, I think, suggested in the Committee's report will be met by the amending Bill that we pass, and everything will depend upon the directives that the Government is pleased to issue from time to time and also the interest that the board of directors itself evinces in the working of the Corporation. Whatever legislation we may pass for the efficient working of this enactment, it is necessary that the machinery we constitute should put its heart and soul into the working of the institution.

The necessity of appointing a full-time chairman has been pointed out by the Government and in the report itself it has been stated what sort of a chairman the Committee contemplates. It states:

"The position of the Chairman will in that event be analogous to that of the Governor of the Reserve Bank. The Chairman should not necessarily be an active industrialist but he should be a man with mature experience in the field of production, management and finance. We consider that it is not enough to have an eminent Banker as the Chairman as we do not wish to see the Corporation governed solely by a banker's outlook."

So, everything depends upon the chairman that the Government would be pleased to appoint and I hope that the Government would be in a position to get a suitable person as it has been able to find in the case of the State Bank of India a person of such calibre, standing and administrative experience. I believe the House will take the assurance given by the hon. Minister in all sincerity, namely, whatever might have been the defects in the past, whatever might have been the acts of omission and commission on the part of the directors and the managing director, hereafter the Government is bent upon seeing that this institution will be worked with the idea with which it has been constituted. I hope the assurance of the Government will be carried out.

Shri S. S. More (Sholapur): I refrained from participating in the debate at the earlier stages with a purpose. I participated in the debate when this measure first came up for discussion in 1952. On that occasion I did make out a point that this machinery ought to be used by Government for the purpose of starting industries in areas which are industrially backward. I then gave to the House the break-up of the loan amounts that were advanced to the three language groups in the Bombay State and expressly pointed out that while Bombay had received the

[Shri S. S. More]

largest share. Karnatak was not given even a pie. The reply that I received to my criticism was that Karnatak had no industries and, therefore, no loans could be advanced to that area.

Under the amendment now proposed even industries which are proposed to be started may get some benefit from this Corporation. I hope that this particular clause will be utilised for the purpose of reducing inequalities in the industrial development of the different regions of a State.

The other important point that I wish to make is that the Minister in charge of this Bill was very particular to emphasise that the Sucheta Committee did not prepare any charge-sheets, much less find any evidence to prove the different counts of the charges. I think Government acted very wisely and diplomatically when they selected Mrs. Kripalani as the Chairman of the Committee and Shri V. B. Gandhi as one of the members. Both these hon. Members are not reputed for sharpness of criticism. They are over-full with the milk of human kindness and I feel that when they proceed to apply their minds overflowing with human kindness to the misdeeds of some of the officers, their minds had the better of them, though the misdeeds were black enough to require blacker paints. If Government is really honest and do feel that the misdeeds of such corporations should be brought to the forum of this House and before the bar of public opinion, I feel that they should take particular care to appoint persons who have legal knowledge, who specialise in murder cases, so that they will not show any compunction while dealing with persons who commit such grave offences, parading themselves as experts in financial and other matters.

In regard to the future of the corporation, it has been stated that Government have made a great gesture to the criticism made in the House by appointing a salaried officer as chairman of the corporation. I am sorry to find an incorrigible tendency or the

part of Government to appoint officials to the chairmanship of such bodies. We find too much of officialdom everywhere. If we are to proceed towards a socialist pattern of society, I would rather expect that a reputed socialist should be placed in charge of this body.

**Shri Asoka Mehta:** Mr. More,

**Shri S. S. More:** I do not for a moment claim the privilege of being a noted socialist; my friend is better qualified. I would say that somebody who can be relied upon for taking this country towards a socialist pattern should be appointed by Government to be the chairman of this body. I am not prepared to accept that the Members of the bureaucracy who have been trained in the practices of the British rulers have any mental, intellectual or ideological equipment for the purpose of taking this country to the socialist pattern. (Interruption) My hon. friend Shri Kamath is muttering something.

**Shri Asoka Menta:** He was a member of the bureaucracy.

**Sbri S. S. More:** He was a misfit there and is proving to be a misfit here too.

Shri Kamath: Not quite as bad as you!

**Shri S. S. More:** I naturally expected the resentment which he is expressing so vehemently.

**Shri Kamath:** No resentment; I gladly give the palm to you.

Shri S. S. More: I have been here for the last three years.

Mr. Deputy-Speaker: What about other walks of life?

**Shri S. S. More:** I do not want to discuss personalities, but a time will come when we will have to present to the world pen portraits about the qualifications or disqualifications of many

Members who have been privileged to come here. Possibly it may not be our qualifications that have brought us here, but perhaps, the ignorance of the voters, or their mis-placed trust in us. It may be beside the point—but there are many things said here which are beside the point—if a chairman has to be found for the Industrial Finance Corporation. I would very earnestly say, he should be selected from non-officials—a public worker of proved honesty and integrity. He will not be particular about high salary. In the case of our officials, though their salaries are high, their efficiency is low.

Most of us have laboured in the cause of our country; we have slaved ourselves; we have ruined ourselves for liberating our country. If the country is to be liberated from the octopus's clutches of the capitalists on the industrial life, it is for us to act in this direction.

**Shri A. M. Thomas:** It is Shri V. P. Nayyar's phrase!

**Shri V. G. Deshpande (Guna):** For the distribution of offices.

**Shri S. S. More:** It is not a question of distribution of offices. My hon. friend Mr. Deshpande, who belongs to the Hindu Mahasabha, believes that politics is only a game of distribution of *laddoos* and *jalebis*. But politics is something serious, much more serious than the Hindu Mahasabha politics. I thought that the batons of the Portuguese might have brought some sobriety on his head, but I am disillusioned.

**Mr. Deputy-Speaker:** The Industrial Finance Corporation seems to be an all-embracing corporation—*laddoos* are coming in, Goa is coming in.

**Shri S. S. More:** I would only conclude by saying that a pre-determined member of the bureaucracy should not be appointed to shoulder the great responsibility of this office.

**Shri A. C. Guha:** Several members have asked for the appointment of an official

**Shri S. S. More:** A person who has only professional or service interest

should not be appointed for this post, but one who has the national interest at heart. Such a person will set an example by accepting a lower salary and demonstrating to others that we who have laboured in the cause of the liberation of this country, without any monetary return can also be on the constructive side better and fitter persons than the officials.

**Shri Sarangadhar Das (Dhenkanal—West Cuttack):** Mr. Deputy Speaker, Sir, I am taking part at the far end of this debate. My hon. friend Shri Thomas pointed out that we destroyed the credit and initiative of the Corporation by initiating a debate in 1952. I was myself here during that debate and consequently I wish to point out that the debate arose out of the refusal by the Minister to divulge the names of some of the loanee companies. Because of that the debate took place. As a result of that, the Committee was appointed and that made its report. The audit report has corroborated almost everything that was contained in the report and in the official debate. I well realise that in a lending institution, the names of the loanee companies, the amounts of loans, etc. have to be kept secret but in this institution where the tax-payers' money is being lent for different purposes, it is the duty of the Parliament to find out if the money is being properly spent.

One point was made just now by Mr. More: whether the loans are being distributed regionally for the development of industries in the different regions. All these things have to be discussed by Parliament. I do not believe that the credit of the institution has in any way gone down.

**Shri A. M. Thomas:** I am afraid my hon. friend has mis-understood my speech. I never said that the working should not be criticised but that there should be a sense of proportion.

**Shri Sarangadhar Das:** The debate resulted in the diminution of applications in 1953-54, I believe. It may be that those institutions or companies who believed in getting their loans easily because of the presence of

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certain persons in the directorate might not have sent up their applications because of that debate and so the applications were fewer than in the previous year. Or, there may be some other reasons for it. But it is wrong to say that that debate lacked a sense of proportion. It certainly did not, as it is well known now. This Bill which will be passed in a few minutes from now, has resulted from that debate in 1952 and so I have to impress on the House the necessity of having such debates about the institutions in which the Government is putting in a large amount of the tax-payers' money. That money has to be properly spent in different regions and there should be no partiality, no nepotism. The appointment of a full-time and paid chairman has also resulted from that debate.

Shri D. C. Sharma: Sir, in his remarks the hon. Finance Minister struck a very optimistic note. I wish I could be as optimistic about this new financial dispensation as he has been.

He said that all the controversies about the Corporation were now ending. I am glad that they are ending. But I can assure you, Sir, that this new Act which you will be passing today is not going to give a different complexion to the Industrial and State Finance Corporations from that its previous proto-type had. I can assure you of that. Because, what have we done? I asked myself this question. I have read the report; I have gone through the audit report; I have seen all that and I have asked myself: what have we done? What have we been doing all these days?

I find that there are few changes in the structure of the Financial Corporation and if any changes have been made they are not of such a nature as can inspire confidence either among the Members of this House or in the public at large. You call it a change in the structure of the Corporation when you choose to call the managing director by the name of chairman. You think that you have changed

the structure when you say that the executive committee will now be called by the name of the central committee. If a rose smells as sweet by any other name, a sink will be a sink even if you give it a different name. There has been no change in the structure worth the name. The change in the structure would have been known if something had been done to tell us what kind of chairman we are going to have.

There was a very innocent amendment moved that the chairman should be a whole-timer. But it has not been accepted. Why should it not be accepted? We are spending crores of rupees on this Corporation. The future of our industrial development depends upon that. But what do we find? We find that the Ministry keeps an open mind which means a closed mind about the appointment of the chairman and whether he is a full-timer or part-timer. These things are left hanging in the air so that we do not know what is going to happen.

I think we have been talking about credit. I do not want to harm the credit of anybody. You can shake the credit after it has been only built. If there is no credit, if no credit has been built up, how can you shake it? My hon. friend was saying that this Bill should have been brought forward with the intention of stabilising and building up the credit of this organisation. I think even in very innocent matters nothing has been done.

As a member of the Estimates Committee, I have some notion about the appointment of the chairman. Some of our biggest national undertakings where crores of rupees are invested are being run by persons whose managerial experience, financial experience, business acumen has been only this that they had been police magistrates in some presidency towns for some years. Therefore, the very first thing that should have been done here was to incorporate the suggestions given in the report about the appointment of a chairman so that the public could know that this is going to be a busi-

ness concern, run in a business-like fashion and with the sole objective of promotion of industries in the country. If you do that, it will be a business concern; otherwise it is going to be like the working of a bureaucratic machine and the results are going to be like the results of a charitable trust and that way I do not think you are going to build up any credit.

Again, there was a very wholesome recommendation that among the directors you should have some persons who belonged to the class of businessmen and others. But, this has not been done. There were again certain ideas about the security of loans and vesting the Corporation with greater power. I am afraid all those things have not been done. I have the highest regard for the hon. Minister because I know that he is a gentleman who takes everything very seriously and I know he puts his heart into any kind of work that he does. I would ask the hon. Minister what he is going to do so far as the expense ratio of this organisation is concerned. Well, perhaps, you may say that the expense ratio could not have come within the Bill or that this could not have been made a part of the Bill. But, I ask, why can't these things be made a part of the Bill? When you think of a country like Yugoslavia you find that there they have the workers as partners of industrial concerns, but here we fight shy of having an economist or a financier as a member of the board of directors. At the same time I find that the directives of the Government are very good. But, there is also human ingenuity and human ingenuity knows how to counteract those directives. If there had been no human ingenuity why should we have had this report which was drafted by Shrimati Sucheta Kripalani. I should, therefore, say that the whole business of legislation in this House requires some kind of modification. We cannot leave everything to the directives of the Government. We cannot leave everything to the Secretariat. I think that we should have certain principles of business performance; of business execution. I am not putting forward any radical proposal,

but I do not see any reason why those principles should not be incorporated in the very Bill itself. Why should you not do that?

