

Monday,  
1st December, 1947

THE  
CONSTITUENT ASSEMBLY OF INDIA  
(LEGISLATIVE) DEBATES

Official Report

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First Session  
OF THE  
CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)  
1947



# CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Monday, the 1st December 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

## STARRED QUESTIONS AND ANSWERS

### (a) ORAL ANSWERS.

#### CULTIVATION OF LAND

**448. \*Shri R. B. Diwakar:** Will the Honourable Minister of Agriculture please state:

(a) whether it is a fact that a target of ten million acres of land has been fixed for bringing new lands under cultivation;

(b) when the target was fixed;

(c) the extent of lands that has been brought under cultivation in each province since the inauguration of the scheme;

(d) the total yield from these lands;

(e) the details of the aid that the Central Government have given to the provinces in the matter of—(i) irrigation—minor and major, (ii) supply of improved seeds, (iii) reclamation of fallow lands;

(f) the major irrigation schemes in the province of Bombay which have received financial help from the Central Government; and

(g) whether the attention of Government has been drawn to the observation made by *Commerce* of Bombay in its issue of the 20th September 1947 on page 510 under the caption "Food situation in India Grim", particularly in the last paragraph about Government statistics?

**The Honourable Dr. Rajendra Prasad:** (a) and (b). No target has been fixed for the areas of new lands to be brought under cultivation. Targets were, however, fixed in January 1947 for the production of four million tons of additional foodgrains during 1947-52.

(c) and (d). Statements showing the area under culturable waste and the production of the area cultivated as compared with the normal pre-war period were placed on the table in reply to questions 189 and 182 on the 20th November 1947. Separate statistics are not maintained for yield from new lands brought under cultivation.

(e) A statement giving this information was placed on the table in reply to question 182 on 20th November 1947. Details of financial aid to be given for major irrigation projects have not yet been settled.

(f) So far financial assistance has not been given for any major irrigation scheme to Bombay. It has been suggested to the Government of Bombay that the following three major irrigation schemes should be financed from loan money—(i) Vir Dam Project, (ii) Meshava Canal Project, (iii) Gangapur Dam Project.

(g) Government have seen the article in question but the allegations made are not accepted.

**Shri M. Ananthasayanam Ayyangar:** Is it a fact that the Madras Government wanted a lump sum grant for improving the minor irrigation projects, instead of giving subsidies for the sinking of wells?

**The Honourable Dr. Rajendra Prasad:** The system we have followed so far is to ask provinces to prepare plans. Those plans are received here, examined and sanctioned and the money is allotted on the basis of those sanctioned plans.

**Shri M. Ananthasayanam Ayyangar:** May I know, whether so far as the Madras Government is concerned, the Central Government has promised to give contributions for the sinking of wells by individual ryots in their holdings, but not for major projects?

**The Honourable Dr. Rajendra Prasad:** Whatever projects have come from the Madras Government have been accepted.

**Shri M. Ananthasayanam Ayyangar:** Are these projects in addition to the grants for subsidies for sinking wells and putting dams across rivers?

**The Honourable Dr. Rajendra Prasad:** As I have said all these projects are regarded as irrigation projects, whether for sinking wells, or tubewells or for opening up irrigation channels. They are all considered together. So whatever plans are received, they are considered and sanctioned.

**Shri M. Ananthasayanam Ayyangar:** What is the basis of subsidy in the case of wells: the Government contributes four annas, the ryot four annas and the Central Government eight annas. What is the basis for major irrigation projects?

**The Honourable Dr. Rajendra Prasad:** Those are considered on their merits. I think it is on a basis of half and half.

**Prof. Shibban Lal Saksena:** What is the total amount of deficit of food-grains needed to be made up by this new cultivation?

**The Honourable Dr. Rajendra Prasad:** The deficit that is sought to be made up is 3.2 million tons in India.

**Seth Govinddas:** Is it not a fact that the Central Provinces have submitted a plan about irrigation in that province, particularly with respect to tube wells, and is Government making any plan to help that Government?

**The Honourable Dr. Rajendra Prasad:** All such plans are examined here and then sanctioned. I do not know at what stage the particular plan the Honourable Member is referring to is at the present moment.

**Shri S. Nagappa:** May I know whether the Government is aware that most of the land brought under cultivation by the poor agriculturist labourers has been snatched by demobilized soldiers, because they are ex-soldiers? And if so, what steps are Government taking to prevent such snatching?

**The Honourable Dr. Rajendra Prasad:** I submit that it does not arise.

**Mr. Speaker:** I agree with the Honourable Member.

**Prof. Shibban Lal Saksena:** Is the Government taking care to see that besides the extension of the area under cultivation, efforts are being made to see that the average yield per acre is also being increased?

**The Honourable Dr. Rajendra Prasad:** The whole scheme is to increase the average yield per acre and also for bringing fresh land under cultivation.

**Prof. Shibban Lal Saksena:** Have any results been achieved so far?

**The Honourable Dr. Rajendra Prasad:** Of course!

**Prof. Shibban Lal Saksena:** Since the food scheme was launched, what have been the results?

**The Honourable Dr. Rajendra Prasad:** I have given the figures in answer to another question. But it is difficult to say what increase is attributable to these efforts and what is due to other causes.

## REQUIREMENTS OF CAUSTIC SODA.

449. \*Shri Debi Prasad Khaitan: (a) Will the Honourable Minister of Industry and Supply be pleased to state what are the present and prospective requirements of caustic soda in the country?

(b) What is the quantity of caustic soda likely to be available in the years 1947 and 1948 respectively?

(c) What steps are Government taking to obtain supply of the deficit quantity, in order that the economy of the country may not be disturbed for want of caustic soda?

(d) What steps are Government taking to increase the manufacture of caustic soda in the country, and what are the prospects of increase in manufacture as regards quantity and period?

The Honourable Dr. Syama Prasad Mookerjee: (a) Approximately 50,000 tons and 100,000 tons per annum respectively.

(b) About 23,000 tons in 1947. As there is at present a world shortage of Alkali Chemicals, it is not possible to estimate with any degree of accuracy what imports can be expected in 1948. It is, however, hoped that the present indigenous production of 4,500 tons a year will increase in 1948 to about 14,400 tons.

