



Thursday  
15th April, 1954

# PARLIAMENTARY DEBATES

## HOUSE OF THE PEOPLE

OFFICIAL REPORT

(Part I- Questions and Answers )

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**VOLUME I, 1954**

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**Sixth Session**

**1954**

**PARLIAMENT SECRETARIAT  
NEW DELHI**

## CONTENTS

Volume II—From 23rd March, 1954 to 27th April, 1954

	<i>Columns</i>
<b>Tuesday, 23rd March, 1954—</b>	
Written Answers to Questions	1297—132
<b>Wednesday, 24th March, 1954—</b>	
Oral Answers to Questions .	1329—65
Written Answers to Questions	1365—72
<b>Thursday, 25th March, 1954—</b>	
Oral Answers to Questions .	1373—1410
Written Answers to Questions	1410
<b>Friday, 26th March, 1954—</b>	
Oral Answers to Questions .	1411—50
Written Answers to Questions	1450—64
<b>Monday, 29th March, 1954—</b>	
Oral Answers to Questions .	1465—99
Written Answers to Questions	1499—1508
<b>Tuesday, 30th March, 1954—</b>	
Oral Answers to Questions .	1509—46
Written Answers to Questions	1546—60
<b>Wednesday, 31st March, 1954—</b>	
Oral Answers to Questions .	1561—97
Written Answers to Questions	1597—1620
<b>Thursday, 1st April, 1954—</b>	
Oral Answers to Questions .	1621—55
Written Answers to Questions	1655—58
<b>Friday, 2nd April, 1954—</b>	
Oral Answers to Questions .	1659—95
Written Answers to Questions	1695—1704
<b>Monday, 5th April, 1954—</b>	
Oral Answers to Questions .	1705—46
Written Answers to Questions	1746—56
<b>Tuesday, 6th April, 1954—</b>	
Oral Answers to Questions .	1757—83
Written Answers to Questions	1784—90
<b>Wednesday, 7th April, 1954—</b>	
Oral Answers to Questions .	1791—1828
Written Answers to Questions	1828—34
<b>Thursday, 8th April, 1954—</b>	
Oral Answers to Questions .	1835—65
Written Answers to Questions	1865—74
<b>Friday, 9th April, 1954—</b>	
Oral Answers to Questions .	1875—1907
Written Answers to Questions	1907—14
<b>Monday, 12th April, 1954—</b>	
Oral Answers to Questions .	1915—45
Written Answers to Questions	1945—48

Wednesday, 14th April, 1954—		
Oral Answers to Questions	1949—87	
Written Answers to Questions	1987—96	
Thursday, 15th April, 1954—		
Oral Answers to Questions	1997—2026	
Correction to Answer in respect of a Supplementary Question to Starred Question No. 267 put on 23rd February, 1954 regarding propagation of Hindi	2026	
Written Answers to Questions	2027—36	
Saturday, 17th April, 1954—		
Oral Answers to Questions	2037—67	
Written Answers to Questions	2068—72	
Monday, 19th April, 1954—		
Oral Answers to Questions	2073—2108	
Written Answers to Questions	2108—20	
Tuesday, 20th April, 1954—		
Oral Answers to Questions	2121—51	
Written Answers to Questions	2151—58	
Wednesday, 21st April, 1954—		
Oral Answers to Questions	2159—92	
Written Answers to Questions	2192—98	
Thursday, 22nd April, 1954		
Oral Answers to Questions	2199—2232	
Written Answers to Questions	2233—42	
Friday, 23rd April, 1954—		
Oral Answers to Questions	2243—62	
Written Answers to Questions	2262—68	
Monday, 26th April, 1954—		
Oral Answers to Questions	2269—2308	
Written Answers to Questions	2308—16	
Tuesday, 27th April, 1954—		
Oral Answers to Questions	2317—48	
Written Answers to Questions	2348—52	

Dated 01/12/2014

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

1997

1998

HOUSE OF THE PEOPLE

Thursday, 15th April, 1954.

The House met at Two of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

POPULATION MOVEMENT FROM WEST TO  
EAST BENGAL

\*1803. Sardar Hukam Singh: (a) Will the Minister of Finance be pleased to state the number of persons who crossed over into East Bengal from West Bengal since June, 1953 when the tax clearance certificate was enforced?

(b) What is the number who produced the required certificate?

The Deputy Minister of Finance (Shri M. C. Shah): (a) 9,00,562 from June 1953 to March 1954.

(b) 26,033.

Sardar Hukam Singh: What is the average number of persons still crossing the border and coming over to West Bengal during these days?

Shri M. C. Shah: Shall I read out according to the months?

Mr. Speaker: For how many months has he got the figures?

Shri M. C. Shah: From June to March, for ten months. The lowest was 41,000 and the highest 83,000. The figures are as follows: 41,000 and odd, 44,000 and odd, 45,000 and odd,

42,000 and odd, 78,000 and odd, 64,000 and odd, 75,000 and odd, 71,000 and odd, 72,000 and odd and 83,000 and odd.

Sardar Hukam Singh: What was the amount of tax collected from persons who wanted to cross over, had not paid their taxes, but had to pay because they applied?

Shri M. C. Shah: I have not got those figures. I, however, understand from our Foreign Section office in Calcutta that Rs. 1,80,000 were collected by the office itself and certain cases were referred to the I.T.O.'s.

Shri S. C. Samanta: May I know, Sir, whether those who had obtained clearance certificates were allowed to carry all their movables?

Shri M. C. Shah: That is not the concern of the Central Board of Revenue. The Central Board of Revenue gives clearance or exemption certificates if the dues, so far as income-marry again.

Shri T. S. A. Chettiar: May I take it that all of them are Muslims who wanted to settle in East Pakistan?

Shri M. C. Shah: No, Sir. There are Hindus, Muslims and others.

Shri T. S. A. Chettiar: What is the proportion?

Shri M. C. Shah: Hindus are 6,20,082; Muslims 2,71,794; others 8,686.

## SABEYA AERODROME (BIHAR)

\*1804. **Shri Jhulan Sinha:** Will the Minister of Defence be pleased to state:

(a) the total investment over the Sabeya Aerodrome in Saran, (Bihar);

(b) the amount realised by transfer to the State Government of Bihar, or by disposal of the lands and buildings there to the contractors;

(c) what portion, if any, of the aerodrome is still the concern of the Central Government; and

(d) what steps are being taken to keep the same in good condition?

**The Deputy Minister of Defence (Sardar Majithia):** (a) Rs. 63,47,134-1-3.

(b) Rs. 40,000/- by sale of buildings by public auction.

(c) Runways, taxi-tracks, roads, control tower and Petrol tanks, covering 473.295 acres of acquired land.

(d) As the aerodrome is now surplus to Defence requirements and under disposal, the question of keeping it in good condition does not arise.

## TRANSLATION OF CLASSICAL LITERATURE

\*1805. **Shri S. N. Das:** Will the Minister of Education be pleased to state:

(a) whether there is any proposal to translate Indian Classical literature into Japanese; and

(b) if so, at what stage is the scheme?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) No.

(b) Does not arise.

I may add, Sir, that the matter was informally mentioned to us by the Secretary-General of the Japanese National Commission for co-operation with the UNESCO and the fraternal delegation from that country which attended the first Conference of the

Permanent Indian Commission for co-operation with the UNESCO in January 1954.

**Shri S. N. Das:** May I know whether any such proposal has been received from UNESCO, and if so, whether Government have considered it?

**Dr. M. M. Das:** UNESCO has got a proposal to translate some of the classics of the three Asian languages, Japanese, Chinese and Indian into either French or English. The Government of India have agreed to pay Rs. 15,000 so far as the translations of Indian classics are concerned. The matter is under the consideration of UNESCO. ,

**Shri Heda:** Is the Parliamentary Secretary aware of the fact that the translations in Chinese, Japanese and other languages of many Sanskrit classics, the originals of which are lost, are still intact, and if so, do Government propose to re-translate them into Sanskrit or any Indian languages?

**Dr. M. M. Das:** That is altogether a different proposition. Government may consider that.

**Shri D. C. Sharma:** May I know if by classics is meant a work of acknowledged merit, or only a work written in ancient Sanskrit language?

**Dr. M. M. Das:** I do not claim myself to be a man of letters. The hon. professor will understand what is meant by classics.

## PLURAL MARRIAGES

\*1806. **Shri Radha Raman:** (a) Will the Minister of Defence be pleased to state whether it is a fact that Government have put a ban on plural marriages for their military officers?

(b) How many officers in the Defence Services contracted such marriages during 1952 and 1953?

(c) Was any action taken against any of them and if so, what was it?

**The Minister of Defence Organisation (Shri Tyagi):** (a) Yes, there are

instructions under which no member of the Armed Forces, whose previous wife is living, may marry again, without obtaining the prior sanction of Government. Such permission is normally given only in cases where any of the following three facts is established:—

- (i) Desertion.
- (ii) Insanity.
- (iii) Legally proved infidelity.

(b) 8 officers.

(c) 5 of them obtained prior permission of Government, 2 have been released from the Service, and the case against 1 is under investigation.

**Shri Radha Raman:** May I know when this ban was placed and whether it was in existence before and was not enforced?

**Shri Tyagi:** This ban was placed on the officers after independence in 1949.

**Shri Radha Raman:** May I know whether this ban is going to be applied to civilian officers as well, including the Ministers and their Secretaries?

**Shri Tyagi:** *De jure* it does not apply to other than members of the Armed Forces. Morally, however, it does apply to Secretaries and, if I may say so, to the two Deputy Ministers working in the Ministry, the Ministers having no wives.

**Shri B. K. Chandhuri:** Is there any ban on widower soldiers marrying again?

**Shri Tyagi:** Widowers have no wives and, therefore, they are free to marry again.

#### FISHERMEN ADRIFT

\*1808. **Shri V. P. Nayar:** (a) Will the Minister of Defence be pleased to state whether the Defence Establishments in Ernakulam and Cochin had been alerted by the State Government about some fishermen who were adrift in the sea off the Travancore-

Cochin State Coast early in January, 1954?

(b) At what time was the message received?

(c) What was the action taken in this matter?

**The Minister of Defence Organisation (Shri Tyagi):** (a) Yes.

(b) On 9th January at 8-30 P.M.

(c) The Commodore-in-charge, Cochin immediately organised an Air and Sea search which commenced from 6 A.M. on 10th January, i.e. at first daylight. On the 12th of January, intimation was received by the Naval authorities that all the fishermen had returned safe.

**Shri V. P. Nayar:** May I know what time it took for the ships which were sent by the Commodore of Cochin to reach the place where the mishap had occurred?

**Shri Tyagi:** I understand that the Ranjit and the Naval and Air station, Cochin, were brought to readiness for search. The search of the area commenced from 6 A.M. on the 10th of January, 1954.

**Shri V. P. Nayar:** May I know, after the receipt of the information, what time it took for the aeroplanes to take off?

**Shri Tyagi:** I am sorry I have not got the exact information as to when the first aircraft left. But the aircraft were sent at various times. They covered an approximate area of 5000 sq. miles and up to 2-30 P.M. nothing was sighted.

**Mr. Speaker:** Question No. 1812, Shri Sarangadhar Das.

**Shri Sarangadhar Das:** May I say that there is another question, question No. 1829 on the same subject? They may be answered together.

**The Deputy Minister of Defence (Sardar Majithia):** I will answer both.

## CHANDIPORE PROOF STATION

\*1812. Shri Sarangadhar Das: Will the Minister of Defence be pleased to state:

(a) the area of land under cultivation, surplus to requirements, attached to the Proof Station at Chandipore, District Balasore, Orissa;

(b) the acreage that is leased out for paddy cultivation and the period of lease; and

(c) the annual rent of these lands?

The Deputy Minister of Defence (Sardar Majithia): (a) 1221.39 acres of military lands at Chandipore have been leased out for cultivation. These lands are not surplus to requirements.

(b) 1221.39 acres have been leased out for a period of one year from the 1st April 1953.

(c) Rs. 24,055-13-0.

## CHANDIPORE PROOF STATION

\*1829. Shri Sarangadhar Das: Will the Minister of Defence be pleased to state:

(a) whether it is a fact that the actual cultivators, who are sub-tenants of the lessees, of the land attached to the Proof Station at Chandipore, Orissa, have applied for direct leases of small parcels from Government and are willing to pay the annual rent in advance;

(b) whether Government have come to a decision in the matter; and

(c) if not, the likely date when a decision will be reached?

The Deputy Minister of Defence (Sardar Majithia): (a) Yes.

(b) Yes. It has been decided to lease the lands to actual tillers.

(c) Does not arise.

Shri T. N. Singh: Is it a fact that the lessees have to pay a higher rate of rent than what actually was

paid by the cultivators when they were paying rent to the under-proprietors or zamindars?

Sardar Majithia: I cannot say definitely about that, but as the lands are leased in consultation with the local Collector, I should be surprised if the rents are higher.

## REQUISITIONING OF LAND IN ORISSA

\*1813. Dr. Natabar Pandey: (a) Will the Minister of Defence be pleased to state how many acres of land were acquired by Government under the Defence of India Act during war time for the construction of an aerodrome at Jharsuguda in Orissa?

(b) Is it a fact that all the land is not being used at present?

(c) If so, do Government propose to return the land to the respective owners?

The Deputy Minister of Defence (Sardar Majithia): (a) 1717.32 acres.

(b) The entire area was transferred by the Ministry of Defence to the Ministry of Communications and the State Government in 1947 and this Ministry has no knowledge as to whether all the lands are being used at present or not.

(c) In view of (b) above, this does not arise.

Shri Gadgil: May I know whether it is not the policy of the Government to de-requisition land not required?

Sardar Majithia: It is the policy of the Government, but in this case, it had already been given to the Ministry of Communications and, therefore, any further questions on this may be put to that Ministry.

## GRANTS FOR TECHNOLOGICAL EDUCATION

\*1815. Shri K. C. Sodhi: Will the Minister of Education be pleased to state:

(a) what grants, if any, have been given for (i) printing technology (ii)

woollen and worsted technology and (iii) for architectural education during the year 1953-54; and

(b) to which States and how much to each?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) and (b). During the year 1953-54, the Central Government have paid non-recurring grant of Rupees one lakh each to the Governments of West Bengal and Madras for the establishment of Regional Schools of Printing at Calcutta and Madras respectively. No grants have been paid for Architecture and Woollen & Worsted Technology.

**Shri K. C. Sodhia:** Have these Governments taken action accordingly?

**Dr. M. M. Das:** The money has been paid to the Governments and it is presumed that they have already taken action.

**Shri K. C. Sodhia:** How long are you going to presume that?

**Shri T. S. A. Chettiar:** May I know whether these grants are made for degree courses or diploma courses?

**Dr. M. M. Das:** I beg to have notice of that question.

**Shrimati Renu Chakravarty:** May I know if the Central Government have any machinery whereby they could check up as to the progress of the work of the State Governments in connection with the money granted for the various categories?

**Dr. M. M. Das:** May I know whether the question relates to this particular matter or all financial grants?

**Mr. Speaker:** It is presumed that it refers to this particular matter.

**Dr. M. M. Das:** Up till now, we have got no separate machinery, but our officers go to the respective States and inspect those projects with their officers.

**युद्ध-सामग्री कारखानों द्वारा हथियारों की विक्री**

\*१८१६. श्री श्री० एल० शौधरी: क्या इसा मंत्री यह बताने की कृपा करेंगे कि :

(क) जनता के प्रयोग के लिये युद्ध-सामग्री कारखानों में तैयार किए गए हथियारों की विक्री प्रारम्भ हुई है या नहीं ; और

(ल) उन्हें किस प्रकार बेचा जा रहा है ?

**The Deputy Minister of Defence (Shri Satish Chandra):** (a) The stock of 12 Bore Double Barrel Shot Guns is being gradually built up. It is expected that these guns will be lifted shortly by the agents. Some guns have already been placed on sale in Delhi against orders booked by Members of Parliament. Production of a sporting rifle is expected to be established within the next three or four months.

(b) The sale of shot guns is proposed to be made through two or three leading firms dealing in arms and ammunition in each of the 5 zones, covering the entire country.

This arrangement will be tried out for a period of one year, at the end of which Government will review the position.

**Shri G. L. Chaudhary:** May I know what will be the conditions of sale in the market?

**Shri Satish Chandra:** The sale of arms and ammunition will be governed by usual conditions, namely, a man must possess a proper licence and pay for the goods.

**Shri Altekar:** May I know whether binoculars will be put on sale?

**Shri Satish Chandra:** They are already on sale. If the hon. Member

wants to have one, he may write to the superintendent of the factory at Dehra Dun.

**Shri T. N. Singh:** What are the criteria on the basis of which these two or three firms would be selected: whether it will be through an enquiry, tender or what method would be adopted?

**Shri Satish Chandra:** We are at present selecting sales agent. The Director General of Ordnance Factories has made recommendations on the basis of the highest imports by firms dealing in arms and ammunitions during a certain period. His recommendations are under the consideration of the Ministry.

#### CENTRAL AGENCY SECTION

\*1817. **Shri Balwant Sinha Mehta:** (a) Will the Minister of Law be pleased to state how many cases have so far been taken up by the Central Agency Section since its inception?

(b) How many of them were Criminal and Civil cases?

(c) How many cases have been filed in the Supreme Court by Part B States through the Central Agency Section?

**The Minister of Law and Minority Affairs (Shri Biswas):** (a) The Central Agency Section which was set up on the 4th August 1950 has conducted 1618 cases upto the 10th April, 1954.

(b) There were 634 petitions and appeals on the Criminal side, 389 petitions and appeals on the Civil side, 580 writ petitions under article 32, 14 original suits and one reference under article 143.

(c) 32 cases were filed during this period by Part B States through the Section.

**Shri Balwant Sinha Mehta:** May I know how many cases—constitutional, civil and judicial—have so far been taken up from the State of Rajasthan and with what results?

**Shri Biswas:** I have not got the figures statewise.

**Shri S. N. Das:** May I know if any of those States which were not participating in the scheme have since participated, and if so, what are they?

**Shri Biswas:** The States which have not so far participated are: Uttar Pradesh, Assam, West Bengal, Madhya Pradesh and Travancore-Cochin.

**Shri Muniswamy:** May I know whether the expenditure on this scheme is wholly met by the Central Government or partly by the State Government and partly by the Central Government?

**Shri Biswas:** As a matter of fact, one of the merits of the scheme is that the total expenses are shared between the Centre and the State Governments.

#### REVISED CLASSIFICATION OF JOINT STOCK COMPANIES

\*1818. **Shri Morarka:** Will the Minister of Finance be pleased to state:

(a) whether Government have recently worked out a revised classification of Joint Stock Companies; and

(b) if so, when it will be published?

**The Deputy Minister of Finance (Shri M. C. Shah):** (a) and (b). The matter is being examined by the Government in the light of the comments offered by the Chambers of Commerce, Trade Associations and the Registrars of Joint Stock Companies, to whom a tentative list of revised classifications was circulated for opinion. A copy of the list, when finalised, will be placed on the Table of the House.

**Shri Morarka:** May I know whether the revised classification has been carried out?

**Shri M. C. Shah:** It cannot be carried out; the classification has not yet been finalised; the moment it is finalised then it will have to be implemented by the Registrar of Joint Stock Companies.

**Shri Morarka:** May I know the basis on which this revised classification is being carried out?

**Shri M. C. Shah:** It is being carried out taking into account the international standards of industrial classification of all economic activities, the classification for the census of manufacturing industries and our existing classifications of the joint stock companies.

**Shri Morarka:** May I know what would be the advantages after the revised classification is carried out?

**Shri M. C. Shah:** Today as the classification stands there are only 11 groups and 59 items; now, we will have ten divisions, 72 groups and 177 items.

**Shri T. N. Singh:** May I know whether the classification is being done only according to what the Chamber of Commerce feels or the advice of chartered accountants, lawyers and other sections are also taken into account before making any change in the classification?

**Shri M. C. Shah:** A sub-committee has been appointed and as I said already, taking into account the factors that I have already mentioned, this classification is being revised. On that committee, there are the representatives of the Ministry of Finance, Department of Economic Affairs, the National Income Unit, the Central Board of Revenue, the Central Statistical Organisation, the Reserve Bank and a chartered accountant.

#### INDIAN COUNCIL OF CULTURAL RELATIONS

\*1819. **Shri Barman:** Will the Minister of Education be pleased to state:

(a) the total cost of books and manuscripts purchased for the library of the Indian Council of Cultural Relations in 1951, 1952 and 1953; and

(b) the number of books and manuscripts in different languages in the library?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):**

(a) Rs. 305, Rs. 10,628 and Rs. 1,784 respectively.

(b) Information is being collected and will be placed on the Table of the House.

I may add that most of the present collection of books in the Council's library have been received as gifts from private persons and organisations, and only a small number have been purchased.

**Shri Barman:** May I know, including the purchases as well as the gifts, the break-up of literature or manuscripts language-wise? There are fourteen principal languages in India. May I have the break-up of the collections in the last few years?

**Dr. M. M. Das:** The information is being collected.

**Shri Barman:** Do the students who come from outside under the General Cultural Scholarship Scheme get any benefit out of this library and, if so, what are the arrangements made in the library to acquaint the students with Indian culture?

**Dr. M. M. Das:** One of the functions of the I.C.C.R. is to look after the interests and welfare of the foreign students who come to this country for prosecuting their studies. So far as the library is concerned, I presume everyone, including the students, is welcome to take advantage of the library.

**Shri Barman:** My question is whether there is any arrangement in the library, any expert personnel in different languages, to acquaint the students with Indian culture?

**Dr. M. M. Das:** Up till now all the books have not been catalogued and the library has not been put in proper order.

**Shri Dhulekar:** Is my hon. friend aware that there is not a single Hindi or Sanskrit book in this library?

**Dr. M. M. Das:** That is not correct. There are Hindi, Sanskrit and Tamil

books. More than one thousand copies in these and other Indian languages are lying unbound and they are being catalogued and classified. Perhaps the gift made to the library by the hon. Minister of Education, who has given a few thousand books in Persian, Arabic and Urdu, has increased greatly the number of books in these three languages. Most probably some information has leaked out about this and that has created all this trouble!

#### PAY OF TEACHERS

**\*1820. Shrimati Renu Chakravarty:** Will the Minister of Education be pleased to state:

(a) when the book entitled "Conditions of service of teachers in India" will be published by his Ministry; and

(b) the percentage of trained to untrained teachers in the primary and secondary schools on the average?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) It is expected to be published by the end of 1954.

(b) On March 31, 1952, upto which date information is available, the percentage of trained teachers was 62 in the primary and 54 in the secondary schools.

**Shrimati Renu Chakravarty:** May I know which is the State that has the average lowest paid secondary school teacher, and what is the average pay?

**Dr. M. M. Das:** I have got the list of all the States in India and it will take some time to find out the respective salaries.

**Shrimati Renu Chakravarty:** The lowest.

**Dr. M. M. Das:** The highest percentage of trained teachers is: Madras, 93.8 per cent. trained teachers in primary schools and 81.3 per cent. in secondary schools.

**Mr. Speaker:** She wants to know the lowest pay in any particular State.

**Dr. M. M. Das:** I cannot commit myself, but from my memory I may say that U. P. has the lowest initial pay, namely, Rs. 25 per month for primary school teachers.

**Shrimati Renu Chakravarty:** Is that for secondary schools or primary schools?

**Dr. M. M. Das:** That is for primary schools.

**Shrimati Renu Chakravarty:** I wanted the information for secondary schools.

**Dr. M. M. Das:** There is a brochure published by the Ministry of Education which will be available in the library. All these figures are given there.

**Shrimati Renu Chakravarty:** In view of the recommendations made by the Secondary Education Commission, does the Government intend to introduce any uniform scale of pay for all secondary schools throughout India?

**Dr. M. M. Das:** The Central Government has no constitutional authority to introduce uniform scales of pay. What they can do is to suggest, to make requests and give advice to the State Governments in this matter.

**Shrimati Renu Chakravarty:** May I know if the Government has done anything in this matter to advise the State Governments?

**Dr. M. M. Das:** Recently, the Central Advisory Board of Education took up this matter and made their recommendation. This recommendation is under the consideration of the Government.

**Shri B. K. Das:** I want to know whether some definition has been drawn up in respect of trained and untrained teachers which will hold good for all the States?

**Dr. M. M. Das:** Every State has got its own training institutions and they

issue diplomas regarding teaching qualifications.

### तिलपत में हवाई प्रदर्शन

\*१८२१. श्री नवल प्रभाकर : क्या रक्षा मंत्री यह बताने को हुपा करेंगे कि :

(क) तिलपत में हाल ही में हुए हवाई प्रदर्शन में कितने वायुयानों ने भाग लिया; और

(ल) सरकार ने इस प्रदर्शन पर कुल कितना खर्च किया ?

The Minister of Defence Organisation (Shri Tyagi): (a) 105.

(b) Apart from the sum of Rs. 6.49 lakhs, which represents the cost of fuel, stores and explosives used up on the occasion, and for which a provision already exists in the budget, an extra amount of Rs. 51,000/- was spent in connection with this display.

श्री नवल प्रभाकर : क्या मैं माननीय मंत्री जी से जान सकता हूं कि इसमें कितने छतरीधारी सैनिकों ने भाग लिया था और क्या यह सत्य है कि इन छतरीधारी सैनिकों में से एक सैनिक वीरगति को प्राप्त हुए और उनको क्षतिपूर्ति के रूप में क्या दिया गया ?

श्री त्यागी : जिन छतरीधारी सैनिकों ने इसमें हिस्सा लिया था उनकी संख्या करीब ४०० के थी और मुझे यह बताते हुए अफसोस है कि इनमें से एक छतरीधारी सैनिक की छतरी नहीं खुल सकी । अभी तक हिन्दुस्तान में करीब ४०,००० लोग छतरी से कूद चुके हैं और यह पहला ही मौका था कि जब छतरी नहीं खुली । इसकी खबर सैनिक परिवार को फौरन दे दी गयी थी और ऐसे समय पर जो लम्बे की सहायता दी जाती है उसके आईस हो चुके हैं ।

श्री बंसल : क्या मैं जान सकता हूं कि इस छतरी के न खुलने का क्या सबब था ? इसकी कोई जांच पड़ताल की गयी है ? और अगर की गयी है तो उसका क्या नतीजा निकला ?

श्री त्यागी : एक कोर्ट आफ इन्वायरी मुकर्रर की गयी है जो इस बात की तहकीकात कर रही है । छतरी की फोटो उसी बक्त ले ली गयी थी । उसकी पूरी तहकीकात करके गवर्नरमेंट को रिपोर्ट की जायगी ।

Shri H. N. Mukerjee: Has any effort been made to find out if the fate of the parachutist was due to an accident which could have been prevented?

Shri Tyagi: Everything could have been prevented; but nobody knew in advance that the parachute would not open. As I have already stated this was only one single case in India out of forty or fifty thousand. This case is being enquired into, so that we may draw lessons and know on whose part the omission was.

### GRANT-IN-AID TO ANDHRA UNIVERSITY

\*1822. Shri Raghuramaiah: Will the Minister of Education be pleased to state the amount of grant-in-aid sanctioned by the University Grants Commission to the Andhra University in 1953-54?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): Rs. 3,63,315/-.

Shri Raghuramaiah: May I know whether the grant is for general purposes or for any particular subject like technology etc?