I find it has been said that the number of applications went down as a result of this debate. Well, I would like to say, if the number of applications went down as a result of this debate, it only means this: that the applicants knew that the Parliament was vigilant and that stricter control was being exercised over the whole thing with the result that the misfits—I do not want to use any word which may smack of violence and I would use the word misfit because this word has been used very often here on the floor of the House—had not the courage to come forward and apply. I would, therefore, say that I admire the framers of the report. I take into account the solicitude of our Minister for putting this Financial Corporation on a stable and sure basis. I understand the anxiety of our Members too to see that this Financial Corporation works very well. I understand all that. But, in all due humility; with all due respect and in a spirit of utter humility I would ask the hon. Minister if this Bill, which he has brought forward and in which there has been only a change of nomenclature, is going to bring about all those results which we aim at? I do not want to be a prophet of doom and I do not want to be a person who would cry any kind of doom. But I would say that I wish well to this Financial Corporation. I wish well to this, but I would say that so far as this Bill is concerned this does not promise much. I would not like to be an evil fairy that does not bless a baby, but I want to be a good fairy and I bless this baby though I know what the future of the baby is going to be.

**Shri A. C. Guha:** Sir, I do not like to take much time of the House as we have already exceeded the scheduled time. The last speaker has accused me of optimism. All my life I was an optimist and I hope for the remaining period of my life I will be able to retain my optimism. He has questioned

[Shri A. C. Guha]

my statement and has said that this Bill has not made any effective change in the structure and composition of the Corporation. The entire charge against the Corporation as embodied in the report of the Enquiry Committee is that the executive committee was practically using all the powers of the board and the Managing Director was also exercising power much in excess of what he ought to have. These are the main charges of the Enquiry Committee against the Corporation and this Bill puts an end to those two anomalous positions. It is not merely a change in the name—'executive committee' to be replaced by 'central committee'. Apart from the connotations of the two different names the statutory rights that were embodied in the Industrial Finance Corporation have now been removed. The central committee will now just be a subordinate body of the board and it will exercise such powers as the board may decide to put in its hands. So, there will be no repetition of the excessive power exercised by the executive committee or by the managing director, which, according to the report of the Enquiry Committee, was mainly responsible for some of the lapses and defects in the working of the Corporation.

Sir, I do not like to enter into further controversies. I still hope that this Corporation will be doing useful work and I hope it will get the blessings of this House which it will deserve by its deeds.

I hope now the Bill will be passed by the House.

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

#### INDIAN COINAGE (AMENDMENT) BILL

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): I beg to move:

"That the Bill further to amend

the Indian Coinage Act, 1906, be taken into consideration."

Sir, it is very difficult to just switch over from one subject to another.

Mr. Deputy-Speaker: How can any Industrial Corporation work without coinage?

Shri A. C. Guha: That is true. Anyhow, the Members of Parliament including the Ministers must have a very agile and versatile mind.

Shri Vallatharas (Pudukkottai): Sir, I want to point out a constitutional objection to the consideration of this Bill. This is a Bill which comes under the operation of article 117 of the Constitution.

Mr. Deputy-Speaker: So far as points of orders are concerned hon. Members may state the point first and if I need elucidation I will ask them to explain.

Shri Vallatharas: That is what I am stating. This Bill, as it is, is a Bill, which, if passed, would involve an expenditure from the Consolidated Fund of India, and such a Bill shall not be passed by either House of Parliament unless the President has recommended to that House the consideration of the Bill. So far, there is no President's sanction or permission for consideration of this Bill. This is the point which I am raising and if you permit me further I will go to further arguments on that behalf.

Mr. Deputy-Speaker: Is there any provision here which involves any expenditure from the Exchequer?

Shri Vallatharas: I will submit to you straightaway that in 1953 the decimalisation of coin was brought through a private Bill in the Council of States. At that time the present hon. Minister was Deputy Minister of Finance. In his own words; that is, when he opposed that Bill.....

Shri A. C. Guha: That objection was not upheld by the Chair.

**Shri Vallatharas:** That is a different thing altogether. I am only pointing out what this Bill presupposes.

**Mr. Deputy-Speaker:** The hon. Minister has given an indication as to what the Chair ought to do. Was the objection upheld by the Chair?

**Shri Vallatharas:** I do not know.

**Shri A. C. Guha:** That was not the only argument that I put forward. That was only one of my objections that it may also come within the purview of the said article. Anyhow the Chair did not uphold that contention and he allowed the Bill to be discussed.

**Mr. Deputy-Speaker:** The point is this. Wherever any expenditure is involved in a Bill, it must have the previous sanction of the president whether introduced by the Government or by any other Member.

In the present case, this Bill does not apparently have any such sanction. Now, does this Bill contain any such provision? No, I believe.

3 P.M.

**Shri A. C. Guha:** Nothing.

**Shri Vallatharas:** If the Bill is passed, what happens?

**Mr. Deputy-Speaker:** It may or may not be passed. If cents are minted, then hundred cents are equal to 100 pies, but that may not come into being. There is not any such immediate proposal. I do not know if there is any other authority. Possibly, it may be in any other Coinage Act. I am looking into the original Act.

**Shri A. C. Guha:** Coins are still being minted and the minting of these new coins can also be done.

**Mr. Deputy-Speaker:** If new coins are to be minted, new expenditure will have to be incurred. Whatever the expenditure, even if it is a pie, it has to be incurred. There is, however, no specified clause here for any expenditure from the Consolidated Fund. But this involves an expenditure, whatever little that expenditure might be. What is the sanction or

the authority under which these coins will be minted? Is it already in the existing rules?

**Shri A. C. Guha:** The mint has been minting new coins. They have been changing the shape of the coins and that has not required a new Bill to be passed or an amendment of the existing Bills. The old dies in the mints are being changed for the new dies.

**Shri Vallatharas:** Even apart from that question, the hon. Minister has, on a previous occasion, expressed that this Bill presupposes and will surely lead to some expenditure from the Consolidated Fund of India in minting new coins, in printing postage-stamps and railway tickets, etc. There are so many things that have been considered by special committees during which the conception of the Government and the committees was that a colossal expenditure would be incurred and that the railway, the posts and telegraphs and other departments would entail an expenditure of not less than Rs. 1 crore. I am not going into the exact amount of the expenditure, but even for a single pie from the Consolidated Fund of India, sanction must exist. I never expected the hon. Minister to be light in his expression when he expressed in the Council of States that it will surely lead to some expenditure. Not to speak of the minting of coins, what about the printing of postage-stamps, railway tickets and collecting land revenues? There are so many things involved. So, it is on the face of it entailing and involving a large amount of expenditure and I can substantiate from the statement of so many persons, from the reports that have been published by the inter-ministerial committees—two committees—and by the Standards Institution Committee, and by so many other reports by the Ministry of Commerce and Industry. All these things clearly indicate that the Bill, if passed into law, can not be effected or decimalisation cannot be effected without any expenditure. I presumably infer—and I leave it to more experienced people to infer whether what I say is

[Shri Vallatharas]

true or not. There is already a budgetted expenditure fixed by the administration that is now existing, and if any expenditure is further to be incurred over and above what has been sanctioned as in existing practice, certainly the President must be informed of it, so that, if it is within the competence of the financial capacity and efficiency of this nation that such an expenditure can be allowed, these things may be certified by the President. This can be certified only on that basis. That is what I presume to be the principle underlying the Article of the Constitution. Here the hon. Minister, according to law, is stopped from contending what he has been contending in 1953. He has no business for putting up any new situation as having arisen during these two years. As a matter of fact, this fact was forgotten and it is a lapse of memory, I can say. I do not think there will be any justification now for proceeding with this Bill. It is beyond the powers of Parliament to consider this matter.

**Shri A. C. Guha:** It is not a lapse of memory. I myself raised this in the other House and the Chairman did not uphold that contention. Before introducing this Bill, this matter was discussed and the Law Ministry advised that it would not attract Article 117 (3) of the Constitution. It is not true that it is a lapse on our part and that we forgot to take that point into consideration. We considered that point and it was the definite decision that it would not attract that Article.

**Mr. Deputy-Speaker:** Was there any ruling given by the other House?

**Shri A. C. Guha:** The ruling was given by the other House.

**Shri Vallatharas:** As I read in the Report, the following is found there: Dy. Chairman: "I presume that the hon. Minister is not taking any technical objection." The reply, the report says: "Shri A. C. Guha: Yes,

Sir". What that 'yes' means, nobody knows. It may mean 'no'. I do not know.

**Mr. Deputy-Speaker:** I believe he is not taking exception to it. In that context, "Yes, Sir," means 'no'.

**Shri Vallatharas:** It must be 'no'.

**Mr. Deputy-Speaker:** What did the Chairman rule?

**Shri Vallatharas:** The Chairman did not say anything so far as I can read in the report.

**Shri A. C. Guha:** The Chairman did not uphold that contention.

**Shri S. S. More (Sholapur):** What ever happened in that House and particularly the matter which appertains to the sphere of giving a ruling, has that any precedent and value here?

**Mr. Deputy-Speaker:** The practice is this. When some discussion is going on in the present session there, simultaneously it ought not to be referred to here, unless it is a statement on behalf of Government, etc. So far as the rest is concerned, we refer to May's *Parliamentary Practice* and to various other authorities as precedents. I just wanted to know what their opinion was: not that we are bound by their rules or precedents. When this matter under discussion was pointed out as having been dealt with in the other House, the Chairman's ruling was referred to. Normally, we do not refer to the rulings of the other House, but whenever some information is necessary, there is no harm in asking for it. Concurrently, we do not go on, because they may change their views, and after all, this discussion there took place sometime ago.

**Shri A. C. Guha:** As far as I recollect, the Chair in the other House decided that if any consequential expenses are to be incurred later on, that point should not stand in the way of having the matter discussed. This Bill, as it is, does not involve any expenditure.

**Shri S. C. Samanta** (Tamluk): Clause 6 of the Indian Coinage Act says that coins may be minted and issued under the authority of the Central Government in such denominations not higher than one rupee. The other forms of the coins are eight-anna, four-anna and two-anna pieces which are at the disposal of the Government. Now, we are going to transform the eight-anna pieces and the two-anna pieces and the four anna-pieces. This transformation will not effect any financial undertaking, because, we were also transforming the one-rupee into smaller coins such as eight-anna, four-anna and two-anna pieces. In the same way we will go on making pieces in any denomination, cent or otherwise, say, in 50, 25, 10, 5, etc. So, I think nothing stands in the way of the Bill being considered now.

**Shri Mohiuddin** (Hyderabad City): The Bill proposes that the eight-anna, four-anna and two-anna pieces will continue to be in force and will be accepted as legal tender as they now are, and that the new coins will be perhaps minted on the basis of cents.

The present 8 anna, 4 anna and quarter anna pieces will have to be melted and recast into cents; that involves extra expenditure. Of course the Bill does not directly involve extra expenditure, but it does indirectly involve heavy expenditure.

**Shri Kamachandra Reddi** (Nellore): The memorandum on the adoption of the metric system was circulated to the Members sometime back and in page 5 it says:

"The general conclusion reached on the basis of the replies from these industrial units is that the metric system could be adopted without much difficulty or adverse repercussions, provided the transition is spread over a period of ten to fifteen years. As regards the cost of conversion, it is excepted to be in the order of Rs. 1 crore per year if it is spread over a period of ten years."

When this Bill is passed into an Act, it envisages an expenditure

to that extent. When the expenditure is bound to take place after the passing of the Bill it is a money Bill.

**Shri Mohanlal Saksena** (Lucknow Distt. cum Bara Banki Distt.): With your permission, Sir, I submit that a similar Bill was introduced in 1946 and that caused the sanction of the Governor-General. I do not know whether we have got a copy of the Bill in the library. It was stated, in fact, in a note prepared in the Planning Commission that this thing would cost about Rs. 1 crore; it was also suggested that the proper time was when we removed the head of the King from the coins substituted and replaced it by the Lion Pillar. That was the proper time when it should have been done. But even the view of the Planning Commission was that we should proceed with this Bill. Therefore, there is no doubt in my mind that this thing is going to entail expenditure. But there is no harm in that; the President's sanction can be obtained. In the meanwhile, the Bill can wait for a day or two.

**Shri Vallatharas**: With your permission, Sir, I submit that whether this involves an expenditure or not is not an isolated consideration. Here is this book of alarming size—*Memorandum on the introduction of the metric system in India*, Planning Commission, 5th March, 1955—on which the present Bill is based. I submit that every Member should have been provided with a copy of this memorandum so that we may be prepared to discuss it. The consideration of this Bill must be postponed in view of the fact that we are not possessed of this book. All these materials are quite necessary because they form the basis of the Bill.