(c) Anyone is allowed to import who can obtain reasonable offers from abroad. Government is also exploring other sources of supply through diplomatic channels.

(d) Three plants of a total capacity of 4,500 tons per annum have been ordered from the U.S.A. Two of these have arrived and are under erection. These have a total capacity of 3,000 tons a year, and are expected to go into production by March, 1948. Import licences have been issued for further plants with a total capacity of about 30,000 tons per annum. It is expected that these will be in production in about 2 years time.

## PROTECTION, SUBVENTION OR SUBSIDY TO INDUSTRIES.

450. \*Prof. N. G. Ranga: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) when Government expect to formulate their policy in regard to the offer of protection, subvention or subsidy to industries;

(b) whether Government propose to appoint any committee to advise them in this regard before they take final decisions;

(c) if so, whether representatives of rural people, peasants and workers will also be consulted;

(d) whether Government propose to appoint a permanent Tariff Board;

(e) the period for which the present Tariff Board is appointed and its terms of reference; and

(f) whether any Cabinet Sub-Committee has considered these terms of reference?

The Honourable Dr. Syama Prasad Mookerjee: The question has been transferred to the List of questions for the 5th December 1947, when it will be answered by the Honourable Minister for Commerce.

Mr. Speaker: I will request Honourable Members not to change their seats often. I was almost about to call the next question, thinking Professor Ranga was absent!

Prof. N. G. Ranga: May I observe that we are not masters of our seats!

†Answer to this question laid on the table, the questioner being absent.

**Mr. Speaker:** Once the occupation is there, let it not be disturbed for this Session. We will see about the allotment of seats for next Session.

#### DEVELOPMENT OF INDUSTRIES.

**451. \*Prof. N. G. Ranga:** Will the Honourable Minister of Industry and Supply be pleased to state:

- (a) what consideration has been given to the Neogy Planning Board;
- (b) whether any scheme of priorities has been decided upon for the active development of our industries—small and big;
- (c) when Government propose to begin work for the development of power production, transport, iron and steel, metallurgical industries and plants;
- (d) what steps are being taken to obtain capital, machinery and experts from abroad and also from our own private enterprises for the development of State enterprise in India; and
- (e) what are the plans of Government for the promotion of industrial development of our resources?

**The Honourable Dr. Syama Prasad Mookerjee:** (a) The Ministries concerned are examining the recommendation made by the Board. The Cabinet have also appointed a Special Economic Sub-Committee, which will take the Board's Report into consideration. The principal recommendations in the Report will also be discussed at the forthcoming Industries Conference to be held on the 15th and 16th December 1947, at which Provinces, important States, and industries will be represented.

(b) Urgent problems relating to the development of Industries in India will be discussed at the Industries Conference. Priorities to be accorded to different schemes will also be considered.

(c) The work relating to the development of power production and transport has already been taken up by the Ministries concerned. As regards steel, metallurgical industries and plants, plans for their development are already under Government's consideration, and a special meeting of experts is being convened shortly in respect of the proposed steel plants.

(d) and (e). Government issued a statement on Industrial Policy in 1945 which referred, among other things, to the nationalisation of industries. The position will be reviewed in the light of the recommendations of the ensuing Industries Conference and of the Economic Sub-Committee's report.

**Prof. N. G. Ranga:** In view of the important functions that are being laid on the forthcoming Industries Conference, will Government consider the advisability of inviting some representatives of cottage industries also?

**The Honourable Dr. Syama Prasad Mookerjee:** Yes.

**Shri K. Santhanam:** May I know if the Government have come to any conclusion as to the field that should be reserved for direct development by the Central Government?

**The Honourable Dr. Syama Prasad Mookerjee:** That matter is under consideration.

**Shri K. Santhanam:** When is Government likely to come to some decision in the matter?

**The Honourable Dr. Syama Prasad Mookerjee:** Early next year.

**Shri M. Ananthasayanam Ayyangar:** May I know if this matter also will be placed before the Industries Conference that is to meet?

**The Honourable Dr. Syama Prasad Mookerjee:** Yes.

**Shri M. Ananthasayanam Ayyangar:** May I know if the proposals in this regard of the Department itself will be placed before the Standing Committee of this House attached to the Industries Ministry before this matter is placed before the formal conference, which would consist not only of Members of the Committee but outsiders also?

**The Honourable Dr. Syama Prasad Mookerjee:** The agenda is being circulated today to the members of the Standing Committee.

**Prof. N. G. Ranga:** Have Government considered the question of making suitable developmental grants and also floating necessary loans during the next year in order to speed up the developmental plans?

**The Honourable Dr. Syama Prasad Mookerjee:** That matter also will be considered.

**Pandit Balkrishna Sharma:** May I know if the Government will be prepared to take into confidence the Standing Committee attached to the Industries Ministry at the time when the Industries Conference begins?

**The Honourable Dr. Syama Prasad Mookerjee:** I am issuing letters of invitation to the members of the Standing Committee and I am also calling a meeting of the Standing Committee to discuss the agenda.

**Shri M. Ananthasayanam Ayyangar:** Will Government consider the advisability of inviting Mr. Vakil who served on the Planning Commission and who resigned stating that experts were not wanted in the previous regime, that the Government had no place for them and that they had place only for I.C.S. men and members of other services? May I know whether his services have been requisitioned and he has been invited to attend this conference?

**Mr. Speaker:** I am afraid I should not allow these questions. They refer to individual cases.

**Shri Raj Krishna Bose:** In view of the very acute shortage of cloth in the country have Government considered the question of giving any fillip to the hand spinning industry?

**The Honourable Dr. Syama Prasad Mookerjee:** That matter also will come up for consideration. If there is any specific suggestion that will be considered.

#### ALL-INDIA HANDLOOM BOARD.

452. **\*Prof. N. G. Ranga:** Will the Honourable Minister of Industry and Supply be pleased to state:

- (a) when the All-India Handloom Board was constituted;
- (b) whether it was constituted only for one year in the first instance and whether it was done in pursuance of the resolutions of the Handloom Fact-finding Committee;
- (c) why it has not been re-constituted for so long;
- (d) when it is proposed to re-constitute it;
- (e) whether Government are aware that it is the only authoritative quasi-Government organisation to consider and advise on handloom problems of all-India importance;
- (f) whether Government propose to increase the quota of representation given to handloom weavers and their organisations to enable them to form the majority of the Committee; and
- (g) whether Government propose to give adequate representation to the All-India Handloom Weavers Congress?