Dr. M. M. Das: Most of these grants have been given under two schemes for advancement of technical education in this country sponsored by the All-India Council of Technical Education.

**Shri T. S. A. Chettiar:** May I know whether any request has been received from the Andhra State for starting a second university?

**Dr. M. M. Das:** At present I have no information.

#### SHIBLI ACADEMY

\*1823. **Dr. S. N. Sinha:** (a) Will the Minister of Education be pleased to state the date or dates on which the actual payment of Rs. 60,000 to the Shibli Academy was made?

(b) Have the expenses under the grant been audited?

(c) If so, by whom?

(d) Have the auditing authority submitted any report to Government?

(e) What are the number and names of the books published out of the grant of Rs. 60,000 paid to the Shibli Academy?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) The grant of Rs. 60,000/- was actually drawn by the Shibli Academy on 27th February, 1954.

(b) to (d). The question does not arise as the entire amount has not yet been spent.

(e) The information when received from the Academy will be laid on the Table of the House.

**डा० एस० एन० सिंह :** क्या मैं पहलुमा से पूछ सकता हूं कि आया विचविन्दी त्रासा में इस एक्शनो का कमोजिक आया था ?

**Mr. Speaker:** Order, order. What is the question?

**डा० एस० एन० सिंह :** पहलुमा का अर्थ है प्राइम मिनिस्टर और विचविन्दी लोटी का भतलब है सेंट्रल कैबिनेट। एक संस्था को ६० हजार रुपया ऐसे शब्दों को गढ़ने और हिन्दी को शीर्षासन कराने के लिए

दिया गया है। यही शब्द १५ साल बाद काम में आवेंगे। मैं ने सोचा कि इनको इस्तेमाल कर दूं ताकि यह अलमारियों में ही न पड़े रह जावें।

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

**Dr. S. N. Sinha:** I have got another question to put.

**Mr. Speaker:** Then he may put it. This is not the place for commenting on the phraseology used. The hon. Member may speak such things as we can understand.

**डा० एस० एन० सिंह :** क्या इस एकादशी की फिरकापरस्त होने की शोहरत है ?

**प्रधान मंत्री तथा विदेशीक कार्य एवं रक्षा मंत्री (श्री जवाहर लाल नहरू) :** यह सवाल, आप गौर करेंगे, सवाल की शकल में एक इल्जाम है। यह बहुत नामुनासिच बात है। लेकिन जब यह आया है तो मैं कहूं कि हमारे इस्म में यह हिन्दुस्तान में और किसी कदर एशियायी दुनिया में एक मशहूर एकादशी है और इसने हिन्दुस्तान की आजारी को लड़ाई में बड़ा हिस्सा लिया है।

#### EARTHQUAKE IN NORTH EAST INDIA

\*1824. **Shri L. Jogeswar Singh:** Will the Minister of Home Affairs be pleased to state.

(a) whether it is a fact that there were two earth tremors of varying intensity and duration with epicentre near South Manipur and Burma shortly after 5 A.M. on the 22nd March, 1954;

(b) the intensity and duration of the shocks and the extent of the areas where they were felt;

(c) whether any casualty or any damage to property was reported; and

(d) whether Government have already given or propose to give any assistance to the affected areas?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) Yes.

(b) Intensity of shocks varied from place to place. It was greatest at the place of origin viz. South Manipur near Assam—Burma border. Duration also varied from 30 seconds to 3 minutes at different places. Shocks were felt over the States of Assam, Manipur, Tripura, West Bengal, Bihar, Orissa and East Pakistan, comprising an area of nearly 250 thousand square miles.

(c) No casualties or serious damage to property have been reported.

(d) No request for any assistance has so far been received by the Government of India.

**Shri L. Jogeshwar Singh:** The epicentre is stated to be Manipur and South Burma. May I know whether the Government have made further enquiries about this?

**Shri Datar:** Government have received this information from the States concerned. It is all that the Government have before them.

**Shri Amjad Ali:** With regard to part (b), may I know whether the seismic region extended right up to near the Himalayas?

**Shri Datar:** It is likely to be; I cannot say with any authority at this stage.

**Shri Amjad Ali:** Does it correspond with the same place or area as it occurred in the great earthquake of 1950?

**Shri Datar:** We shall make enquiries.

**Shri L. Jogeshwar Singh:** May I know whether there is any apprehension of volcanic eruptions in these areas?

**The Prime Minister (Shri Jawaharlal Nehru):** This is well-known to be an area occasionally subject to earthquakes and internal happenings under

the earth's surface. If the hon. Member wants detailed information about this, Government can perhaps put up a paper. It will be a complicated one and of the nature of a scientific document.

#### UPLIFT OF SCHEDULED TRIBES

\*1826. **Shri Y. M. Mukne:** Will the Minister of Home Affairs be pleased to state the total amount granted to the Bombay State for the uplift of Scheduled Tribes and development of Scheduled areas for 1953-54 and the major items under which it was to be spent?

**The Deputy Minister of Home Affairs (Shri Datar):** A sum of Rs. 12.75 lakhs was granted to the Government of Bombay to be spent mainly on Educational and Economic development Schemes and provision of medical facilities.

**Shri Y. M. Mukne:** Is it true that the sum of Rs. 12 lakhs that the hon. Minister referred to is only spent on social welfare and educational schemes and that no major schemes are contemplated for the improvement of the tribal areas of Bombay State?

**Shri Datar:** We have not yet received the details of the way in which the amounts have been spent.

**Shri Muniswamy:** May I know whether any special grant was given to any of the States during 1953-54 and if so, under what circumstances are such grants made?

**Shri Datar:** This is a grant made available for the Scheduled Tribes in the scheduled areas and the Government of Bombay was given Rs. 75,000 more than what had been originally settled.

#### PHYSICAL TRAINING IN EDUCATIONAL INSTITUTIONS

\*1827. **Sardar Hukam Singh:** Will the Minister of Education be pleased to state:

(a) whether the experiment of giving mass Physical Training Drill

and organised physical work to all students in educational institutions has proved successful and popular; and

(b) what is the number of institutions where this is being tried?

**The Parliamentary Secretary to the Minister of Education (Dr M. M. Das):** (a) and (b). The Government of India have tried no such experiment of giving mass Practical Training Drill and organised physical work to all students in educational institutions. They have, however, advised and encouraged the State Governments to introduce such activities in their schools.

**Sardar Hukam Singh:** May I know whether any State Governments have introduced them in pursuance of the advice given by the Centre?

**Dr. M. M. Das:** Yes, Sir. Some of the State Governments have reported to the Central Government that parts of the proposals of the Central Government have been implemented and are being implemented.

**Sardar Hukam Singh:** May I know whether the Centre propose to give any encouragement to the States either by way of subsidy or grant to take up this work?

**Dr. M. M. Das:** No such proposal is there before the Central Government.

**Shri S. N. Das:** May I know whether any of the State Governments has asked for Central aid, and if so, which are those?

**Dr. M. M. Das:** So far as this particular scheme is concerned, no State Government has asked for any financial aid from the Central Government.

**Sardar A. S. Salgal:** May I know what steps have been taken as regards physical training in 1953?

**Dr. M. M. Das:** In the year 1953 several of the schemes have been suggested to the State Governments and for the implementation of those schemes Rs. 4,75,620 have been spent by the Central Government.

**Shri M. D. Ramasami:** May I know whether this involves a separate course of training for the instructors themselves, and if so, where the training is given?

**Dr. M. M. Das:** So far as the Central Government is concerned, they have got no separate institute for training the teachers in physical education.

**Sardar A. S. Salgal:** May I know whether any help was given to the Hanuman Vyayam Shala in Amrsoti in Madhya Pradesh State?

**Dr. M. M. Das:** It is difficult for me without consultation to answer that question.

**'REFRESHER COURSES' FOR ARMY OFFICERS**

**"1831. Sardar Hukam Singh:** Will the Minister of Defence be pleased to state:

(a) whether the senior officers in the army have to undergo any "refresher courses" to keep them fit for their duties; and

(b) if so, whether any such courses were held during 1953-54?

**The Minister of Defence Organisation (Shri Tyagi):** (a) Yes, Sir.

(b) Yes. 5 such courses were held during 1953-54.

**Sardar Hukam Singh:** What was the number of officers who underwent that training?

**Shri Tyagi:** It varied from course to course. Senior officers from the ranks of Lieutenant Colonels and above are generally admitted to such courses. The five courses were:

One was at the Army Air Transport Support School at Agra where 17 Lieutenant Colonels and one Brigadier took part. Another was the Para Refresher Course at Para Troopers' Training School, I.A.F., Agra. There two Colonels took part. Then the Regimental Commanders' course at the School of Artillery, Deolali, where 8 Lieutenant Colonels took part. The fourth one

was the Senior Signal Officers' course at the School of Signals, Mhow, where four officers took part. And the fifth was Tactical Study Periods at the Infantry School, Mhow, where 37 Brigadiers and two civilians took part.

**Sardar Hukam Singh:** Has every officer to go in rotation to get this refresher course, and in view of the small number that took this training during the year, is it possible to give that refresher course training to every officer even in ten years?

**Shri Tyagi:** In fact, the training is given not only in camps and classrooms, but most of the training is had on the field generally by every officer at his own post. These are only theoretical courses for which officers are called.

**Shrimati Kamlendra Mai Shah:** What is the duration of this course?

**Shri Tyagi:** It varies from a week to ten or fifteen days only.

**Shri Muniswamy:** May I know whether the study fortnights that were conducted, come under this refresher course training?

**Shri Tyagi:** I could not follow the question.

**Mr. Speaker:** Study fortnights? I also could not follow the question.

**Sardar Hukam Singh:** During 1953, it was the study fortnight that was undertaken by way of a refresher course, at Mhow, and the officers were trained in that.

**Mr. Speaker:** Is it the same as study fortnight?

**Shri Tyagi:** Yes, study fortnight is also one of the courses.

#### POLICE DEPARTMENT, TRIPURA

\*1810. **Shri Biren Dutt** (on behalf of **Shri Dasaratha Deb**): Will the Minister of States be pleased to state:

(a) how many written complaints have been received during 1953 regarding corruption in the Police Department of Tripura;

(b) the number of cases in which investigations have been made; and

(c) the number of cases in which action has been taken on the results of the investigations?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) Nine complaints were received in 1953. Three complaints were received by the Government of India.

(b) and (c). It has been reported that six cases were investigated and are pending trial and that the remaining three are pending investigation. Of the three cases reported to the Government of India, two were found to be without any basis after enquiry and enquiries are proceeding in the third case.

**Shri Biren Dutt:** May I know how many cases have been reported about lending of guns to the dacoits, by the police officers?

**Shri Datar:** This deals with corruption cases, not with others.

#### MILITARY ENGINEERING SERVICES

\*1807. **Shri M. S. Gurupadaswamy:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that recruitment has been made to some civilian posts in the Military Engineering Services, contrary to the rules prescribed for recruitment thereto; and

(b) if so, what is the number of such cases category-wise and year-wise, since 1947?

**The Deputy Minister of Defence (Shri Satish Chandra):** (a) Yes. Steps are being taken to prevent a recurrence of such irregularities.

(b) I lay a statement on the Table of the House. [See Appendix VIII, annexure No. 22.]

**Shri M. S. Gurupadaswamy:** May I know the reasons for recruiting these people, contrary to the rules?

**Shri Satish Chandra:** Most of these persons had served in the M. E. S. They were either retrenched employees or had resigned from their posts after the war. Some of the officers in the lower formations took the liberty of recruiting them as and when certain vacancies occurred, without going through the usual channel of employment exchanges, etc.

**Shri M. S. Gurupadaswamy:** May I know whether certain dismissed employees of Government have been recruited to civilian posts in these Services?

**Shri Satish Chandra:** I have not got detailed information. But the Ministry is enquiring into each of these cases. If these persons are found not to be properly qualified, or had been dismissed, their services will be terminated.

**Shri T. N. Singh:** In recruiting such old employees of Government, is care taken to call for their previous records, by the recruiting officer concerned? What is the procedure adopted?

**Shri Satish Chandra:** There is some sort of verification of character through the local police authorities. But in this particular case, they had already been in government service and were re-employed after a break in service due to retrenchment, etc.

#### TRIBAL STUDENTS IN AGARTALA

\*1828. **Shri Biren Dutt** (on behalf of **Shri Dasaratha Deb**): Will the Minister of Education be pleased to state whether there is any instruction to Government High Schools of Agartala and other divisional towns to reserve a certain number of seats for the Tribal students coming from the Hill areas?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** No, Sir, but preference is given to them in the matter of admission, and rules of admission are also considerably relaxed for them.

#### AID TO CLUBS IN TRIPURA

\*1832. **Shri Biren Dutt** (on behalf of **Shri Dasaratha Deb**): (a) Will the Minister of Education be pleased to state how many clubs receive aid from the Government of Tripura?

(b) What are those clubs?

(c) On what principle is the aid determined?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) to (c). The information is being collected and will be laid on the Table of the House when available.

#### Shri Notice Question and Answer

##### LONDON GOLD MARKET

**S.N.Q. No. 10. Shri Kasliwal:** Will the Minister of Finance be pleased to state:

(a) whether the reports of the re-opening of the London Gold Market have reached Government and are correct;

(b) if so, what will be the repercussions in this country of such a move; and

(c) whether Government propose to give directions to the Reserve Bank to sell gold either to buy dollars or for other purposes?

**The Minister of Finance (Shri C. D. Deshmukh):** (a) Yes, Sir.

(b) No repercussions are expected as gold prices are higher in India than outside and as residents of the sterling area will not be permitted to buy gold freely in London.

(c) Government have no such intention.

**Shri Kasliwal:** May I know, Sir, whether the re-opening of this market is one of the necessary stages on the road to eventual free conversion of the sterling into dollar?

**Shri C. D. Deshmukh:** Sir, the main object of the proposal is to divert to

the London market a sizable share of premium transactions in gold which have been taking place on the continental markets ever since the Fund through its policy statement issued in September 1951 permitted premium transactions in gold. The present proposal will enable the London gold market to resume working after a lapse of 15 years and earn commission and insurance on these transactions. Further, to the extent that sterling is used for financing part of the unofficial transactions in gold, it will provide a further element of support to sterling as an international currency and to that extent, it might be said to further the object of convertibility.

**Shri L. N. Mishra:** From the announcement made in this connection from London, it appears that the sterling area countries are entitled only to sell gold and not to buy gold, while non-sterling area countries have got both the privileges. May I know the reason of this discrimination and what will be the effect of this drain upon the gold resources of the sterling area countries?

**Shri C. D. Deshmukh:** It will add to the resources of the sterling area countries. So far as the resident accounts are concerned, there are already existing restrictions on the right to convert sterling into dollars, that depending on the total resources available to the central pool of gold and dollars. Therefore, if it is a restriction, it is a restriction in the common interest.

**Shri L. N. Mishra:** May I know whether India was consulted before this decision was taken by England?

**Shri C. D. Deshmukh:** We were informed once, in December 1953. There is no question of consulting India.

**Shri Joachim Alva:** What is the system of the purchase of gold by the Reserve Bank of India? Does it purchase either through its branch in London or does the Bank of England still act as our broker? Has the Reserve Bank of India taken note of the

huge stocks of gold let out by Russia on the western markets?

**Shri C. D. Deshmukh:** Sir, the Reserve Bank is not purchasing any gold.

**Shri T. N. Singh:** May I know the previous system under which direct purchases were made by the Government of India? Will that be affected or will it continue completely?

**Shri C. D. Deshmukh:** I do not know whether any system of purchase was in existence. The Reserve Bank of India sold gold during the war and that was gold which was sent by the Bank of England for laying down rupees here in India for their war expenses.

**श्री रघुनाथ सिंह:** सोना खरीदने का सिस्टम क्या है, इंडिया सोना कैसे खरीदता है?

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

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CORRECTION TO ANSWER IN RESPECT OF A SUPPLEMENTARY QUESTION TO STARRED QUESTION NO. 267 PUT ON 23RD FEBRUARY, 1954 REGARDING PROPAGATION OF HINDI

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** While replying to a supplementary question put by Shri Jhulan Sinha enquiring if in making grants for the financial assistance of distinguished persons the requirements of each case were taken into consideration, it was stated that "the Hindi Shiksha Samiti, the advisory body, goes through the question in detail and makes its recommendations". This was not correct as requests for financial assistance are considered by a Committee consisting of the Prime Minister, the Finance Minister and the Minister of Education.

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## WRITTEN ANSWERS TO QUESTIONS

## AID TO NON-OFFICIAL LIBRARIES

\*1811. **Shri Viswanatha Reddy:** Will the Minister of Education be pleased to state:

(a) whether the Planning Commission has any scheme under which aid is given to non-official institutions engaged in running libraries, or in conducting public forums for the development of good citizenship;

(b) if so, what amount has been spent in 1952-53 and 1953-54; and

(c) what amount is proposed to be spent in 1954-55?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) Under the Five Year Plan of the Ministry of Education, grants-in-aid for the development of libraries are being sanctioned in favour of State Governments and not for the non-official institutions. The State Governments may, however, make use of official as well as non-official agencies. No grants are given to any official or non-official agency for conducting public forums.

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

## ACCIDENTS IN M.E.S. INSTALLATIONS

\*1814. **Shri T. B. Vittal Rao:** Will the Minister of Defence be pleased to state:

(a) the number of accidents in the M. E. S. installations at Chakeri Division, Kanpur during 1952-53 and up to the 28th February, 1954; and

(b) the results of Courts of Enquiry, if any, held to investigate the same?

**The Deputy Minister of Defence (Shri Satish Chandra):** (a) Four.

(b) Courts of Inquiry were held in respect of three accidents only. It was not considered necessary to hold a Court of Inquiry in respect of the fourth accident which was a minor one.

## Result of Courts of Inquiry

In two cases payment of compensation, under the Workmen's Compensation Act was sanctioned by the Chief Engineer, Eastern Command. In the case of the third accident, it was held that no compensation was involved as it was due to the individual's own fault.

## केन्द्रीय उत्पादन शुल्क विभाग (इलाहाबाद डिवीजन)

\*1842. **Shri K. N. N. Rao:** क्या वित्त मंत्री यह बताने की कृपा करेंगे :

(क) भाज कल केन्द्रीय उत्पादन शुल्क विभाग (इलाहाबाद डिवीजन) में कितने कर्मचारी हैं;

(ख) उनमें से कितने अधिकारी हैं; और

(ग) इन कर्मचारियों में अनुसूचित जातियों के कितने लोग हैं ?

**The Deputy Minister of Finance (Shri A. C. Guha):** (a) Separate figures for the Allahabad Division of Central Excise are not available for the present. But the number of employees in the whole of the Allahabad Collectorate is 1997.

(b) 39 (Gazetted Officers).

(c) 94.

## CUSTODIAN FORCE

\*1830. **Shri Viswanatha Reddy:** Will the Minister of Defence be pleased to state:

(a) what extra pay or allowance was given to the Custodian forces in Korea; and

(b) whether it is a fact that civilian forces accompanying the Custodian forces were paid 25 per cent. extra pay?

**The Minister of Defence Organisation (Shri Tyagi):** (a) and (b). A statement is laid on the Table of the House. [See Appendix VIII, annexure No. 23.]

#### OIL PROSPECTING IN NAHARKATIYA

**381. Shri Amjad Ali:** Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) the latest information regarding the oil find in Naharkatiya area in Assam;

(b) to what depth the exploratory boring has gone;

(c) the possible minimum oil yield in the 2nd and 3rd wells in Naharkatiya area; and

(d) the distance of Naharkatiya oil area from the Digboi Oil Fields?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) to (d). A statement giving the information required is laid on the Table of the House. [See Appendix VIII, annexure No. 24.]

#### EX-CLERKS OF THE MILITARY ACCOUNTS DEPARTMENT

**382. Shri Ramananda Das:** (a) Will the Minister of Home Affairs be pleased to state whether it is a fact that the ex-clerks of the Military Accounts Department appointed to clerical posts in the civil offices of the Central Government after the war, were allowed to continue to draw the same pay?

(b) Is it a fact that this concession has not been extended to other war-service candidates in civil offices and if so, why?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) Only such ex-clerks of the late Military Accounts Department as have been appointed in civil offices of the Central Government to clerical posts carrying scales of pay identical with those in which they were employed in that Department, have been allowed the pay last drawn by them in that Department.

(b) Similar treatment has also been extended to other war service candidates appointed to civil posts carrying scales of pay identical with those in which they rendered war service, but not to those who have been appointed on scales of pay which are different from the scales in which they were employed while in war service.

#### FIRE OUTBREAKS IN AGARTALA

**383. Shri Dasaratha Deb:** (a) Will the Minister of States be pleased to state how many times fire broke out in Agartala Bazar from 1953 to the 10th March, 1954?

(b) What were the causes for the outbreak of fire in these cases?

(c) What steps have been taken to avoid recurrence of this nature?

(d) Do Government contemplate to compensate the affected persons?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) There were five cases of fire in the Agartala Bazar during the period.

(b) The fire was accidental in all cases and due to the negligence of the shopkeepers.

(c) Arrangements are being made to set up a Fire-Fighting Unit. The shop-keepers have been warned to be careful to put out the fire in their hearths and not to keep kerosene lamps too close to the bamboo walls of their shops and kitchens which are inflammable.

(d) Some of the affected persons were given gratuitous relief and some of the refugees whose shops were gutted were given business loans. Cases are given due consideration on merits after due inquiry.

#### TEACHERS' SALARIES

**384. { Shrimati Renu Chakravarty:**  
**Dr. Rama Rao:**

Will the Minister of Education be pleased to state the proposals for implementation of the recommendation on teachers' salaries made by the

Committee set up by the Chairman of the Central Advisory Board of Education?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** The Committee set up by the Chairman of the Central Advisory Board of Education did not recommend any specific salaries for Teachers; they, however, recommended that the question should be examined by a Central Committee as well as State Committees and laid down the following principles for the guidance of the Committees:

1. The principal consideration in fixing the minimum salary and in the revision of scales of pay should be that teachers may be brought on a par with the personnel in other walks of life with similar qualifications and responsibilities.

2. The Teachers possessing the same qualifications and performing the same type of work, should be treated on a par in the matter of grades of salary irrespective of the type of institution in which they are working.

These recommendations are under the consideration of the Government of India.

#### PROVISION OF FOREIGN EXCHANGE

**385. Shri Radha Raman:** Will the Minister of Finance be pleased to state the amount of sterling and other foreign exchanges provided by the Reserve Bank of India during the year 1953 on account of

- (i) Deputations;
- (ii) Foreign Studies;
- (iii) Sight-seeing tours;
- (iv) Remittances by way of salaries and pensions; and
- (v) Remittances of profits earned by the foreign business concerns working in India?

**The Minister of Finance (Shri C. D. Deshmukh):** A statement showing the

amounts sanctioned by the Reserve Bank of India in respect of items (i), (ii), (iii) and (v) is placed on the Table. [See Appendix VIII, annexure No. 25.]

No information is available in respect of item (iv) as separate statistics of remittances on account of salaries, pensions etc. are not maintained.

#### EXPORT OF FILMS TO PAKISTAN

**386. Sardar Hukam Singh:** Will the Minister of Finance be pleased to refer to the answer to starred question No. 295 asked on the 23rd February 1954 and state:

(a) how many of the 427 motion pictures stated to have been exported to Pakistan, had been exported with the permission of the Exchange Control Administration;

(b) whether the investigations referred to in parts (c) and (d) of the above answer have since been completed; and

(c) if so, how many prosecutions have instituted on account of the infringement of the rules?

**The Minister of Finance (Shri C. D. Deshmukh):** (a) 425 of the motion pictures have been exported in accordance with Exchange Control Regulations. As regards the remaining two, no information is available as to whether the Exchange Control formalities have been complied with and the matter is under investigation.

(b) No.

(c) Does not arise.

#### ORDNANCE FACTORIES

**387. Shri V. P. Nayar:** Will the Minister of Defence be pleased to state:

(a) the number of Swiss experts engaged in each of the Ordnance factories in India;

(b) their emoluments and service conditions;

(c) the particular work, if any, which they are called upon to do;

(d) the output of such articles the manufacture of which is left to them; and

(e) what steps, if any, have been taken by Government to help Indian technicians to get enough experience so that the services of foreigners in Defence establishments may be dispensed with?

**The Deputy Minister of Defence (Shri Satish Chandra):** (a) There are at present 13 technicians mainly of Swiss nationality engaged in the Machine Tool Prototype Factory at Ambarnath. Of these 10 are on contracts in pursuance of an agreement entered into by M/s. Oerlikons of Switzerland with the Government of India and the remaining 3 are on direct contract independently of the firm.

There are also 13 Swiss technicians working at Khamaria who have been deputed by M/s. Oerlikons under a separate agreement but they are not employees of the Government.

(b) A statement is laid on the Table of the House. [See Appendix VIII, annexure No. 26.]

(c) and (d). They have not been engaged for the manufacture of any particular item, but for the setting up of and establishing full production at the Machine Tool Prototype Factory, Ambarnath and for the establishment of a project for manufacture of certain Defence Stores at Khamaria.

(e) Suitable Indian Officers have been attached to these technicians to take over from them when they leave. Some of them were also sent to Switzerland for training. It is intended that the Indian Officers should replace the Swiss as soon as they are considered to have acquired sufficient experience.

#### PRIMARY SCHOOLS IN TRIPURA

**388. Shri Dasaratha Deb:** Will the Minister of Education be pleased to state:

(a) the number of primary schools that were newly started by Government either by taking over private

schools under Government control or by starting new schools in new areas in Tripura in 1953-54; and

(b) the number of these in the tribal areas?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) and (b). The information is being collected and will be laid on the Table of the House when available.

#### WELFARE INSTITUTIONS

**389. Shri Sinhasan Singh:** Will the Minister of Education be pleased to state the number and names of welfare institutions in the Gorakhpur and Banaras Divisions to whom help has been given by the Central Social Welfare Board?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** i. Grants-in-aid to the voluntary organisations are not sanctioned Division-wise in any State, but State-wise.

ii. No grants have been given to any organisation in Gorakhpur.

iii. 3 organisations in Banaras have received financial assistance viz.—

1. Kashi Anathalaya Association, Banaras.

2. Foundation for New Education, Banaras.

3. Ramakrishna Mission Home of Service, Banaras.

#### DEATH SENTENCES

**390. Shri T. B. Vittal Rao:** Will the Minister of Home Affairs be pleased to state:

(a) the number of persons sentenced to death in Part C States during 1953 who were actually executed; and

(b) the number of cases wherein the death sentence was commuted?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) One

(b) One.

**उत्पादन शुल्क निरीक्षक, इस्लाहाबाद**

391. श्री रम्प नारायण : क्या वित्त मंत्री यह बताने की कृपा करेंगे :

(क) आज कल उत्पादन शुल्क बलैवटर, इस्लाहाबाद के अधीन किसने उत्पादन शुल्क निरीक्षक काम कर रहे हैं;

(ख) उन में अनुसूचित जातियों के कितने लोग हैं; और

(ग) क्या हाल ही में कुछ उत्पादन शुल्क निरीक्षक भर्ती किए गए थे; यदि हाँ, तो उन में अनुसूचित जातियों के कितने लोग थे ?

**The Deputy Minister of Finance**  
(Shri A. C. Guha): (a) 567.

(b) Seven.

(c) Yes, Sir. Four Inspectors were recruited during 1953-54 and all of them belonged to the Scheduled Castes.