**Mr. Deputy-Speaker**: Wherefrom did the hon. Member get that book?

**Shri Vallatharas**: From the library.

**Mr. Deputy-Speaker**: If it is in the library, other hon. Members also can get it from there.

**Shri Vallatharas**: Everybody cannot be expected to go to the library and

get the book. Hon. Members need being supplied with these materials so that they may be able to study the Bill in all its implications.

**Mr. Deputy-Speaker:** Order, order; I have heard enough. So far as this initial matter is concerned. Section 6 of the Indian Coinage Act, 1906—a portion of which was read out by Mr. Samanta—gives ample powers to the Central Government to mint coins for issue under the authority of the Central Government of such denominations not higher than one rupee, of such dimensions and designs and of such metals or of mixed metals of such composition as the Central Government may, by a notification in the official gazette, determine. It can mint any number of half anna, one anna or two anna coins. Section 13 refers to rupee coins, half rupee coins etc. They have added here cents also. Therefore, it is not under section 13 that the authority is given to the Central Government to mint any number of coins; it is under section 6 that the Government is given powers to mint any kind of coin of any denomination according to the notification in the gazette. It may be of any size and denomination not higher than a rupee.

**Shri Vallatharas:** I submit that my points are totally different; I say that according to this memorandum this proposal entails huge expenditure.

**Shri A. C. Guha:** That memorandum concerns not only coinage; it concerns weights, measures etc. I think that 98 per cent of the expenditure will be in connection with weights, measures and other things.

**Mr. Deputy-Speaker:** Order, order. There is no point in interrupting me either on this side or that side. All points have been stated. Even if one pie has to be spent from the Consolidated Fund of India as a result of the passing of this Bill, the recommendation of the President is necessary. We are not going meticulously into the amount of expenditure. It may be Rs. 1 crore more or less. The only point is whether it involves expenditure directly. Section 6 of the Indian Coinage Act, 1906,

gives the Central Government the power to mint any kind of coin of any denomination not higher than one rupee. That is all comprehensive. Section 13 refers to legal tender. This Bill is only a further amendment to section 13; no, this is an addition thereafter—the insertion of section 14. The cents also will be legal tenders and section 14 says that one rupee is equivalent to so many cents and so on. This is all that is proposed to be done. Therefore, directly it does not involve any expenditure.

**Shri S. S. More rose—**

**Mr. Deputy-Speaker:** I am not going to hear the hon. Member any more. The hon. Member is a practising lawyer and he cannot be allowed to go on interrupting me like this. Irrespective of any expenditure, I have my own doubts whether this is a money Bill, because it relates to some money. Article 110 of the Constitution says:

“For the purposes of this Chapter, a Bill shall be deemed to be a Money Bill if it contains only provisions dealing with all or any of the following matters, namely,—

- (a) the imposition, abolition, remission, alteration or regulation of any tax;
- (b) the regulation of the borrowing of money or the giving of any guarantee by the Government of India or the amendment of the law with respect to any financial obligations undertaken or to be undertaken by the Government of India;
- (c) the custody of the Consolidated Fund or the Contingency Fund of India, the payment of moneys into or the withdrawal of moneys from any such Fund;
- (d) the appropriation of moneys out of the Consolidated Fund of India;
- (e) the declaring of any expenditure to be expenditure charged on the Consolidated

Fund of India or the increasing of the amount of any such expenditure;

(f) the receipt of money on account of the Consolidated Fund of India or the public account of India or the custody or issue of such money or the audit of the accounts of the Union or of a State; or

(g) any matter incidental to any of the matters specified in sub-clauses (a) to (f)."

Provision is made under section 6 of the Indian Coinage Act, 1906, enabling the Government of India to mint any kind of coin of any denomination. Under these circumstances, I am unable to agree that initially the President's sanction, authority or recommendation is necessary for this Bill.

**Shri A. C. Guha:** The question of the introduction of the metric system in India has indeed a long history. It was first in 1870 that the British Government raised this question. They examined it and came to the conclusion that the metric system should ultimately be introduced in India though necessarily in gradual stages. But, nothing happened after that. Somehow, the British Government did not take any action. Then, the question came up for consideration in 1944, just at the close of the last world war. Government first tried to get public opinion. Public opinion was more or less favourable to this matter and the views of the different public bodies were no less favourable.

**Shri S. S. More:** What do you mean by public opinion? The commercial community?

**Shri A. C. Guha:** The commercial community, and also the State Governments and the banks who are mainly concerned with coins.

**Shri K. C. Sodhia:** (Sagar): They are all tied to the wheels of the Government.

**Shri S. S. More:** What about villagers?

**Shri A. C. Guha:** Government decided in 1946 to bring forward a Bill in the Central legislature. A Bill was introduced and it was discussed. Their idea was to divide the rupee into 100 cents. The Bill was circulated for public opinion, in 1947, the Government decided to proceed with the Bill.

[SHRIMATI RENU CHAKRAVARTY in the Chair].

Then, the Partition came. The post-Partition disturbing factors intervened and the Central legislature also came to a sudden end. This Bill was allowed to lapse.

In this connection, I think it may not be out of place to recall that although almost two-third of the population of the world are now using the decimal system of coinage,.....

**Shri Gadgil** (Poona Central): What about England?

**Shri A. C. Guha:** The only other important countries are the Commonwealth countries. In Asia, only India and Pakistan are the two countries which have not yet got the decimal system of coinage.

**Shri S. S. More:** Are there any other countries in Asia which are Members of the Commonwealth?

**Shri A. C. Guha:** Ceylon is a Member of the Commonwealth. It is no use imitating England and laying particular emphasis on English conventions and practices in all matters.

**Shri V. G. Deshpande** (Guna): This slave mentality should go.

**Shri A. C. Guha:** In this connection, it would be proper to recall that it was India which invented this decimal system. It came into use in India in the second century B. C.

**Shri K. C. Sodhia:** Decimal coinage or the decimal system?

**Shri A. C. Guha:** Decimal system.

**Shri K. C. Sodhia:** What relation has that with coinage?

**Shri A. C. Guha:** The logical relation only.

**Shri Gadgil:** Just explain to us how it will work out. Which will be the lowest coin, one pie or a paisa? How many pies will make one anna, four annas, etc.? We will have some idea about it.

**Mr. Chairman:** The hon. Minister is getting rather fluttered by all these disturbances. I suggest that the House listens to him. Then, at the end, if there is any particular point of clarification, you can always put it.

**Shri A. C. Guha:** Though India is the inventor of the decimal system, it is just an irony of fate that India has been almost one of the last countries to make the decimal system current in the daily use of the life of the people, as regards currency, as regards weights, as regards measurements and all other things. If I am to reply to the question of Shri Gadgil, I would request him to refer to one clause in the Bill. This Bill is practically an one clause Bill. If he refers to clause 2 of the Bill, he will find the reply to his question.

**Shri Gadgil:** Which is the lowest coin?

**Shri A. C. Guha:** In the Bill it is said that the rupee will be divided into 100 cents.

**Shri Gadgil:** The cent will be called a cent or a paisa? All right; the Minister may proceed.

**Shri A. C. Guha:** I think the hon. Member has understood the position.

Then, the question came up for discussion in 1949 in connection with the introduction of the new designs depicting the Asoka Pillar. The idea at first was, when, after the war, with the attainment of Independence, new coins will be minted, we may take the opportunity of introducing the decimal coinage. But, somehow, that was not possible, particularly on account of the disturbed conditions after the Partition and after the attainment of Independence. The question was allowed to rest there. It was considered inopportune to carry through such a revolu-

tionary change in the coinage system when the economic, constitutional and administrative conditions were far from settled. The Constitution was just being framed. The House will recollect the disturbed conditions in the country immediately after and two or three years after the Partition. It was considered inopportune to take up the matter then.

In 1949, the Indian Standards Institute set up a committee and they recommended that the metric system should be introduced both in coins and weights and measurements, but in stages of 15 years. The principal recommendations made by the I. S. I. in this regard were as follows:

- (a) the metric system of weights and measures and decimalised coins should be introduced in India and legislation should be undertaken as soon as possible;
- (b) the change should take place in several stages spread over a total period of 15 years, the first period being devoted to publicity and propaganda, the second period to the introduction of the metric system in weights and measures in the Central and State Government departments and public bodies; and finally.
- (c) the stage of complete introduction. The committee recommended that it would be an advantage if the adoption of this decimalised currency precedes the introduction of the metric system of weights and measures. Previously, the decision of the Interim Government was that the metric system in weights and measures should precede the metric system in currency. But, now after the enquiry by the I. S. I. it was decided that the metric system in coinage should precede the metric system in weights and measures.

**An Hon. Member:** Why?

**Shri A. C. Guha:** Because it is much easier.

**Mr. Chairman:** Please address the Chair.

**Shri A. C. Guha:** The Indian Standards Institute, before making this recommendation, had made extensive consultations with almost every institution, State Governments and commercial bodies who are interested in this matter.

Recently, the Planning Commission made a fresh review of the whole position. And it has now been decided that the Government should implement the decision taken on principle some years ago. The first step is this Bill introduced in parliament providing for the metric system in coinage, and later on the Commerce and Industry Ministry will bring forward another Bill introducing the metric system in weights and measures.

The position will be that the current coins will not be just now demonetised. They will remain current, but new coins also, particularly the lower denominations, will be minted. Gradually, they will be put into circulation and for some years both the new and old coins will be simultaneously in circulation. Later on, gradually we shall withdraw the old coins from circulation and the new coins only will remain in circulation.

**Shri Dhulekar (Jhansi Dist.—South):** What will be the two-pice coin equal to in your new system?

**Shri A. C. Guha:** The market will find out.

**Mr. Chairman:** Order, order. I think it is better that the hon. Minister addresses the Chair. Otherwise, he will get involved in this argument across the House.

**Shri A. C. Guha:** As has been put in this Bill, the new coins will be in the following denominations: 1 cent, 2 cents, 5 cents, 10 cents, 25 cents and 50 cents. From 25 cents up the values of the coins will remain as they are at present. Eight anna pieces and four anna pieces and the rupee also will retain the same value. There will not be any change in the value of these three coins. Whatever

changes are to be effected will be only in the value of the lower denomination coins.

The new coins, both in weight and dimension, will correspond to a suitable unit in the metric system of weights and length and measurement which will follow the introduction of the decimal coinage. Section 6 of the Indian Coinage Act to which Shri Samanta has referred gives sufficient authority to the Government to mint coins, but here by this Bill we are simply changing the names and perhaps also sizes and value of the lower denomination coins. After the passing of this Bill, it would be for the Central Government to notify the precise dimensions and designs of the coins of smaller denominations below a rupee. However, Members of Parliament—Shri Gadgil may hear this portion—will be interested to know something about the designs that the Government has in view.

The obverse of each coin will bear the LION CAPITAL of the Asoka pillar as in the present coins. It is also proposed to inscribe "Bharat Sarcar" in Hindi instead of the words "Government of India" in English which now appear in the existing coins. On the reverse of the coin a suitable design of either the Asoka bull or the Asoka horse will be used and where the space does not permit it, merely the value and date will be inserted. We have been trying to think out Hindi equivalents for the different denominations of the decimal coins and the Government will appreciate and take into consideration any views that the Members of Parliament may express, but I do not think that will much affect the provisions of this Bill. That will be done under the existing power in the Indian Coinage Act.

It may be of some interest for the Members of the House to see a tentative sample of the new coins. (interruption)

**Mr. Chairman:** The hon. Member will get a chance I am quite sure, and

[Mr. Chairman]

I think we can keep his patience and put forward his point of view later on.

**Shri A. C. Guha:** This is not the final thing we have decided. This is just a sort of sample and this has been specially brought here so that the Members will have an idea as to what will be the shape, size and inscriptions on the coins.

**Shri S. S. More:** Supposing we vote relying on these designs, it does not mean that the designs will be accepted finally.