**The Honourable Dr. Syama Prasad Mookerjee:** (a) The All-India Handloom Board was constituted in February 1945

(b) Yes, Sir.

(c) and (d). The question of reorganising the Board was considered in February 1946, and was referred to Provincial Governments. The reorganisation of the board is still under consideration by the Government of India.

(e) Yes, Sir.

(f) Yes, Sir, Government propose to increase the quota of representation given to handloom weavers.

(g) This question also is under consideration.

**Prof. N. G. Ranga:** In view of the fact that it is more than one year and eight months since this reorganisation commenced, will Government consider the advisability of expediting the consideration and coming to a definite decision at an early date?

**The Honourable Dr. Syama Prasad Mookerjee:** Certainly.

**Shri K. Santhanam:** May I know if the Honourable the Minister will consider the advisability of instituting an All-India Institute of Research for the handloom industry?

**The Honourable Dr. Syama Prasad Mookerjee:** I think the Honourable Member is aware that there is a fund called the Cotton Textile Fund which has now reached about 210 lakhs of rupees and out of that fund Government has decided to establish a Cotton Technological Research Institute in Bombay and one of the objects of that institute will be the subject that has been mentioned by the Honourable Member.

**Prof. N. G. Ranga:** Will Government consider the advisability of starting a Central Handloom Goods Emporium in Delhi in order to popularise the various kinds of patterns, designs and other fabrics produced by the handloom weaving industry?

**The Honourable Dr. Syama Prasad Mookerjee:** Whether Government should do it or whether it will be done by the representatives of the industry itself will be considered.

**Shri M. S. Aney:** Am I to understand that the scope of the work of the Central Cotton Research Committee includes also research of handloom industry?

**The Honourable Dr. Syama Prasad Mookerjee:** It is not a Research Committee but a Research Institute which Government has decided to establish and it will be financed partly out of this fund.

**Shri Raj Krishna Bose:** Are there any rules for the guidance of this Handloom Board and if so, will Government place a copy of those rules on the table of the House?

**The Honourable Dr. Syama Prasad Mookerjee:** I have with me a copy of the resolution passed by the Government of India on the 12th February, 1947 which indicates the different functions which will come within the purview of the Board.

**Shri A. P. Pattani:** May I inform the Honourable Minister that the first thing essential is not plans but yarn for the handloom weavers?

**The Honourable Dr. Syama Prasad Mookerjee:** That information we possess already.

**Shri Mohan Lal Saksena:** Will Government consider the advisability of promoting handspinning?

**The Honourable Dr. Syama Prasad Mookerjee:** We propose also to have their representatives on the Board.

## COWDUNG GASPLANT

453. \*Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether cowdung gasplant has been devised by one of the scientists of the Indian Institute of Agriculture;

(b) whether a descriptive account of it has been published in the Annual number of "Indian Farmer";

(c) whether it is a fact that its use can enable our farmers to freely extract from cow-dung both manure and gas for home use as fuel and lighting; and

(d) whether Government propose to consider the advisability of starting the manufacture of cheap cowdung gasplants and their distribution through Village Panchayats to our farmers in order to prevent the present wastage of cowdung as fuel and its loss as manure?

**The Honourable Dr. Rajendra Prasad:** (a) Yes.

(b) Yes. Descriptive accounts have been given in the issues of Indian Farming for February, 1945 and for July, 1946.

(c) This is the claim put forward in the above articles.

(d) It is considered premature to start a factory for the manufacture of cowdung gas plants as the process has not yet been tried out under village conditions. Mr. N. V. Joshi who was formerly at the I.A.R.I., has taken out a patent and proposes to make small scale plants. These will be tried out when available and if the results are encouraging the question of their manufacture in larger numbers and their distribution to villages will be considered in consultation with Provincial Departments of Agriculture.

**Prof. N. G. Ranga:** May I know what is being done by Government to encourage this gentleman to produce these things at an economic price?

**The Honourable Dr. Rajendra Prasad:** The gentleman has taken out a patent: he is going to try it. When we see the results we shall consider what can be done in the matter.

**Prof. N. G. Ranga:** Why is it that the Government themselves do not wish to make this experiment and see that the thing is produced at an economic price instead of leaving it to the gentleman concerned with the possibility of his making profits thereon at the cost of the general public?

**The Honourable Dr. Rajendra Prasad:** We do not think that the experiment has reached a stage when the Government can take it up. We are waiting to see how far it will succeed and then we can take it up, not at this stage of the experiment.

**Shri M. S. Aney:** Is this plant not exhibited somewhere?

**The Honourable Dr. Rajendra Prasad:** I cannot answer that off-hand.

**Prof. N. G. Ranga:** Is it a fact that it is exhibited in the Institute at Delhi?

**Shri Balkrishna Sharma:** May I know if the Government are aware that cowdung is of great manure value and that the installation of such gas plants is likely to take away a large part of cowdung which is essential for manuring the fields?

**The Honourable Dr. Rajendra Prasad:** The claim is that gas would be produced and the manure part will also be available.

**Shri M. Ananthasayanam Ayyangar:** Is this gentleman sure that he will be able to make a success of his experiment and does not want any aid during the experimental stage?

**The Honourable Dr. Rajendra Prasad:** He has not asked for any help.



**Prof. N. G. Ranga:** Is it not a fact that the Kirloskar Plant has been producing this machinery for sometime and some of these drums have already come into use in certain parts of the Bombay Presidency?

**The Honourable Dr. Rajendra Prasad:** I am not aware of that.

#### FOOD REQUIREMENTS OF VARIOUS PROVINCES

**454. \*Prof. N. G. Ranga:** Will the Honourable Minister of Agriculture be pleased to state:

(a) the food requirements of the various provinces, their maximum and minimum capacities for food production, their maximum and minimum food procurement and their maximum and minimum food shortages or surpluses, in the light of the last 4 years working of the Food Department; and

(b) how Government propose to help the deficit provinces to maximise their food production?