**SOCIAL WELFARE ORGANISATIONS  
IN MADRAS**

392. **Shri Elayaperumal:** Will the Minister of Education be pleased to state to which Social Welfare Organisations in Madras State financial aid has been given by the Central Social Welfare Board up to 28th February, 1954?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** A statement is placed on the Table of the House. [See Appendix VIII, annexure No. 27.]

## Contents

Thursday, 15th April, 1954—

### Calling Attention to Matters of Urgent Public Importance—

Applicability of the North Atlantic and Anglo-Portuguese treaties to Goa	4807—4810
Demand for Grants—	4811—4918
Demand No. 26.—Ministry of Finance	4811—4918
Demand No. 27.—Customs	4811—4918
Demand No. 28.—Union Excise Duties	4811—4918
Demand No. 29.—Taxes on income including Corporation Tax and Estate Duty	4812—4918
Demand No. 30.—Opium	4812—4918
Demand No. 31.—Stamps	4812—4918
Demand No. 32.—Payments to other Governments, Departments, etc. on account of the Administration of Agency Subjects and Management of Treasuries	4812—4918
Demand No. 33.—Audit	4813—4918
Demand No. 34.—Currency	4813—4918
Demand No. 35.—Mint	4813—4918
Demand No. 36.—Territorial and Political Pensions	4813—4918
Demand No. 37.—Superannuation Allowances and Pensions	4813—4918
Demand No. 38.—Miscellaneous Departments and Expenditure under the Ministry of Finance	4814—4918
Demand No. 39.—Grants-in-aid to States	4814—4918
Demand No. 40.—Miscellaneous Adjustments between the Union and States Governments	4814—4918
Demand No. 41.—Extraordinary Payments	4814—4918
Demand No. 42.—Pre-Partition Payments	4815—4918
Demand No. 115.—Capital Outlay on the India Security Press	4815—4918
Demand No. 116.—Capital Outlay on Currency	4815—4918
Demand No. 117.—Capital Outlay on Mints	4815—4918
Demand No. 118.—Commututed Value of Pensions	4816—4918
Demand No. 119.—Payments to Retrenched Personnel	4816—4918
Demand No. 120.—Other Capital Outlay of the Ministry of Finance	4816—4918
Demand No. 121.—Loans and Advances by the Central Government	4816—4918

THE  
PARLIAMENTARY DEBATES

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

4807

4808

HOUSE OF THE PEOPLE

Thursday, 15th April, 1954

*The House met at Two of the Clock*

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

2-49 P.M.

**Mr. Speaker:** I have to inform hon. Members that the House will sit from 8-15 A.M. to 1-15 P.M. with effect from Tuesday, the 20th April, 1954.

The hours for which the office will remain open for receiving notices etc. and for other work will be notified in the **Parliamentary Bulletin**.

CALLING ATTENTION TO MATTERS OF URGENT PUBLIC IMPORTANCE  
STATEMENT BY PRIME MINISTER RE: APPLICABILITY OF THE NORTH ATLANTIC AND ANGLO-PORTUGUESE TREATIES TO GOA

**Mr. Speaker:** I have received notice under Rule 215, from Shri Raghuramaiah and Dr. Ram Subhag Singh, to call the attention of the Prime Minister to the following matter of urgent public importance and to request that he may make a statement thereon:

"The statement of the Prime Minister of Portugal made on the 13th of this month that the North Atlantic and Anglo-Portuguese treaties apply to Goa."

95 PSD

Dated 27/4/2020  
The Prime Minister and Minister of External Affairs and Defence (Shri Jawaharlal Nehru): The Government have seen references in the Press to a statement reported to have been made by the Prime Minister of Portugal purporting to state his view that the North Atlantic Treaty extends to, and covers, the Portuguese possessions in India. In this statement reference has also been made to treaties of remote date between Portugal and England. The Government further denies the right of any foreign terms that they are not parties to any of these treaties under reference, new or old, and are in no way bound by them directly or indirectly, and that as a sovereign State, India cannot be bound by any international or regional agreement to which she is not a party. The Government have also seen reports and references to aerodromes about to be constructed in Goa, and allied matters. They have no direct information of this. The Government of India reaffirm their view in the most categorical terms that they regard the foreign colonial enclaves in India as anachronisms which should come to an end and that their existence is inconsistent with the historic developments that resulted in the termination of imperial rule in India itself. The use of these enclaves as bases by foreign powers will meet with opposition from us. The Government further denies the right of any foreign power to establish such bases in these enclaves on the ground that they are the territories of a colonial power with which it is in alliance, as the Government do not recognize

[Shri Jawaharlal Nehru.]

the right of the colonial power itself to continue there and to impose its rule on our people.

The Government of India have further noted that the views alleged to have been expressed by the Prime Minister of Portugal have not been endorsed or supported by any of the leading participants in the North Atlantic Treaty Organization. The Government are glad to note that the Government of Canada have expressed their views to the contrary. Statements have been made on behalf of other Governments also to this effect.

The Prime Minister of Portugal has referred to his country's religious and cultural mission in the East. I have stated repeatedly, on behalf of the Government of India, that we propose to maintain the special cultural and religious position of Goa and it is not India's intention to affect in any way the cultural traditions of Goa. Christianity is one of the major and respected religions in India which has full freedom to function. Its association with a foreign power does not add to its prestige in India.

It is the continuance of the present colonial rule with its suppression of all civil liberties and the continuance of conflict that endangers these cultural traditions which we seek to continue in Goa. A peaceful settlement will ensure the continuance in an atmosphere of freedom of the cultural and religious traditions of Goa. Such a settlement can only be brought about by Goa becoming a part of the Indian Union which will enable it to develop economically and otherwise. We have, therefore, suggested that there should be a *de facto* transfer of authority in Goa to the Government of India to be followed later by *de jure* changes.

The Prime Minister of Portugal has stated that he is prepared to give guarantees that the Portuguese territories shall not be used as bases against India. I would suggest to

him that an immediate step to this end would be the withdrawal of Portuguese troops from Goa. This itself will ease the tension and prepare the way for peaceful negotiations.

Shri H. N. Mukerjee (Calcutta North-East) rose—

Mr. Speaker: No questions.

Shri H. N. Mukerjee: In the House of Commons it is the practice to allow questions after a statement is made.

Mr. Speaker: My ruling is quite clear on that point.

Shri Sadhan Gupta (Calcutta-South-East): May I make a submission? I wish to refer to another matter.

Mr. Speaker: The hon. Member may give me notice of that: I shall consider.

Shri Sadhan Gupta: I have sent the notice.

Mr. Speaker: Then, it will be considered. And if I permit him he will get an opportunity.

Shri Sadhan Gupta: But I have given notice of it for today: what will happen?

Mr. Speaker: If it is admissible, the statement will be made on any day convenient to the hon. Member and the Prime Minister, both.

Shri Jawaharlal Nehru: Regardless of the hon. Member's notice, may I be permitted to make a statement now?

Mr. Speaker: I would have gladly permitted it. The difficulty is that our rule does not permit making of two such statements on the same day.

The question having been referred to, the statement cannot be made as if it was made *suo motu* by the Prime Minister. Let us wait till tomorrow.

Shri Jawaharlal Nehru: I will not be here tomorrow.

Mr. Speaker: The hon. the Prime Minister may make the statement whenever he comes.

**DEMANDS\* FOR GRANTS—contd.**

**Mr. Speaker:** The House will now proceed with the consideration of the Demands for Grants Nos. 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 115, 116, 117, 118, 119, 120 and 121 relating to the Ministry of Finance.

Members and Leaders of Groups may hand over the numbers of the cut motions which they select to the Secretary. I will treat them as moved if those hon. Members in whose names those cut motions stand are present in the House and they are otherwise in order.

The usual time-limit on speeches will be observed.

**DEMAND NO. 26—MINISTRY OF FINANCE**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 1,43,19,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Ministry of Finance'."

**DEMAND NO. 27—CUSTOMS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 3,84,11,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Customs'."

**DEMAND NO. 28—UNION EXCISE DUTIES**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 6,28,30,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Union Excise Duties'."

**DEMAND NO. 29—TAXES ON INCOME INCLUDING CORPORATION TAX AND ESTATE DUTY**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 3,41,76,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Taxes on Income including Corporation Tax and Estate Duty'."

**DEMAND NO. 30—OPIUM**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 34,13,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Opium'."

**DEMAND NO. 31—STAMPS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 1,17,43,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Stamps'."

**DEMAND NO. 32—PAYMENTS TO OTHER GOVERNMENTS, DEPARTMENTS, ETC. ON ACCOUNT OF THE ADMINISTRATION OF AGENCY SUBJECTS AND MANAGEMENT OF TREASURIES**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 10,20,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Payments to other Governments, Departments, etc. on account of the Administration of Agency Subjects and Management of Treasuries'."

\*Moved with the previous sanction of the President.

**DEMAND No. 33—AUDIT**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 7,05,82,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Audit'."

**DEMAND No. 34—CURRENCY**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 1,58,39,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Currency'."

**DEMAND No. 35—MINT**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 85,02,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Mint'."

**DEMAND No. 36—TERRITORIAL AND POLITICAL PENSIONS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 19,40,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Territorial and Political Pensions'."

**DEMAND No. 37—SUPERANNUATION ALLOWANCES AND PENSIONS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 2,80,80,000 be granted to the President to complete the sum necessary to defray the charges

which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Superannuation Allowances and Pensions'."

**DEMAND No. 38—MISCELLANEOUS DEPARTMENTS AND EXPENDITURE UNDER THE MINISTRY OF FINANCE**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 3,20,64,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Miscellaneous Departments and Expenditure under the Ministry of Finance'."

**DEMAND No. 39—GRANTS-IN-AID TO STATES**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 14,01,67,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Grants-in-aid to States'."

**DEMAND No. 40—MISCELLANEOUS ADJUSTMENTS BETWEEN THE UNION AND STATE GOVERNMENTS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 2,53,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Miscellaneous Adjustments between the Union and State Governments'."

**DEMAND No. 41—EXTRAORDINARY PAYMENTS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 21,16,78,000 be granted to the

President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Extraordinary Payments'."

**DEMAND NO. 42—PRE-PARTITION PAYMENTS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 1,24,42,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Pre-partition Payments'."

**DEMAND NO. 115—CAPITAL OUTLAY ON THE INDIA SECURITY PRESS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 4,78,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Capital Outlay on the India Security Press'."

**DEMAND NO. 116—CAPITAL OUTLAY ON CURRENCY**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 2,48,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Capital Outlay on Currency'."

**DEMAND NO. 117—CAPITAL OUTLAY ON MINTS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 65,75,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of

payment during the year ending the 31st day of March, 1955, in respect of 'Capital Outlay on Mints'."

**DEMAND NO. 118—COMMUTED VALUE OF PENSIONS**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 86,21,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Commutued Value of Pensions'."

**DEMAND NO. 119—PAYMENTS TO RETRENCHED PERSONNEL**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 90,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Payments to Retrenched Personnel'."

**DEMAND NO. 120—OTHER CAPITAL OUTLAY OF THE MINISTRY OF FINANCE**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 20,35,21,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Other Capital Outlay of the Ministry of Finance'."

**DEMAND NO. 121—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT**

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 31,70,68,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1955, in respect of 'Loans and Advances by the Central Government'."

**Proper implementation of the recommendations of the Central Pay Commission particularly in grant of house-rent allowance in 'C' class cities, with populations of 1 lakh and above**

**Shri Nambiar (Mayuram):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Restoration of cut in house-rent allowances of employees in 'C' class stations in the pay range of Rs. 75—100 due to the implementation of the Gadgil Committee recommendations**

**Shri Nambiar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Taxation policy of the Government of India adversely affecting the lower income group**

**Shri V. P. Nayar (Chirayinkil):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Failure of the Government to raise the standard of living of the people**

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Failure to provide adequate finance for education, health, agriculture and small-scale industries**

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Necessity for granting greater financial assistance to Travancore-Cochin by way of food subsidy**

**Shri N. Sreekantan Nair (Quilon cum Mavelikkara):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Growing cost of administration**

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Failure to stop foreign firms from exporting their profits and in not directing them to invest it back into the industry**

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Failure to stop the invisible income of foreign insurance and banking concerns**

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Failure to give price protection to the agriculturists for their produce**

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

**Failure to give price protection to the handloom and cottage industries and to develop co-operatives among them**

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*High interest rate paid to the dollar loans and other foreign loans even in comparison to what we pay to the national loan*

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Failure to stop investment of foreign capital in industries where Indian capital is available, much to the detriment of national interests*

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Failure to follow an integrated fiscal policy with a view to subject all incomes to a ceiling of rupees one thousand per month in terms of present prices*

**Shri Madhao Reddi (Adilabad):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

#### *Refusal of Supplies*

**Shri Vallatharas (Pudukkottai):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced to Re. 1."

*Non-utilisation of the budgetary provisions of funds by the Ministries resulting in the arrears of work relating to the Five Year Plan*

**Shri Vallatharas:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Taxation policy of the Government of India adversely affecting the lower income groups*

**Shri N. R. Naidu (Rajahmundry):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Abolition of the post of the National Savings Commissioner*

**Shri U. M. Trivedi (Chittor):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Failure to utilise the budgetary provisions of funds made available for the development schemes*

**Shri Tulsidas (Mehsana West):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Re-orientation of the present Budget policy to suit the productive and rural economy and to raise the standard of living.*

**Shri Sivamurthi Swami (Kushtagi):** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Failure of the Ministry to provide more finance for education, health, agriculture and small scale industries*

**Shri Sivamurthi Swami:** I beg to move:

"That the demand under the head 'Ministry of Finance' be reduced by Rs. 100."

*Corruption that is prevailing in the Customs Department*

**Shri Sivamurthi Swami:** I beg to move:

"That the demand under the head 'Customs' be reduced by Rs. 100."

*Failure to levy adequate income tax on foreign concerns and big Indian capitalists*

**Shri Sadhan Gupta (Calcutta—South-East):** I beg to move:

"That the demand under the head 'Union Excise Duties' be reduced by Rs. 100."

**Duties on cloth, betelnuts and washing soap**

**Shri N. R. Naidu:** I beg to move:

"That the demand under the head 'Union Excise Duties' be reduced by Rs. 100."

**Tax imposed on footwear**

**Shri N. R. Naidu:** I beg to move:

"That the demand under the head 'Union Excise Duties' be reduced by Rs. 100."

**Differences in the pay scales of the officials of the Central Excise Department and the officials of the Income-Tax Department**

**Shri Sivamurthi Swami:** I beg to move:

"That the demand under the head 'Union Excise Duties' be reduced by Rs. 100."

**Increase in the pay of Central Excise Range Officers**

**Shri Sivamurthi Swami:** I beg to move:

"That the demand under the head 'Union Excise Duties' be reduced by Rs. 100."

**Re-assessment and levy of income-tax on closed income-tax cases of the pre-integration period without giving adequate compensation to the Travancore-Cochin State**

**Shri N. Sreekantan Nair:** I beg to move:

"That the demand under the head 'Taxes on Income including Corporation Tax and Estate Duty' be reduced by Rs. 100."

**Income Tax policy and its failure to stop corruption among the local officials**

**Shri Sivamurthi Swami:** I beg to move:

"That the demand under the head 'Taxes on Income including

Corporation Tax and Estate Duty' be reduced by Rs. 100."

**Recruitment of officers for collection of Estate Duty from the Central Excise Department**

**Shri Sivamurthi Swami:** I beg to move:

"That the demand under the head 'Taxes on Income including Corporation Tax and Estate Duty' be reduced by Rs. 100."

**Working of Neemuch Opium Factory**

**Shri U. M. Trivedi:** I beg to move:

"That the demand under the head 'Opium' be reduced by Rs. 100."

**Non-provision of leave salary for the establishment of Neemuch Opium Factory for Assistant Supervisors, clerks and class IV establishments**

**Shri U. M. Trivedi:** I beg to move:

"That the demand under the head 'Opium' be reduced by Rs. 100."

**Government's policy in connection with the problems of Banking and Insurance industries in the country.**

**Shri Tulsidas:** I beg to move

"That the demand under the head 'Miscellaneous Departments and Expenditure under the Ministry of Finance' be reduced by Rs. 100."

**Policy regarding the State enterprises**

**Shri Tulsidas:** I beg to move:

"That the demand under the head 'Miscellaneous Departments and Expenditure under the Ministry of Finance' be reduced by Rs. 100."

**Claims of Travancore-Cochin for 50 per cent. of the total income derived from the duty on pepper**

**Shri N. Sreekantan Nair:** I beg to move:

"That the demand under the head 'Grants-in-aid to States' be reduced by Rs. 100."

*Inadequate provision for the welfare of the Scheduled Castes and Tribes in Part C States*

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Grants-in-aid to States' be reduced by Rs. 100."

*Inadequate grant to the State of West Bengal to compensate loss in jute duty and share of income tax in terms of the Finance Commission's recommendations*

**Shri V. P. Nayar:** I beg to move:

"That the demand under the head 'Grants-in-aid to States' be reduced by Rs. 100."

*Feasibility of appointing a Parliamentary Commission to supervise and check up and also to report to the Parliament the expenditure of the Grants-in-aid made by the Parliament to the various States*

**Shri Tulsidas:** I beg to move:

"That the demand under the head 'Grants-in-aid to States' be reduced by Rs. 100."

*Adjustment of payments to Part B States for the administration of the Indian Arms Act*

**Shri U. M. Trivedi:** I beg to move:

"That the demand under the head 'Miscellaneous Adjustments between the Union and State Governments' be reduced by Rs. 100."

**Dr. Krishnaswami (Kancheepuram):** Mr. Speaker, in these days of astronomical expenditure incurred by Governments, it is dangerous to dispense with effective checks and controls by the Treasury and Parliament to which all departments are ultimately accountable. I should like to consider treasury control from two standpoints. Treasury control is not to be despised, because they are administrative and internal. Treasury control and audit are absolutely essential before Parliament

can begin to apply effective control. Treasury control is exercised in one of two ways and I invite the attention of the House to the consideration of both these methods.

There is a detailed control or scrutiny of each scheme submitted to the Finance Department; there is also what for want of a better word is described as block control. The latter is of secondary importance, where the first is exercised effectively. Within recent weeks there has arisen a fresh controversy on the subject of treasury control. It is sometimes assumed that neither parliamentary control nor treasury control need be exercised, especially in these days of planning, at high speed. But this assumption is highly dangerous and ultimately disruptive of sound planning. Critics suggest that it is the first type of control exercised by the Finance Department that is responsible for delay and hampering execution of schemes with speed. Is there any substance behind this charge? I have attempted to analyse the shortfall in expenditure that has taken place during the past two years and my analysis reveals certain interesting facts which I place before the House in all humility so that it might take them into account before it pronounces its verdict on the efficacy or otherwise of treasury control. What are the main lines in which shortfall of expenditure has taken place? Railways, for instance, have not been able to spend as much as was anticipated and a shortfall of 17½ crores has been the result; Community Projects have a similar story to tell. Here too our actual expenditure has fallen short of the anticipated by Rs. 7 to 8 crores. What is the reason for Railways having not been able to spend the amount envisaged? The obvious explanation that has been given by the President of the Railway Board—and it has not as yet been contradicted by the hon. Minister in charge of Railways—is that they were not able to put into operation all these sche-

[Dr. Krishnaswami]

mes, not because Treasury control was exercised but because they were unable to import machinery from abroad.

3 P.M.

As for Community Projects, what has occurred may appear strange. It has been recognised by almost all sections of opinion that schemes have not been drawn up and formulated for the Treasury to approve or reject. It is as a result of schemes not having been drawn up properly that there has been delay and it looks as if Treasury control has not been the villain of the piece. Surely, unplanned projects and schemes cannot be sanctioned by any finance minister and, certainly, it would not be possible, in these days of large-scale expenditure, for us to suggest that any scheme can be implemented without its being properly formulated.

What is necessary in the present circumstances is to get rid of the planless atmosphere that surrounds most of our administrative departments. There is the tragedy in our affairs that while we speak of planning often, we have not drawn up plans and schemes to match the deficit expenditure envisaged by Government. Whatever might be the reason, certain prescriptions have been suggested in order to expedite expenditure and promote prosperity.

One such proposal put forward is that Parliament should give its consent to what is known as a token grant. I am clear in my mind—and hon. Members also I hope are clear in their minds—that a token grant would distort the whole scheme and sequence of our Budget. If this idea is carried to its logical conclusion, the hon. the Finance Minister would be relieved of the responsibility of presenting a Budget with figures and he can with appropriateness present Budgets in symbols in future. Besides, what is the effect of accepting the procedure of a token grant? Token grants, if once accepted by Parliament, would convert a democracy into a totalitarian regime and we

would have taken the first step in the march to serfdom.

The other proposal that has been put forward is that we should have what is known as block grants allocated to the spending departments. Here too, there are formidable objections that stand in the way of Parliament accepting this proposal. It is neither in conformity with the spirit of our Constitution nor is it wise on the part of hon. Members to approve this proposal. True, a ceiling on the amount of expenditure is fixed and, to this extent, this proposal has merit. But, adoption of this prescription would whittle down the control of the Finance Ministry over other Ministries and, in consequence, whittle down what we are most anxious to establish, effective parliamentary control. Having disposed of these two prescriptions let me consider the main problem that is facing the administration, the House, and planners today. It is better we face facts instead of attempting to circumvent them. The Finance Minister envisages deficit expenditure of the order of 100 to 120 crores in the coming year. In normal circumstances, the amount of expenditure that we envisage is known only after the schemes have been drawn up. Here, in order to increase the income and in order to prevent unemployment, we have envisaged an increase in expenditure of Rs. 100 crores to Rs. 120 crores, and it is exactly because we have envisaged this amount and we are not yet ready with our schemes fully, that there is a great controversy on treasury scrutiny. It is incumbent on us to suggest a reform which takes into account the merits of Treasury control and yet makes possible the spending of the amount envisaged.

[PANDIT THAKUR DAS BHARGAVA in the Chair]

I suggest to the Government that the first duty of the administrative departments is to draw up schemes as quickly as possible so that they might be scrutinised by the Finance Department. This might however be a counsel of perfection as we know that it

is not possible for the departments to have all schemes drawn up to satisfy the criteria imposed by the Finance Department. It is socially important that we should implement these schemes as quickly as possible within the next two years. Therefore, a compromise suggests itself. I suggest that if the broad outlines of a scheme are prepared, a Contingency Fund may be provided so that the spending Department may draw on it. Even here, there are certain important safeguards which will have to be devised by the Finance Department. Parliament is responsible for voting money appropriations, and the Finance Ministry for allocating the funds among the various Departments and no Finance Ministry should be in a position to divest itself of this responsibility. From the angle of parliamentary control, from the point of view of efficient financial control more than ever necessary now in these days of large-scale expenditure, all these funds must be scrutinised, and the expenditure will have to be sanctioned *ex post facto* by the Finance Ministry. The advantage of sanctioning these amounts spent *ex post facto* by the Finance Ministry is that a definite check will have been imposed on the wasting propensities of administrative departments. We all want large-scale expenditure, but no one ever advocates public waste. This theory is today as true as it was previously; while we desire public expenditure in order to increase income and economic activities in different regions of our country, it certainly is not our aim to allow the tax-payers' money to be mis-spent. Ultimately, the Finance Ministry is accountable to Parliament, and where it is found that the Contingency Reserve Funds have not been drawn upon fully, or mis-spent it is the duty, nay it is the right, of the Finance Minister to come before Parliament and place a White Paper detailing the reasons for what has occurred.

There is another point which I bring to the notice of my hon. friend the Finance Minister. The explanatory

memorandum of the Finance Ministry deserves to be recast in view of the expenditure to be incurred on a large scale. This explanatory memorandum must give us fuller details of how the Contingency Reserve Fund has been spent. Particularly, it must be realised that hitherto we have sanctioned the Contingency Fund only for a limited period of a month or two when Parliament is in recess. But in view of the new developments and in view of the fact that expenditure has to be incurred with as much speed as possible, a Contingency Reserve Fund, which has been sanctioned and which has also to be spent subject to effective control by the Treasury, has necessarily to be supervised with greater care by Parliament than in the past. This idea of spending money, although most attractive to those who spend it, would have to be considered from another angle. For instance, the amount of money that has been spent would come into our revised estimates and we would then be in a position to judge how far the departments have kept up to the schedule. As it is, I have a feeling that too much blame is being thrown on one particular department—the finance department—because of poverty of thought in the administrative departments. There has been a great deal of confusion which continues even in the third year of our Plan, on these matters.

May I give an example. It is said that there is a great deal of unemployment and we should spend for the purpose of employing the unemployed. But as it is, the Minister of Planning pointed out only a few weeks ago that about Rs. 45 crores would be spent on the relief of refugees. Now, this will not solve the problem of unemployment which is concentrated in certain regions. What would happen is that the refugees would go into commercial occupations, already overcrowded and this would result in more disguised unemployment. I am only mentioning this instance to show that hastily drawn-up schemes tend

[Dr. Krishnaswami]

to give an imperfect picture of the needs that would be satisfied by their implementations.

There is another point on which this House has expressed itself strongly and yet nothing has been done by the hon. the Finance Minister. The audit and accounts branches have to be bifurcated immediately. Two years ago, the Public Accounts Committee pointed out the need and necessity for separating these two branches. Thereafter the Auditor-General should be instructed to institute concurrent audit and present quarterly reports to Parliament. As it is, the reports of the Auditor-General are a year or a year and a half old and Parliament is not in a position to judge what is exactly happening or what has happened to the funds that have been allocated to these various departments.

I shall bring to the notice of the House another instance to show how things are shaping. The Damodar Valley Project has had large funds allotted by this House and yet the latest report gives us only a picture of the audited accounts for the year 1950-51; it gives us however an estimate of the expenditure to be incurred in 1953-54. Why is there such delay? Why are Public enterprises never up-to-date in auditing all these accounts. I should also like him and the Government to realise that unless there is separation of the audit and the accounts, no healthy system of control will ever come into operation and Parliament will be misled on several occasions, perhaps unconsciously, as a result of the system that we are following. I suggest to the Government that before the new Auditor-General assumes office, a bifurcation be achieved so that we may have the accounts branch separated from the audits branch. It is not fair to the new Auditor-General designate that he should be asked to look after both accounts and audit. It is this which has led to his not being able to devote enough time and attention to various problems and it is this that has led in many cases

in the past to Parliament not having had information as quickly as possible.

Let me point out to the Government and my hon. friends that in future, more than in the past, parliamentary control and financial control should be exercised, and cannot be dispensed with or weakened. The new welfare State does not envisage administrative departments functioning in an atmosphere of planlessness or their spending without proper checks. It has become fashionable of late to suggest that we should have some reform which would obviate the need for red-tape. But let hon. Members realise that there is the danger of our going to the other extreme of having no system and functioning in a terrain of confusion and waste. One may appropriately remind himself when he considers these suggestions to reform financial control in radical fashion of what has been said by Congreve in the "Double Dealer".

"One minute gives invention to destroy;

What to rebuild, will a whole age employ."

**Shri Y. M. Mukne** (Thana—Reserved—Sch. Tribes): The Five Year Plan has given out the following as the objective of the State with regard to the people in the Tribal Area. The Plan says:

"There has to be a positive policy of assisting the Tribal People, to develop their natural resources and to evolve a productive economic life wherein they will enjoy the fruits of their labour, and will not be exploited by more organised economic forces from outside."