**Shri A. C. Guha:** There will not be any voting on designs.

**Pandit Thakur Das Bhargava (Gurgaon):** Shri More is very designing.

**Shri A. C. Guha:** I think some time ago in reply to some questions it was mentioned by the Government that the Government's decision has been made to introduce the metric system both in coinage and weights and measures and all other matters. This is the first stage as I have said. I have also said that about three-fourths of the world population are under the metric system. Fifty countries of the world have this system in vogue. In Asia only India and Pakistan are the two countries which have not been using the metric system. I think some members referred to the Commonwealth countries. Even in the Commonwealth there are some countries which are using the metric system such as Canada, Ceylon and I think some other countries also.

As I mentioned in the beginning, India invented the metric system or the decimal system and it invented it more than 2,000 years ago and it was from India that the Arabs got it and introduced it into Europe. It is now known in Europe as the Arabic numerals. They are not really Arabic numerals. They were introduced by the Arabs from India. India writings

on the subject were translated by an Arab mathematician Khawarazmi by the middle of the 9th century and then they were translated into Latin, and it was only by about 13th century that Europe got this decimal system of numerals fairly in use. It is just proper that India which has been the originator and inventor of this decimal system should make the fullest use of the decimal system, and we consider that it is the most opportune time now for us to introduce the decimal system. It might have been introduced four or five years earlier when new coins were minted but for some political reasons it was not possible. But even now, the time is opportune; the greatest difficulty in other countries in introducing the decimal system is the mechanical accounting machines which have not yet come into vogue in India so much, but their number is increasing. The more we delay, the more it will be costly for the commercial public to introduce the decimal system—not in currency of course, but in weights and measures and in mechanical counting. So, it is the decision that both in coins and in weights and measures the decimal system will be introduced and this is the first Bill. The other Bill be introduced by the Commerce and Industry Ministry, and I hope the House will be pleased to pass this Bill.

It is a great step and it will be keeping India just abreast with the progressive countries of the world. We should not lag behind in such a simple but beneficial measure which would simplify much of our accounting system, will reduce the cost of many of these commercial houses and banks and also of Government offices, and of those commercial houses and banking companies who advocated this simply because it will simplify the accounting system. I hope the House will pass this Bill.

**Mr. Chairman:** Motion moved:

"That the Bill further to amend the Indian Coinage Act, 1906, be taken into consideration."

There are certain amendments for eliciting public opinion and also two or three amendments for reference to Select Committee. Those who have sent the motions for reference to Select Committee have not submitted the list of names. They may please send them. I think we can consider both these together with general discussion of the first reading.

The other point I would like to mention to the House is that this Bill seems to have roused quite a good deal of interest and there are a large number of people who want to participate in the discussions. So, I suggest that each speaker should try and speak for not more than ten minutes, preferably a little less, because the Business Advisory Committee whose allocation of time the House has passed, has only allotted three hours for the entire passing of the Bill. I propose, if it is acceptable to the House, that we should keep about half an hour for the third reading and about an hour maximum for the second reading, so that there will be only  $1\frac{1}{2}$  hours for the first reading. If that is so, and there are already about 15 people who desire to speak, I would like the House to consider how it will be possible for the maximum number of people to participate.

**Shri Mohiuddin:** Since the number of clauses is very few, the second and third stages can be finished in half an hour and  $2\frac{1}{2}$  hours may be left to the first stage.

**Mr. Chairman:** If that is the consensus of opinion, I have absolutely no objection to it, and we could have it, unless Shri K. C. Sodhia wants to say something else.

**Shri K. C. Sodhia:** My submission is that Government have not cared to know what the importance of this Bill is to the vast millions of this country.....

**Mr. Chairman:** Order, order.

**Shri K. C. Sodhia:** It is a very important Bill, and as has been

pointed out by the hon. Speaker this morning.....

**Mr. Chairman:** Order, order. I think he can put all that in his speech, because his point of submission is now about the allocation of time.

**Shri K. C. Sodhia:**...the time may be extended; as pointed out by the hon. Speaker, the importance of the Bill is measured by the House and if the House proposes that some more time may be given to the Bill, the time allotted by the Business Advisory Committee may be revised.

**Mr. Chairman:** The point is that he should have raised this objection when the motion for passing the allocation of time order came up for consideration. That was the proper time when he should have raised it. But he has risen now. I am afraid it is very difficult, and it is not possible, at this stage to allocate more time for this particular Bill. But I am quite amenable to allowing this House to have the general discussion for full 2 hours or even  $2\frac{1}{2}$  hours, leaving the second and third readings to take place within  $\frac{1}{2}$  hour. That is quite reasonable. But at this stage I cannot allocate some time other than that which this House has already passed.

So, I think we can start with 10 minutes for each hon. Member, and then if anybody wants to make certain points...

**Shri Bogawat (Ahmednagar South):** Within ten minutes, it would be difficult.

**Shri Kamath (Hoshangabad):** May I suggest that hon. Members who have given notice of amendments should be given priority?

**Mr. Chairman:** I do not agree with the hon. Member's submission, because there are certain other people who have not tabled amendments but who are eminent in this particular field, and I think they should get a chance.

Shri K. C. Sodhia: My submission is.....

Mr. Chairman: Order, order. There is no point for submission now. I have dealt with his point, and I think that it is not possible now to extend the time.

Shri K. C. Sodhia: My submission is that I want to speak on the Bill, as I have given notice of an amendment for circulating this Bill for eliciting public opinion thereon.

Mr. Chairman: I do not think he need plead his case at all, because he will be getting a chance. I am sure he will get up and he will be catching my eye.

Shri S. S. More: May I point out to you that it has been the practice of this House that whenever any Member has tabled a motion for circulation, he gets the first chance to plead his case? Supposing that motion is accepted, then the other amendments would not have any relevance.

Shri Kamath: That is the point.

Mr. Chairman: If he had heard me correctly, I think he would have understood the point. I said that I shall take up the motion for circulation, the motion for reference to a Select Committee and the motion for consideration together. So, I think there is nothing to prevent anybody else from participating also. Of course, those who have put their names down in the motion for circulation and the motion for reference to a Select Committee will be getting a chance.

Shri S. S. More: It is not for purpose of getting a chance that I am pointing out this factor. But it has been consistently the convention of this House, and Members have been for that very reason tabling motions for circulation, that they should get the first chance.

Mr. Chairman: I am going to put all the three things together. When the voting takes place, firstly I shall put the motion for circulation to vote,

then I shall take up the motion for reference to a Select Committee, and then only I shall take up the motion for consideration.

Shri Ramachandra Reddy: May I point out that the two motions, the one for circulation and the other for reference to a Select Committee, must be moved and spoken upon first; then only the three motions can be taken as moved.

Mr. Chairman: They can be moved. I do not see any reason why they cannot be moved. But certainly, you are right in saying that these two will have to be dealt with first. The voting will have to take place first on these two motions, and then only we can go on to the consideration motion.

Shri Ramachandra Reddy: Before they are moved, they cannot be discussed.

Mr. Chairman: Preferably, I shall take up the motion for circulation first; then, I shall take up the motion for reference to Select Committee.

Shri S. S. More: Is it your pleasure that all these motions shall be taken to have been moved and discussed?

Mr. Chairman: Of course, they have been taken as moved.

Shri S. S. More: That was not clear to us.

Shri K. C. Sodhia: I beg to move:—

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st December, 1955."

Shri Kamath: I beg to move:—

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 26th January, 1956"

Shri Raghunath Sahai (Etah Distt.—North-East cum Budaun Distt.—East): I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion

thereon by the 29th February, 1954."

Mr. Chairman: Amendments moved:

"(1) That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st December, 1955."

"(2) That the Bill be circulated for the purpose of eliciting opinion thereon by the 26th January, 1956."

"(3) That the Bill be circulated for the purpose of eliciting opinion thereon by the 29th February 1956."

✓ Shri Meghnad Saha (Calcutta—North-West): I wholeheartedly support the proposal which has been made by the hon. Minister of Revenue and Defence Expenditure. This is a measure of very great utility and of very great importance for this country.

The decimal system of weights and measures was introduced in Europe at the time of the French Revolution. They introduced the metric system there, and after that almost all the countries of the world have adopted the metric system. Only a very few backward and very conservative countries have not accepted the decimal system.

The metric system closely simplifies accounting, calculation and arithmetic. And its utility has been accepted in all the countries. It is only conservative England which has kept her obsolete pound, shilling and pence, and feet and inches and so on, which are a headache to every student.

Coming to India, you will be surprised to know that the metric system or the decimal system was advocated as early as 1869 by a responsible committee of the Government of India, and actually the metric system was passed into law in 1870. It was actually on the statute-book for 70 years, till it was repealed in 1939. Though the Act was passed, it

was never carried into practice, because the railway interests of Britain were opposed to it. And what was the reason? It was that we were linked with Great Britain. While the continent of Europe was having the metric system, England, however, wanted that. The railways were a great buyer of materials from England. Steam engines, coaches and everything else used to be bought from England. They had their old obsolete system, and they wanted that we should follow them so that it would not be possible for us to go out of England and place orders in the continent where there was a cheaper market. That was the reason—namely the persistent objection of the railways—why this system was not adopted. It remained therefore on the statute-book till 1939 when it was repealed formally.

Now, after we have got independence, there is no reason why we should continue to be tied to the wheel of England. It causes a great deal of inconvenience. First of all, air travel has become a very great necessity these days. And when you travel by air, you will see that the aircraft will have to carry a lot of spare parts. And if you go through most of the countries of the world, you will find that the spare parts are all according to the metric system, and are expressed in terms of the decametre, the centimetre and so on. But when you go to England you find there is a great difficulty. You have to calculate the whole thing in feet, inches and all that absurd sort of thing. I am told however, that England is also now considering to adopt the decimal system, because they find that their old system of weights and measures is very inconvenient.

So I cannot understand why there is this opposition to the introduction of this decimal system. As the hon. Minister said, if you take the old methods of arithmetic, writing out numbers, they were very cumbersome, and it is considered to have been a great contribution—in fact, the greatest mathematical contribution—I

[Shri Meghnad Saha]

India that the decimal system of notation was invented in this country between 500 and 600 A.D. And the decimal system of writing numbers was transmitted to Europe and adopted by 1300. But from the introduction of weights and measures, coinage, land measures and every other measure, it took a long time and the old superstitions could not be removed till the French Revolution came. After the French Revolution, almost every country had taken to the decimal system of measures.

I think it is a very sensible measure, to which the attention of Government has been seriously drawn after seven years of independence. Shri Pitamber Pant had collected the whole matter, archives and so on, and prepared a valuable memorandum showing the history of the whole thing. He has unearthed the fact that it was Emperor Akbar who first conceived the idea that the decimal system of coinage, weights and measures should be introduced in this country. Somehow it miscarried. So this is a measure which has engaged the attention of all great administrators and liberal people throughout the ages and I think it should be accepted and there should be no opposition to it.

In India, if you take the land measures, they are so different in different parts. You have got bigas and acres; you have got all kinds of land measurements in different parts of the country. It is a headache for the surveyor to convert one measure to another kind of measure: innumerable mathematical calculations have to be carried out. All that will be completely swept off. If you take accounting, practical accounting and so on, I do not know how much headache it has caused. All that will be swept away.

Shri Kamath: There has been no headache so far.

Shri Meghnad Saha: Very much headache. I am a mathematician myself.

Shri Kamath: I am also a bit of a mathematician. I have been a scientist also, though not as big as you are.

Shri Meghnad Saha: If you introduce this system throughout the whole of India, it will unify the country to an extent which you do not think of at the present time. So this is a very very beneficial measure. We should welcome it with all the emphasis which it needs and it ought to be passed with acclamation by this House.

Shri K. C. Sodhia: I have just heard the speech of the hon. Minister and then of the learned doctor. Well, this country is not inhabited by a Minister or a learned doctor. It consists of 36 crores of people, and it is one of the duties of this Government—the paramount duty of this Government—to see whether a measure which they are going to introduce in this House is conducive to the welfare of those millions entrusted to their charge.