**The Honourable Dr. Rajendra Prasad:** (a) A statement showing the requirements, for foodgrains (calculated on the basis of the population and an assumed consumption *per capita*), the estimated production of foodgrains by 1951-52 (if the goods and services required for the execution of the grow more food campaign are available), the maximum and minimum food procurement and maximum and minimum net imports or exports (excluding the figures for Assam, West Bengal, and East Punjab which are not separately available) for the provinces only is placed on the table.

(b) Five-year targets of food production have been drawn up for each province and it is proposed to give financial and technical assistance to Provincial Governments for achieving these targets. Every effort will also be made to see that the materials required to intensify the Grow More Food Campaign are made available to the Provinces.

*Food Requirements, Maximum Capacity for Food Production, Maximum and Minimum Food Procurement and Maximum and Minimum Net Imports or Net Exports.*

Provinces	Estimated Requirements of principal foodgrains for 1947-48	Estimated Production of principal foodgrains in 1951-52	Food Procurement		Net Exports		Net Imports	
			†Maximum during last 4 years	Minimum during last 4 years	Maximum during last 4 years	Minimum during last 4 years	Maximum during last 4 years	Minimum during last 4 years
Assam	1,221	1,616	..	..	..	..	..	..
Bihar	5,812	5,062	178	64	..	..	241	28
Bombay	3,407	3,222	606	394	..	..	567	499
Central Provinces	2,641	3,627	440	290	234	..	158*	..
East Punjab	2,200	2,925	..	..	689	..	..	..
Madras	7,884	7,636	1,550	773	..	..	587	104
Orissa	1,370	1,555	136	118	105*	59	..	..
United Provinces	8,994	9,458	502	291	..	..	259	95
West Bengal	3,527	3,400	..	..	..	..	..	..
Total	37,056	38,501	..	..	..	..	..	..

\* Relates to current year and is subject to revision.

† Estimated production is based on the actual average for the five years 1942-47, viz., 35.3 million tons plus the increased estimate of production, viz., 3.2 million tons for the provinces.

**Prof. N. G. Ranga:** May I know what attempts are being made by Government to invoke the aid and active co-operation of the agriculturists themselves in order to further this Grow More Food campaign, in addition to simply giving them some subsidies?

**The Honourable Dr. Rajendra Prasad:** I do not know what else the Government can do. Government ask them to grow more food and they are giving them aid in the form of monetary assistance for purchasing manure and better seed and providing facilities for irrigation.

**Prof. N. G. Ranga:** Are not Government aware of the fact that in England the Government takes active steps to encourage the farmers to organize themselves and to invite the co-operation of the farmers' organizations to further its Grow More Food campaign?

**The Honourable Dr. Rajendra Prasad:** That is being done. I understand in the Provinces the Agriculture Department gets assistance from such organizations as are available there.

**Shri S. Nagappa:** In view of the fact that large tracts of cultivable waste land are still lying waste almost in all Provinces, has the Government any scheme or plan to bring almost all the land under cultivation at the earliest date in order to solve the food problem?

**The Honourable Dr. Rajendra Prasad:** So far as this Five Year Grow More Food Plan is concerned it is intended that a great deal of land which is now lying waste will be brought under cultivation. As regards the rest of the land which is now waste, it will require bigger projects, and those are contemplated in projects like what we are now having in Bihar and Bengal, the Damodar project, the Koai project, the Hirakud project and so many other projects.

**Mr. Tajamul Hussain:** May I know whether any law has been introduced in the Provinces to reclaim waste lands?

**The Honourable Dr. Rajendra Prasad:** I understand there has been a law passed in Bihar and I believe there is some law in Bombay also. I am not aware of the position in other Provinces.

**Mr. Tajamul Hussain:** Will the Government advise the Provincial Governments to introduce such law?

**The Honourable Dr. Rajendra Prasad:** We are going to introduce a Bill in this Assembly to cover the Chief Commissioners' Provinces which are directly under the Government of India. It is expected that other Governments will follow suit.

**Shri M. Ananthasayanam Ayyangar:** Is it expected that if this five year plan is worked out fully, the entire deficit will be covered up, or is another five year plan necessary to make up the deficit?

**The Honourable Dr. Rajendra Prasad:** The expected yield from these plans in India, apart from the States, is 8.2 million tons by 1952. But, as I understand, the increase in the population will result in an increase in the demand there will still be a deficit after that, of anything between 1 and 2 million tons.

**Shri Mohan Lal Sahasra:** May I know if the Government is aware of the increase in the prices of sugarcane, and if so whether it will not affect this five year Grow More Food plan?

**The Honourable Dr. Rajendra Prasad:** Land under sugarcane is small in area as compared to the entire land under food crops, and if there is any increase in sugarcane area it will not very substantially affect the production of food. It has also to be remembered that sugarcane gives us sugar which has really more calorific value than any other food produced on the same land.

**Shri Raj Krishna Bose:** In view of the fact that in spite of so much effort in the direction of the Grow More Food campaign by the Government the results have not been satisfactory, is it intended to institute an enquiry to find out as to why the desired objective has not been reached?

**The Honourable Dr. Rajendra Prasad:** I do not think we have reached a stage when an enquiry is called for.

**Shri C. Subrahmanyam:** In view of the fact that the lessons of the Grow More Food Campaign have on the whole been disappointing, may I know whether any alternative scheme has been formulated?

**The Honourable Dr. Rajendra Prasad:** The results have not been as good as they ought to have been or as they had been expected, and to that extent they have been disappointing. But we have not any alternative scheme as the time has not come for that.

**Seth Govinddas:** As far as the waste lands are concerned, when they are brought under cultivation, will Government see to it that they are brought under cultivation under conditions of some sort of co-operative farming, and will Government advise the Provincial Governments to have such a scheme in view?

**The Honourable Dr. Rajendra Prasad:** It will depend upon local conditions, but the policy of the Government is to encourage co-operative farming wherever possible.

#### STANDARDIZATION OF RAILWAY EQUIPMENT

†455. \***Shri Debi Prasad Khaitan:** Will the Honourable Minister of Railways be pleased to state:

(a) whether there is a Standardization section in the Railway Board for standardizing railway equipment;

(b) how far the standardization of railway equipment has been completed and what parts of railway equipment still remain to be standardized; and

(c) whether Government are aware that manufacture in India of such equipment can be facilitated if it is standardized?