With that end in view a special financial grant has to be provided for programmes for the social and economic welfare of the Tribal population living in the Scheduled areas. The programmes include "schemes for the building of roads, the improvement of water supply, the provision of irrigation, the development of agriculture, animal husbandry and cottage

industries and for increased educational and medical facilities—I am quoting from the Five Year Plan.

But what has been achieved in this respect? I refer only to the people living in the Scheduled areas of my State, that is the Bombay State. In the first Five Year Plan a sum of Rs. 15 crores has been earmarked for the welfare of the Scheduled Tribes and for the development of Scheduled areas. I do not know what will be the share of the Scheduled area in the Bombay State. What I find is that the Centre has up to now sanctioned the following grants to this area: in 1951-52 Rs. 1 lakh, in 1952-53 Rs. 8.50 lakhs, and in 1953-54 Rs. 12 lakhs. That is all that is spent. And all this amount is spent by the Bombay Government on education—mostly primary—social welfare, health and such other matters. My contention is that is not tackling the basic problem.

We are the oldest population of the land. Our communities have lived for centuries in the forests and hilly regions. The very fact that these communities are being mentioned as Scheduled Tribes shows that the framers of the Constitution recognise our backwardness and therefore want to give us some protection.

We are certainly obliged to the Government for the consideration they have shown us. But I would state most humbly that the mere mention of us as Scheduled Tribes and granting a few crores of rupees for our social welfare will not be enough to compensate us for the suffering and privations that the so-called civilised society has forced upon us.

We are not a few people. There are about 245 tribes living in the innermost jungles of the country, cut off from all civilisation. Only a few of the people can imagine the living conditions of this population of over 1.78 crores which comes to about 7.8 per cent. of the entire population. I belong to the tribal area of the Bombay State which has a tribal population of about 9.34 per cent. of the

total population in that State. The particular district from which I come has the largest *Adivasi* population in the State. The area which we occupy is about 1,820 square miles and 4,57,000 live in that area.

What are the conditions under which these people live? Their economic condition has been the same as it was seventy or eighty years back. Their main occupation is agriculture if you can call the tilling of small pieces of land in hilly and many times barren areas as agriculture. These sons of the jungle, when their small produce exhausts, have to live on fruits and herbs. Some of the fortunate among them get work under the contractors who have been making enormous profits through cutting down trees and carrying on the timber business. But, our *Adivasis* get only wages and they are starvation wages for the work that they do. I must congratulate the Bombay Government for having introduced suitable legislation to exploit the jungle areas and to form co-operative societies of the *Adivasis* for that purpose. But, anyway, even today the life of the people is no different than what it was during the centuries. As I said earlier these people are cut off from any kind of civilization. There are no roads, no proper communications. They live in huts and they have hardly anything which can even resemble clothes.

What the Scheduled Tribes need is economic development of their area. For that, communications will have to be developed, small industries will have to be established and small irrigation projects will have to be taken in hand. These are the problems which must be given top priority. Unless the fundamental problem of the poverty of *Adivasis* is tackled immediately, all other high-sounding schemes of education, public health and community development are bound to fail.

What I feel is that the Centre may not have the full grasp of the situation in these remote hilly districts.

[Shri Y. M. Mukne]

and therefore, with all the good wishes of the Ministers concerned the basic problems of these areas have remained unsolved. I may draw the attention of the Government to the fact that—it is a small thing I admit—no Minister from the Centre has up to now visited my area (Thana-Kolaba Constituency) in the Bombay State.

Then, Sir, the report of the Commissioner provides for advisory councils of *Adivasis* in each State in order to advise on the best method of bringing about the advancement and uplift of the *Adivasis*. What I would suggest is that there should also be an advisory committee at the Centre in order to co-ordinate all the activities and give general directives about the line of development. I may also suggest that steps be taken to ensure some representation to the Scheduled Tribes in State and Central Cabinets where the Scheduled Tribes legislators form a good number of the elected representatives. This will enable the Scheduled Tribes representatives to acquaint themselves with the day-to-day administration of the country, and Government may be in a position to hear the views of the Scheduled Tribes representatives directly on the problems of these tribes. It is also necessary that the Government should appoint Scheduled Tribes representatives in Parliamentary Committees in order that they may get a fairly good knowledge of parliamentary activities within the statutorily stipulated period.

Sir, I make these suggestions in all humility. I know the Government has the good of the people at heart. I must say here that the Centre as well as the Bombay Government are trying to do something for the amelioration of the conditions of our people. What I feel is that they are not concentrating on the basic problems and therefore, I have drawn the attention of the Government to these problems. I hear that the Bombay Government has chalked out a five-year

plan estimated to cost Rs. 1.86 crores for the exclusive benefit of Scheduled Tribes and the inhabitants of Scheduled areas. But, the plan would be put into operation provided the Government of India agree to sanction substantial grants for its implementation. I hope the Government will sanction these new grants as well as continue to pay grants for the schemes of social welfare initiated by the Bombay Government.

**Shri Mohiuddin (Hyderabad City):** There have been during the last three or four weeks great controversy over rationalisation of large scale industries. Unfortunately, the question has turned round on more employment with less production and more production with more employment. I, however, do not propose to deal with rationalisation as such. But, I should like to draw the attention of the House and the Finance Minister to the important financial implications of rationalisation.

It is well-known that in highly industrialised countries, the main source of capital for the expansion of industries is the surplus of the industry itself. The various studies that have been made of corporation finance clearly show that during the last 20 years, there is a definite tendency to accumulate funds from surplus profits and utilisation of these funds for the purpose of expansion or creation of new industries. Ashley, in his recent *Study of Corporation Finance* has said that in Great Britain and U.S.A., as indeed in all the most advanced industrial nations, this type of savings is the main source of new funds for the development of industry and trade. He also says that the issue of new securities has become less important and the profits retained are now the largest single source. Our experience in India during the last few years is the same and the issue of new capital has not shown any vitality, and the security market is practically dull. The corporation tax collected by the Gov-

ernment is hovering round about Rs. 38 crores to Rs. 41 crores. I think this aspect of rationalisation has got to be taken into consideration and the industrial sector should work in such a manner that the surplus profits should be considerable for further development of industries in India. Increased profits, of course, should not mean increased benefits to the capitalists. Their share of the profit, whatever reasonable share is fixed, must be there, of course. Dividends, if necessary, should be restricted and the surplus should be utilised for not only replacement of industries, but also for expansion of other industries. This has a great financial implication and I hope it will be taken into consideration when deciding the question of rationalisation as was mentioned by the hon. Commerce and Industry Minister yesterday.

There is another point with regard to the Plan which I would like to mention for the attention of the Finance Minister, and that is, we are using the term 'development' expenditure' rather loosely. In the Five Year Plan Progress Report that was circulated to the Members of Parliament, it was said that in the two years 1951 to 1953, when the Plan has been in operation, the outlay on development expenditure was Rs. 584 crores. The Reserve Bank of India, in its report published in July, 1953, has calculated the expenditure on capital outlay on development, river valley projects, agricultural improvements, public health, road transport, special industries, etc. It says that in these two years, the capital outlay on development was Rs. 230.69 crores. These words 'development expenditure' and 'capital outlay on development' are causing confusion in the minds of the people. I would suggest that the meaning of these two terms should be specific. Of course, there is very little difference between what is directly productive and what is indirectly productive. The expenditure on irrigation projects is directly productive, while that on roads, schools, hospi-

tals, etc. is indirectly productive. There may be overlapping here and there. However, I would suggest that for purposes of clear identification, the expenditure on directly productive development schemes should be shown separately from that on indirectly productive development schemes. That will give a clear idea as to how far we have progressed in our development schemes, by our investment. This is of great importance.

For the next two or three years, of course, we are going to resort to deficit financing to a large extent. In order that the public should be satisfied that there has not been undue rise in prices on account of deficit financing, we should also have figures to show to the public that the production is going up rapidly, so that there is no occasion for the prices to rise, as development proceeds ahead.

There have been some references, yesterday as well as earlier, to terms of trade which now stand at about 94. It has also been suggested that we are helpless, because we cannot control the terms of trade stand in favour of or against India. The terms of trade were extremely favourable to India in 1950-51, and they stood at about 115 or 116—I am speaking from memory. In 1952, they dropped suddenly to 85. Since then, they have been creeping up gradually, and it is reported that they stand now at 94. So, are we really helpless? In the *Economic Survey of the United Kingdom*, that was issued in the first week of April, it is reported:

"Thanks to a fall of twelve per cent. in import prices, Britain was able to bring in nine per cent. more of imports, for a payment of four per cent. less, while export prices dropped only by three per cent. The gain from this swing in terms of trade is estimated at £200 million to £250 million."

[**Shri Mohiuddin**]

That is the gain of England by fall in export prices of India and other countries. I suggest that we should not be as helpless in this matter as it is sometimes said we are. This problem should be closely examined. It deserves examination. It may be that when we reduced our export duties, either we reduced them too early or reduced them to a greater extent; or that when we purchased machinery and manufactured articles we were not very careful in examining at what price we should purchase. All these important points are to be kept constantly under vigilance so that the terms of trade, if they do not really turn in our favour, at least stand at par.

**Shri Sadhan Gupta:** We have seen a report from the Finance Ministry but the report contains not an inkling about what financial policy this Government follows. Sir, the report does not contain a word about it, but that is not any evidence of the non-existence of a policy. It is not advertised because it is not worth advertising. But, nevertheless, it is manifest. If the report is silent, it is proclaimed from the house-tops by actions of the Finance Ministry and the Government as a whole.

Now, as for these actions, we have already seen the protest that has come from every section of this House against the taxes levied. That is one evidence, a symptom of the policy which the Government follows. The poor are taxed. Tax burdens are added to the already heavy burdens they have to bear and the rich are not touched. The excuse is that the Taxation Inquiry Commission is sitting. Sir, if the rich could be given relief on account of the Taxation Inquiry Commission, why not the poor? It is said that capital formation might be impeded by additional taxes and till the Inquiry Commission reports, we can-

not take the risk. Sir, in the case of the poor, it may not be capital formation, but it will be the very formation of their bodies which will be affected. It will touch their very nutritional aspects, when additional tax burdens are imposed on them. Sir, that is how the poor and the rich are treated. But that is not all. When it comes to differentiating between exploiters, foreign exploiters are treated infinitely better than Indian exploiters. Now, we from this party have often complained about the indiscriminate import of foreign capital. We have complained about it; our complaint has been ridiculed. It has been stated that Russia had to take foreign aid. Now, what is discreetly passed over is that what we are complaining about is not foreign aid but foreign capital. What Russia did was not to invite companies to exploit the country freely; what Russia did was to invite technical experts, to invite foreigners to render them assistance, train up their technical personnel to establish their factories and then after training up their personnel, they had to go. Now, what have we done, Sir? Have we done anything of the kind? We have done nothing of the kind. We are only permitting a huge drainage. Sir, we have complained about the drainage. We have stated that the drainage amounts to about Rs. 100 crores or more. The Government has also tried to dodge this thing by quoting the Reserve Bank figures to show that it is only Rs. 39 crores. Now, this may be a very good way of winning a battle of wits. But, Sir, what the Government has not told the House, what the Government keeps always silent about, is that the Reserve Bank report does not calculate the banking commission which is charged on international trade. It does not include the shipping charges which are to be paid for both our imports and exports. It does not include the insurance charges in respect of both our imports and exports. Now,

taking all these into consideration, we feel that the drain from this country will not be very much less than Rs. 100 crores or 150 crores. Apart from these means which can be called "fair" means in so far as with the other foul means, there are other very shady ways in which our capital is being robbed. We know that there are companies which call themselves 'India, Ltd.' which are either the "children" of certain very big parents in London or Washington or other capitals of Europe and America or which are branches of big companies in England or America which utilize various shady means of depriving this country of its capital. There is one way by which an under declaration is made of the value of goods shipped to parent companies by certain foreign companies. They establish manufacturing companies here and then what they do is, they ship their manufactured goods at a lower price to their parent concerns. There is a company of which the Chairman is a Prince of Denmark. The Prince of Denmark is always associated with a tragedy but in this case, the tragedy is for our country, not for Denmark nor for its Prince. What happened there is this. There is a Danish company located in Madras. On the 24th January, 1951, one consignment of oil, consisting of 660 tons, was sent to Denmark, to the parent company. The price quoted was Rs. 369 per candy of 500 pounds. On the same day, another consignment was sent to Rangoon, and the price quoted for the same was Rs. 475 per candy of 500 pounds. Now, if Rs. 475 is to be taken as the genuine price at which this oil is to be sold, by this one transaction of 660 tons of groundnut oil, the company robbed this country of a profit ranging up to about Rs. 3 lakhs. This is one transaction by one company. There are many such companies operating in this country. No step has been taken to stop them. On the other hand, the policy is to give free scope to foreign capital. Now, apart from this kind of transaction there is another kind of

transaction which is known as commission agency. There, the sale proceeds shown here are lower, and the difference between the real sale proceeds and the actual proceeds shown here is credited to the parent company or the principal company and they only take commission. This enables the Indian companies to show a loss and thereby resist the claims of workers to improved benefits. It really keeps the profits intact for the parent company or the principal company, and then, it has the advantage of shifting the profits from this country to the country of origin.

Similarly, transfers take place by means of book transfers. Now, that is one aspect of it. Are we taking any steps against foreign companies for doing all that—for robbing our country of capital? We are not. On the other hand, we are freely allowing these industries to kill our industries.

Let me place before the House the programme of a big Indian party and the programme of an Indian committee. The declaration of the party says that it has, "no objection to the use of foreign capital or the employment of foreign talent, when such are not available in India or when India needs them, but on condition that such capital and such talent are under the control, direction and management of Indians and are used in the interests of India." That is what the party says and the committee says:

"The investment of foreign capital in Indian agricultural, mineral and industrial concerns, since the establishment of British rule has resulted in the acquisition by foreign interests of a measure of control over India's economic and political life which has both warped and retarded national development. It is important that the investment of foreign capital in Indian enterprise should not ordinarily be permitted hereafter in a form which would entitle it to ownership and management in respect of industries of national importance. In

[Shri Sadhan Gupta]

particular, in the case of key industries involving use of secret processes which would not otherwise be available to the country, foreign participation in ownership and management may be permitted. Such participation should be subject to the approval of the State which will lay down the condition and limitations which would safeguard totally the Indian national industries.

It is possible, in view of India's vast capital requirements in the coming years, she may need capital from other countries. It is not, however, in her interest to accept it, if it is required for essential industries, except in the shape of loans or credits raised by us through the State. India's credit in the world market is sufficiently high to justify the expectation that she will be able to secure any capital assistance in this form, and for her to insist as a matter of national policy that foreign capital should be admitted only on these terms for essential industries."

Now, this is the programme of the party and of the committee. The party I may inform the House is the Indian National Congress, and this programme was incorporated in a Resolution of the Working Committee in 1938 under the Presidentship of our Prime Minister. As regards the Committee, it was the National Planning Committee presided over by our Prime Minister. That is the position as regards foreign capital.

Now, instead of following these principles companies like Lever Brothers, Rallie Brothers, and others, are allowed to compete in every aspect of our national industries. I can give the House figures to show how these firms are competing with our national industries, but I have no time.

This treatment has earned them the grievance of the Indian capitalists, but from foreign interests they

have only had praise. I shall put before you, what the Department of Commerce of the United States of America said about India's policy. The Department of Commerce has said this:

"The most significant aspect of climate for investment in India today is a growing recognition of the need for private foreign investment for private enterprise in general and consequent willingness to offer terms attractive to foreign investors. This development has come about gradually and has been made known more by action than by words."

The inducements offered to foreign investors are listed as "certain tax exemptions, a guarantee of exchange facilities for the remittance of profits, repatriation of capital, (including appreciation) and import of essential requirements, Government assistance in the acquisition of the required land and in securing adequate power, transportation and other required domestic facilities and materials, exemption from certain laws governing industry, the right to own all, or the majority of, shares in any enterprise established, a specific guarantee against nationalisation for a specific number of years and a general guarantee of compensation, should nationalisation take place."

Now, that is the guarantee given to foreign capital, while no guarantee is given to national enterprises. Sir, this is a policy of national treachery and I emphatically recommend to the House to reject these Demands.

**Shri Bidari (Bijapur South):** Mr. Chairman, Sir, within the limited time at my disposal, I would not venture to enter into the intricacies of the working of the various Departments, Divisions or Wings of this Ministry. I shall confine myself to rural finance, rural unemployment and try to take one or two matters connected with the Planning Division.

The Reserve Bank of India Act has been further amended so as to enable the Reserve Bank to make advances for the production and marketing of agricultural commodities as well as their processing preliminary to marketing. The Reserve Bank has also been empowered to provide accommodation to the State co-operative banks and State Financial Corporations or financing the production and marketing activities of cottage and small-scale industries.

As a measure of further progress towards implementation of the recommendations of the Rural Banking Enquiry Committee, the Imperial Bank of India has agreed to open 80 new branches in the next phase of their expansion programme for three years commencing from 1st July 1953. In the first two year period ending 30th June 1953, it has opened branches at 27 places besides converting 9 treasury pay offices into branches.

Many of the State Governments have put restrictions on private money-lending. Credit is not available in rural areas. The rate of progress was now covered does not meet the needs of the rural areas. Expansion of the activities of these banks on a wider scale should be brought about. Easier bank credit and reduction of conditions governing the grant of such credit are the only alternative measures that can help the rural areas.

The handloom industry which is the second biggest industry in the country is fast decaying. Similar is the fate of other cottage industries. Urgent measures of relief are called for to ameliorate the wide-spread unemployment and near famine conditions of the village artisans. That the Governments, both at the Centre and in some of the States, do feel concerned at the plight of the handloom weavers is evident. The industry is given direct and indirect subventions by the Governments. The cess collected from mill-made cloth goes to finance directly the handloom industry, while, at the instance of

the Government of India, a number of States have taken measures to exempt its products from sales tax.

The industry has received some relief, no doubt, from the Government. But it is doubtful if these measures by themselves could revitalise the industry and find a permanent place for it in the economic set-up now in the making. No industry can thrive for long on charity. It must either find a sure and distinct place in the economic set-up or it must go out of existence in course of time. So, the future of cottage industries is largely dependent on an unequivocal decision in regard to their position *vis-a-vis* mechanised industries.

Increase in population is one of the main factors that have accentuated unemployment. We need not brood over the problem. Mankind has discarded the old traditions of restraint, and talks about family planning and other artificial controls do not seem to progress beyond the realm of words and achieve any positive results. But, the gifts of Nature are inexhaustible. With the addition of each mouth there is the addition of two hands. It is common experience that the greater the load on its back the faster does an ass walk to reach its destination. There has been marvellous progress in science. Human intelligence is quite competent to harness the various forces of Nature for more production.

Twenty per cent. of the land is planned to be served with irrigation facilities. All the improved methods of agriculture have been undertaken. Favourable monsoons and weather conditions have helped the increase in production and some relief in rural unemployment is noticed. It is also gratifying to note that the Five Year Plan has been expanded. But, in spite of all this, agricultural production is still dependent on the vagaries of Nature. Doubts are expressed as to whether food production keeps pace with increase in population. The Planning Commission's

[Shri Bidari]

approach is restricted by the limitations of the Plan itself, and such piece-meal attempts are not likely to grapple with any but the fringe of the national problem. There is not only unemployment, but under-employment also and a programme that does not tackle both these may ultimately find itself stultified on the rock of inadequacy.

In the sphere of agricultural and land development, the Five Year Plan can be extended to any dimensions. The annual devastations by floods remind us to devote more thought, energy and sacrifice in controlling and taming waters of the rivers and utilise them for productive purposes. The innumerable rivulets, perennial *nalas* and the sub-soil water than can be struck in various tracts are sufficient allurements that goad us to free our country from the vagaries of Nature by having a net-work of minor and lift irrigation schemes. A vast number of brook-lets that carry away with them the rich surface soil warn us to retain that soil by having flooding schemes and afforestation, wherever possible. The wide spread soil-erosion and the consequent deterioration of land and the signs of exhaustion exhibited by the land are indicators that should propel us to strive our utmost to protect every piece of land by suitable bunds.

We quite appreciate the appointment, by Government, of a Soil Conservation Board at the Centre. Similar Boards are said to be appointed by the States. No prolonged deliberations by these Boards are needed. It is crystal clear that 80 per cent. of the land, all over the country, is erodible in various degrees.

In America, soil erosion is treated as Enemy No. 1 of agriculture. A separate Soil Conservation Service has been established there. The Government of India should also establish a separate Soil Conservation Service and begin mass bunding immediately with a definite plan of

covering the entire land liable to erosion within a definite number of years. Soil, like time, if once lost can never be regained.

A vast tract of land all over the country is liable to repeated famines and scarcity conditions. The Five Year Plan has left such a vast area uncared for. We appreciate the argument advanced that priority under the first Five Year Plan had to be given to projects that were already under construction. Our thanks are no doubt due to Government who have recently sanctioned schemes costing Rs. 40 crores. But, this amount is inadequate in comparison with the vastness of the area and the appalling poverty of the people.

The Second Five Year Plan is under consideration. Due attention to these areas has been promised. But in selecting schemes, humanitarianism and not commercialism should be the guiding factor.

A ceiling is put on the cost per acre in respect of minor irrigation schemes. Lift irrigation schemes on rivers have been dubbed as uneconomic. The sanctioning of subsidies for sinking wells has been discontinued and loans for sinking wells and other land development works are sanctioned only in famine and scarcity years.

**Shri Tulsidas:** Sir, I take this opportunity to make a few observations on these demands under the Ministry of Finance. I have gone through the small brochure which the Ministry has circulated amongst the Members and I find that the activities of this Ministry are quite far and wide. They deal with the economic problems of the country. They deal with a number of important questions and the main policies of the Government are also based on a number of decisions of this Ministry.

I was just hearing the speech of Dr. Krishnaswami and he had made certain observations with regard to Treasury control. Sir, this is a question which is at present live in the

country. We all feel that there must be a certain amount of control on the vast expenditure on development schemes. We have and we must have a certain amount of accountability to the authorities which are responsible for the resources which we make available to them. My personal view is that the Finance Minister is responsible for the revenues which he collects, and, therefore, he is naturally responsible for the expenditure also and you cannot get away from that fact. But, on the other hand, he made a cursory reference, in his own speech on the Budget, with regard to the shortfall in expenditure. We have not got here the progress report of the Five Year Plan for the year 1953-54 and, therefore, it is difficult to get a clear idea about the nature of the shortfalls, the factors that have led to this situation, and above all, where actually there have been shortfalls among the different schemes of development. In the absence of such data, it is very difficult to come to any definite conclusions, but to my mind, the shortfall appears to be largely a reflection on the adequacy of the governmental machinery to cope up and keep pace with the programmes of development. I personally feel that perhaps the governmental machinery's inadequacy consists in the failure to make proper planning of the details of the development schemes, that is, there is no planning with regard to the development schemes. The second reason, which I feel, is the absence of a suitable machinery to take up the planned schemes for speedy implementation and execution. Lastly, there is no co-ordinating authority. These are my own observations. How far the Finance Minister will agree with me, I do not know, but I feel that there is not enough planning. After all, we are spending enormous amounts of money on a number of schemes, and even the Finance Minister in his own address has made a frank admission of this lacuna in the planning organisation. In this respect I did make a certain point while

speaking in the general discussion on the Budget, namely that this House sanctions large amounts of expenditure, particularly, by the States. I have got here a compiled list of the Central assistance to the States.

Shares of taxes and duties:

1952-53	..	Rs. 68 crores
1953-54	..	Rs. 71.3 crores
1954-55	..	Rs. 72.2 crores

Grants and subventions:

1952-53	Rs. 36 crores
1953-54	Rs. 53 crores
1954-55	Rs. 87.2 crores approx.

Loans :

1952-53	..	Rs. 82 crores
1953-54	..	Rs. 131 crores
1954-55	..	Rs. 214 crores.

The totals come to Rs. 186 crores, Rs. 258 crores and Rs. 375 crores for these three years, and if we remove the share of taxes and duties which the States are entitled to according to the Constitution, the figures are:

for 1952-53	Rs. 118 crores
for 1953-54	Rs. 185 crores
for 1954-55	Rs. 302 crores.

This is the Central assistance to the States. We have practically no control on this expenditure. This is a very large amount of assistance which the Central Government is giving to the States. I made a certain reference in this respect that the House ought to take notice of it and it should have some sort of a committee, or you may call it a commission, which should look into the expenditure on behalf of the States. After all, we cannot now say that this money is all well spent and spent in time. Perhaps the money is spent in time but may be considered as wasteful expenditure, and there is, therefore, a certain amount of responsibility for the House in this respect. I know the State Government would not like it and I know also that the Constitution does not provide that the Central Government can have any say with regard to the expenditure on behalf of the States, but we are tak-

[Shri Tulsidas]

ing foreign aid from different countries and there we have accepted a certain amount of supervision. I do not see any reason why the State Governments should not accept a certain amount of supervision when large sums of money are given by the Central Government. If there is any difficulty with the Constitution in this matter, the House will take note of it and do the needful. If we have a commission of the House looking into the expenditure on behalf of the States, I think there will be some sort of vigilance on the States.

A debate was raised some time back with regard to parliamentary control on State enterprises and there were a number of speeches. The general opinion then was that there should be a certain amount of parliamentary control on State enterprises. At that time, the hon. Finance Minister stated that instead of having this control, if the House would like it, they should have one or two days' debate on the different State enterprises when the Budget is discussed. We have not had the opportunity to discuss specifically the State enterprises as was mentioned. I do not know what the Finance Minister thinks on the question of parliamentary control on State enterprises, but before he comes to a decision, we should have the opportunity of discussing the State enterprises separately for a day or two and make our own observations.

**Dr. Lank Sundaram (Visakhapatnam):** Where are the balance-sheets?

**Shri Tulsidas:** The difficulty here is that no Member of the House has the balance-sheet—balance-sheet prepared in a commercial way—to know what the State enterprises are doing. When I want to get some report on any State enterprise, I get a sort of report on its working, but there is no definite balance-sheet and profit and loss account prepared in a commercial way for the State enterprises. Unless we have these reports of

balance-sheet and profit and loss account, it is no use having a discussion. I would, therefore, request the hon. Finance Minister to make available to the House the reports of the different State enterprises, so that a debate for a day or two may be had in the House on State enterprises. That is with regard to Parliamentary control and Treasury control.

4 P.M.

Now, let me come to specific questions. The Finance Minister has under his care a number of industries, and I would like to refer, firstly, with regard to insurance. There has been a certain amount of feeling in the country and amongst the insurance companies that the Act, which is now in force, has been brought in when the conditions were different from what they are today. The Act was brought in at a time when foreign companies were doing a very large business in this country and, therefore, a certain amount of rigidity was introduced in that Act, namely, sections 40A and 41, which consist mainly of giving of commission and rebate. Recently, a code of conduct, under this Act, has been framed, whereby insurance companies have to strictly adhere to the commissions and rebates prescribed in the Act. Everyone knows that a number of malpractices are going on. I feel that it is no use keeping an Act by which a dishonest person carries on his malpractices while an honest person has to suffer. A very expensive machinery has been framed but still nothing has been done. I feel that instead of having such rigidity in the Act, we should have an Act by which we can have an insurance system which can give service to the consumers at a cheaper cost; it should be allowed to be done. After all insurance industry is a private enterprise and compensation is its very basis. If an insurance company wants to have certain things at a lower cost why should it not be allowed to do it?