I will not speak about the merits or demerits of the decimal system. The decimal system is existing. It is very scientific; it always reduces the time and the difficulty of calculation. Well, all these things are known to us. But because India was the inventor of the decimal system, therefore, there is no reason why without considering the convenience of the vast millions of this country we should have recourse to that system. We should not adopt that system blindfolded, simply because some of the scientists and some of the experts of the I.S.I. advise this Government to do that sort of thing. My submission is that our millions do not know about 100 rupee notes, 10 rupee notes or even 5 rupee notes. They deal with one rupee notes and coins of the denomination of 8 annas, 4 annas and so on. Now, we have to look to what they think convenient and to what loss they are likely to be put by the introduction of this system. I know that the Government want to change the face of this country with great speed. But they ought to remember that they have to

take all these millions with them. If they do not take these millions with them, they will be left far away from the populace and that will be the end of their government. Therefore, my submission to them is that at this time when we are engaged in a mighty endeavour of raising the income of our country, having plans after plans—about which I, personally, entertain great doubts—at this juncture it is no use playing with things like that. They say they will be spending crores, one crore of rupees a year for 15 years over this measure. They think that 15 crores of rupees is nothing to them. It is the bane of the chairs of the Government that has produced this mentality on them. I say wasting even one pie, one hard-earned pie, of the poor of this country is a sin, a sin which will bring them to the level of those *koris* who are standing at the gate of Jagannath. With all the emphasis, I tell them that they ought to think of the change, the mighty change, they are going to introduce. Simply because they have introduced a Bill of one clause, they say: 'well, it is a very simple Bill; it ought to be passed within three hours.' Therefore, they are going to put a big chain round the neck of the poor of this country, when it is not advisable to do so at all. I say, let us look to the times, and when a propitious time comes, when we are through so many problems, then you will introduce it. First, you ought to know what is the opinion of the country about it. Any government which want to govern properly ought to know what their measures are likely to do the general public of the country. Now, has this measure been brought before the public? Have any of our merchants or their associations—there are so many of them, the Federation of Indian Chambers of Commerce and Industry, and so many federations and chambers of commerce in all the States—been consulted? The Minister was pleased to say that they were consulted some eight years back. Well, what is the use of saying that? Has their advice been taken at this time? Even if

they had accepted your Bill, it is doubtful, unless you place in the hands of the Members the opinions of the business community and of the State Governments. My submission to the House is that they ought not to accept this Bill. First, this Bill ought to go to the public; their opinion ought to be invited and it ought to be consulted; it ought to be placed in the hands of Members of this House. Then we may consider the Bill on its merits; we may pass it or we may not pass it—that is another matter.

I say in all humility that this is not a measure which is very simple. It will revolutionise the condition of the people of this country and they will be cursing us if we do not pay proper attention to this measure, as to whether it ought to be introduced now or it can wait for some time. This is a point on which I invite the attention of the House. They should take it very seriously. It is not a matter of 500 Members here; we are educated people. The danger is that they have the two-anna piece. They will go to the merchants. They ought to know what is the proper exchange for that. One of our Members was saying: What will be the exchange for one anna? What will be the actual exchange in new coins for two pice? Even *h.c.n.* Members of this House cannot readily calculate and so what can you think of the position of the illiterate villager? People at this time are afraid of the huge difficulties that is likely to come out of the haste at which we are passing legislation; they do not know what legislation we are going to put further. They are mightily afraid of us, mightily angry with us. We ought not to take it that because certain Members have been returned on the Congress ticket, the people are liking this Government. I say that the people are looking at us from the way in which they are being treated. I tell this House and the Government very seriously that they ought to know what the opinion of the people on this measure is.

**Shri Kamath:** I am afraid this will be one of those measures, of which

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it will be said that we enacted in haste and repented at leisure. The hon. Minister has given us a resume of the various developments which took place in this country since the second century A.D.

Shri S. S. More: B. C.

Shri Kamath: He has now categorically stated that public opinion is behind this measure. By that public opinion is apparently meant the opinion, according to his own words and showing, of bankers, commercial organisations and various State Governments. It appears as if the Government does not think very much of the millions of the ordinary people, the common people in the villages and in the smaller towns. They think of them only when the vote-catching season arrives, and not on other occasions. Here, there has been absolutely no publicity about this proposed measure in the rural and semi-urban areas, and if the Minister's statement is to be taken at its face value, this measure is intended, at any rate, for the urban population. He did not have the rural population in mind at all. I myself had several occasions recently to mention this proposed Bill to the rural population in my own constituency in Madhya Pradesh, and they were surprised, nay, they were also taken aback at the proposed measure the Government had in view. They were wondering why this measure should get this importance, urgency and priority. I told them that this Government has a very fine sense of inverted priorities and because of that sense of inverted priorities this measure is coming before the Parliament long before, and earlier than many other measures, economic and otherwise. Here I may refer to the memorandum of Pitambar Pant (Planning Commission). In the Assembly of 1946, the Congress Party also opposed, or at least did not welcome, this measure. Shri Mohanlal Saksena, speak-

ing on behalf of the Congress Party, said on this Bill:

"I may say that so far as we are concerned, we are not opposed to the introduction of the decimal system coinage as well as for weights and measures, but instead of proceeding with these decimal measures piecemeal, we would like to have one comprehensive Bill".

"Instead of the difficulties decreasing, they will on the other hand increase." This was the Congress attitude in 1946 and they were then in the opposition, before the Interim Government was formed. Now, they are in power, and now that difficulties of partition and post-war difficulties have come to an end—I don't admit that—the Government have thought the present time good enough for them to proceed with decimal coinage. Some time back in 1946—I am sorry I could not get hold of the authority, but I remember to have read it—Mahatma Gandhi also wrote in his weekly *Harijan* saying that this was not a necessary measure and would not promote the welfare of the people and the Government should therefore withdraw it. He indicated his opposition to the measure in those terms and I am sure those colleagues of mine here who are more conversant with Gandhiji's writings will bear me out in this particular matter.

Coming to the other point, public opinion, as I have already indicated, is not behind this measure at present, because public opinion has been ignored so far as the tabling of this measure in Parliament is concerned. The measure was completely forgotten in the First Five Year Plan. There was a huge publicity machinery and they spent lakhs and lakhs—even a crore of rupees for publicity—but nowhere and at no time has the publicity machinery of the Five Year Plan put forward this proposal before the public of India, rural or urban, and that is a very serious charge which, I hope, the Minister will answer. If they wanted to bring this measure before Parliament, why was the

machinery of the First Five Year Plan silent as regards this measure? Why did they not inform the people by even one-page or two-page pamphlets or leaflets distributed in thousands and millions in the rural and urban areas? That was not done at all. I, therefore, suggest that this measure as it is—though it may be all right a few years hence,—and this memorandum itself says that it needs to be spread over a couple of years before it can be finally implemented—should be withdrawn and that two years' publicity should be given before it is taken up by Parliament; and people should be apprised of the implications and complications of the measure. The first result of the measure, if passed, would be complete dislocation, confusion and upset in the rural areas. Millions of our people have not even heard of the word "cent". The word 'cent' itself is foreign. When we are adopting Hindi here, why should we go back and import such a foreign word. Originally the word came from French; later on America adopted it. As a matter of fact, the English word 'rupee' came from the Hindi word 'rupya'. Now when we are going to adopt Hindi in another ten years' time, why should we take in word like 'cent'? Government may instead change it into *sathakam* or *satham*. In Travancore-Cochin there was a currency called *chakram*. We may call it *chakram*; we have adopted the *chakram* in our national flag and the *chakram* may replace 'cent'. But that is not the main point.

**Shri V. G. Deshpande:** *Chakram* is the real description.

**Shri Kamath:** The Government, in keeping with its capitalistic traditions all these years has consulted only the bankers, the chambers of commerce, and their own satellite Governments—I do not want to use that word—or the State Governments. To my mind that is not at all adequate. No rural organisations, no co-operative societies, no kisan organisations, no trade unions have been consulted about this matter at all. They do not

even know that this measure is going to come up before Parliament and if the Government is really democratic—which I am afraid it is not—I suggest that the Bill be withdrawn at present. If it cannot be withdrawn, I suggest that it may be circulated for public opinion thereon by the 26th of January 1956. That is an important date for us, and I hope by that time people will express their view against this Bill because there are other measures that must get priority—economic measures, educational measures, industrial measures. Our industry, our economy and our education can go on with rupees, annas and pies; it will not suffer if this measure is not passed. The economy of Britain has been built for centuries upon pounds, shillings and pence and not upon decimal coinage; yet it has shown much resiliency. The decimal coinage will not necessarily promote unity in our country or economic prosperity or economic peace. If that is the first consideration of the Government, I do not see the reason why this measure should be proceeded with any further at all. I would appeal to the House to support my motion. If they are agreeable to have it withdrawn completely, I will be happy, but if they are not agreeable to do so, I would appeal to the House to support my amendment that this may be circulated for eliciting public opinion—real public opinion and not some quasi-pseudo,—public opinion which, the Government thinks, is public opinion, the opinion of the chambers of commerce, bankers, capitalists, big industrialists and the satellite Governments in the States. That is public opinion according to the present Government and they forget completely the opinion of the millions of *kisans* from whom they get the votes. They remember them, as I said, when the vote-catching time arrives; after that they are completely forgotten, and this welfare State which is supposed to work for the welfare of millions of *kisans*, who live in the villages ignores completely their opinion. The Government that is based on democracy, working for

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the socialistic pattern of society—and what not—for the Avadi brand of socialism, the Avadi slogan, Avadi hoax and Avadi sham, has ignored the millions of people so far as this measure is concerned. I, therefore, move my amendment and commend it for acceptance of this House.

**Shri Gadgil:** I have no objection so far as the introduction of the system of decimal coinage is concerned. What I would suggest is that one must definitely know what the lowest denomination coin is in this system and what the first cumulative coin is. In other words, if the rupee is to be divided into hundred cents, then which is the cumulative coin? One cent is the lowest denomination coin. But what is the lowest cumulative coin? Is it one anna, two annas or four annas or eight annas? You must precisely tell us which is the first cumulative coin because on that depends very much the facility in exchange and ease in transactions.

In rural areas a number of transactions are done even in smaller coins. If you have no intermediary between the cent and the rupee, then we have to carry 50 cents or hundred cents. Therefore, let us have a complete picture and let us know whether it is the one anna which will be the first cumulative coin and whether below that only the cent—or you can preferably call it a pie, or pisa or satam—will be the next lowest coin. Whatever it is, then it will be readily accepted by the general mass of people.

What I suggest is, if you are going in for the decimal system, let it be methodical. Whatever is your lowest denomination,—you may call it pie, pisa or satam—then ten of that should be one anna and ten such annas should be one rupee so that it will be perfectly logical and understood by everybody.

The only difficulty in this would be that till the old coins are withdrawn, the money-changers will earn a good lot because ignorance of the mass

has been always the capital of the shrewder people in this country much more than any other thing. I am not talking about the big banker like my friend here but the petty money-lenders in the villages. They will earn much. What I therefore suggest is that there should be no half rupee, this that or the other. There should be one lowest cumulative coin—call it by whatever name you like. Then, there will be ten of that coin which will go to make one rupee. Then, there will be great ease and facility in changing and people will understand much more quickly. Otherwise, for three or four years, annas will be there, cents will be there, pies will be there, four annas will be there and there will be greater confusion than what is sought to be avoided for the benefit of a few bankers, accountants of the Government of India etc.

The present system is not bad. We understand that four pice make an anna and sixteen annas a rupee. With this there is no difficulty at all. But assuming there is difficulty and we want to be progressive—if in nothing else, at least in this—then let there be some method. I, therefore, very respectfully suggest to the Member in charge to have complete decimal system—100 satams or cents one rupee. Ten satams will make an anna and ten annas a rupee. That is what I would propose by way of a concrete suggestion.

**Shri Tulsidas (Mehsana West):** I would like to make a few observations on this important measure. I consider this measure as very revolutionary in its character. It changes the whole basis of our coinage and our fiscal or monetary system for the whole country. The implications of this will, to my mind, be quite deep because for generations we have been used to a particular type of currency and it will be difficult to change over to this very drastic change. The inherent difficulties to my mind will be the economic difficulties of mak-

ing the public understand how to convert the old coins into new ones, secondly the psychological difficulties in changing the mind of the public to the new ways of calculations, thirdly the absence of a guarantee that the farmers and the illiterate people will not be cheated by the others, and fourthly the repetition of the same difficulty experienced with foreign countries in the adoption of the decimal methods.