**The Honourable Dr. John Matthai:** (a) Yes. The Central Standards Office for Railways was established in 1930.

(b) During the last 17 years of its existence, standard designs have been prepared for the following:

(i) Locomotives for all gauges.

(ii) Carriage underframes and bodies for broad and metre-gauge.

(iii) Goods stock such as covered wagons, open wagons, oil tanks, hopper trucks, brake vans, etc.

(iv) Bridge girders of different spans and types.

(v) Various types of structures such as platform roofs, goods sheds, etc.

(vi) Track components and fittings such as rails, sleepers, fastenings, turnouts, etc.

(vii) Signals and interlocking.

As Railway equipment covers such a wide range and the progress in the Engineering field in this age is so rapid, it is impossible to reach finality and standardization has inevitably to be a progressive process.

(c) The Government is well aware of this advantage. Equipment and stores are purchased against a standard drawing and specification. There are 23,827 Loco, Carr. and Wagon standard drawings and 17,000 Civil (covering bridges, station buildings, track, etc.). Central Standards Office has also issued 152 specifications of its own and has also drafted many issued as I.S.D. Specifications.

†Answer to this question laid on the table, the questioner being absent.

## SLAUGHTER OF CATTLE

488. \*Shri B. A. Mandloi: (a) Will the Honourable Minister of Agriculture be pleased to state whether the slaughter of cattle is on the decline in the past two years as compared with the year 1944-45?

(b) What kinds of cattle are generally slaughtered and whether the meat of such slaughtered cattle is consumed locally or exported to places outside India?

**The Honourable Dr. Rajendra Prasad:** (a) No data about the number of cattle slaughtered in India for Civil consumption after 1945 is available. The slaughter of cattle for military consumption is however considerably on the decline. Only 125 cattle were slaughtered during the first six months of 1947 as against 2,87,445 in 1944.

(b) Generally useful cattle are not slaughtered. The meat is consumed locally and is not exported outside India.

**Shri Govinddas:** Is it not a fact that though an age limit has been fixed by various Provinces and municipalities for the slaughter of these cattle, it is never adhered to and there is still indiscriminate slaughter in many municipalities and towns?

**The Honourable Dr. Rajendra Prasad:** I know that an age limit has been fixed and certain other limitations have also been laid down for the slaughter of cattle. But to what extent they have been disregarded or disobeyed I do not know.

**Mr. Tajamal Hussain:** Are Government aware that slaughter of cattle has considerably declined since the 15th of August 1947?

**The Honourable Dr. Rajendra Prasad:** I have no information about that.

**Shri B. A. Mandloi:** Will the Government consider the desirability of prohibiting by legislation the slaughter of cattle fit for agriculture and for giving milk?

**The Honourable Dr. Rajendra Prasad:** I have appointed a Committee of people who are interested in the preservation of cattle. We shall await the report of that Committee before taking any decision in the matter.

**Shri M. S. Aney:** May I know when this Committee was appointed and when Government expect to receive the report of the Committee?

**The Honourable Dr. Rajendra Prasad:** The Committee was appointed only a short time ago—just about a fortnight or so ago—and the report of the Committee can be expected in due time.

**श्री रामसहाय :** क्या माननीय मिनिस्टर साहब यह बताने की कृपा करेंगे कि जो कमेटी बं बना रहे है उसमें एग्रीकल्चर (Agriculture) के स्टैंडिंग कमेटी (Standing Committee) के मेम्बरों को भी शरीक किया जायगा या उनको कानफीडेन्स (Confidence) में लिया जायगा ।

**Shri Ram Sahai:** Will the Honourable Minister please state whether the members of the Standing Committee for Agriculture will also be included in the new committee or will they be taken into confidence and their opinions considered?

**आनरेबिल डा० राजेन्द्रप्रसाद** यह सवाल जब कमेटी की रिपोर्ट आ जायेगी तब देखा जायगा ।

**The Honourable Dr. Rajendra Prasad:** It will be considered when the report of the Committee is received.

**Shri H. J. Khandekar:** Does the Committee consist of official members or non-official members?

**The Honourable Dr. Rajendra Prasad:** It consists largely of non-officials.

**Seth Govinddas:** Will the Government give powers to this Committee so that when it thinks it advisable it can co-opt more members who are interested in this subject?

**The Honourable Dr. Rajendra Prasad:** I do not exactly remember the terms of reference, but I suppose there is provision for that.

#### PROHIBITION OF SLAUGHTER OF ANIMALS.

**457. \*Shri B. A. Mandloi:** (a) Will the Honourable Minister of Agriculture be pleased to state whether Government have taken any steps to prohibit the slaughter of animals of all kinds in well-known places of Hindu pilgrimage?

(b) If not, do Government propose to do so now?

**The Honourable Dr. Rajendra Prasad:** (a) No.

(b) It has been decided to set up a Committee of experts to consider the whole question of slaughter of cattle in India and to recommend practical measures for the conservation and development of the cattle wealth of the country. This committee will be asked to consider the question raised by the Honourable Member. I have got the names of the members of the Committee of experts here in case the honourable member who put a supplementary question about it is interested in it.

**Mr. Speaker:** Let the list of names be placed on the table of the House.

#### *Resolution.*

It has been brought to the notice of the Government of India that large numbers of cattle are annually slaughtered in this country for meat, that this slaughter is often indiscriminate, that it includes animals of all ages and qualities and that the slaughter results in short supplies of milk and work bullocks and in the depletion of the country's cattle wealth. There has been considerable agitation in the press, on the platform and on the floor of the Legislature in regard to this matter, and Government has been urged to take immediate steps to prohibit slaughter by legislation. As this is a complicated socio-religious subject the Government of India have, after careful consideration, decided to appoint an Expert Committee of officials and non-officials to consider the question in all its aspects and to recommend a comprehensive plan of action which can be put into immediate effect for preserving the cattle wealth of the country and for promoting its development.