I can understand control to some extent to ensure solvency of the insurance companies but that control should be an overall control to see that they keep themselves solvent so that moneys which are collected are not wasted away but there should be complete freedom otherwise. In this respect there is a certain Council—Insurance Council—which functions and there I had an opportunity to put my point of view. I had mentioned that instead of having this rigid control, have a sort of overall control of seeing that insurance companies keep themselves solvent and that the overall expenditure does not go beyond a certain percentage while a certain amount of freedom must be allowed for each company to have its own way of quoting the insurance premiums or the commissions which the insurance companies would like to give, thereby at least not allowing these malpractices to continue. There should be some amount of freedom in the working of the insurance industry.

Now I will come to banking. Here, I made certain observations when the Banking Amendment Bill was introduced in the House and I did say that with the passing of the Banking Companies Act, Reserve Bank has become the custodian of Indian banking. I feel very strongly that we require more and more banks in this country; we require banks to go into the rural areas; we also wish that insurance companies should grow in number so that every one gets the facilities of insuring and also of banking. Here, if I may say so, the Reserve Bank ought to play a very important role, a more positive role instead of only remaining as a sort of some authority or watch-dog and nothing else. It does not have a positive attitude and use its good offices to see that banking and insurance flourish in this country.

I was trying to make out one more point if you will allow me a little more time: I will take two or three more minutes only. Yesterday, we

had a debate on the Commerce and Industry Ministry. We say that production is rising in this country as the figures show; but, there is a strange phenomenon in that, that in spite of the increase in production, prices do not go down. Is this increased price due to the rigidity of the cost structure or not? I know sometime back the hon. Finance Minister had expressed a view that he is trying to see how the rigidity of the cost structure could be improved. Is the rigidity of the cost structure due to the imposition of taxes or to the labour legislation or to the labour awards? We shall have to go into this because we cannot expect the country to have this price level kept for a long time. After all war has ended nearly ten years back and if the price structure does not come down in spite of the increase in production, it has to be thought of how it has to be brought down. I do not know how the Finance Minister would like to tackle this problem. If the price structure has to be brought down, what are the ways? How do you propose to bring it down? I know increased production is the main way by which the prices have to be brought down. There may be other ways also and I would like him to go into them. I would also like to know whether there are any other reasons because of which the prices are kept at a high level.

**Shri Raghubir Sahai** (Etah Distt.—North East cum Budaun Distt.—East): I would like to confine my remarks to the working of the community projects and the national extension service blocks. From the latest report that has been circulated to us we find that about 218 community projects and 199 national extension service blocks are in operation at the present moment in the entire country. Between them they cover a total of 43,350 villages with a population of about 34.52 million.

With regard to the importance of the community projects I think it is needless for me to dwell on the subject. Everybody knows that if we

[Shri Raghubir Sahai]

make the community projects and the national extension service blocks a success in the country, a very great problem would have been solved. But the point is whether what we have done so far is something of which we can legitimately be proud.

In this connection, with your permission, Sir, I will quote a few lines from the pamphlet that has been distributed. It is entitled "Progress of the Plan". This pamphlet was published by the Government in January 1954 and that is the latest publication in our possession. It says:

"The third year of the Plan will end in March 1954. (That means that we have already entered into the fourth year of the plan.) Although useful results have been secured, the greater part of the task remains to be accomplished and the programmes to be carried out during the next two years are larger in scope than those undertaken during the first three years....

"There is need, therefore, for a sense of urgency and intense effort on the part of the administrations of the Central and State Governments as well as the people. In each sector of the Plan those concerned with implementation have to step up their activities and so organise them as to evoke maximum public co-operation and participation."

With your permission, Sir, I shall quote one more passage and a very small passage at that. With regard to the rural extension service and Community-Projects, the same report said:

"The programme that was set before the country was equally comprehensive: It embraced all aspects of development in the Socio-economic life of the rural India and aimed at increasing production, employment, literacy and other amenities of life... A definite

target date was set for each Project to be completed." and these are very important remarks which I am quoting;

"The programme had to be launched on a war basis—a war against poverty and disease for a fuller and freer life."

I beg to submit that I agree with every word in the above quotations. The point, however, is: have we been able to create a war psychology in those areas where the Community Projects are in operation or have we been able to create Plan-mindedness in those areas or in the country? My own estimate is that we have not been able to do so. We fully realise that in this country there are forces, parties, groups which are thoroughly opposed to the Five Year Plan. This section of the public, an important section, goes to the length of saying "scrap off this Five Year Plan". My submission is we should beware of them. And in the light of this attitude we should see that what we have undertaken today is successfully accomplished within the time that is left at our disposal. We should take stock of our positive achievements. From this report we also find that out of a total of about Rs. 22 crores approved for three years, only a little more than Rs. 7 crores were spent on those items of Community Projects till September, 1953, that is, a little less than one-third of the total amount. About Rs. 15 crores have been left unspent. And we have still to take stock of what is being allotted in the year 1954-55 and 1955-56.

My own view is that it is not the big projects like Bhakra-Nangal, Hirakud and Damodar Valley—though they are very important in themselves—that will change the entire situation of the village side and that will do away with poverty and produce contentment throughout the country, but it is the working in the right spirit of the Community Projects and the national extension blocks that will do the needful.

The point before us is : how can that be successfully done, and can that be done within the small period of two years that is left at our disposal? In my humble view it can be done and the projects can be made a success only if the officers who are in charge of these projects are imbued with the spirit of service and want to make them a success. I have my grave doubts whether many of these officers who have been placed in charge of these community projects have got in them that missionary spirit that is so very essential. In regard to the progress of the Plan, the pamphlet from which I quoted further says:

"It is important to ensure that this spontaneous public co-operation does not diminish either because of faulty official approach or for lack of a properly organised scheme of action to be undertaken by the people. The enthusiasm now generated will have to be consolidated so that a firm superstructure based on people's willing support can be laid. The movement should always remain a people's movement, vigorous and dynamic, with a thoroughly efficient administrative organisation of supplies and services and credit reaching every family."

It all depends upon how the official makes the approach. The public support and the public co-operation can only be obtained if the officials in charge of these community projects take up the task in the right spirit. As I said, I have my own doubts, and I fear that these officers who have been placed in charge of these community projects are not imbued with the right spirit. In order to secure the co-operation of the people, the ordinary village people in those particular areas where these community projects and national extension blocks have been introduced we shall have to create an atmosphere where people may feel that they are safe, that their lives are safe, that their property is safe. And unless and until that sense of security has been creat-

ed I do not think public co-operation can be obtained. My submission is that in many of the community Project areas where lakhs and lakhs of money is going to be spent, people are living under a constant feeling of insecurity. There is insecurity.

**Shri Velayudhan (Quilon cum Mavelikkara—Reserved—Sch. Castes):** Is there any robbery there?

**Shri Raghbir Sahai:** There are depredations of dacoits. People do not feel safe.

During last January, when the Shramdan Week was inaugurated in U.P., I had occasion to roam about the entire Usawan Community Project area which lies in my constituency. For nine days, day in and day out, I remained in that part of the constituency, and I could see how the project was working. I very regrettfully say before this House that the response that I saw there was disappointing, was not as much as I expected. It was a community project area, not the other area which was not included in the community project. Therefore I expected that the response there should have been more in comparison with the response at other places. My own view is that unless and until those officers who are placed in charge of the community projects are the requisite type of officers, these community projects even after two years of working cannot be made a success.

I would bring my remarks to a close after mentioning one other matter. In the districts, the planning committees are working under the direction of the District Magistrates, and, as during the old British days, every district magistrate was supposed to be an expert in everything and so even now the District Magistrate is supposed to be a specialist in the Five Year Plan and in the working of the community project. I doubt whether any District Magistrate who has not gone through the bulky volumes of the Five Year Plan and has not made a special study

[Shri Raghbir Sahai]

of the subject can make a community project a success. I happened to be present at one of the meetings that was addressed by a District Magistrate. While he was addressing the village level workers who are supposed to be in charge of the villages in the community project, he said, "Well, this is nothing, that is nothing, you need not worry about this, you need not worry about that; only explain to the village folk how he can convert his one rupee into two rupees". I was dumb-struck at his remark and began to wonder whether he has got a magic formula of converting one rupee into two rupees. Only the other day our learned Finance Minister told us, and we also noticed the same in the Five Year Plan, that the national income of the country would be doubled within a space of twenty-five years. But here is a District Magistrate who says that he knows the magic formula of converting one rupee into two rupees! If such officers were kept in charge of community projects, I have very grave doubts if they can be a success.

**Shri Vallatharas:** Sir, my cut motions relate to refusal of supplies in connection with the non-utilisation of the budgetary provisions of funds by the Ministries resulting in the arrears of work of the Five Year Plan. Now, we have got a large volume of criticism from all the economic experts as well as from the public-minded men in this country, and so, we will have a general picture that will be useful and purposeful for several reasons. I do not intend to enter into those details of technicalities, nor, do I intend to explain by some reading of economic books. I will straightaway go to the point.

A situation has been developed very seriously during the last few months and it has reached a climax now. It is a regular fight between the Finance Ministry cum budgeting agencies and the rest of the Government. Which is going to yield for the betterment of this country is the only question?

I will place before the House the relevant facts in this connection. I agree I was a bit emotional when our Finance Minister was to offer his resignation. (interruption). His predecessor Mr. Matthai suffered a somewhat similar fate. Previously another Finance Minister had suffered a somewhat similar fate. After independence, there is something wrong in the mutual understanding between persons in charge of the Finance Ministry and budgeting policies, and the Government as situated present.

The considered verdict of the present-day economists and public opinion on the working of the Plan, the activities of the Government, and the Budget is very definite and clear. The budgetary allotment in the Plan has been spent to a small extent of 40 per cent. and consequently the balance of projects will hardly be done. The Government have proved to be hopelessly unequal to the task entrusted to them under the Plan. The budgeting has been reduced to a status of mere "accountant's record which is already contained in the Plan," and obliged to lose its originality and initiative to guide and control the administration including the Plan. A clash of human temperaments among the human agencies involved in these three sections was visible some time back and has recently reached a climax wherein the Finance Minister offered to resign. It would not be surprising, even if it happens as a necessity, if a second offer to resign follows. This is the position I want to submit to the House.

There are the professional popular politicians who want to retain power by telling the people for election purposes that they have done this or that. They do not want to be strictly controlled by rules and regulations. As against those, there are the other official-minded politicians nominated or elected, whose business inclinations attach a fanatic adherence to the

rules and procedure. We need a proper understanding and consolidation of these varying temperaments in the administration of the country.

The Plan is a pre-conceived entity by the will of many or few; it was envisaged under the Constitution and under the general will; and the Government attaches great importance to it. They want to invest greater and greater amounts on it. They want to tell the nation that it is the sheet-anchor of the future welfare state. If the Plan succeeds, there is some good growing out of it. If the Plan fails, there is a collapse of the entire society and the nation. This factor has to be borne in mind.

I am not a man opposed to the Plan, but I want to speak plainly, that when you want to criticise you must criticise without reservation.

When the Plan was taken up, the Government wanted to get experience by the Plan, and later to harness the Budget. The process of the Government now is that they must lead the budgeting *cum* financial agencies as a captive in procession. The Budget as it is, during the last two or three years has lost its initiative and originality in executing its own policies and influencing the Government. The Plan requires a programme to be fulfilled, and the Finance Ministry or the budgeting agencies have to adjust the accounts, the manipulations and calculations to suit it. This is the position now.

What has transpired in these three years is a deplorable experience. Some say that it is because the Government personnel are not honest, but are corrupt, inefficient, unjust and unpatriotic. Another section views that because of the financial procedure, at certain times the financial sanctions were withheld for expenditures and thereby the managing agents or local authorities were handicapped in spending the money. Impediment to spending is one thing which the Government are putting

forward, but what can be said about the opinion that has been spread about them in public? On the other hand, the Finance *cum* budgeting agencies have got a greater task. They have now no means to assist the national asset, the national strength and the prospects of the nation. The reduced position is this: there is no scope for increased taxation; there is no scope for a windfall in the revenue and the expectations from foreign aid are somewhat very low. The Plan which was conditioned on the basis that foreign aid would be available has now definitely taken a different turn and begun to expect the internal resources to support it. It needs serious reconditioning.

The Plan itself is utterly defective in one aspect, that in its initial stages it had no idea as to how to find the finance required before executing it. After three years spending, what is it that has been accomplished? It started with a deficit of 290 crores of rupees, to face a deficit of about 900 crores of rupees in three years—yet, the Planning Commission wants that all amount must be spent. How can it be spent? The Finance Minister or the Commerce and Industry Minister must find the money; otherwise the Food Minister will come and say that he has sought for some sanction and that he is finding difficulty in carrying on his work. In these ways there are some repercussions going on among the various Ministries. That is why I said that the human temperaments among the various Ministries have descended to such a level that there is a sort of coarse wrestling for domination over the financial control.

I have had an opportunity to go to Damodar Valley and other places in connection with the visit of the Public Accounts Committee. I saw there very interesting things. Some things are very good and some others are totally bad. In one place in Damodar Valley the estimate was for Rs. 7 crores for a certain Barrage. Out of that a sum of Rs. 2½ crores was spent to build up about 300 houses with

[Shri Vallatharas]

electricity, roads etc., to house about one engineer, two assistant engineers, 15 *chaprasis* and about 20 clerks. Except a few houses, the rest of the houses were kept locked. Why these Rs. 2½ crores were spent? What was the sanction for the management to take that 2½ crores and spend it on an unauthorised item? It is a sheer unauthorised waste. I would have been very happy if the Government had traced out the officer responsible for it and dealt with him. I see that the present Government is too cowardly to deal with officers. I can quote instances after instances where there has been lack of disciplinary action, even though the Public Accounts Committee and the Estimates Committee have pointed out this defect. In another place I saw—Tilaya Dam, a big Dam—the money spent on construction of residences of officers should be within Rs. 1 lakh. They are all temporary structures. See the difference between the attitude of these two different officers!

4-45 P.M.

So, the fact is that in some places abuses have taken place irrespective of the fact that Financial Advisers were there. The Financial Advisers did not give sanction many an expenditure. But for these restrictions, my humble view is that in many places even these remnants of dilapidated walls, dams, etc., cannot be seen. On principle I wish decentralisation of power. I would say that the people in the locality should be endowed with greater power to spend. But, I find a goodly apple rotten at the heart, a goodly Government with rotten personnel distributed throughout the country, who are acting as a menace to the future welfare of this country.

Unless the Government adopts a strict policy, by which a reformation or improvement of the demoralised personnel is effected, there is absolutely no use of attempting to copy the procedure in the U.K. which can serve the purpose of some present excuse; but no substantial purpose can be served.

I am referring to the one-man committee appointed by the Government, the Chanda Committee. He recommends that the Financial Advisers should be subject to the control of the departmental people and not to the control of the Finance Ministry. Do it. I have no objection. But, what is the existing criterion here and what is the basis there? To simply imitate or copy an institution which may have an excuse for the present is not at all the proper one. Thirty years' experience has shown how the procedure of the U. K. has been built up. Superior morality, superior discipline and sense of national interest which have been the chief aim of that personnel, have been the reason for the successful working there. Here, we have got the contrary experience of these three or four years. It is the personnel that has been the handicap in carrying out the projects of the Plan during the last three years to any appreciable extent and there has been waste and extravagance. They are not amenable for making any economy in the expenditure as well as in the waste and yet they are to be entrusted for a further period of two or three years with the execution of the same work. Public opinion has grown very strong that the Plan targets cannot be achieved with the personnel that can be commanded at present. We are not going to create a new humanity here. With the present staff we will have to continue. It is only with the intention to appraise the Government of the defect in the quality of the men that we have, that I wanted to say all this. It is not money alone that makes everything. It is the honesty of the officer, it is the brain and intellect combined with experience and sincerity that should make up all the defects and arrears in the Plan. If the Plan succeeds, well and good; if it fails, it will be a calamity.

According to the growing trends, I wish that a Joint Committee of the Public Accounts Committee and the Estimates Committee should sit at the earliest possible moment and look

[Shri U. M. Trivedi]

Even though Neemuch is surrounded on all sides by Rajasthan, I do not know why only Chopras, Puris, Suris and Bedis are employed there. What happens to the local people? Not one of them is employed. People are sent from the employment exchange, sponsored by the employment exchange at Delhi for being employed at Neemuch or Ratlam or Kotah. Why is this state of affairs obtaining? I want to draw your attention to one thing. Very recently, a certain reduction in the staff has been ordered. The people have been in service for the last four years. There also, retrenchment was ordered, not of those persons who were recruited and brought there to Neemuch and Rajasthan from the U.P. and the Punjab. They have been left untouched. The local persons who were employed there have all been given notice to be retrenched. What wrong have they done that the Government should take this attitude and retrench these poor people? Why is this going on?

If you look at the position of opium cultivation in Madhya Bharat and Rajasthan, you will find that opium cultivation in the U.P. has gone down and the value in Madhya Bharat come to Rs. 66 lakhs, and in Rajasthan amounts to Rs. 40 lakhs and thus about Rs. 106 lakhs have got to be disbursed through the Neemuch District Opium office. It is there that this retrenchment is being carried out. I cannot see the propriety of such retrenchment being carried out at this stage when the whole country is clamouring for better employment, more employment of various government officers in all categories. Now let us look at the employment exchanges.

We have this difficulty about the employment exchanges. When somebody has put in an application and he gets employment, he cannot get another employment through these employment exchanges, although the employment which he may have got

through the employment exchange may not at all be suitable to him. It may be only a case of merely saving himself from starvation that the young man may have accepted the job. But, a stamp is put on his case and he will have to say dishonestly that he is no longer employed anywhere if he wants to go to another job. Some method should be adopted by which recruitment, although it may be through the employment exchanges, should be open to all and sundry. Proper advertisements should be made. In this respect, the Finance Minister is the greatest sinner.

5 P.M.

**Shri T. N. Singh (Banaras Distt.—East):** Sinner in opium?

**Shri U. M. Trivedi:** Neither for opium nor for anything, but for not allowing proper employment facilities to these young men who are desirous of securing employment.

The opium factory at Neemuch has been in existence for a long number of years, and yet, you will be surprised to find, that all those who are employed in that factory are temporary hands. Even people who have put fifteen to twenty years of service are still temporary. I do not know of any other case, in any part of India, where the Central Government servants with such long years of service are treated as temporary in this manner. This state of affairs must be remedied very soon.

This is the third budget which I have had the occasion to read in this House. When I read the volumes that were supplied to us, it appeared to me that our very efficient Finance Minister never cares to look into these volumes. Probably these volumes are prepared by somebody, and they are meant to be digested by the Members of Parliament who may be industrious enough to look into them, but who find that the things they want to learn from them are certainly missing.

into the matter. It should not be left to the hands of any other person. This Committee should be entitled to receive all evidence which it thinks fit, and on that basis, it must give its verdict as to how things should be reformed. There is a resolution for the 17th in the name of Shri S. N. Das. It will be an eye-opener in respect of several factors and I think that would serve best my expectations. But, meanwhile, the process of abridging the budgeting powers, with a view to restrict their freedom, with a view to restrict their initiative, with a view to restrict the scope of their action, I think, does not conduce to the proper administration of this country.

A factor that I would urge is a general grievance expressed by the Government servants. As a result of the implementation of the Gadgil Committee's report and the absorption of the dearness allowance in pay, the Central Government employees drawing pay in the range of Rs. 75 to Rs. 100. serving in the C class stations lose emoluments by way of house-rent allowance. An immediate drop in emoluments is protected by the granting of personal pay. But, the employees will continue to suffer a reduction in their emoluments that are legitimately due till 1961. Government must remove this anomaly and reduce the injustice by raising the pay limit for the drawal of house-rent allowance from Rs. 100 to Rs. 150 in the C class stations.

The position of the country is not so bad as some people had depicted. I have seen some frantic statements by the Members in the previous speeches. An hon. Member said that this nation has to be reduced to beggary by the process that is going on now. Another hon. Member, who is now in the Cabinet, on the treasury Benches, said that this Government is befooling the people in this House by throwing dust in their eyes by a show of an administration like this. I am not at all influenced by these things. Taking a calm view of things, the Budget, in principle is sound. The Finance

Minister is now handicapped by several forces. The Government is chiefly responsible for all the mistakes that have taken place by reason of the defects of the personnel. There is money in the country which can come to our rescue at any moment. The National Plan Loan floated by the Prime Minister is a bold step in the eyes of the world to show that we can stand on our own legs. It is not as if a dark picture has to be painted. The National Income Committee's report is highly encouraging. I can say that even if it comes to a question of contributing the entire amount of Rs. 900 crores by the 40 crores of people, it can be done, provided a sage like Gandhi comes and says, you pay the money, not by an executive officer coming and saying, I want to have the Plan carried out and you must pay through taxation or otherwise.

**Shri U. M. Trivedi:** The subjects dealt with by the Finance Ministry are many and naturally one cannot traverse over all the subjects with which he has to deal. I will therefore concentrate what I have to say on the working of the Opium Department of the Government of India.

Opium is a great dollar earner for us and it brings us a good deal of money. But, I find that its administration is most neglected. Somehow or other, when you look at the list of the officers who are concerned with the administration of opium, from top to bottom, you go on finding Mathurs. The Commissioner is a Mathur, the Collector is a Mathur, the Second Collector is a Mathur, the Deputy Collector is a Mathur, the district officer is a Mathur; everybody is a Mathur. I do not grudge Mathurs being appointed. But, I cannot find any reason why this kind of monopoly is created.

The Government should look into this matter and see how others are left out.

There are two opium factories of the Government of India one at Ghaziore and the other at Neemuch.

I would like to draw the attention of the hon. Finance Minister, particularly to page 466 of Volume I of the Demands for Grants. Under Major Head '6', he will find that the budget estimates for 1953-54, under the head 'Pay of Officers' have been given for the Narcotic Commissioner, the Chief Accounts Officer, the Inspecting Officer etc. But no figures have been given for the revised estimates for 1953-54, or the budget estimates for 1954-55. What is this bogus thing, this humbug, that we are being supplied with? Has the post of the Narcotic Commissioner been abolished? No. I know that that post exists, and the officer is carrying on. I know that the Chief Accounts Officer is there, I know that the Inspecting Officer is there, I know that their establishment is there, and I know that the clerks are there. Yet this is what we are being supplied with. This sort of thing is there not only in this particular Ministry, but I find it all over. It is not the mistake of the Finance Ministry alone, but certainly, the Finance Ministry is responsible for this publication, and since it is the Finance Minister that presents the budget, it is up to him and his departmental officers to look into this matter. We are really handicapped by the absence of such particulars. The Members of Parliament, who are in a sense the directors of this whole big concern, are being presented with this kind of a report, and they are asked to study it. Actually, this meant not only for the directors, but for everyone in the country, who is a shareholder in this concern; every Indian citizen worth his salt is bound to know how his business is managed. And yet we find that even we, the Members of Parliament, are kept in the dark about it. I hope that this will not recur in future.

The next point to which I would like to draw the attention of the hon. Minister is in regard to the national savings scheme. It is a big bogus thing, and it must go. What is this national savings scheme, except that

some fashionable ladies and some fashionable gentlemen go about influencing some of their friends, or that some officers' wives go about influencing certain other people, and through them influence some other persons, and thereby get some money? Actually, the work is done by the clerks of the Postal Department. Why should not this extra remuneration be paid to the postal clerks, so as to make them well-contented? Why should they be deprived of their legitimate earnings? If the national savings scheme is to be fostered in this manner, I for one would say, stop it. You can increase the rate of interest very easily in the postal savings bank deposits. If you can do this, you will find that the savings will go up like anything, and this will be in addition to the other savings schemes which are in force. When you are giving a cumulative rate of interest of 3½ per cent. and higher on the other loans that you have floated, why do you keep the rate of interest in the postal savings bank account only at two per cent, and even reduce it, if more than Rs. 10,000 are deposited, as if you want to penalise a man, because he has saved some money? Surely, this sort of thing ought to stop.

Next, I would like to refer to a point, to which my hon. friend Shri Vallatharas has already made a reference. The Gadgil Committee recommended that fifty per cent. of the dearness allowance should be treated as dearness pay. This has resulted in some hardships to people whose pay ranges between Rs. 75 and Rs. 100. Some of them were entitled to get some house-rent allowances, if they were placed at C class stations. But now, if a person is drawing a pay of Rs. 75. and his dearness allowance is Rs. 50. if fifty per cent. of the dearness allowance is merged with the pay, his pay becomes Rs. 100. and the result is that the employee is not entitled to get any house-rent allowance. This is working a lot of hardship in the case of persons who have reached this

[Shri U. M. Trivedi]

state in regard to their pay. I think this is a matter which needs to be looked into.

I had a good deal to say, but as the time is short I shall limit my observations to one or two more points only. Under the head, where grants have been made to the States, under Article 275 (1) of the Constitution, I am surprised to find that no grant has been mentioned for Rajasthan. Not a single pie has been given to Rajasthan, under this head. Why should Rajasthan alone be singled out for this purpose? There is a large number of people belonging to the Scheduled Tribes, living in Rajasthan. Even for them, you have not provided any grants, not to speak of the grant under the substantial provision in Article 275 (1) of the Constitution. This is really a very surprising thing, so far as this Budget is concerned, that there is no grant to Rajasthan; at least, these Volumes do not show anything.

A suggestion has been made in the most euphemistic way that we are collecting the debt which Burma owes us. Why provide for this, unnecessarily suggesting that we are going to get £13 per ton returned to us, in regard to the rice imports that we are getting from Burma, and that this amount will be credited to her debt account? Why have this euphemism unnecessarily when actually the prices of rice are low in Burma why not utilize the opportunity of being charitable and thereby bring some pressure on Burma. We have lost so much in Burma. Those of us who have lived in Burma for a long number of years know well how much we have suffered. Nine-tenths of the total assets of Burma were ours. Nearly fourteen lakhs of Indians were living there, but most of them have been driven out now, and there are hardly 1.8 lakhs of persons still living there. Even they are not allowed to send money to India. The money which we used to earn as a result of our hard labour was not

allowed to be brought to India, on the ground that we were exploiters, and this suggestion was made at the instance of the Britishers, who wanted us to be driven out of Burma. And yet, we are humble enough at this stage to be helpful to Burma. By all means, be helpful to Burma, I do not object to that, but why help them in this euphemistic way? If you want to make a gift to Burma, do it by all means, so that we can put the obligation on Burma, and tell her, here we are, we have made you a free gift of the moneys which you owe us, at least allow our Indian citizens who are living there to send the moneys which they have legitimately earned, to their families here for maintenance purposes. The fact that they are not allowed to send money to their families here is creating a lot of hardship. I hope Government will look into the matter.

**Shri Shobha Ram (Alwar):** While discussing the Demands for Grants relating to the Finance Ministry, I would like to confine myself to certain financial problems which the Part B States are facing today. The most important among them is the abolition of the inter-State transit duties. Four or five years back, under the Federal Financial Intergration Agreement, it was clearly pointed out there that by the end of March 1955, all the inter-State duties would be totally abolished, and that within this period of five years, these duties would be replaced by the sales tax, and that too, gradually.