I would like to bring to the notice of this House that although we had adopted a particular system in our monetary unit, there are also different countries in the world adhering to the old or conservative type of monetary units. There have also been countries who have tried to change over to the metric system, but they have done it with the least possible disturbance in the country. In this country literacy is at the lowest level. Even in the most advanced countries it has taken quite a long time before they changed over to the entire decimalisation. Even in America today you cannot call it a completely metric system because there, excepting coinage, other system functions. The countries which have adopted the metric system fully are: Brazil, Japan, Philippines, Thailand and U.S.S.R. There are still countries in the world which are more important and with which our country does much trade. They are still considered non-metric countries—Australia, India, Burma, Pakistan, United Kingdom and the United States of America. I would like to point out that our trade with the non-metric countries is 67 per cent. and our trade with the metric countries is 33 per cent. Now, I do not know how far repercussions will take place when trade with these different countries will have to be carried through. We shall have to consider that aspect also besides the most important thing that if at all metric system is to be accepted it should be in the weights and measures because there, in this country, chaotic conditions exist.

In different parts of the country different types of weights and measures exist and it is in that sphere that we should have first made our change-over instead of going on with this coinage. The question of coinage should have come later on. I feel that the coinage should have been changed after changing the weights and measures and seeing how difficulties have arisen. Therefore, we should wait till we see these difficulties, find out how they could be overcome and change the coinage later on.

I know metric system is a very scientific and proper system. But, we have yet to educate our people. We have yet to bring literacy in this country and unless and until we bring that I do not know how far we will be able to make the people understand the new coins and the new method of monetary units.

The hon. Member here pointed out that as a mathematician he thought that for accounting this is not very difficult and that the other system is much more difficult. I would like to tell him that in accounting we have adopted a particular way by which our system has functioned perfectly well and in our mathematics we have framed a certain amount of idioms by which we have worked our system so well that it does not take much time for an accountant to calculate the interest or anything of that sort on the basis of non-metric system. It is not much difficult for those who are accountants to calculate or to put non-metric system into proper use for accounting. Therefore, I do not see any reason why those people who are now used to this system of accounting will have to change to metric system. It will be difficult for them to adopt this system. However, as it has been pointed out, this being a more scientific and proper method we should adopt this method. I am not saying that we should not adopt this system. If you feel that it is really a good system, then adopt it, but we must take some time before doing so.

[Shri Tulsidas]

I would rather urge upon the hon. Minister to consider whether weights and measures are much more important, where chaotic conditions exist in this country, and that should be taken in hand first. After gaining the experience of those changes the coinage should come later on. That is how I feel.

Then there is another thing. If at all the metric system is to be accepted I do not think that cents should be accepted at all. I agree with my hon. friend Shri Gadgil that it should be pies and annas—I would say, 100 pies or ten annas a rupee. That would be much more suitable to our country. We all understand annas and pies and we should not change that at all. That would lessen difficulties which would otherwise be much more.

**श्रीधर ठाकुर दास भर्गव :** जनाब चंजरमैन साहिब, अभी हमारे कामध साहब ने जब यह फरमाया कि कांग्रेस पार्टी ने सन् ४६ में इस नयी तजवीज को नापसन्द किया था, तो मैं यह सुन कर बहुत हैरान रह गया। फिर बाकया मुझे याद है कि जब हाउस में यह तजवीज आयी थी तो कांग्रेस पार्टी की तरफ से अपोजीशन नहीं था, बल्कि कांग्रेस पार्टी के कई मेम्बर साहबान सस्सन् मुझे नाम याद हैं, श्री सत्यप्रिय जी का, जो कांग्रेस के मेम्बर थे उन्होंने इसको बहुत अच्छा बतलाया था और इसकी बड़ी तारीफ की और इसको पसन्द किया। अभी जो कामध साहब ने पढ़ कर सुनाया कि श्री मोहनलाल सक्सेना ने यह फरमाया था कि यह दोनों चीजों साथ आनी चाहियें, यानी बंट और मेजर्स और पैसा एक साथ आने चाहियें, लेकिन मैं उनको बतलाना चाहता हूँ कि उन्होंने यह कभी नहीं कहा कि हम इस को अपोज करते हैं....

Shri Kamath: 'But' है न ?

Pandit Thakur Das Bhargava: But we are not opposed to it. We want that it may come simultaneously. where is the opposition?

आज भी यही चीज सामने आ रही हैं । तुलसीदास क्लिफवन्द जी की स्पीच सुनी । इस में कोई शक नहीं है कि जब भी कोई नई चीज आयेगी, जब भी आप ऐसी किसी चीज को तबदील करेंगे, तो कुछ न कुछ दिक्कत साइकोलॉजिकली होगी । सवाल यह नहीं है कि इसमें दिक्कत होगी या नहीं होगी । सवाल यह है कि यह तजवीज दुरुस्त है या नहीं । उनके कहने के मुताबिक दिक्कत दो वर्ष में खत्म हो जायेगी । यह दिक्कत तो बढ़ाई करनी होगी अगर आपको यह चेंज लाना है, जाहिर है कि कोई चेंज बगैर दिक्कत के नहीं होता है । अभी हमारे दोस्त श्री तुलसीदास क्लिफवन्द जो इतने तजुबकार हैं, बतलाया कि मीट्रिक सिस्टम बहुत अच्छा है । इनके अलावा श्री मेघनाद साहा और सोधिया साहब ने बतलाया कि यह सिस्टम निहायत अच्छा है । यह बड़ी खुशी और फल की बात है कि इतने उम्दा सिस्टम की तरफ अपनी पुरानी सभ्यता की तरफ हम आज वापिस जा रहे हैं, यह तो सन् ४० के बाद सन् ४८ में होना चाहिये था ताकि लोगों को महसूस होता और वह समझते कि अंग्रेजों का राज्य एस देश पर से समाप्त हुआ और सिक्कों पर अंशों का चक्र लगा हुआ जाता और उसके नीचे हिन्दी में खुदा हुआ होता "हिन्दुस्तान की सरकार", अगर उस वक़्त ऐसा हो जाता तो लोगों पर इसका एक साइकोलॉजिकल एफेक्ट पड़ता कि हां बाकई अंग्रेजों के राज्य का हमारे देश से ख़ात्मा होगया और हम खुद मुस्लार होगये । यह चीज उस वक़्त नहीं आ सकी, शरै, आज हम इसे करने जा रहे हैं, आज भी दूर नहीं है । प्राचीन भारतीय सिक्कों की बदौलत ही हमें आज पुरानी हिस्ट्रीयां मालूम होती हैं और सिक्कों के ही बल पर मुहंजदारो सभ्यता का पता लगता है और पता चलता है कि उस समय भारत की क्या अवस्था थी । उन सिक्कों के ही आधार पर हमें सात हजार वर्ष अपनी पुरानी सभ्यता का पता लगता है और मालूम होता है कि उस वक़्त में हमारे देश और समाज की क्या

अवस्था थी। आज का दिन बड़ा मुबारक दिन है कि हम अपने सिक्के को नेशनलाइज करने जा रहे हैं और नेशनलाइज एक ही सेंस में नहीं कि हम उसके अन्दर क्वीन की तस्वीर नहीं रखना चाहते, या गवर्नमेंट आफ इंडिया जंगूजी अक्षरों में लिखा हुआ नहीं रखना चाहते, बरन् हम अशांक चक्र को फिर अपनी जगह पर कायम रखना चाहते हैं, हम उस सिस्टम को फिर कायम करना चाहते हैं जो हिन्दुस्तान का सिस्टम है और जिस देश के अन्दर सबसे पहले डीसिमल सिस्टम मालूम हुआ और जैसे कि मैं कई दफा यह कह चुका हूँ कि दुनिया के अन्दर हमारा सिर ऊंचा है कि डीसिमल सिस्टम हमने कायम किया और मैथर्मेटिक्स में दुनिया आज तक उतनी तरक्की नहीं कर सकी जितनी हमारे पूर्वजों ने की थी। मैं नहीं समझता कि डीसिमल सिस्टम को अपने काम में लाने में हमें क्या हिचकिचाहट हो सकती है। श्री के० सी० सांध्या की तकरीर को सुनकर तो मुझे हैरानी हो गयी क्योंकि उन्होंने कहा कि डीसिमल सिस्टम तो जरूर हमारा है, लेकिन यह क्या बजह है कि हम अपने सिस्टम को एंडाउट कर लें। मैं अब से अर्ज करूंगा कि इसका सारा देश में साइकोलॉजिकल एफेक्ट होगा और चूंकि यह सिस्टम हमारा है, सारा देश इसको मुबारकबाद कहेगा और कहेगा कि ठीक किया। अब इस के सम्बन्ध में जो एक प्रीक्टिकल दिक्कत है, उसको मैं जरूर चाहता हूँ कि वह किसी तरह से हल हो जाये। मैं चाहता हूँ कि इसका नाम शतांश न रक्खा जाये और न ही इस का नाम सतम्स रक्खा जाये, बरना इसको लोग शैतान कहेंगे। मैं चाहता हूँ कि इस का नाम पैसा रक्खा जाये। मैंने काश्मीर में देखा है, वहां पर दूर दूर से गांव के अन्दर बच्चे आते हैं और पैसा, पैसा मांगते हैं। आज हिन्दुस्तान में काश्मीर से कन्याकुमारी तक यह पैसे का लफ्ज हमारे जिस्म के अन्दर और हमारे रंग रेशों के अन्दर अच्छी तरह से पंचस्त हो चुका है और मैं

यकीन के साथ कह सकता हूँ कि आज इस मुल्क के अन्दर कोई शरूस ऐसा आपको नहीं मिलेगा जो लफ्ज पैसे से नाबार्कि हो। आज लोग लफ्ज पैसे को नेशनल एफेक्शन से देखते हैं। इस बास्ते में चाहता हूँ कि आप इसका नाम पैसा रखें ताकि उसके अन्दर कोई तबदीली नहीं होगी। दिक्कत यह हो सकती है कि आज जो हम बिल पास कर रहे हैं, उसकी दफा २ में यह दर्ज है कि यह एक्ट तब फोर्स में आयेगा जब सेंट्रल गवर्नमेंट उसके लिये गजट में इंट्रिक्शन करेगी और इसके मुताबिक नया सिक्का लीगल टेंडर नहीं बनता, अलबत्ता यह पैसा लीगल टेंडर है जो आज मौजूद है। नया सिक्का जो बनेगा वह तो गवर्नमेंट जब उसके रायज होने की तारीख मुक़र्र करेगी, तब से वह लीगल टेंडर बनेगा। इसी बास्ते हमारे डिप्टी स्पीकर साहब ने रूतिंग दी कि इसके बिल के जरिये हम कुछ नई चीज नहीं बना रहे हैं। इसके अन्दर हम एक इंट्रिक्शन कर रहे हैं कि जिस तारीख से यह लीगल टेंडर हो जायेगी जो बिलकुल सही चीज है।

मैं अर्ज करना चाहता हूँ कि अगर आज हम यह समझें कि तीन वर्ष के बाद यह चीज रायज होगी तो क्या नतीजा होगा, अगर यह दोनों सिक्के साथ चलते रहे या पुराना पैसा भी चलता रहे और नया पैसा भी चलता रहे, हमारी इकन्नी भी चलती रहे, दुअन्नी, चवन्नी भी चलती रहे और साथ ही नई इकन्नी, दुअन्नी और चवन्नी भी चलती रही तो गड़बड़ी होगी। जैसा गाढीगल साहब ने कहा, हमारे तुलसी दास किलाचन्द साहब ने फरमाया, इन दोनों सूरतों में लोगों को एक आने में ५ पैसे का और दुअन्नी में १० पैसे का मुग़ालता हो जायेगा। इस में बिल्कुल शक नहीं है। अगर गांव वाले २ आठ दैंगे तो उन को ८ पैसे की ही चीज मिलेगी, १० पैसे की नहीं मिलेगी। इस बास्ते मैं तजवीज करता हूँ कि गवर्नमेंट आफ इंडिया एक दिन मुक़र्र करे, जो डाई, तीन साल बाद हो।

[पीडित ठाकुर दास भार्गव]