In considering the subject the Committee will pay particular attention to the following:—

- (a) The cause and the extent of periodical variation in the population of each class of cattle and the effect of such variation on the supply of milk and bullock power.
- (b) Detailed examination of the available statistics of slaughter, proportion of useful animals therein and an estimate of the material loss caused thereby.
- (c) Population trend of old and unproductive cattle and the problem of their maintenance and economic utilisation in view both of shortage of cattle feed and of prevailing sentiments against slaughter.
- (d) Now agencies like Gausshalas and cattle Protection Societies and Salvage Centres can be utilised for preserving cattle wealth and for promoting its developments.
- (e) Review of existing regulations regarding restrictions on cattle slaughter and of the administrative arrangements for the enforcement of the regulations.

The Committee will consist of :—

1. Sardar Bahadur Sir Datar Singh, Vice-Chairman, Indian Council of Agricultural Research, and Cattle Utilisation Adviser to the Government of India—Chairman.
2. Rai Bahadur P. N. Nanda, Animal Husbandry Commissioner with the Government of India.
3. Mr. N. B. Shahai, Director of Veterinary Services, C. P. & Berar.
4. Dr. Zai R. Kothawalla, Dairy Development Adviser to the Government of India.
5. L. Hardev Sahai, Secretary, Gau Rakshini Sabha, Hissar.
6. Rai Bahadur J. N. Manker, Honorary Secretary, Bombay Humanitarian League, 140, Shroff Bazar, Bombay.
7. Sardar Bahadur Harchand Singh, Agricultural Commissioner, Patiala.
8. Guru Partap Singh, Bhaini Sahib, District Ludhiana.
9. Shri Dharam Lal Singh, Secretary, Bihar Gowahala Federation, Sadaqat Ashram, Patna, P. O. Dighaghat.
10. Mr. Satishchandar Dass Gupta, Khadi Pratisthan, near Calcutta.
11. Shri Mahabir Parshad Pottedar, Gorakhpur.

**Prof. N. G. Ranga:** Are the Cattle Protection Conference organized at Kanpur and the Cow Protection League organized at Wardha represented on the expert committee?

**The Honourable Dr. Rajendra Prasad:** Yes.

**Mr. Tajamul Husain:** May I know if all the parties represented in the Legislature are on that committee?

**The Honourable Dr. Rajendra Prasad:** I have submitted the list. I might make one little correction in the answer that I gave to Professor Ranga. I do not know about particular cattle organizations, but cattle organizations generally are represented.

**Shri O. V. Alagesan:** Will Government consider the question of prohibiting the sacrifice of cattle in holy places?

**The Honourable Dr. Rajendra Prasad:** As I have said, the whole question will be considered on the report of the Committee.

#### EXPENDITURE ON " GROW MORE FOOD CAMPAIGN ".

456. \*Shri B. A. Mandloi: Will the Honourable Minister of Agriculture be pleased to state:

(a) the total amount spent by the Government of India on "Grow More Food" campaign in each of the years, 1944-45, 1945-46 and 1946-47;

(b) the amount allotted to the Provinces and Indian States in each of the above years;

(c) the measure of success achieved in this direction; and

(d) the Province or Provinces or the Indian State which showed appreciable progress in this direction?

**The Honourable Dr. Rajendra Prasad:** Information with regard to the assistance given to Provinces and Local Administrations for the Grow More Food campaign and the average and production of the principal foodgrains for the period 1943-44 to 1946-47 as compared with the normal prewar period was furnished to the House in reply to question No. 182 on the 20th November, 1947. Three statements giving similar information in respect of Indian States in so far as it is available are placed on the table.

## STATEMENT I

Statement showing the total Amounts sanctioned by the Government of India to Indian States for GMF Campaign in the Years 1944-45, 1945-46 and 1946-47.

NAME OF STATE.	Total amount sanctioned by the Government of India in the Year.					
	1944-45		1945-46		1946-47	
	Loan	Grant	Loan	Grant	Loan	Grant
1. Baroda State . . . . .		7,19,320	..	1,444		..
2. Charkhari State . . . . .	..	2,000	..	..	..	..
3. Rampur State . . . . .	..	8,698	..	..	..	..
4. Faridkot State . . . . .	..	..	..	1,00,000	..	..
5. Kashmir State . . . . .	..	..	..	17,025	..	..
6. Jaisalmer State . . . . .	..	..	..	7,954	..	..
7. Jodhpur State . . . . .	..	..	..	33,708	..	..
8. Ratlam State . . . . .	..	..	..	3,331	..	..
9. Sirmur State . . . . .	..	..	..	500	..	755
10. Travancore State . . . . .	..	..	..	65,715	..	80,584
11. Gwalior State . . . . .	..	..	..	3,952	..	..
12. Wadwanai State . . . . .	..	..	..	50,000	..	..
13. Mysore State . . . . .	..	..	..	..	..	10,112
<b>TOTAL</b>	..	<b>7,29,918</b>	..	<b>2,83,629</b>	..	<b>91,451</b>



## STATEMENT II.

Statement showing area under principal foodgrains (rice, wheat, jowar, bajra, maize, ragi, barley and gram) in Indian States and increase or decrease during 1943-44, 1944-45, 1945-46, and 1946-47 as compared with normal period (Average 1935-37 to 1938-39).

Indian States	Normal Average 1935-37 to 1938-39	(Thousand acres)							
		1943-44		1944-45		1945-46		1946-47	
		Actual	Percent	Actual	Percent	Actual	Percent	Actual	Percent
Berods	1,523	1,974	(+) 30.0	(+) 370	(+) 24.3	(+) 363	(+) 23.8	..	..
Hyderabad	14,986	14,112	(-) 5.5	(-) 874	(-) 5.8	(-) 2,974	(-) 19.8	..	..
Orissalor	1,553	1,244	(-) 14.1	(+) 1,598	(+) 102.7	(+) 1,354	(+) 90.7	..	..
Mysore	2,665	2,566	(+) 6.2	(-) 99	(-) 3.7	(-) 374	(-) 10.3	..	..
Rampur	170	145	(-) 14.7	(-) 20	(-) 11.8	(-) 7	(-) 4.1	..	..
* Other Reporting States	12,270	14,090	(+) 10.7	(+) 14,850	(+) 111.9	(+) 14,360	(+) 107.6	..	..
TOTAL	35,167	36,196	(+) 2.9	(+) 15,822	(+) 45.0	(+) 12,632	(+) 35.6	..	..