From this point of view, I would like to state the financial problem of the State of Rajasthan. I cannot say about the progress made in this connection in other Part B States, but I know of the State of Rajasthan which has not made any progress in regard to the imposition of sales-tax. Only recently—ten days back when a question was put on the floor of the House to the Minister of States, the Minister was pleased to state that after the end of this year the total financial position of the Part B States

would be reviewed and it would be seen whether there was any necessity of extending the time-limit beyond 1955. I would like to submit that the articles which come under the scope of the inter-State transit duties can very well be classified into two groups: one group might consist of those items on which sales-tax is going to be imposed and the other group might consist of other articles on which no sales-tax is to be imposed, neither at present nor in the future. Therefore, this problem should be viewed from this point of view.

Now, under the Constitution of India, the people of Part B States have been given an assurance that just like the people of Part A States they will also enjoy the benefit of trade in regard to export and import from one State to another. That is why a clause has been inserted under the Federal Financial Integration Agreement to achieve this objective. As far as I gather from the annual report of the State of Rajasthan, only recently the Sales Tax Bill has been introduced in the Assembly there and it will be referred to a Select Committee later on. I cannot say whether by the end of the year too it would be possible to assess the income which the State of Rajasthan might get from the imposition of this sales-tax. But anyhow, more than once the State Government of Rajasthan have impressed on the Government of India that even if they impose sales-tax, they will not be able to gain more than Rs. 1 crore. At the time of the integration of so many former States in Rajasthan, the income from the customs duty was about Rs. 4 crores, and even if you take into account Rs. 1 crore which might come from the imposition of the sales-tax, still there is a gap of Rs. 3 crores. How is this gap to be filled up? It will be of no use to say that because the Rajasthan Government has not taken measures to impose the sales-tax the inter-State transit duties cannot be abolished. In any case the question of Rs. 3 crores

has to be faced, and I do not know whether after a year or so the Rajasthan Government would like to extend the limit of the inter-State transit duty. I am of the opinion that the time-limit should be very strictly adhered to and it should not go beyond the 31st March 1955, because at one stage or the other, whether this year or after five years or after ten years, the question of Rs. 3 crores is there. I can just admit one thing that in respect of those items which are not covered by the sales-tax there is no question of extending the time-limit so far as the question of the inter-State transit duties is concerned, because even if the sales-tax is imposed two years later, then there shall be a loss of Rs. 3 crores. Therefore, this question should be taken into account by the Finance Ministry and the Government of India should see that by the end of 31st March, especially those items on which no sales-tax is going to be levied, should be freed from the inter-State transit duties.

Now, the most important point which I would like to submit is about the financial structure of the State of Rajasthan. The Indian States Financial Inquiry Committee was appointed in 1949 and it gave its report, then there was the Finance Commission which submitted its report and only recently the Part B States Special Assistance Inquiry Committee headed by Kaka Sahib Gadgil also submitted its report. All these reports have taken into consideration the need for seeing that the Part B States come on the same level as the Part A States. Now, the question is this that at the time of the integration of the former States of Rajasthan, three or four points were not taken into account. It is true that certain revenue and expenditure of the Part B States have been taken over as a result of the financial integration agreement by the Centre. But so far as the State of Rajasthan

[Shri Shobha Ram]

was concerned, by taking over certain revenue and expenditure of the Rajasthan Government, it only gained Rs. 30 or Rs. 40 lakhs annually. But still as a result of the financial integration, there is a budgetary gap of Rs. 5 to Rs. 6 crores. and in the face of Rs. 30 lakhs or Rs. 40 lakhs one cannot ignore the budgetary gap of Rs. 5 crores, which neither the Indian States Financial Inquiry Committee, nor the Federal Financial Integration Agreement, nor the Finance Commission nor the special Assistance Inquiry Committee took into account. We were thinking that the Special Assistance Inquiry Committee would take this factor into consideration, but there was a term of reference which ran as follows:

"It shall not be open to the Committee to consider or recommend any modification in the agreements entered into with those States as a result of the federal financial integration agreement."

That Committee was precluded and forbidden from taking this factor into account. I would like to submit that there are three major items which should be taken into account by the Government of India just now, because unless they are taken into account the financial position of the State of Rajasthan cannot flourish. At the time of integration the State Government, had a deficit of 85 lakhs in the State sphere. The other factor which must be taken into consideration is the effect of the unification of pay scales of the services. Even if we take into account the present effect of the unification of pay scales of the Government services in Rajasthan, it is Rs. 90 lakhs. Now, within a year or two we shall have to see that the pay and scales of the services also come on the same level as the different services of Part A States Rs. 60 lakhs would also have to be provided for that purpose.

Now, the most important point is that after a year or so, Rs. 3 crores will also be lost to the State Government when the inter-State transit duties will be abolished under the Federal Financial Integration Agreement. Now, if all these things are taken into account, it is certain that the Government of Rajasthan have lost Rs. 5 crores to Rs. 6 crores. This is with regard to the financial structure of the State of Rajasthan.

I would like to say one word about famine. While dealing with the question of famine, the Finance Commission ignored the acuteness of the famine in so many former States, by saying that it was very difficult to anticipate the actual loss which might occur on account of famine. But I would once again emphasise that the famine is a permanent feature of the State of Rajasthan. I have come across so many problems in the different former States. I can quote so many instances. Not only in Jaisalmer but in so many former States, for drinking-water people have to go a distance of 14 miles. Now, under the Directive Principles of State Policy under the Constitution of India, everybody has been given the right to work and everybody must feel secure as to the livelihood for his family. But what is the position of even drinking-water supply? There are lakhs of persons who are suffering from the want of drinking-water. People in thousands have to migrate from Jodhpur to other Part B states and to V.P. not exactly on account of the failure of crops but on account of the want of drinking-water. There are two tehsils in which the difficulty was acutely felt in Jodhpur. I know that drinking-water in these tehsils is totally lacking as the water in the wells is poisonous. The people cannot therefore use it. Not to speak of person, even if animals take that water, they die. The animals would die if they drink it. What the people do there is to collect the water at the time of the

rainy season. If the rains fail, the problem of water is accentuated. I therefore submit that a survey should be made of certain parts of Rajasthan where this problem of drinking water persists. Sufficient provision should be made available for this survey in connection with this problem of drinking-water.

I shall now say a few words about tobacco duty. Only recently, three or four months ago, arrears were outstanding in regard to the tobacco duty. The Deputy Minister of Finance visited certain districts in Rajasthan and he made certain announcements in regard to the outstanding arrears and also in regard to certain exemptions to the producers. I am rather surprised to note that even after three or four months, no formal orders have been issued by the Deputy Minister of Finance in regard to the remission which was announced by him. I would like to suggest an important course of action in this connection. For the last two or three years, I have been rather closely connected with the problem of tobacco which is prevalent in certain districts in Rajasthan and I have also met from time to time the officers concerned, and I have come to know that the existing law and the existing rules under the Central Excise Manual are not rather fully applied. Contrary to those rules, there are certain practices going on for the past ten years or so. To me it appears that these practices are quite in contradiction with the existing rules. I need not go into the details of the rules which are contravened, but I would like to suggest one important point to the Ministry of Finance. In certain districts in Rajasthan, 30 seers of tobacco have been exempted in the case of an individual cultivator. Now, it is very difficult for the officers to go from field to field and to make a survey and to weigh the actual product when it is cured. That is a genuine difficulty which the officers of the Excise Department have also put before us, and we can just agree with them. What I suggest is that there should be a mini-

mum holding and a maximum holding. A minimum holding should be prescribed for those persons who want to cultivate tobacco for commercial purposes. Now, it might be two acres for a cultivator, but the extent might vary from area to area. But for persons who only produce tobacco for their own personal consumption, there should be a maximum holding and that maximum holding should be determined in relation to the exemption limit given by the Government of India. We can just prescribe that no cultivator should be permitted to cultivate the tobacco on more than one bisva of land. That area comes practically to the exemption limit, because, the exemption limit comes to 30 seers. As 25 seers are produced out of one bisva, we can prescribe that one bisva or one and half bisva should be the maximum holding for a person who wants to cultivate tobacco for his personal use. If such a condition is introduced into the rules, the Government will be saved from the great trouble which the officers have to face from time to time, and also the disappointment of the people who are suffering as a result of certain anomalous rules can be removed. The fixation of a limit, as I have suggested, will lead to certain good results not only to the satisfaction of the officer but to the satisfaction of the tobacco growers also. It will also be an economical feature in the administration of the excise duties. With these words, I finish.

**श्री एन० बिलालकार (जालन्धर):** सभापति जी, सबसे पहले मूँझे इस बात का अहतराम करना है कि इस समय हमारे देश का फाइनेंस बिल मजबूत हाथों में है उसने हमारे देश की साल को बढ़ाया है और हमारे देश की गवर्नरेंस और उसके तमाम काइनीशनल स्ट्रक्चर को बहुत मजबूत बनाया है। पिछले कुछ सालों के अन्दर हमारे देश के फाइनेंस बिल तरीके से रक्खे गये हैं और जिस तरह से हमारी काइनीशनल पालिसी को बलात्ता गया है अगर वैसा हमारे देश में न होता तो

## [श्री १० एन० विद्यालंकार]

शायद हमें कई तरह की भूमिकात का सामना करना पड़ता। आज अगर हम डीफीसिट फाइनेंसिंग की पालिसी पर चलने के काविल हुए हैं और उसके जरिये अपने देश की उन्नति के लिए और अपने देश की सुधार योजनाओं को पूरा करने के लिये हम कुछ धन एकत्र करने के काविल हुए हैं तो उसकी बजह यही है कि अब तक हमारे देश की फाइनेंशियल पोर्टफोलियो बहुत मजबूत रखी गई है और बहुत कुशल हाथों के द्वारा उसको चलाया गया है।

लैंकिन मैं यह अनुभव करता हूँ कि अब वह वक्त आगया है जब कि हमें कुछ ज्यादा तेजी के साथ प्रगति करनी चाहिये, और हमारी पालिसी में कुछ ज्यादा तेजी आनी चाहिये कुछ डाइनेंमिज्म आना चाहिये। और मैं यह समझता हूँ कि इस तरह का डाइनेंमिज्म कुशल हाथों में ही और कुशल व्यक्तियों के जरिये ही आ सकता है, जिन्होंने कि हमारे फाइनेंस को बहुत सावधानी के साथ चलाया है। अगर हमारा फाइनेंस कमज़ोर हाथों में हो तो उस देश में हम ज्यादा प्रगति नहीं कर सकेंगे। मैं उम्मीद करता हूँ कि इस समय हमारे फाइनेंस डिपार्टमेंट की पालिसी को कुछ ज्यादा प्रगतिशील बनाया जायगा और उसमें जगह जगह पर जो बहुत ज्यादा 'स्टाप्स' और "चैक्स" हैं उनको हटाया जायगा, और हमारे धन का जो कई स्थानों पर अपव्यय होता है उसको रोका जा सकेगा। ऐसा महसूस होता है कि इस समय हम जो कुछ धन एकत्र कर रहे हैं वह एक "सेंक" में चला जाता है और उससे पूरा रिटर्न नहीं मिल पाता है। हमारे फाइनेंस मिनिस्टर साहब संस्कृत के श्लोकों को कोट करने के आदी हैं और उन्होंने ही शायद एक दफा कालिदास के श्लोक कोट किया था :

"सहस्र गुण मुस्सष्टुमादते हि सं रीषः"

अर्थात् सूर्य काफी पानी खींचता है लैंकिन उस का सहस्रगुण वह वर्षाके रूप में लैंटा देता है, लौगों को ही बापस कर देता है। आज हम देखते हैं कि जितना धन फाइनेंस मिनिस्टर

द्वारा अपने कंट्रोल में लिया जाता है उस अनुपात में जनता को बापस नहीं होता। मैं समझता हूँ कि ऐसा करने के लिये हमारे फाइनेंशियल कंट्रोल ऐसे होने चाहिये कि जिनमें काफी मित्रव्ययता या इकानमी हो, और हमारे धन का बराबर बराबर बराबर नहीं होता। हमारे फाइनेंस विभाग को ऐसे तरीके सोचने चाहिए और ऐसी योजनायें सोचनी चाहिए कि हमारे फाइनेशियल स्ट्रक्चर में ऐसा पीरवर्तन हो जाय कि जो बहुत बड़े अन्तर है उसको दूर किया जा सके। मेरा यह अनुभव है कि इस समय कंजरवीटज्म तथा जरूरत से ज्यादा सावधानी की भावना बहुत ज्यादा है। हम इतने ज्यादा 'काशस' हो रहे हैं कि जितना हमको नहीं होना चाहिए। हम फाइनेंस को काशन के साथ काम में लावें लैंकिन इतने ज्यादा काशस भी न हो जाय कि आगे पैर न उठा सकें। यह गलत चीज़ है। जो छोटे मुलाजिम हैं और जो बड़े मुलाजिम हैं उनकी आमदानी में बहुत अन्तर है। इसको कम करने के लिये फाइनेंस विभाग को खास तरीके पर योजना बनानी चाहिये ताकि उस तरफ प्रगति होने लगे। पंजाब गवर्नरमेन्ट ने यह प्रस्ताव किया था कि ७५० रुपये से ऊपर वाले जो मुलाजिम हैं उनका महंगाई भत्ता बन्द कर दिया जाय, लैंकिन मूझे अफसोस है कि गवर्नरमेन्ट आफ इंडिया ने उस को रोक दिया और पंजाब गवर्नरमेन्ट को इस बात की इजाजत नहीं दी कि वह उस पर अमल कर सके। तो मैं समझता हूँ कि पंजाब गवर्नरमेन्ट या कोई प्रान्तीय गवर्नरमेन्ट इस तरफ कदम उठाना चाहे, जो कि बहुत बांधनीय है, तो फाइनेंस विभाग को उसको रोकने की कोशिश नहीं करनी चाहिये बील्कु उनकी यह कोशिश होनी चाहिये कि वह इस कदम को एनकरेज करें। इस समय हमारे सर्व और आमदानी का हाल यह है कि जहां पर फाइनेंशियल कंट्रोल बहुत ज्यादा नहीं होने चाहिये वहां बहुत ज्यादा है और जहां बहुत ज्यादा होने चाहिये वहां कम हैं। तो इस

अवस्था को ठीक करना चाहिये और इस दिशा में ज्यादा प्रयत्न होना चाहिये और हमें इस बात का निश्चय करना चाहिये कि यह जो कंजरवीटज्म आ गया है, यह जो पुरानी लकीर पर चलने की भावना, या रट से बाहर न जाने की भावना आ गई है वह दूर होनी चाहिये और हमें तजी से आगे बढ़ना चाहिए।

दूसरी बात जो मैं कहना चाहता हूं वह रुरल फाइनेंसिंग के बारे में है। इसमें कोई शक नहीं कि हमने प्रयत्न किये हैं और इम्पीरियल बैंक की ओर रिजर्व बैंक की शाखे स्थापित हैं। लैंकिन जब हम व्यवहार में दृख्यते हैं तो पाते हैं कि इससे स्थिति पर बहुत कम असर पड़ा है। आपके सारे देश में इम्पीरियल बैंक की ५० शाखे स्थापित से यह सवाल हल नहीं होता। क्योंकि दृहातों में जो छोटी पंजी वाले लोग हैं और जो कोई इंडस्ट्री स्थापित करते हैं उनको रिहैबिलिटेशन फाइनेंस एडीमिनिस्ट्रेशन से या इंडस्ट्रियल फाइनेंस कारपोरेशन से रूपया मिलने में काफी रुकावट है। मैं यह नहीं चाहता कि हम कंट्रोल को इतना ढीला कर दें कि रूपया जाया चला जाय लैंकिन मैं यह भी नहीं चाहता कि वह रुकावट इतनी सख्त हो कि लोग हिम्मत हार कर बैठ जाय। मैं ऐसे लोगों को बानता हूं जो कि कोआपरेटिव सोसाइटीज बनाने के लिये लोन चाहते हैं वैकों के जीर्ये, रिहैबिलिटेशन फाइनेंस से या दूसरे इंस्टीट्यूशन्स से। उनकी संख्या बहुत कम है। लैंकिन जब वह कोशिश करते हैं तो इतने एंतराज किये जाते हैं और उनके सामने ऐसी रुकावट आती है कि वह थक जाते हैं, वह इंसरेंकर्टरों और दूसरे अफसरों के पास जाते जाते थक जाते हैं और अपने इरादों को छोड़ देते हैं। तो हमको इतना ही काशन बरतना चाहिये कि काम आगे बढ़, इतना नहीं कि उद्योग ही नष्ट हो जाय। हमें रुरल फाइनेंस के मुतालिक ऐसी योजना बनानी चाहिये कि जो हमारी अधिकतर जनता दृहातों में रहती है उसको किसी न किसी तरह रूपया मिल जाय। हमारा कंट्रोल हो लैंकिन उसमें यह माँका हो कि लोग सरककी कर सकें।

मुझे अपनी कम्युनिटी प्रोजेक्ट्स का अनुभव है और मैं जानता हूं कि हमारी सरकार उन पर काफी रूपया सर्व कर रही हैं लैंकिन हमारी गवर्नरमेंट का ढांचा पहले से ही कुछ ऐसा बना है, और उसको हम बदल नहीं सकते हैं, कि हमारा ज्यादातर रूपया 'सिक' में बह जाता है। मैं मानता हूं कि हमारी कम्युनिटी प्रोजेक्ट्स में अच्छा काम हो रहा है लैंकिन पूरा कंट्रोल न होने से, प्राप्त बजटिंग न होने से और पूरी योजना न होने से लोग यह अनुभव नहीं करते हमारा वह रूपया हमारी पाकेट में आ रहा है और हमारे लिये इस्टैंमेल हो रहा है लैंकिन एक तरह के रूटिन के अन्दर, तनस्वाहों और सफर सर्व के अन्दर काफी रूपया सर्व हो जाता है। अगर आप तलाश करें और दूखें तो आपको मालूम होगा कि बहुत सारा रूपया जो बच सकता था वह दूसरी तरह के रूटिन में चला जाता है। मेरा यह मतलब नहीं कि काम नहीं होता लैंकिन जितना होना चाहिये उतना नहीं होता। हमारा गरीब देश है इसलिये हमको इस तरह के लैंकेंज को रोकना चाहिये।

मुझे स्तुती है कि एकसाइज ह्यूटी के बारे में हमारे फाइनेंस बिनिस्टर साहब ने काफी परिवर्तन किया है और इन दिनों वे काफी डॉप्टर्शनों से मिले हैं, और अपने पास काफी काम होने के बाबजूद भी उन्होंने उनकी बात को बहुत धैर्य के साथ सुना है। मैं स्वास तौर पर यहां पंजाब के अमृतसर और लुधियाने के आर्टिसिल्क उद्योग के बारे में कहना चाहता हूं। थोड़ी थोड़ी पंजी इकट्ठी करके लौगों ने यह उद्योग खड़ किये हैं और पार्टीशन के बाद इन लौगों को पहले ही काफी कष्ट हो चुका है। मैं मानता हूं कि फाइनेंस बिनिस्टर साहिब ने उनके डॉप्टर्शनों को बहुत ध्यान से सुना है और उनके सम्बन्ध में बहुत महनत के साथ कीर्गस बर्गेर ह इकट्ठा किये हैं। मैं चाहता हूं कि वह इस बात की ओर विशेष रूप से ध्यान दें और पंजाब की जो इंडस्ट्रीज हैं जिन्होंने इंडस्ट्रीज शूल की हैं उनको काफी रिलीफ देने की कोशिश करें। अगर वह बिल्कुल सारी आर्टिसिल्क पर से ह्यूटी नहीं हटा सकते, और काफी

[श्री १० एन० विद्यालंकार]

परिवर्तन नहीं कर सकते तो कम अब कम इस बात का शुल्क से प्रयत्न करें कि यह जो पंजाब के इलाके हैं जिन पर काफी बोझ है, पहले से काफी बोझ बदाशित किये हुए हैं, वहां पर इंडस्ट्रीज को कोई नुकसान न पहुंच सके क्योंकि वहां पर अगर इंडस्ट्रीज को नुकसान पहुंचेगा तो बहुत लोग जो पाकिस्तान से आकर थोड़ा बहुत पैर जमा पाये हैं वह लोग फिर उत्तर जायेंगे और हमें उनको फिर नए सिर से बसाने की समस्या का सामना करना पड़ेगा। मैं अनुभव करता हूं कि इसमें जितना और जहां तक परिवर्तन वह कर सकते हों वह इस बारे में करें।

एक चीज और कह कर मैं अपना कथन समाप्त करता हूं और वह रिहैबिलिटेशन का कार्य है। इस सम्बन्ध में यह अनुभव किया जाता है कि जब हम कम्पनेसेशन दे रहे हैं तो रिहैबिलिटेशन के काम के लिये हम ज्यादा रूपया खर्च न करें, लेकिन मैं इसके विपरीत अनुभव करता हूं कि रिहैबिलिटेशन के लिये अभी और ज्यादा रूपया खर्च करने की जरूरत है।

हमें इस काम को भी एक तरह से नेशनल रिकॉर्कशन का काम समझते हुए रिहैबिलिटेशन के लिये ज्यादा रूपया फाइन्ड आउट करना चाहिये। आज हमारे फाइनेंस पर काफी बोझ है और बावजूद इसके कि हम कम्पनेसेशन इवैक्यूर्ड प्रापरटी में से निकाल कर उनको दे रहे हैं, फिर भी काफी रूपया जो गवर्नमेंट की दूसरी आमदनी की मद्दे हैं उनमें से निकाल कर देना पड़ा है और देना पड़ रहा है यह सब होते हुए भी मैं समझता हूं कि आवश्यकता इस बात की है कि रिहैबिलिटेशन के लिये हमें और ज्यादा रूपया निकालने की कोशिश करना चाहिये। जैसे कि हम और आवश्यक कामों के लिये रूपया निकालते हैं वैसे ही इस रिहैबिलिटेशन के काम को भी बहुत आवश्यक समझ कर और ज्यादा रूपया निकालना चाहिये। इन शब्दों के साथ मैं आपको धन्यवाद देते हुए आगना भाषण समाप्त करता हूं।

**Shri T. N. Singh:** Mr. Chairman, Sir, I thank you for permitting me to intervene in this debate. I think that the Finance Ministry is rather the most important Ministry of any Government. It has not only to be vigilant in the matter of expenditure control, it has also to have a very wide outlook and a generous view of things and, at the same time, to be strict. As the Finance Minister once very aptly quoted, in regard to inflation, he has to be a horseman, who, while allowing the horse to have a free run, always keeps full control over its reins. Similarly, the Finance Ministry has to be administered.

I have been listening to the various speeches, and, since I have been somehow associated too much with audit and accounts, I will begin with that very phase. It has been stressed by one hon. Member that audit and accounts administration should be separated. I think, there can be no two opinions about it. Accounts, after all, are naturally a function of the administration of the Government and they should be entirely responsible for it. When the Auditor-General or his subordinates are also responsible for accounts, it creates a certain kind of responsibility for him, which he should not properly hold. I think the Public Accounts Committee has, time and again, emphasised this thing. There are certain obvious difficulties, administrative or otherwise. Due to certain traditional circumstances it has been made difficult so far. But, I think, it is a long overdue reform and everything should be done to expedite the separation of audit and accounts. I am one of those who believe very strongly in a democratic set-up and the control of Parliament over the finances of the nation. I do not yield to anyone in this matter, and I think Parliament is the sovereign and supreme body in this matter, and especially, the House of the People has full control and it has the right to direct every administrative organisation to manage its expenditure accordingly. I would like to draw the attention of

the Finance Minister to the one new duty that has devolved on him as a result of the changed position of the Constitution. Formerly, we were content with having demands or supplementary demands. The House passed them and there the matter ended, and whatever was to be said was to be said only at the time of the next budget. If anyone wanted to draw attention to the extravagance in expenditure or any other thing, he did not have the opportunity to raise it till then. But today, if any excess money is drawn over and above the amount granted by Parliament, that excess expenditure must again receive the sanction of the House. The Public Accounts Committee, through which all these things have normally to pass, has already completed the accounts of 1950-51 and probably 1951-52. It may be that here and there certain Departments may not have been completed, but even then, it is not obligatory on the Public Accounts Committee to go into the accounts of every Department every year. We try to cover up as many Departments as possible and then go to the next year. As a matter of fact, in the Public Accounts Committee we are today dealing with the accounts of 1952-53 even. Out of the accounts so far examined and completed, if there are excesses in expenditure, they must be brought before the House under the new Constitution. I would therefore, draw the attention of the Finance Minister to this aspect of the problem and urge him to regularise the position as soon as possible. It is not a mere formality as it sometimes develops into. The very fact that excess expenditure has to be sanctioned by the House means that the House is vigilant and wants to exercise control over every item of expenditure. In future, at least some of us in the House are going to take a very serious view where an appreciable excess of expenditure occurs, because that shows the fault in estimating, or alternatively, some extravagance at the expenditure end. These two factors can contribute to excess expenditure, and I wish I could give

a very good certificate to the Budget Section of the Finance Ministry in regard to estimates, but I am afraid I cannot say that. I feel that, after the war, the standard of budgeting and estimating is not what it should be. There is much scope for improvement not only in the matter of estimating but also profiting by experience in the past. What is our experience now? We have been witnessing year after year that the amounts that have been sanctioned by the House were not spent, for which there were several reasons. I am not going to quarrel with them—legitimate reasons there may have been—but there have been very large savings in almost every Ministry. With all these years of experience, we know what the actual reasons are and we know also what the probable savings will be. It is all right for the House to give Government the authority to spend the money. If there is any excess of expenditure, Government can come and explain whether it is due to extravagance in expenditure or any other reason. The administrative Ministry knows that it has so much money at its disposal and it also knows that it cannot spend the entire amount and, therefore, it is freer in the method of expenditure. That is defect No. 1.

The next thing that occurs is this. When you have provided for a large amount of expenditure and you find that there is going to be a deficit, that is, the revenue falling short of expenditure, then either you will tax or provide for an outlook of a heavier deficit financing for what actually is not the position. This has got to be avoided. Because I am a bit conservative in financial matters, I would very strongly urge that this position should be remedied as early as possible.

Incidentally, because of the excess over the actual expenditure that has occurred in the past, we have been levying certain duties and taxes and searching new avenues for revenue. I

[Shri T. N. Singh<sup>1</sup>

want to know whether that is justified. All money that comes in is welcome. We are going on a long-term planning programme, which looks nice, but what is the result? We have complained of capital formation, capital being shy here, and my firm faith is that the only capital that is not shy in this country is the capital that is formed through the aid of our middle-classes. It is they who have been the backbone of capital formation. For the purposes of capital formation we have tried to give all kinds of baits and favours to the richer classes, the mill-owners and millionaires, but what has been the result? I feel sometimes very depressed because when tax concessions have been given and all kinds of accommodation have been given—in the past when Dr. Matthai was Finance Minister and subsequently during the present Finance Minister's time—the result has been very disappointing. I think the Finance Minister will at least agree with me that the capital has been as shy as ever before and all kinds of inducement have not brought the desired result. I am very strongly of the view that we should encourage that class, which is the backbone not only in administrative and other matters, but also in regard to capital formation. Today the small savings are much more than the savings made by Government through other means. The national savings scheme has brought in more money than any kind of national loan that Government has floated so far. It is these people—the middle-class—who require encouragement, and from that point of view, I would like the Finance Minister to seriously consider this suggestion of mine. When he framed the Budget, we actually saw how the burden was falling both on taxation and the methods of tax collection and we have tried to do certain things for those persons who were expected to help in capital formation. What has been the position of the middle-class people? The gap between their income and expenditure has been daily

narrowing and today in several cases, it is *minus*. What can be done for them? You cannot simply provide for the same rise in salary and wages of the middle-classes as the rise in prices and that is the experience not only here but everywhere in the world. The rise in salary and wages always lags behind the rise in prices every year. The same is the case in the reverse process also; when the price falls down, the wages do not fall proportionately. The trend during the last several years has been a trend of rise in prices. If that has set in, what is to be done? The expenditure account should not go up, but the result of the taxation policy is one which is increasing the price of consumer goods—that is my contention—and it will need looking into. Let us take the principal consumer goods of the middle-class men. The price of cloth, the price of shoes, the price of soap, oil and other ordinary things have gone up. We have to think and calculate on that basis. I feel that unless we increase the gap between the income and expenditure of the middle-class, capital formation will not be there. For that reason, I would very strongly urge that the Taxation Commission and the so many other Commissions that are sitting should do something.