उस से पहले सब क्यायन्स बनी रहें। इस डाई, तीन साल के अन्दर गवर्नमेंट लोगों को अख्तियार दे कि अगर वह चाहें तो अपने पुराने क्यायन्स को नये क्यायन्स से तब्दील कर लें, ताकि जिन के पास ६४ पैसे का रुपया है उन को ६४/१०० का नुक्सान न हो जाय।

श्री कामत : नुक्सान होगा ही।

पीडित ठाकुर दास भार्गव : नहीं नुक्सान नहीं होना चाहिये। इस तरह से हर एक आदमी को दिक्कत होने का जो सतर्क है, वह नहीं होगा और वह अपने पैसे, दुबन्नी, धबन्नी की पूरी कीमत सरकार से एक्स्चेंज में ले लेगा। नये एक्स्चेंज में लेने के बाद भी अगर दोनों सिक्के चलते रहे तो या तो आप यह करें कि दो मेटल्स के क्यायन्स बनायें या अगर एक कापर का पैसा हो तो दूसरा कौनसा पैसा हो। ऐसा करने से दिक्कत कम हो जायेगी। यह कहना कि यहां के लोग बंबक्फ हैं, दीकियान्सी हैं, इस का समझ नहीं सकेंगे, यह थिल्कूल गलत है। कुछ अर्सा हुआ पंजाब हाई कोर्ट में एक मुकदमे के सिलसिले में जब वकील ने कहा कि वहां के लोग पुराने जमाने के आदमी हैं, चीजों को समझते नहीं हैं, तो अदालत ने कहा कि यह कहना कतई गलत है। आज यहां के गांव के रहने वाले बड़ होशियार हैं, अपने नुक्सान और फायदे को समझते हैं। अगर आज एक कानून को पास किया जाये तो दो महीने के अन्दर आप दलेंगे कि सारं हिन्दुस्तान में डिडोरा पिट जायेगा। मुझे याद है, सन् १९०३ की बात है, जब मैं कलकत्ते में पढ़ता था तो एक चीज हुई। जब नया पैसा चला था तो एक अफवाह फैल गई कि जो नया पैसा सरकार ने बनाया है उस के अन्दर सोना है। नतीजा यह हुआ कि एक एक पैसा डाई डाई आने और तीन तीन आने में पिया। प्रेसिडन्सी कालेज में इस का तजुर्बा किया गया कि आपा इस पैसे के अन्दर सोना है या नहीं। क्या

उस वक़्त की सरकार इतनी बंबक्फ थी कि कापर का पैसा दे कर उस में सोना रख देती। लेकिन सारं हिन्दुस्तान के अन्दर यह चिक्क हुआ और बच्चे बच्चे ने अपने पैसे बाजार में ले जा कर उस की कीमत बसूल करनी शुरू कर दी। मैं अर्ज करना चाहता हूं कि यह खयाल गलत है कि हम को इस के समझने में इतना अर्सा लगेगा या जमींदारों और मजदूरों का नुक्सान होगा। आप एक पुराने पैसे के एक्चेंज दो नये पैसे देने शुरू कर दें तो बिजली की तरह यह बात फैल जायेगी कि नया पैसा बन गया है। वॉर सारं पुराने पैसे फॉरेन बापिस आ जावेंगे। इस बास्ते मेरी निहायत अदब से अर्ज है कि आप इन सिक्कों को दो, डाई साल बाद गायब करें और लोगों को खुली छूट हो कि वह अपनी चीजों को एक्स्चेंज कर लें, या उन्हें इस के लिये ६ महीने का टाइम दे दें जिस में वह लोग ऐसा कर लें। सिर्फ गवाह यह रह जाता है कि जब लोग अपने सिक्कों को खेंज कर लेंगे तो वह उन को अपनी जेब में नहीं रखेंगे, वह उन को इस्तेमाल करना चाहेंगे। इस में थोड़ा सा कन्फ्यूजन हो सकता है, लेकिन अगर आप सिक्का जग दूसरं किस्म का छार्ट, अगर यह पैसा कापर का है तो दूसरा नया पैसा किसी और दूसरं रंग का हो, किसी दूसरं मेटल का हो, तो इस से बहुत ज्यादा कन्फ्यूजन नहीं होगा। लोग जानेंगे कि एक तरह के पैसे रुपये में ६४ मिलते हैं और दूसरी तरह के १०० मिलते हैं। लेकिन अगर आप को कन्फ्यूजन का डर है तो आप यह कीजिये कि नये सिक्के को लीगल टेंडर कर दें और उन को एक या दो वर्ष बाद गायब करें। दोनों को साथ न चलाइये। दूसरी तजवीज यह है कि दोनों सिक्के साथ चलते रहें तो ऐसा कर दें कि दोनों इन्टरचेंजेबल न हो सकें। इस की तरकीब यह है कि नये सिक्के का रंग और मेटल ऐसा बना दें जिस से लोगों को साफ मालूम हो जाये। या इन

दोनों पैसों की एक्सचेंज वेल्यू मुकर्रर कर दें तां कोई दिक्कत नहीं रहेगी।

जहां तक इस सिस्टम का सवाल है, इस के अन्दर द्वांहीर्गिज नहीं करनी चाहिये। यह बहुत सही चीज है। मैं एक लायक दोस्त ने फरमाया कि हमारा ट्रेंड विलायत से ज्यादा है, कांटेनेंटल कन्ट्रीज से कम है, इस के फिगर्स भी दिये। लेकिन मुझे मेरे दोस्त माफ करें अगर मैं उन की तबज्जह इस तरफ दिलाऊं कि हमारे ट्रेंड का ट्रेंड बिल्कुल दूसरा होता जा रहा है। हमारा ग्रेट ब्रिटन से जो पहले ५९ परसेन्ट के करीब ट्रेंड था, अब वह उतना नहीं रहा, आज वह दूसरी तरफ चल रहा है। आज दुनिया की बिलतनी प्रागुसिब कंट्रीज हैं उन के साथ हमारे ताल्लुकात बढ़ रहे हैं। आज हम कल के साथ बंधे नहीं रहना चाहते। इस वास्ते मैं अर्ज करना चाहता हूं कि किसी भी नुकते खयाल से यह जो रिफार्म हम आज करने जा रहे हैं वह अब्जल दर्जे का रिफार्म है, साइकालॉजिकल रिफार्म है। अपने सिक्कों के अन्दर अब जो हम तस्वीर देखेंगे वह हम को इन्स्परेशन देंगी कि आज हिन्दुस्तान के अन्दर अंगरेज की हकूमत नहीं है, आज हमारे सिक्कों पर क्वीन विक्टोरिया की तस्वीर नहीं है। मैं बहुत अदृष से अर्ज करता हूं कि मैं इस बिल को सपोर्ट करता हूं और मैं इस में कोई दिक्कत नहीं देखता। जब इस के अन्दर यह चीज मौजूद है कि हम लोग एक तारीख मुकर्रर कर सकते हैं जिस तारीख से हम नये सिक्के को लीगल टेंडर बना देंगे। आज आप इस को लीगल टेंडर नहीं बनाते, इस का भी आप को अख्तियार है।

[MR. DEPUTY-SPEAKER in the Chair.]

एक सजेरचन यह आया कि जिस तरह के बेट्स वर्गरेह हैं, उन बेट्स वर्गरेह को भी साथ ही ठीक कर दिया जाय।

मैं कहना चाहता हूं कि जहां तक लैंड का ताल्लुक है, आज भी हिन्दुस्तान के बड़े हिस्से में

२० विस्वांसी का एक बिसवा होता है और २० पिन्वा का एक बीघा होता है। हिन्दुस्तान के बड़े हिस्से में यह लैंड रिफार्म हो चुका है और वह बड़ी आसानी से इस मॉट्रिक सिस्टम में फिट इन हो सकता है। २० भी तो १०० का पांचवां हिस्सा ही है, इस में कोई दिक्कत नहीं होगी।

Shri V. G. Deshpande: It is not prevalent anywhere.

Pandit Thakur Das Bhargava: It is prevalent in the whole of Punjab and in U.P. also.

Shri V. G. Deshpande: That makes only one-tenth.

Pandit Thakur Das Bhargava: It does not mean one-tenth; it means much more. खैर, वह दूसरी चीज है। आखिर आप इस बिल में यह चीज मानते हैं कि आप के यहां वह मॉट्रिक सिस्टम चलें। एक बड़े हिस्से में यह रायज है, आप ने भी मान लिया है कि इस को जल्दी से जल्दी एंटाट करना चाहिये।

इस वास्ते मैं ने दो बातें अर्ज की हैं। एक तां यह कि मैं चाहता हूं कि जो सेंट का नाम है उस को पैसा ही रखना चाहिये, उस का नाम सेंट वर्गरेह न रक्खा जाय और न उस का नाम शतांश ही रक्खा जाय, जिस में लोगों को नाम की दिक्कत न पड़े। इस का नाम पैसा ही रक्खा जाय और जैसा जनाब वाला ने फरमाया है, उस को दो साल तक लीगल टेंडर न बनाया जाय, इतने असे के बाद ही इस को लीगल टेंडर बनाया जाय, जिस में लोगों को कन्फ्यूजन न हो और इस को आसानी से एंटाट कर लिया जाय। लेकिन यह खयाल दिवत से निकाल दिया जाना चाहिये कि यहां के लोग बंधक हैं और काफी असे तब उन को तकली होगी। ऐसा होने का कोई चांस नहीं है।

**Shri Ramachandra Reddi:** I join those who have opposed this measure. Even in the Statement of Objects and Reasons that has been appended to this Bill, sufficient opportunities have not been given to the Members to know why the change is so very urgent and why this change is necessary and in what way the change is going to be effected and whether it is going to be immediately taken up or whether time will be taken to implement it and how much money will be spent. We have not also been told about the financial commitments that the passing of this Bill will entail and to what extent the exchequer will be touched to implement this Coinage Act.

It has been pointed out by several hon. Members that it is going to affect mainly the rural population. It is absolutely true that confusion will certainly prevail in the rural area and the money-changers or dealers would take that opportunity of harming the poor and innocent people. It has, therefore, to be noticed very seriously that a lot of propaganda is to be done before this Bill is passed into an Act. Even from now on, I think in all schools it must be made possible to teach the changed system and after some experience in the calculation of this system is gained, then probably it will be possible to put the scheme effectively into practice without creating any confusion.

**Pandit Thakur Das Bhargava:** Will two years be sufficient for propaganda?

**Shri Ramachandra Reddi:** It might be sufficient, or probably three years.

**Pandit Thakur Das Bhargava:** Then this Bill is all right.

**Shri Ramachandra Reddi:** I do not think they will introduce it within three years.

Literacy in this country is at a very low standard and it takes a very long time to achieve the objective of having cent per cent literacy. We have not made any attempts to improve literacy in this country in the way it ought to be done, and in the meanwhile we are going to introduce confusion where it is not absolutely necessary.

It has been pointed out by my friend Shri Tulsidas how certain countries which are having the largest trade and industrial development in the world are still maintaining their old system and have not adopted the metric system. All the advanced countries like the United Kingdom, the United States of America, Pakistan, Burma and Australia are still having the old system and they have not changed over to the metric system. In the memorandum that has been placed before us, it has been clearly stated that it will take a very long time to establish the metric system in this country. They say that about 15 to 20 years may be the period in which the metric system may become popularised; and the expenditure involved is Rs. 1 crore per year during the transition period of nearly ten years. This should be taken with very serious consideration because it involves not only confusion but also a lot of expenditure. It might be possible for the big industries to consume this new system more easily, because they deal with thousands of rupees and not in rupees, annas, pies. Annas and pies are used mainly in the rural areas and people in those areas will have to be thoroughly educated in this respect. If this system is so good, I fail to see why the advanced countries like the United Kingdom and the United States have not so far adopted this system.

It has also been pointed out that there should be a change in the system of weights and measures. But that has been abandoned for the present and only coinage has been

taken into consideration. I would suggest to the Government that they should first try to make the system of weights and measures uniform before they take up the coinage system. The whole of India has a uniform coinage system now and it has not so far caused us any difficulty in the matter of calculations. But in regard to weights and measures, every province and part of a State has got its own peculiar system and it is much better that uniformity is secured and maintained with regard to weights and measures before taking up this metric system. There is already uniformity in the monetary system; only with regard to weights and measures we have to secure and maintain uniformity. With these words I oppose this Bill; and if possible, I would suggest—rather support—the proposition that the Bill be circulated for public opinion before it is once again brought into this House.