N. A.—Not available.

\*The figures for 1944-45 and 1945-46 in respect of Indian States include figures for jowar, bajra and maize for certain areas which started reporting only recently and are, therefore, not strictly comparable with the figures for previous years.

STARRED QUESTIONS AND ANSWERS

STATEMENT III

Statement showing production of principal foodgrains (rice, wheat, jowar, bajra, maize, ragi, barley and gram) Indian States and increase or decrease during the 1943-44, 1944-45, 1945-46 and 1946-47 as compared with normal period (Average 1936-37 to 1938-39).

Name of State	Normal Average 1936-37 to 1938-39	1943-44	1944-45	1945-46	1946-47	(Thousand Tons)							
						Increase (+) or decrease (-) as compared with the normal during							
						Actual	Percent	Actual	Percent	Actual	Percent	Actual	Percent
Baroda ..	309	464	248	345	N.A.	(-) 255	(+) 122.0	(+) 39	(+) 18.7	(+) 136	(+) 65.1	..	..
Gwalior ..	371	327	766	636	N.A.	(-) 44	(-) 11.9	(+) 395	(+) 106.5	(+) 265	(+) 71.4	..	..
Hyderabad ..	2,390	2,031	2,074	1,613	N.A.	(-) 359	(-) 15.0	(-) 316	(-) 13.2	(-) 777	(-) 32.5	..	..
Mysore ..	860	972	885	539	N.A.	(+) 112	(+) 13.0	(+) 25	(+) 2.9	(-) 321	(-) 37.3	..	..
Rampur ..	36	36	33	27	N.A.			(-) 3	(-) 8.3	(-) 9	(-) 25.0	..	..
*Other Reporting States ..	3,549	3,650	4,893	4,315	N.A.	(+) 101	(+) 2.8	(+) 1,344	(+) 37.9	(+) 766	(+) 21.6	..	..
TOTAL ..	7,415	7,480	8,899	7,475	N.A.	(+) 65	(+) 0.9	(-) 1,494	(+) 20.0	(+) 60	(+) 0.8	..	..

N. A. Not available.

\*The figures for 1944-45 and 1945-46 in respect of Indian States include figures for Jowar, Bajra and Maize for certain areas which started reporting only recently and are, therefore, not strictly comparable with the figures for previous years.

**Shri Rameshwar Prasad Sinha:** Will the Government state if the amounts earmarked for any of the provinces did lapse because of the non-submission in due time of the requisite list of projects proposed to be taken up in the provinces concerned?

**The Honourable Dr. Rajendra Prasad:** The information is contained in the statement that I have placed on the table.

#### MANUFACTURE OF VEGETABLE GHEE.

**450. \*Shri B. A. Mandlot:** Will the Honourable Minister of Food be pleased to state:

(a) whether Government have got scientifically examined the various products manufactured on a large scale which are known as vegetable ghee;

(b) whether Government are aware that the volume of expert opinion on the subject is against the use of vegetable ghee for human consumption;

(c) if so, whether Government propose to prohibit the manufacture of vegetable or artificial ghee, as being injurious to human health on account of their deficiency in food values; and

(d) if the answer to part (c) above be in the affirmative, what steps Government propose to take to prohibit the manufacture and sale of artificial or vegetable ghee?

**The Honourable Dr. Rajendra Prasad:** (a) Yes.

(b) The results of the research carried on so far are not conclusive on the point.

(c) No.

(d) Does not arise.

**Seth Govinddas:** Is it not a fact that a few months ago the Honourable Minister himself made a statement in this respect and said that wherever these experiments were held it was largely found to be injurious to health, and under these circumstances will Government see that no new licences are given for producing vegetable ghee?

**The Honourable Dr. Rajendra Prasad:** I think the Honourable Member is referring to the statement which I made in the Council of State on the 11th of March 1947. I did not make the statement in the form in which it has been stated.

**Seth Govinddas:** Will the Honourable Member at least see that when the scientific enquiries in this respect are not conclusive so far, no new licences are given for producing vegetable ghee?

**The Honourable Dr. Rajendra Prasad:** But no new licences are being granted now.

**Prof. Sibban Lal Saxena:** Will the Government consider the advisability of colourizing artificial ghee which is already produced?

**The Honourable Dr. Rajendra Prasad:** Under the existing rules, colourizing is not made compulsory, but we insist upon a certain percentage of sesamum oil being mixed with all Vanaspathi products so that it becomes easily detectable with a simple chemical test.

**Prof. Shibban Lal Saxena:** Will Government consider the advisability of putting some colour to make it easily distinguishable?

**The Honourable Dr. Rajendra Prasad:** This question has been considered and it has been found impracticable partly because no colour is found to be such as to last, and partly because those who use Vanaspathi do not like the colour and the thing becomes unpopular.

**Mr. Tajamul Hussain:** The Honourable the Minister in charge of Food has replied that no new licences are being given, my question is do Government propose not to grant new licences in future?

**The Honourable Dr. Rajendra Prasad:** The position with regard to Vanaspathi is this. From 38,000 tons per year before the war, the licences which have already been granted cover a production of 459,000 tons. This year the production has been something between 150,000 and 200,000 tons. The new factories will double present production and there can be no question of granting new licences so long as present licences have been operative.

**Shri Balkrishna Sharma:** May I know if the Government will take into consideration the suggestion that the process of hydrogenation is stopped and that Vanaspathi factories are only required to sell the oil in its pure form?

**The Honourable Dr. Rajendra Prasad:** That is a suggestion which may be taken into consideration.

**Dr. V. Subrahmanyam:** Have the Government found out whether in the process of hydrogenation oil loses vitamin properties or whether vegetable oil is injurious to health?

**The Honourable Dr. Rajendra Prasad:** As I have already stated, the whole matter is under investigation by scientists. It does lose its vitamin content. That is admitted by all.

**Mr. Speaker:** I may say that all these questions were put a number of times, of course not in this session but in previous sessions, and so instead of putting the same questions it would be better to go to the next question.

**Prof. H. G. Ranga:** But the trouble is Government does not seem to be mending its way.

**Mr. B. K. Sidhwa:** Is it not a fact that the vegetable product, which is known as vegetable ghee, is less harmful than adulterated ghee which is sold in large quantities in the country?