Another thing is that it is not the middle-class in the towns and cities only that matters today. For the past several years, the middle-class in the villages has been contributing to our small savings. This is a new factor that has developed during the last ten or twelve years and this has to be taken into account. What is their position? Their income is going down; the prices of agricultural commodities are going down but the prices of cloth, etc. have gone up and they are going up. Something has to be done to remedy the position so that there may be sufficient capital formation from the very class from whom you expect this. I, therefore, very strongly urge that something

should be done at least for this purpose.

Take the tax structure—the multiplicity of sales-tax and the excise duty and all these things. There seems to be a tendency to rely more and more on such indirect taxes as these; they will always fall on the consumers, the poorer sections of the consumers. Why did you oppose salt-tax? It was because even a man who was getting half a meal a day had to pay the tax. I ask you: to-day, is it not the position? Are there not millions of us who are not getting two square meals a day? Why should they pay the tax? We have to devise some means whereby the tax burden should not fall on them but on those who can pay and who should pay.

It is all right to say that everyone should share in the National Plan and its expenditure; it is good; everyone should pay. They are willing to pay. Are they not doing *Shramdan*? They are prepared to share their burden but not in this way. So, these duties and taxes need looking into especially the duty on tobacco and similar duties are working badly and are causing great hardship to the cultivator.

I think the administration also requires much reformation because I have heard several complaints which show that there is not that honesty which should be there. If that honesty is not there when our officials are in contact with the cultivator and with the *kisan* I think that will react unfavourably. That needs looking into.

There is one more thing which I would mention in passing and that is about the foreign capital, to which our friend Mr. Sadhan Gupta referred to. He seemed to be sneakingly in favour of encouraging Indian capital. I feel very strongly that Indian capital so far either had been indifferent or has non-co-operated for the last several years and I have no sympathy nor any desire to show any preference so far as this question is concerned. I am not prepared to show any pre-

ference to the Indian capital on the strength of what has been said by Mr. Sadhan Gupta and I feel very strongly on this and I would not like any favour to be shown to them because we must see that the rich here do not get richer—not because I grudge that—so that the poor may not become poorer; that is my humble appeal to this House.

**Shri D. C. Sharma (Hoshiarpur):** Sir, may I submit that there is no quorum in the House?

**Several Hon. Members:** There is quorum.

**Shri Velayudhan:** I just counted; there is quorum.

**Mr. Chairman:** There is quorum.

**Shri Kishanpur Singh:** सभापति जी, आपने मूँह से जो बोलने का अवसर दिया है, उसके लिये मैं धन्यवाद देता हूँ। जिस विषय पर इस समय मैं बोल रहा हूँ, मैं समझता हूँ कि वह बहुत महत्वपूर्ण विषय है, हमें सुशी है कि हमारे देश के एक बहुत ही सुयोग्य व्यक्ति इसका संचालन कर रहे हैं।

सभापति जी, अगर हम देश को एक मान कर विचार करें, तो मूँह यह कहना पड़ेगा कि हमारा देश तरकी कर रहा है और आगे बढ़ रहा है। किन्तु, यदि हम देश के दूसरे हिस्से को भी जो कि दृष्टाता है, दृस्त है तो हम कहेंगे कि हमारे देश का वह हिस्सा पीछे की तरफ जा रहा है। मैं कहता हूँ कि हमारे देश की एसी हालत हो रही है कि जैसे किसी आदमी का पेट तो मोटा हो रहा हो और उसके हाथ, पैर और दूसरे अंग कमज़ोर हो रहे हैं। जिस समय इस पंचवर्षीय योजना पर विचार हो रहा था तो मैंने कहा था कि यह पंचवर्षीय योजना बड़ी अच्छी है लेकिन उससे हमें एसा सालग्राम होता है कि गरीब अधिक गरीब हो जायेंगे और जो मालदार हैं वे अधिक मालदार हो जायेंगे। मैंने यह तक कहा था कि जिनके पास दो दो और बार बार कारे हैं उनके पास छः छः, आठ आठ और दस दस कारे हो जायेंगे। परिणाम वही हुआ। आब यह है कि जो दृष्टातां के मन्दूर हैं उनकी ज्ञात

## [श्री दिगंबर सिंह]

बहुत सराब है और वह दूःखी हैं। जो मजदूर यहले दो और दाईं रूपये रोज पर दृहात में नहीं मिलता था वह, मैं आपको विश्वास दिलाता हूं, आज एक रूपये और बारह आने रोज पर मिल जाता है। तो आप विचार कीजिये कि यदि आप इन गरीबों को और मजदूरों को दृश का भाग समझते हैं तो आपको मानना होगा कि दृश तरकी नहीं कर रहा है। आप दृहात की समस्या हल करने के लिये, भूमि की समस्या हल करने के लिये विचार करते हैं। आप भूमि की अधिक से अधिक सीमा निर्धारित करने का विचार करते हैं। लैंकिन आपने उन पंजीपतियों के बारे में विचार नहीं किया जो कि लाखों और करोड़ों रूपया पेंदा करते हैं। आप गरीब और अमीर का भेद मिटाना चाहते हैं। हमारे प्रधान मंत्री ने पंचवर्षीय योजना पर बोलते हुए हमको आश्वासन दिया था कि हम इस भेद को कम ही नहीं करना चाहते बल्कि इसको मिटा देना चाहते हैं। इसके लिये आप एस्टर्ट ह्यूटी बिल लाये लैंकिन इसके अनुसार हमको बहुत समय तक इन्हिन्जियर करना पड़ेगा कि एक करोड़पति साधारण हैंसियत पर आ जाय। एक करोड़पति के मरने पर उसके धन का कुछ हिस्सा टैक्स में आप ले लेंगे। बाकी धन उसके बच्चों को मिलेगा। इस तरह से एक करोड़पति का परिवार सैकड़ों वर्षों तक धनी बना रह सकता है। जिस तरह से आप भूमि के लिये सीर्लिंग निर्धारित कर रहे हैं उसी तरह से एक बिल लाकर सम्पत्ति की भी सीर्लिंग निर्धारित कर दें कि कोई आदमी एक लाख से अधिक सम्पत्ति न रख सके। यदि आप गरीब, अमीर के अन्तर को कम करना चाहते हैं तो आप अधिक से अधिक निर्धन और लक्षपति तक का ही अन्तर रखिये, करोड़पति अरबपति तक का नहीं। मैं कहता हूं कि जहां आज हमारे दृश में गरीबी की यह हालत है वहां दूसरी तरफ लोग फिनर और डांस में लाखों रूपये सर्च करते हैं और उन लोगों के लिये तरह तरह की सृविधाओं का प्रबन्ध किया जाता है। यह अच्छा नहीं मालूम होता। आप दृख्यों कि एक तरफ गरीबों के गढ़ के लैंस बिना पानी के सूखे जाते हैं वहां दूसरी

तरफ शहरों में धास के लिये पानी का प्रबन्ध किया जा रहा है। शहरों में दृख्यों कि एक आदमी के पास सिनेमा के लिये अलग कार है, फिनर के लिये अलग कार है, डांस में जाने के लिये अलग कार है, कलब में जाने के लिए अलग कार है। आप सिनेमा में जाकर दृख्यों, कि जहां एक मजदूर को दृहात में प्रति दिन आठ आने मिलते हैं, वहां सिनेमा में जगह नहीं मिलती। अगर आपको हिन्दुस्तान की तरकी करनी है तो आप गरीब मजदूर और किसान की तरकी 'कीजिये। जो पंजीपति हैं उनकी तरकी नहीं करनी चाहिये।

दूसरी बात मैं यह निवेदन करना चाहता हूं कि जब हम अपने यहां की समस्याओं को दृख्यते हैं और अपनी सरकार की अर्धनीति को दृख्यते हैं तो एसा प्रतीत होता है कि हम लीकिया गाइ भी में बैठ कर उन लोगों की बराबरी करना चाहते हैं जो हवाई जहाजों में सफर कर रहे हैं। हमारी बढ़ती हुई आबादी का यह हाल है कि एक साल में ४० लाख आदमी बढ़ जाते हैं, बढ़ी हुई आबादी से एक साल में पैस्ट जैसा सूखा बन सकता है और दृहली जैसे कई शहर नए आबाद हो सकते हैं और एक साल की बढ़ी हुई आबादी के लिये इस दृश के अनुपात से १५,००० वर्ग मील भूमि की आवश्यकता होती है। गरीबी की समस्या को हल करने के लिये आप एस्टर्ट ह्यूटी बिल लाते हैं जिससे करोड़पति आदमी सैकड़ों वर्षों तक धनी बने रह सकते हैं। हम दृख्यते हैं कि आज दुनिया किस तरीजे से बदल रही है। पिछला युद्ध हवाई जहाज से शूलु हुआ और एटम बम से खत्म हुआ। आज हाइड्रोजन बम बन गया है और नाना प्रकार के परिवर्तन हो रहे हैं। इसी तरह अगर हम उन्नति करना चाहते हैं तो हमें क्रान्ति लानी चाहिये। आप शिकायत करते हैं कि लोग कम्प्यूनिस्ट बनते जा रहे हैं। अगर आप एसा नहीं चाहते हैं तो आश्वासन दे कीजिये कि हम एक साल में या दो साल में जल्दी से जल्दी गरीबों को भरपट खाना देंगे, रहने के लिये मकान देंगे और पहनने को कपड़ा देंगे। अगर

आप दूध नहीं दे सकते और पक्के मकान नहीं दे सकते तो न दीजिये पर कम से कम एक झोपड़ी में यह साधन तो आप दे सकते हैं। इसीलिये मैं निवेदन करूँगा कि आज समय बदल रहा है, दुनिया बदल रही है और दुनिया की इस बदलती हुई परीस्थिति में आप लोगों को सत्य और अहंसा का उपदेश देकर शान्त नहीं रख सकेंगे। उसके लिए तो आपको एक क्रान्तिकारी योजना सामने रखनी होगी। तभी आप इस बदलती हुई दुनिया में उनको शान्त रख सकेंगे और विश्वास दिला सकेंगे कि हम तुमको शान्तिपूर्ण उपायों से सुखी बनाना चाहते हैं। आप लोगों को इससे संतोष नहीं दिला सकते कि पंच वर्षीय योजना चल रही है, या दिल्ली, कल्कत्ते और बम्बई शहरों में तरक्की हो रही है। आपको उन्हें यह दिल्लाना छोगा कि उनके गांवों की तरक्की हो रही है। आज हमारा दृश्य दो भागों में बटा हुआ है, शहर और दूर्घात। मैं बतलाना चाहता हूँ कि गांव के लोग आपकी भाषा नहीं जानते, आपके मकान और मौजल्लों के नाम नहीं जानते, जो आप खाने खाते हैं उनका वे नाम तक नहीं जानते, चम्मच और कांट से खाने के तरीकों को नहीं जानते। जिन बर्तनों में आप खाते हैं वे लोग उनका भी नाम नहीं जानते। मैं अर्ज करूँगा कि एक तरफ तो लोग इस तरह से रहें और दूसरी तरफ उस तरह से रहें। क्या यह आपस का भेद नहीं? क्या ऐसा अन्य किसी देश में है? एक बात मैं और अर्ज करूँगा। एक आदमी जब भीड़ में रैल में बैठने की कोशिश करता है तो अन्दर वाले कहते हैं कि अन्दर मत आओ, जगह नहीं है। लैकिन अगर वह आदमी धक्का मारकर अन्दर पहुँच जाता है तो पहला काम वह यह करता है कि वह बाहर वालों से कहता है कि हमें में जगह नहीं है अन्दर मत आओ। यही हालत आज हम देखते हैं उनकी है जो कि गाड़ी के छवे में घुस गये हैं। वह यह भूल गये हैं कि और लोगों की क्या हालत है और उनको कितना कष्ट है। वह उनके दूसरे को भूल जाते हैं जिनके बच्चों को खाना नहीं मिलता और जिनको बीमार होने पर दवा नहीं मिलती। मैं आपको विश्वास

दिला सकता हूँ कि आज कल फस्त के समय भी गरीब मजदूरों और किसानों को काम नहीं मिल रहा है। आप उनकी अवस्था दीखिये। उनके पास खाना नहीं है, कपड़ा नहीं है, वह भूखों मर रहे हैं। इसीलिये मैं निवेदन करूँगा कि आज हमें उन लोगों को बताला देना चाहिये कि हम उनके लिये एक योजना लाना चाहते हैं और अपनी अर्थ नीति को बदलना चाहते हैं। जो गरीब नौजवान आज भूखे रह रहे हैं हमें उनको आश्वासन दिलाना है कि उनको खाना मिलेगा। आज आप गांवों की हालत को दीखिये। जो कुछ तरकीकी की है वह बहुत जादीमियों ने की है, वह बहुत बहुत शहरों में और कसबों में तरकीकी हुई है। लैकिन गांवों की यह दशा है कि वहां के लोग आज पिछले दो साल से अपेक्षाकृत ज्यादा गरीब हैं। मैं अपने यहां की बाबत यानी उत्तर प्रदेश की बाबत बताना चाहता हूँ। वहां जमीदारी प्रथा का अन्त हो गया है। अब जो लगान जमीदार लेते थे वह सरकार लेती है। सरकार के पास गांवों से जो लगान जाता है वह पहले से ज्यादा है। आबपाशी पहले से ज्यादा लगती है, लड़कों की फीस पहले से ज्यादा है और दूसरे कर लग गए हैं। लैकिन कुछ वापस गांव में आता नहीं दिलाई देता। इस प्रकार गांव पहले से अधिक गरीब हो रहे हैं। अगर आता भी होगा तो बहुत बहुत अफसरों के लिये आता होगा या बहुत बहुत कारखाने खुलने के लिये आता होगा लैकिन गांवों के लिये आप कुछ नहीं कर रहे हैं। जो आप कर रहे हैं वह यह है कि आप शहर लूपी पेट को बढ़ा रहे हैं, पांवों को कमज़ोर कर रहे हैं, हाथों को कमज़ोर कर रहे हैं, आंखों को कमज़ोर कर रहे हैं। लैकिन याद रखिये कि अगर यह अंग सूख जायेंगे तो पेट भी सूख जायगा और यह चबीं खत्म हो जायगी। इसीलिये अब आप पेट की चबीं को बढ़ाने के बजाय हाथों और पैरों के पुढ़ठों को मजबूत बनाइए जिससे आप सारी शरीर को सुन्दर बना सकें।

इसलिये, सभापति जी, मैं आपके द्वारा सह-  
कार तक अपने उन लालूं गरीब मजदूरों और

[श्री दिगंबर सिंह]

किसानों की आवाज पहुंचाना चाहता हूँ जिन को जब हम कहते हैं कि इस पंचवर्षीय योजना से तुम्हारा उद्धार होगा तो वह हम पर हँसते हैं और मैं आपसे कहूँ कि उन मीर्टिंगों में, जो हम उन्हें पंचवर्षीय योजना समझाने के लिये बुलाते हैं, हमारा सिर शर्म से हुक्म जाता है क्योंकि हम उनके लिये अभी तक वास्तव में कुछ नहीं कर पाए हैं। यह बाक्या है कि उनकी तरकी वास्तव में नहीं हो रही है। इसीलिये मैं मंत्री जी से अनुरोध करूँगा कि वे उनकी समस्या पर स्वयं विचार करें, बड़ी बड़ी कोठियों में बैठ कर फाइल्स की बातें करना छोड़ दें। आज उनके लिये यह हमारे आई० सी० एस० अफसरों द्वारा जो हिसाब किताब लगाया जा रहा है, माफ करें, वह उस प्रकार है जैसे कि सी एक क्लीली का लड़का स्कूल से पढ़ कर लौटा और जब वह नदी के किनार पहुंचा तो उसने दृश्य कि नदी में कहीं पर तो पानी चार फुट है और कहीं दस, पन्द्रह फुट है तो उसने आसत निकाल कर कहा कि पानी की गहराई पांच फुट है सब लोग नदी पार कर सकते हैं। फलस्वरूप सब के सब आदमी उस नदी में छू गए, हमारे आई० सी० एस० अफसर कुछ इसी तरह का हिसाब, पंचवर्षीय योजना सामने पेश करके बताते रहे हैं कि हमारा देश तरकी कर रहा है, तीकिन पीरियाम में हम क्या दृख्यते हैं कि हमारे किसान और मजदूर दिन पर दिन गरीब हो रहे हैं, हमारे मजदूरों को नाँकरी नहीं मिल रही है और उनकी हालत रोज बरोज खराब से खराबतर हो रही है। समझ में नहीं आता कि पंचवर्षीय योजना सफल हो रही है और गांवों की स्थिति खराब होती जाती है। आज सबसे बड़ी ज़रूरत इस दृश्यनीय अवस्था का अन्त करने की है और सरकार की ओर से तुरन्त सक्रिय कदम उठाए जाने चाहियें।

आज जिस प्रकार से दाइव्होजन बम की एक बहुत बड़ी समस्या है, उसी तरह से हम हिन्दी

बोलने वालों को यहां पर हिन्दी बोलने का अवसर मिलने की समस्या है। हमको एक तो वह सौभग्य से कहीं बोलने का मौका मिल पाता है और यदि कहीं मौका मिल भी पाता है तो अखबार वाले हमारी बातें पूरी पूरी नहीं छापते हैं, वह तो अपने मतलब की लिखते हैं और वह उन बहुत २ पंजीयियों के मतलब की बातें लिखते हैं। अगर कहीं हम लोगों को अवसर मिल भी जाता है तो सरकार द्वारा हमारी बातें पर उतना ध्यान नहीं दिया जाता जितना दिया जाना चाहिये। मैंने जो कुछ आपकी ओर हाउस की सेवा में कहा वह कोई अकेले मेरी ही बात नहीं है बरन् इस देश के सात लाख गांवों में बसने वाले किसानों और मजदूरों की बात है, आप उनकी दशा सुधारने का प्रयत्न करें, आज वे बहुत दुःख में हैं। अन्त में मैं आपको धन्यवाद देंकर अपना भाषण समाप्त करता हूँ कि आपने मुझे यहां पर बोलने का अवसर दिया।

**Shri Mulchand Dube (Farrukhabad Distt.—North):** Mr. Chairman, may I embarrass you a little by thanking you for calling upon me to speak?

The hon. the Finance Minister is responsible not only for providing finance but is also responsible for expenditure, in co-operation with other Ministries. Therefore, the credit goes to the hon. the Finance Minister and he has also to share the blame. The point of view from which I look at the matter is whether there has been an increase in production in the country generally. An increase in production in the big industry does not satisfy me. The test for the success of the Ministry which I wish to apply is whether it has reduced unemployment or whether it is taking adequate steps to reduce or to remove unemployment altogether. My idea is that every unemployed person is not only miserable himself, but is a national loss. The question is what the hon. the Finance Minister is doing to prevent this colossal loss to the country.

6 P.M.

The question of unemployment was discussed for a long time on the floor of this House in the previous session and the session before that, but the House did not find any solution of that problem. I am conscious of the fact that the Government is doing something to relieve the problem, but I think the steps that are being taken are utterly inadequate. Something is being done for the khadi and handloom industries, but the aid that is being given to them is quite insufficient to put them on their legs. I said that the House could not come to any decision as to the manner in which this problem of unemployment has to be solved. The reason is obvious. The reason to my mind is that we do not know what we want and we do not know how to get it. The first thing necessary is to have a survey made of our resources and requirements. I feel certain that the big industry, either in the private sector or public sector, is incapable of solving the problem of unemployment. The problem, if it can be solved at all, can be solved only by small-scale or cottage industries. Therefore, the first step that the Government should take in this matter is to have a survey made of all the small-scale and cottage industries that are existing throughout the country and when that is done it should also have a survey made of the number of unemployed persons so that we may be able to get an approximate figure. The figures that have been collected from the records of the employment exchanges are quite incorrect and insufficient. Therefore, that is the thing that has to be done. We do not know what kind of employment our men want; how many want white-collared employment; how many are skilled labourers; how many are unskilled labourers and how many are of other kinds. When a survey of these small-scale and cottage industries is made, the Government should be able to find out which of them it should develop. I am also conscious of the fact some aid is being given to small-scale and cottage industry; but that is not being done according to any plan. The Planning Commission did not

frame any plan in respect of the cottage industry or small-scale industries because it did not have the data. I think, it did not even have a plan for the big industry. It decided or prepared a plan on the basis of certain export and import figures. That is how it came to the conclusion about our needs and on that basis it prepared the plan. Therefore, what I say is, that the first thing, and the most important thing is that the small-scale and cottage industries should be developed to the maximum extent. The persons who are doing this should be helped in every way by grants, loans and by providing facilities for marketing. It may be that in some cases we shall be able to find a market for the products of those industries, and there may be cases in which those products may not be marketable in this country. We must, therefore, tap foreign markets for that purpose. The question therefore arises as to what is the method, and how it should be done. My submission is that we are maintaining a large number of Commercial Attachés in the various Legations, Embassies, Commissions and other establishments throughout the world. I do not know what the qualifications of these gentlemen are, but so far as I have been able to find out, they are men of the I.A.S., or I.C.S., or men possessing other academical qualifications. Now, academical qualifications have not fitted our country for trade. These men have received their education for clerkship or other administrative jobs. Therefore, these men do not have an eye for business. These men are required to look into the matter, study the markets of various countries with a view to find out what are the things that those countries need and what are the things that our cottage industries can produce economically so that they may be sold in those countries with slight modifications. That is the thing which is absolutely necessary. Take, for instance, Manchester; men of that country visited India and began to prepare dhotis and saris which they did not need but which we needed. It was only after the coming of the power-loom, if I may say so, or the coming of the machine age that our country has been reduced to

[Shri Mulchand Dube]

poverty. Before that this country was very prosperous and its wealth was envied by other nations. Therefore, we must go back. I do not mean to say that we do not want any big industry either in the private sector or the public sector. We do want them according to the changed conditions of the world. But, while we want them, we certainly cannot do without the small-scale or cottage industries. We are adopting a little too much of the measures of the West. Their conditions are different, and conditions here are quite different. While in a big industry in this country one man does the work of ten persons, it certainly throws out of employment nine persons. Therefore, the nine persons have to be provided for in some way or the other and they can be absorbed only in cottage or small-scale industries.

There is another subject called rationalisation which has been discussed much and which is in the air for some weeks past. I do not exactly understand what is meant by rationalisation; I do not know its precise meaning. What I understand by it is improved machinery, more production and less labour. If we want to compete foreign markets we will have to resort to rationalisation and we will have to provide the labour that becomes unemployed because of rationalisation in cottage and small-scale industries. The big industries that we have should also be so co-ordinated as to be able to absorb the products of cottage industries. There should be some sort of co-ordination between the cottage industries and big industries. This is the thing that I wanted to say about industry.

On the question of economy also I wish to say a few words. I entirely agree with my hon. friend who has spoken before me that we are not really taking care of the money in the manner in which we should. We have to resort to deficit financing simply because we do not take as much care of the money that we have. I have seen in various departments that the people who are responsible for expenditure do not care at all how the money of the

Government is being spent. There was something in the papers that a sum of Rs. 164 crores was lost by bad management or mismanagement in the Damodar Valley Corporation. I do not find anything of it in the pamphlet that was supplied to us, either by the Finance Ministry or by the Commerce and Industry Ministry. I am not, therefore, in a position to say whether this press report is correct or not, but it is absolutely necessary that the control on expenditure should be tightened. People should not be left free to do as they like and to play dials and drakes with the Government or the public money. The other day I was reading the report of the Gorwala Committee in which I came across the words "a thing that was not inspected is not done". This is absolutely true so far as our administration is concerned. We do not take sufficient interest. A thing that is entrusted to an officer is not executed in the manner in which it should be, and as my hon. friend who just spoke pointed out, even where such instances are discovered, they are not adequately dealt with. My submission is that we should see to it and it is the duty of the Finance Minister, to see that every pie is made to go the farthest it can. If this is done, we shall not have to resort to considerable deficit financing. Deficit financing does not have any terrors for me because I see that the hon. Finance Minister has seen to it that production is increased. If production increases quickly, the tendency will be for the prices to fall in respect of the commodities that are produced to a very great extent. This will offset the inflationary pressure that may be brought about by resorting to deficit financing.

**Shri S. G. Parikh (Mehsana East):** I thank you for giving me an opportunity to speak. I want to point out the difficulties experienced by the public in getting refunds from the Incoms-tax department. From my own personal knowledge, I can say this. Whenever an assessee has won a case in the higher courts and is entitled for refund, he is having very great difficulties from the department.

The position is this. When one approaches the department in the month of January, they say: there is no provision in the Budget, the Budget is short, we cannot give the money before the end of the financial year, you come to us sometime after April. I know of one case. A sum of Rs. 45 was due to one man. He approached the department in the month of January. He was asked to come after the Budget year was over. I do not know how this sum of Rs. 45 will affect the Budget. The officer says that he has got orders from the higher authorities. I do not know whether it is from the Ministry or the C.B.R. or the C.I.T. How is the ITO concerned with the Budget?

Another point in regard to income-tax is the anomaly in section 15-C. When new companies are floated, there is a provision in the Act that up to six per cent of the interest is not chargeable with income-tax. It sometimes so happens that a company declares dividend, even when there is some depreciation still to be taken into account. If, in spite of that, the company declares dividend, the company is not liable to tax, but the shareholders have to pay the tax. If this anomaly is there, the general public will be shy of investing their money in new concerns. If orders are issued to the department to give this relief to the investing public, people will come forward to invest their money in new concerns.

I would like to point out one thing with regard to the excise duties. In the year 1952, I brought to the notice of the hon. Finance Minister that the staff employed in the textile mills to supervise the despatch of the cloth is superfluous. There is strict control over the mills by the Textile Commissioner. The mills have got to submit to the Textile Commissioner frequently so many returns. The mill is not one man's job; there are thousands of people employed and no one man can manage to defraud the Government. If this staff is sufficiently reduced, I think Government is not likely to lose any money by way of

revenue. As the figures show, I think at least Rs. 15 lakhs would be saved by the Government in expenditure, without losing a single farthing for that.