**Shri U. M. Trivedi:** Mr. Deputy-Speaker, I was surprised—and greatly surprised—at the assertion of a gentleman like Pandit Thakur Das Bhargava when he said that no Congressman opposed this measure in 1946. I was simply amazed, when during question hour in the last session I had pointed out to the hon. Deputy Minister that this measure was strongly opposed by Mahatma Gandhi and the Deputy Minister denied it. I will now read out what Gandhiji himself had written in *The Harijan* dated 24th March, 1946. There could not be a greater Congressman than Mahatma Gandhi; nobody can dare to say that. I do not want to take up much of the time of the House by reading the whole thing; I would read out some extracts. The last sentence is very important:

"It is to be hoped that the Central Legislative Assembly will throw out this Bill, if on reconsideration, the Government do not withdraw it."

Shri Kishorlal Mashruwala wrote a strong article in *Harijanbandhu* on

this point as to why it should not come into force. We have evolved certain mathematical formulae—my friend Mr. Tulsidas called them idioms—by which the ordinary small trader, the man in the street, the hawker, calculates at what rate he is selling.

इतने रुपये का एक मन तो एक रुपये का कितना होगा।

एक रुपये का इतने सेंर तो एक आने का कितना होगा।

इतने रुपये के इतने सेंर, तो एक आने का कितना होगा।

इतने रुपये गज तो एक आने का कितना होगा।

These are our methods of calculation. One seer is divided into 16 *chhataks*, one rupee is divided into 16 annas and one yard is divided into 16 *giraahs*. That is why our mathematical calculations have been so easy. It is not only on this point that I oppose this Bill. We have learnt in our childhood certain things and we cannot forget them. We have been repeating for a number of years:

इनकिलाब जिदाबाद, इनकिलाब जिदाबाद

इनकिलाब जिदाबाद, इनकिलाब जिदाबाद

and hence, we want some change here. If you thus merely want a change for the sake of 'inquilab', have it. But do not say that the Congress did not oppose it. The greatest Congressman of our country opposed it and forced that Government, the Government of the day, to withdraw it. I therefore say that there is no force in the argument about this Bill.

Being born mathematicians we have developed the system of decimals; that however does not deprive us of our power for more mathematical calculations. At the same time, let us take the example of England.

[Shri U. M. Trivedi]

What has England lost by having the Fahrenheit system? It is not necessary that the Centigrade system must be adopted. It is not necessary that we should adopt the cents. They have got their £. Sh. d. They deal with pence and shillings, shillings and pounds, units not decimally related to one another. They have got their own yard, foot and inch. We have also adopted them. But our cloth merchant in the street does not know the inches; he has got a yard divided into 16 parts and he calls each part गिरह; he does the calculations immediately. Why should you not come down to this system, a system which is flowing in the veins of our people?

मई सोलह आने सही हैं  
is our ordinary common talk. The *solah annas* has entered his whole system. There is absolutely no reason for adopting this change. Everything is depending on the *solah anna*. This is what Mahatma Gandhi has said at page 53 of *The Harijan* dated 24th March, 1946:

"It is unnecessary here to summarize his convincing arguments...."

He refers to Kishorial Mashruwala's arguments—

"...in support. It is given in full in the columns of the *Harijan-bandhu*. It is sufficient here to state that even in the country of the rulers the decimal coinage has not been introduced. Public opinion there commands respect and affects the decisions of the House of Commons."

Here in India, we have to see that public opinion is respected. Have we told the public that we are going to introduce this change? Have we gone before them with this idea that we are going to have something like cents. *sote paisa ka ek rupya*? Why are you telling them four annas, eight annas and 12 annas even in the bill? Why are you introducing these

changes? There is no justification for making the changes.

Here, Mahatma Gandhi goes further and says:

"It will be improper for the Government to embark upon an experiment, even though claimed to be scientific, yet manifestly against the immediate interests of the poor."

Our country still consists of hundreds of millions of people who are entirely illiterate. The idea of 16 annas has come to stay; the idea of 64 pice has come to stay; the idea of man, seer and chhatak has come to stay. The idea of 16 *girah* has come to stay. We must do something for their benefit, not because it pleases our mathematical brains. We know sufficient mathematics to solve any difficult problems. It will not be difficult for us to calculate. I most respectfully submit that you should not forget the year 1946 and the greatest man. You will remember these words of Mahatma Gandhi and respect them. Let this Bill be circulated for the purpose of eliciting public opinion. Throw out this Bill. These are my words.

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): I must confess I have not quite followed the arguments in this case although here and there I have been present. From what I have followed, at least so far as some of the critics are concerned, it seems to me that there is a grave misunderstanding, a misapprehension. This is not merely a question of a new nomenclature. This is not merely a question of changing something old for the sake of changing something that is old. It is a basic approach not only in regard to coinage, although this Bill deals with coinage, but with other matters too, with weights and measures. We should be coming to this House later on with a Bill regarding weights and measures and several

other connected matters. It is intimately connected, I submit, with the whole process of, you might call, Five Year Plan or India's development, whether it is industrial development, agricultural development or whatever it is.

Take weights and measures. Everybody knows that there is a variety all over India. There is no uniformity. Everybody agrees that there has to be uniformity at least, whatever the system might be. Take the seer; there are various kinds. There must be uniformity. Otherwise, we cannot have uniform development. That is to say, we have grown, naturally, not in a uniform way all over India in regard to these matters. We have adhered to the old local customs and practices. There is no harm in that except that when you plan on a big scale, when you go ahead, all these things come in the way of that. Of course, so far as any industrial or scientific advance is concerned, it makes all the difference in the world as to what your measures are. In fact, all over the world, so far as science is concerned, there is only one measure, that is, the metric system, even though in popular parlance something else may be used. In fact, even in some of the very very conservative countries like England,—England is a very conservative country—they are being compelled to get out of their old ruts. Otherwise, it comes in their way. Take the question of coinage. Even in our daily transactions, in everything, because we are used to something, naturally, it is a little easier for us at the moment. But, actually it is a much more complicated system whether it is your accounting, your petty shop-keeper's accounts or the Accountant General's or Auditor General's accounts. It all comes in the way. It comes in the way much more in your statistical apparatus. Hon. Members may know that there are machines which do statistical work. It is something amazing. We have got what are called thinking machines. We have

got machines that memorise. We have got machines which do a work say in five minutes, a work which it may take six months to do with a corps of people sitting down to do it. All this cannot be done unless there is some definite system like the metric system. It is quite impossible for a machine to think. When I say think, it does not actually think. It only reproduces what you have told it before. If you tell it, the machine memorises it. All these advances are held up. In fact, even in India, we have produced recently not very complicated machines, but nevertheless, fairly good calculating machines. We do surveys and other things. These surveys would be tremendously complicated unless we have machines which memorise and tell us census surveys, etc.

What I wish to submit to the House is that in our planning and development work, to which we are committed in a big way, we have to adopt certain systems and standards which, apart from being internationally recognised, are the easiest for the purpose. Otherwise, we are held up. Otherwise, we have to proceed in two separate grooves of thought and action. That is, in one compartment of our life, in our industrial and other work we do things in one way and in other smaller things, we do in another way, which again produces confusion. It is true that every change involves some initial difficulty. The first thing that I would like this House to remember is, if any country can be said to have evolved the metric system, it is India. It has been the proud privilege of India, not today but, I should imagine, about 1500 years ago or more—no exact date is available—to evolve the basic things on which the metric system has developed. The very first thing, of course, was that wonderful discovery of a genius, the zero sign, *sunya*, which completely changed the whole mental picture of the world as it spread towards the Arab world and then towards Europe and other countries

[Shri Jawaharlal Nehru]

there. Almost a part of that was, not exactly the metric system, of course, as we know it, but the very basis on which it was evolved, so that it is essentially an Indian system in so far as its origin is concerned. It was developed more in other countries because we became rather static. It should be our pleasure and pride to revert to something which originally saw the light of day in the mind of an Indian genius or geniuses. This is a sentimental argument.

The real thing is that this change has to come, if I may say so, in every country in the world today. It cannot escape it. The more you delay it, the more difficult it becomes. Because, if things are calculated in the other way, you have to change them, convert them and translate them at every step and that means not only delay now, but confusion later.

I do not quite know what papers have been circulated. This particular question has been before the country for a large number of years. There have been all kinds of reports, carefully analysed reports. I do not know the exact period; I know that one of the very first things that we as a Government had to consider when we came into the Government of India, I think it is nearly 8½ years ago, was this business. We approved of it as a Government. But, then, as the House knows, all kinds of trouble took place. Independence came; there was the partition and other troubles. They came in the way. This was postponed. Now, lately, we have been feeling, more especially in connection with the Second Five Year Plan, that if we do not start this process of change now, because the process itself will take time—I am not merely referring to the coinage but to the other things, but undoubtedly we should go on gradually with public education and all the

rest of it; it may take two years, three years, four years, five years, for the complete change to come, I cannot—if we do not start it now, it will seriously affect our developmental and planning work and impede it in various ways and we may have to come back, change our calculations later. It is this that brought a sense of urgency apart from the normal desire to do so.

5 P.M.

Now, I can understand very well some of the sentimental arguments,—I do not use the word “sentimental” in a bad sense because we are all sentimental in regard to very many things to which we are attached, sometimes rightly so—nevertheless one cannot be swept away by those arguments when we have to face a hard problem and when we see that something is really for the good of the country, which may really on the one hand bring a great deal of help to the country in proceeding on its way, and on the other, if we do not it will hinder it.

An hon. Member who was just speaking said something about consulting the country. As I said, this is not a new thing, but I must confess that in a matter of this kind, rather scientific, technical kind, one does not normally consult the country. One does not consult the country, let us say about mathematical formulae or about the theory of relativity. It is not fair to go about. We must take the responsibility for it entirely and explain it to the country. If we think it is right, then it is right.

As I said, so far the nomenclature was concerned,—I am dealing with coinage only—there is the question of the rupee. Well, the rupee is a well known term in India, not today but for a long time past. There is the pairā, there are other words. Of course, there is no question of changing the rupee. For my part—I do

not now exactly what the terminology here is—I am inclined to think paisa is a good word and it will be a good thing if it remains. Maybe the value of the paisa may be slightly different, but that does not matter. Let us have paisa by all means. There is only one difficulty about it and that is during a slight period of transition there will be confusion about the value of the paisa, not the rupee. There might be some confusion and some people may make undue profit by that confusion. One can consider that matter carefully how to avoid that. It is a matter for consideration. So that you have this old well-known term of rupee or rupya. Perhaps the House knows that even in Indonesia the coin is rupya as it is called. It has a different value.

**Shri Gadgil (Poona Central):** Baniyas always stand to gain whatever we do.

**Shri Jawaharlal Nehru:** Of course, the rupya in Indonesia is worth considerably less than our rupee, but that is a different matter. But, obviously, the word has gone from India to Indonesia, so that it is not very much a question of changing the name. The rupee obviously is firmly established. In Ceylon you have the rupee also, but there, apart from the rupee they have cents for a long time past. In fact, when the change came there in

Ceylon, I forget when, but a long time ago, even then, I remember it, there was some talk of bringing it in India, but it did not take place. So that, I submit that from the point of view of getting on the right track in regard to all these tremendous developments in modern technology, science etc., we should adopt this metric system which is a product of an Indian mind original and adapt it.

**Mr. Deputy-Speaker:** Decimal.

**Shri Jawaharlal Nehru:** The decimal system, you are right, but this has come out of it.

In regard to nomenclature, we should endeavour in so far as is possible to keep the old Indian names. I do submit that this question, viewed objectively, is not open really to argument in the world today, and we have to face in any change certain difficulties, but the difficulties will be far greater if the change comes later, and somehow or other the change will have to come.

So, I submit that this House should whole-heartedly adopt this measure.

**Mr. Deputy-Speaker:** The debate will continue tomorrow.

*The Lok Sabha then adjourned till Eleven of the Clock on Friday the 29th July, 1955.*