Regarding the duty on art silk, several things have been said. I think the duty has been levied at the wrong end. Had it been levied on art silk yarn, I think no hardship would have been caused. I think by the present mode of levy, Government will find great difficulty in collecting the revenue and there is also likely to be some loss of revenue and misuse and corruption. Had it been on the yarn, it would have been easy. Mill yarn is sufficiently protected and there is a heavy duty on imported yarn. Some mills, I understand, are making good profits. Another argument may be that production will suffer. It is not the case. Two more mills are coming. The present units are doubling. Another unit is in the offing. If all the five units go into production, I think that 75 per cent. of our requirements will be supplied by our mills. It would be easier for the Government to collect the revenue from the yarn mills.

I congratulate the Government for giving some relief in tobacco excise. Particularly my constituency is very much affected so far as tobacco excise is concerned. I am getting representations that if the relief is extended for the 1954 crop also, it will help the cultivators a long way. I request the hon. Finance Minister to look into this matter. The relief has been given only for the 1953 crop. I request that relief may be granted for the 1954 crop also.

I would like to bring to your notice that recently two big insurance companies have come forward to reduce their rates of Life Insurance premium substantially. There is a great hue and cry from the smaller units. My information is, and I find in the newspapers, that the Government is also telling these people to revise their rates again. I think this would be doing injustice to the general public.

[Shri S. G. Parikh]

The general public will be benefited by these reduced rates. Let those companies which are not sufficiently strong enough either merge with bigger units or wind up themselves. My request to the Government is that these revised rates should continue and they should not come in the way of the revision of the rates. In case the Government desires to nationalise the insurance industry, this will greatly help because there will be very few companies and it would be easy for the Government to nationalise.

So many speakers have spoken about the Sales-tax. I submit that there should be uniformity throughout the country. I feel the Government is finding some constitutional difficulty. Either the Constitution may be amended or some *via media* could be found out. The traders and the general public are experiencing very great difficulties and, therefore, there should be some sort of uniformity of taxation. My humble suggestion is this. Let it be a Central subject. Let all the revenues that are collected from the various States be passed on to them. Just as in the case of the estate duty, it should be a Centrally-administered subject. Let it be a purchase-tax of a uniform character so that the people at large will be benefited.

Another point I would like to bring to your notice is investment of foreign capital. I am not against foreign capital. But wherever the local industrialists come forward, Government should not encourage the foreign industrialists or foreign capital. I know that one dye-stuff industry is going to start production of dye-stuffs shortly. A sum of Rs. 2 lakhs or so has been spent on experiments during the last four years, and now they are having their experiments completed. They will be in a position to have the dyes manufactured here shortly. In the meantime, I understand that one big concern is taking the help of the Imperial Chemical Industries and has signed an agreement with them that they would

manufacture dyes only from intermediates and not from basic raw materials. While the Indian concern is going to manufacture dyes from basic raw materials, and has also given an undertaking that it will meet the country's requirements within the next two years, where is the need of inviting foreign participation through the Imperial Chemical Industries, which is demanding large royalties? Moreover, if the dyes are to be manufactured from intermediates, in case there is trouble all the world over or in any particular part of the world, our dye-stuff industry will be stranded. My submission therefore is that even if you are allowing foreign collaboration here, you should see that they manufacture dyes from basic raw materials only and not from intermediates. At the same time, when our people come forward and spend lakhs of rupees on experiments, we should see that they are encouraged.

Even if the Imperial Chemical Industries or any other concern is associated with our dye-stuff industry, the distribution trade should be in our hands, as at present. Otherwise, the whole of the import trade would be destroyed. Even if there is foreign collaboration, the distribution trade should be with the Indian companies and not with the foreign companies. I would like to stress this particular point on the Finance Minister.

**Shri T. S. A. Cheitiar (Tiruppur):** Before I go into certain matters of procedure, I would like to impress upon this House the rural indebtedness that exists in this country today. In Madras, the part of the country from which I come, the interest rate in the rural areas is about thirty-six per cent, and that is considered to be reasonable by people who take it. That interest is adjusted, before the money is given and as you know well, in the Acts, this is prohibited. To get over the law, documents are drawn for double and treble the amounts

lent. This money is absolutely required by the people in the rural areas, for their agricultural operations. Without this money, they cannot live. So, they mortgage their property, and do everything possible to get money at these rates. What have we done to prevent this state of affairs? I must say that we have done very little. I must say that we have not even felt the conditions that are existing in this country today.

The other day, I put a question whether this Government proposed to go into the matter of agricultural indebtedness in this country. The reply was given that this matter was gone into many many years back, by the Banking Enquiry Commission. But since then much has happened, and it is necessary for us today to set up a commission or some agency to find out whether in these years, agricultural indebtedness has increased, or the wealth of the agriculturists has increased. We claim that we are producing more wealth. But we must see whether that wealth has gone into the hands of the ryot, the man who works in the fields, and the man on whom we rely for the greatness of this country, or whether it has got concentrated into the hands of a few people in Bombay, Calcutta and Madras. I should think that the time has come when we should make an estimate of rural indebtedness, and see whether we cannot ask the Reserve Bank to advance more money to the agriculturists. I know some money is being advanced to the apex banks in the co-operative movement. But to what extent has that been able to meet the needs of the people in the rural areas? That is a thing which we must go into. With the knowledge that I have, I can say that the needs that it has met are very little. When the Bombay people are affected, they shout; when the Calcutta people are affected, they shout, and immediately Government go into action. But when the agriculturists and the poor men in the villages are affected, it is a long long way between Delhi and the villages, and their

voice is rarely heard. I would like the hon. Finance Minister to go into this matter.

Another matter of procedure I would like to go into is the relationship that should exist between this Ministry and the Committees which this House has appointed as its watchdogs, namely the Public Account Committee, and the Estimates Committee. The whole House cannot go into the estimates; the whole House cannot go into the *post mortem* examination of the accounts of Government; so we have thought it fit to constitute committees to go into these matters. These Committees come to certain decisions, as a result of their examination. I believe, that when those decisions are arrived at, it is up to the Government members, and the officials concerned, to guide them, if I may say so, to come to proper decisions. It is up to them to fight it out with the Committees, and say what all they have to say. It is up to them to prove to the committee that they could not, under the *bona fide* conditions, have taken any other step than the one which they have taken. But when certain decisions are arrived at by the Committees, unless this House rejects that verdict, I should think that that verdict should be given the respectful attention which a committee constituted by this House deserves.

Recently, I have heard—I am sorry I was not here at that time—that there were certain discussions about certain decisions, and that some statements were made to the effect that officials are afraid to take decisions, because the Public Accounts Committee has made certain disclosures—I do not want to refer to what those disclosures are—about certain officers. I must say that people who are afraid to take responsibility should not be in the places where they are. The Public Accounts Committee in any country in the world is bound to take note of whatever actions the officials do, and the officials who are worth anything

[**Shri T. S. A. Chettiar**]

must take the responsibility upon their shoulders, for, responsibility lies on them. The higher officials are appointed not to be afraid of taking decisions, but to take decisions, knowing the risks involved. In the administrative sphere, they must take their responsibility, and after that, at the bar of public opinion, they should be prepared to take their chance. So, it is wrong to say that simply because certain criticisms are made, the officials are afraid of taking decisions. That only shows that they are not good enough to take responsibility. Bad men must be condemned, wherever they are; and good men must be strong enough to take the responsibility on their shoulders, and should come to decisions, and later face the bar of public opinion.

The so-called Chanda Report has been so much before the House, and if I may say so, we are meeting in the shadow of that Report. I do not know what that Report is. The authorised version of that Report has not been made available to us. So, I do not presume to say that whatever I say is true; it may be true, or it may not be true. But I go from newspaper information. If the hon. Finance Minister wants to deny it and say I am wrong, it is open to him to say so, and place the correct information before the House.

**Shri A. P. Sinha** (Muzaffarpur East): That Report should not be discussed here, because it is not before the House.

**Shri T. S. A. Chettiar**: Matters of procedure can be discussed. I am going to discuss here those two matters of procedure, which, it is reported in the newspapers, have been dealt with by the Chanda Report. I am not allowed to discuss matters of financial procedure in the course of a discussion on the Demands for Grants relating to the Finance Ministry, I cannot understand what else will be relevant under these Demands.

It has been stated that the Chanda Report has dealt with two matters of procedure. One is the procedure whereby the departments may spend more quickly, for that purpose take a token grant from Parliament, spend any amount they like, and then get *post facto* sanction from this House.

I say, Sir, that that is a negation of all democracy and I shall not be a party to this House voting for such a procedure. All relevant things must be disclosed to this House. We sanction the expenditure....

**Shri A. P. Sinha**: On a point of order, Sir. My hon. friend is discussing the Chanda Report, a thing about which we heard from the Prime Minister's reply to a short notice question. But how can that report, when it is not placed before the House, be discussed? We do not know anything about it. The hon. Member himself says he does not know anything. Still he is trying to discuss the report. This is very fantastic, wrong and irregular.

**Mr. Chairman**: The hon. Member has not raised any point of order. The hon. Member never said that he has seen the report. He has not read from the report. He is not in any manner criticising the report which has not seen the light of the day. He is only just making remarks in respect of a matter which is the common property of this House and of the country.

**Shri A. P. Sinha**: What is the common property, Sir?

**Mr. Chairman**: He is only dilating upon what has appeared in the papers. We do not know what the actual report is. The report has not been circulated. He is only speaking about matters which have now appeared in the papers. That is all. If he had read out something from the report, and then dilated upon it, then the point would have been relevant. Now, the report is not with us. At the same

time, we all know that there is a report. There was an answer from the hon. the Prime Minister the other day and something has appeared in the papers. He is speaking about that.

**The Minister of Finance (Shri C. D. Deshmukh):** The point is that various ideas are afloat, whether they are in that document or any other document. It seems to me that if any such ideas come to the notice of Members, it is open to them to take up those ideas and give their views on them, not necessarily with reference to any particular report. He might say that an idea seems to be going round that a system of token grants would be desirable to prevent lapses occurring. Now, the hon. Member has certain views on the subject and I think it is perfectly right for him to express those views.

**Shri V. G. Deshpande (Guna):** Why should not the Government place the report before the House?

**Mr. Chairman:** In a matter of this nature, I think Parliament is very much seized of it and it should express its views. It is a very important matter from the Parliament's point of view also and Parliament should see that what is being done or being talked about is such that Parliament's powers also are not limited thereby or the control which we have been exercising over finances or the effectiveness of the procedure of control is not, as a matter of fact, in any manner watered down. Such discussion instead of being irrelevant is very necessary. But I would request the hon. Member to speak only in a general way. The Report is not before us and he may be making a mistake; he may be assuming too much....

**Shri T. S. A. Chettiar:** I am not making a mistake because I do not know.....

**Mr. Chairman:** Therefore, I am saying that he need not assume too much. Only on the material which we have

got before us, which may be regarded as authentic, only so far we should proceed and not further.

**Shri T. S. A. Chettiar:** There is nothing authentic, because we have not got anything authentic. These two views have been ascribed to that Report and I am discussing those two views.

**Shri T. N. Singh:** Probably it would be better if he were to refer only to that and not to the Report, because it might cause unnecessary misunderstanding.....

**Mr. Chairman:** We do not know what the Report is.

**Shri T. N. Singh:** Association with it is not desirable.

**Mr. Chairman:** Therefore, I am saying that we should confine ourselves to the views and not complicate matters any further. Only on the basis of material which we regard as authentic, we should make our remarks.

**Shri T. S. A. Chettiar:** I say, Sir, that taking a token grant and spending crores of rupees is something which is against all financial canons of procedure. I have no doubt that if ever that idea is put before this House, this House would by a large majority reject that procedure, because that is a negation of parliamentary control.

Secondly, Sir, another idea has been put forward—let me not refer to any report—and that is that the Finance Secretary attached to each department instead of being under the control of the Finance Department, should be under the control of the head of that department. If it is a matter of giving approval to things and details which have already been sanctioned by this House, I can understand that and even allow that. But, Sir, if it is a matter of diversion of funds from one thing to another, if it is a matter of diversion of funds from one quality of expenditure to another—for example, from a subsidy to a loan or a grant or from one subject to

[**Shri T. S. A. Chettiar**]

an other, i.e. money can be provided for jute research and a proposal may come that it may be diverted to cotton research,—then from what I have studied about financial procedure, with the little knowledge of administration that I possess, these are entirely different expenditures, and such items of expenditure should always go to the Finance Department, because the Finance Department is not a department of the Government of India but is the watch-dog which we maintain so that we see that money is not wasted.

So, Sir, I know the difficulties of the finance people. While I was the minister in charge of education, I used to dislike them because many times they had turned down my proposals—many times unjustly perhaps. Many times I did not like them because they did not do as proposed. But all the same, I want somebody who will say to me: 'You are wrong. You shall not do it'. If that control is not there and lump sum grants are given, anything can be done. That is not financial procedure, that is not safety for a public economy and that is not the way in which this House can have its wishes respected, because the Budget is passed by us and it should be administered and spent as we have passed it and the finance Department is the body which looks to that.

**Pandit K. C. Sharma** (Meerut Dist.—South): He is conservative.

**Shri T. S. A. Chettiar**: I am just making one more observation before I close. I wish I had more time.

I am anxious that all the money provided should be spent. I am anxious that all our programmes should be put through. One of the bottle-necks that we have is the State Governments which do not have sufficient money. One of the reasons why we have not been able to put through our programmes is that the State Governments do not have sufficient money. The final solution for

this problem will be found when we can find sources of income for them.

Secondly, one of the reasons why we are not able to put through local works etc. in which the local governments do not contribute anything is because we have the red-tape of going through these local governments. I would like to make a suggestion in this connection. Why should not local boards and institutions of great integrity be dealt with directly by the Government so that we can remove one step and this money which is being spent through the local government may be spent direct and can be usefully spent?

I do not like to take much time, because there are many others to speak. But I would like to say this, that we should find ways and means whereby red-tape could be cut. There is a lot of red-tape which can be cut, and should be cut. One of the ways in which it can be cut is that local boards or institutions which are essentially working for rural areas should be contacted direct. I would like the Finance Minister to examine and see whether in matters of rural water-supply, in matters of maternity and child welfare and in matters of local works we cannot have direct contacts with accredited organisations like the Ramakrishna Mission, the Gandhi Smarak Nidhi or other institutions—and local boards like District Boards, so that this red-tape of going for a grant and waiting for months and engaging in correspondence with local governments who do not contribute anything, may be cut. It is a matter of half local contribution and half Central Government contribution. These are the things which I would like to be examined. We should put our heads together and examine them. I think there is a lot of red-tape that has to be cut, and that should be done. At the same time, we should maintain the proper financial control that we owe to this country.

श्री शिव उपाध्याय (जिला बांदा व जिला फतहपुर) : अधिकारी महोदय, मैं आप का बहुत आभारी हूँ कि आप ने मुझे बोलने का अवसर दिया ।

आजादी प्राप्त करने के बाद जो पहला कदम हमने अपने देश की गरीबी को दूर करने के लिये और सामाजिक समाजता प्राप्त करने के लिये उठाया है, वह हैं यंच वर्तीय योजना के द्वारा । हमें दूरना हैं कि इस योजना को हम कहां तक कार्यान्वयित कर चुके हैं, तभा हम मैं कहां तक इसे कार्यान्वयित करने की ज़मता हैं । इस रिपोर्ट के दूरने से जालूम होता हैं कि जो हमारा टार्गेट था, उसमें हम ने अब तक जो काम किया है, उसके अनुसार, एग्रीकल्चर एंड एनिमल हस्ट्री भी में लगभग-२२ प्रतिशत सफलता प्राप्त की है । इसी प्रकार इर्रिगेशन में हम ने १५ प्रतिशत सफलता प्राप्त की है । रिक्लॉमेशन में ६ फी सदी, हेल्प एंड हरल सैनिटैशन में हम ने १६ फीसदी, एजुकेशन एंड सोशल एजुकेशन में हम ने केवल १४ फीसदी, कम्पनीकेशन में २४ फीसदी, कार्ट-स एंड क्राकल्डस में केवल ४ फीसदी सफलता प्राप्त की है । इस तात्त्विक्य को दूरने से पता चलता है कि जो हमारा आदर्श हैं उसको हमने कितना कम अब तक पूरा किया है । ऐसी दशा में हम कभी भी यह आशा नहीं कर सकते कि जो निश्चित समय है, निर्धारित समय है, उसके अन्दर हम हस योजना को सफल बना सकेंगे । इसका कारण क्या है ? जहां तक मैंने विचार किया, उस मैशीनरी में जिसके द्वारा हम इसे पूरा करना चाहते हैं, कोई कमी है । बात वास्तव में यह है कि वह मैशीनरी, वह यंच जो उसके पूर्व शासन का यंच था, और इसमें कोई शक नहीं कि जिसमें शासन की योग्यता पूरी तरह से पाई गई, वह मैशीनरी सेवा कार्य के लिये चिल्कुल ही अपर्याप्त सिद्ध हुई है । उसके द्वारा हमारी जनता में उत्साह नहीं पैदा हो सकता । उसके द्वारा जो हमें जनता से सहयोग मिलना चाहिये था, वह नहीं मिलता है । और तो और, जनता के जो प्रीतिनिधि हैं,

जनता के जो सेवक हैं, उनके और जो हिस्ट्रिक्ट मैजिस्ट्रेट्स जाम ताँर पर काम करते हैं इस योजना को सफल बनाने के लिये उनके बीच में एक गहरी लाई है । मैं बही नमूता से कहना चाहता हूँ कि वह तरीका नहीं हैं जिस के द्वारा हम इस योजना को सफल बना सकें । मुझे चांगकाई शक की सरकार की मिसाल चाह जाती है । उसके अधिकारी कुछ इस प्रकार के स्वार्थी हो गये थे कि जिनका सम्पर्क जनता से किसी प्रकार का नहीं रह गया था । उसके विपरीत आजकल की जो चीज सरकार है, उसके अधिकारी इस प्रकार के हैं कि उनका रहव सहन, उनका वर्ताव, उनका व्यवहार और उनका सहयोग जनता के साथ पूरी तरह से मिलता है । तो ऐसी दशा में मैं प्रार्थना करूँगा, अपनी सरकार से, कि वह अपने अधिकारीयों को इस प्रकार से बुझे कि जिस से वे जनता का सहयोग और जनता का विद्वास ठीक तरह से प्राप्त कर सकें । मैं सुझाव के ताँर पर कुछ बातें आपके सामने रखूँगा जिनके द्वारा शायद यह जो काम हमारे सामने हैं वह बहुत हृषि तक पूरा किया जा सकेगा ।

मैंने जहां तक समझा है अधिकारीयों की इस मनोवैज्ञानिक विशेष कारण उनका व्यक्तिवाल है । यह सेंग हमारे देश का पुराना रोग है । वृटीय शासन के अन्तर्गत बहने से वह रोग और भी बढ़ गया है । हम जानते हैं कि उसी मैशीनरी के द्वारा, उसी यंच के द्वारा जो कि वृटीय शासन के अन्तर्गत काम करका रहा है, या उसी यंच पर जो पहले से ढला हुआ है, हम इस सेवा की योजना को सफल बना लें यह सम्भव नहीं मालूम होता । इसलिये उन कारणों को दूर करने के लिये मेरा सुझाव है कि हम ऐसे आदमी चुनें, इस कार्य को सफल बनाने के लिये, इस कार्य के भार को संभालने के लिये, कि जिसमें या जिनके धर वालों में, राष्ट्रीय सेवा का, सामाजिक सेवा का या और किसी प्रकार की सेवा का भाव रहा हो । हम ऐसे आदमी न चुनें कि जो केवल शासन कार्य में तो निषेध हों, परन्तु सेवा की योग्यता में, सेवा की भावना में वह चिल्कुल ही इसके

## [श्री शिव द्याल उपाध्याय]

विपरीत हों। मेरा अपना निजी तजुर्बा है और प्रत्येक मेरे साथी का भी, मैं समझता हूं कि, एसा ही तबुर्बा होगा, कि जो जिले के अधिकारी होते हैं, जिनके ऊपर तमाम जिम्मेदारी हस योजना को सफल बनाने की होती हैं, वह सेवा भाव से, वह सहयोग के भाव से, वे जनता में काम करने के भाव से, इतने शून्य होते हैं कि जिसके कारण न तो वह जनता की सेवा कर सकते हैं, न उनमें उत्साह पैदा कर सकते हैं और न जो जनता की सेवा करने वाले जो अन्य लोग हैं उनमें सद्भावना पैदा कर सकते हैं, और न ही उनके साथ वह काम कर सकते हैं।

दूसरा सुझाव मेरा यह है कि जिस प्रकार से आज कल चीन के अधिकारियों का रहन सहन बहुत कुछ वहां की जनता के रहन सहन से मिलता जुलता होता है, अधिकारियों का भोजन और उनकी पोशाक जनता के भोजन और उनकी पोशाक से मिलता जुलता हो, एसा उन्होंने नियम बना दिया है, जिस से कि जनता यह न समझे कि उनके और अधिकारियों के बीच में, एक बहुत बड़ी खाई है। उसी प्रकार मैं आप के द्वारा मंत्री महोदय को यह सुझाव द्दूंगा कि कुछ ऐसे हन्द्रकशन्स जारी कर दिये जायें कि जिनके द्वारा हमारे अधिकारी उसी पोशाक में रह कर और वैसा ही साथ भोजन ला कर जनता के बीच में काम करें। तब शायद उनको ज्यादा सफलता मिल सकेगी।

तीसरा सुझाव जो कि मैं दूना चाहता हूं यह है कि जो दूसरी गैं-सरकारी संस्थायें दृष्टियों में काम कर रही हैं, और जिन्होंने अपने काम का, अपनी सेवा का अच्छा परिचय दिया है, वहुत से ऐसे काम हैं जो उनके सुपुर्दि कर दिये जा सकते हैं, वे उनके द्वारा कराये जायें। उनके सहयोग के लिये, उनके कार्य संचालन के लिये, उनकी सहायता के लिये यह ही सकता है कि किसी प्रकार के अधिकारी उनके साथ नियुक्त कर दियें जायें। जैसे काट्ज इन्हंड्रीज और दृष्टियों से सम्बन्ध रखने वाली वहुत सी

योजनायें हैं। मैं समझता हूं कि जब तक हमें उन संस्थाओं का सहयोग नहीं प्राप्त होगा, जो कि दृष्टियों में सेवा कार्य करती है, तब तक यह सम्भव नहीं है कि ताली सरकारी कर्मचारियों के द्वारा काम करा कर इन कामों में बहुत सफलता मिल सके।

चौथा सुझाव मैं यह दूना चाहता हूं कि जिस प्रकार हमारे उत्तर प्रदेश में एक एसा सौनिक दल बनाया जा रहा है, पहले वह बनाया गया था प्रान्तीय रक्षा दल के नाम से, बहराहल किसी भी नाम से हो, चाहे सेवा दल के ही नाम से हो, उस संस्था के द्वारा काम कराया जावे। इसके अनुसार प्रत्येक गांव में, दस, बारह या पन्द्रह सेवक होंगे और उन सेवकों का यह काम होगा कि इस प्रकार की योजना को सफल बनाने में वह सहायता दें। इतना ही नहीं, बल्कि उन सेवकों को कुछ विशेष सुविधायें सरकार की ओर से दी जायें। इस प्रकार से जब हम अधिकारियों का, जनता में काम करने वालों का और जनता का सहयोग प्राप्त कर सकेंगे, तभी यह सम्भव होगा कि हम जो दृष्टि में दी प्रकार की स्वतंत्रता प्राप्त करना चाहते हैं, अर्थात् आर्थिक स्वतंत्रता और सामाजिक स्वतंत्रता, वह प्राप्त कर सकेंगे।

अंत में मैं केवल अपने अधिकारी वर्ग को एक आदर्श के तौर पर गांधी जी की प्रार्थना का वह मन्त्र याद दिलाता हूं जिसे कि गांधी जी पढ़ा करते थे, और जब तक यह आदर्श अधिकारी वर्ग के सामने नहीं होगा, तब तक मेरे स्थाल में यह सम्भव नहीं कि उनको सफलता मिल सके। वह श्लोक यह है :

न त्वहं कामये राज्यम्, न स्वर्गं नपुर्भवम् ।  
कामये दुःख-स्पातां प्राणिनामार्तिनाशनम् ॥

इसका अर्थ यह है कि मैं राज्य नहीं चाहता, मैं स्वर्ग नहीं चाहता, मैं फिर पैदा होना नहीं चाहता, मैं तो जो दुःख से तप्त प्राणी हूं उनके दुःख को दूर करना चाहता हूं। इस प्रकार का आदर्श अगर हमारे कार्यकर्ताओं के सामने होगा तभी यह योजना सफल हो सकती है।

**Shri K. P. Tripathi (Darrang):** Mr. Chairman, at the fag end of the day I have got only five minutes and I will try to confine myself to one idea. When India became independent, there were certain gaps in our credit structure. It was expected that after becoming independent, the first thing that you would do is to close this gap in the credit structure. But, unfortunately, we took a very long time in closing many of these gaps. It will be realised that the National Income Enquiry Committee's report has just come out, from which it appears that 72 per cent. of our production is from the agricultural sector, 10 per cent. from the cottage industries sector and 6 per cent. from the big industries sector. The credit structure of this country is entirely geared to the big industries sector and the commercial sector. There is practically no credit available in the country so far as the cottage industries and the agricultural sectors are concerned. When we came to this predicament, it was but natural for us to expect that immediately something should be done to close this gap. No country can improve unless there is credit provided for all the productive units in the country.

In the other countries of the world, for instance, America, after the New Deal, the most important thing which was done was to provide credit for the rural sector, not merely of the banking type, where credit is provided against security, but also for those types of agricultural production in which the people could not provide securities. There was the Extension Service and, through the help of the Extension Service, the Government provided credit even to those people who had no security to offer. It was in this way that American agriculture rose. They went further; they even provided price support programme and it was due to the combined effect of the price support programme and the credit facilities provided for even those who had no security to offer that the American agriculture rose to its present condition. But, in our

country, we have taken seven long years to find out what is the condition of the rural structure. There is no argument about it, and everyone knows that there is no credit facility for the agricultural and cottage industries sectors. We make some mistake with regard to the estimates, whether it is 50, 60 or 70 per cent. but the fact that credit did not exist was known. When it was known, the immediate thing which was necessary for us to do was to set this right and to fill in this gap in the credit structure. This was not done and seven long years have gone.

Of course, I welcome the measures which have been initiated by the Finance Ministry. Some provision for the credit structure has been made both in money as well as in kind. I think, it is a good beginning. But, have no doubt that unless and until the conservative estimates of the Finance Ministry are given the go-ahead and a bold policy is followed, there is not going to be any expansion worth the name for the rural sector, and we will not have anything dependable. Therefore, draw the attention, pointedly of the Finance Minister of the Central Government, to this point and say that bolder policies might be initiated.

After all, whenever there is difficulty in the big industries sector what does the Government do? It comes forward to help. There is a crisis in the tea industry. The Government came forward with a decision that to the extent of 10 per cent. of losses Government would guarantee. Does the Government do the same thing when there is a crisis in the agricultural sector? Does the Government do the same thing when there is loss in the cottage industry sector? The Government does do that. What is the Finance Ministry of a country responsible for? It is responsible for setting right the gap in the credit structure on

4913

[Shri K. P. Tripathi]

basis of which the economy of the country can be evolved automatically. That is the thing which was required and that is the thing which we have felt for a long time.

**Mr. Chairman:** The hon. Member may continue on the 17th.

*The House then adjourned till Two of the Clock on Saturday, the 17th April, 1954.*

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