**Mr. Speaker:** This is a question of opinion.

#### IMPORTS OF PROCESSED FOODS.

1460. **\*Pandit Lakshmi Kanta Maitra:** (a) Will the Honourable Minister of Food be pleased to state whether any processed foods have been imported from abroad to supplement the food supply in the country?

\*Answer to this question laid on the table, the questioner being absent.

(b) If so, what are the varieties and quantities imported and what is their total value?

(c) How are they allocated to the different provinces and states?

(d) Are Government aware that large quantities of processed foods are manufactured in India?

(e) If so, what is the total output of such foods in India?

(f) Do Government propose to utilise these preserved food-stuffs for supplementing the usual food supply?

(g) If not, do Government propose to permit the export of these processed food-stuffs to foreign countries?

**The Honourable Dr. Rajendra Prasad:** (a) Yes.

(b) and (c). Condensed milk, whole milk powder, separated milk powder and dehydrated potatoes and vegetables were the varieties of processed foods imported on Government account during 1945-46 and 1946-47 of the total value of 606.94 lacs of rupees. Details are given in a statement placed on the table.

(d) Government are aware that some processed foodstuffs are manufactured in India.

(e) A statement is placed on the table showing the information as far as is available.

(f) They are being so utilized by the public; Government do not propose to distribute them themselves.

(g) Export policy of the Government in respect of processed foodstuffs is as under:

- (i) *Milk and milk products; products of grain, pulse and flour; biscuits; chutney and pickles; sauces; curry powder; condiments; chocolate and confectionery; honey; yeast; golden syrup; canned vegetables; fish and meat; meat extract; ground, prepared and manufactured coconuts.*—Export is prohibited.
- (ii) *Fruits canned and bottled.*—Export is allowed up to 10 per cent of production.
- (iii) *Fish dried and prawns.*—Export is allowed to Burma and Ceylon only upto a total of 26,860 tons; 5,413 tons to Burma and 20,976 tons to Ceylon.
- (iv) *Vegetable Oil Product.*—Fixed quotas, which are very small, are allowed to be exported to Persian Gulf Shiekhdoms and Portuguese possessions in India only.
- (v) *Flavouring Essences, bacon, ham lard.*—Export is allowed freely.
- (vi) *Essence of chicken.*—Export allowed depending on merits of each case.

## STATEMENT 'I'

*Processed foods imported on Government account to supplement the food supply position*

Serial No.	Yarn of Imports	Name of Foodstuff	Quantity Imported	Value in lakh of rupees	Details of Distribution or names of recipients
			Tons		
1944-45		Condensed Milk	1500	16.73	Distributed through trade channels in the Regions falling under R.F. Co., Bombay, Calcutta, Madras & Deputy R.F.C., Karachi
..		Spray processed separated milk powder	1376	10.51	Bombay Government
		Roller processed separated milk powder	1507	20.10	Bombay Government & private firms.
1945-46		Condensed milk.	3480	42.93	Distributed through trade channels in the regions falling under R. F. Co; Bombay, Calcutta, Madras & Dy. R.F. C., Karachi.
		Dehydrated potatoes	7000	216.36	Bombay Government, 1000 tons Madras Government 2322 tons, Bengal Government 3800 tons (Approx.)
		Dehydrated vegetables	100	1.62	Bombay Government.
		Bread Biscuits	400	4.01	Bombay Government 200 tons. Madras Government 150 tons. Ochin State 50 tons.
		Spray processed separated milk powder	1705	13.76	Bombay Government 1415 Tons. Bengal Government 200 tons. Andaman Islands 90 tons.
		Whole milk powder	150	3.67	Indian Red Cross Society.
1946-47		Spray processed separated milk powder	8150	112.61	Bombay Government 1200 tons. Madras Government 6025 tons.
		Whole Milk Powder	4894	164.64	Bombay Government 2334 tons. Madras Government 1259 tons. Bengal Government 1151 tons. Indian Red Cross Society 150 tons.

## STATEMENT II

Name of Food Industry including beverages	Output during 1945-46 & 1946-47 (Tons)	Capacity per annum (Tons)	Remarks.
1. Sugar Confectionery	9000 (1946-47)	12,300	Actual production was less due to restriction on the supply of raw materials.
2. Liquid Glucose	320 (1945-46)	2,590	do.
3. Chocolate & Cocoa Powder	80 (1945-46)	150	do.
4. Starch	15,647 (1945-46)	57,300	During 1946-47, maize was not allotted and the production of starch was restricted.
5. Gelatine	12 (1945-46)	30	..
6. Malt	Not available.	3,100	
7. Yeast Extract	16 (1945-46)	48	
8. Biscuits	Not available.	40 to 50 per day.	Actual production not known; but it was less than the capacity owing to restriction on supply of raw materials which were in acute shortage.
9. Breakfast foods	do.	10 per day	do.
10. Fish, dried and salted	2,50,000 tons		
11. Fruit products	5,700 tons		
12. Milk Powder	..	100	Actual production not known.

## CONSTRUCTION OF FERTILISER FACTORIES

1461. \*Prof. H. G. Ranga: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) how many fertiliser factories have so far been licensed and constructed and in which provinces;

(b) how far the Sindri factory has progressed; and

(c) whether Government propose to consider the advisability of starting two co-operative factories in the Andhra area, one for Rayalaseema (Coded Districts) and the other for the Circars?

† Answer to this question laid on the table, the questioner having exhausted his quota.

**The Honourable Dr. Syama Prasad Mookerjee:** (a) As far as Government are aware, there is only one fertilizer factory, namely, Mysore Chemical and Fertilizers Ltd., Mysore. There are seven coal and steel concerns in Bihar which produce fertilizer as a by-product. A fertilizer plant in Travancore is also complete. The erection of a Government fertilizer factory at Sindri in Bihar has been started. No licence is required for starting factories to manufacture fertilizers.

(b) Agreements have been concluded with an American and a British firm for the designing of the factory and for procuring and erection of the plant respectively. Engineers of the two firms have arrived and technicians for the erection of the factory are beginning to arrive. Orders for the most important items of plant have been placed in India and abroad. Land has been acquired and a large amount of preliminary work like temporary housing, temporary water and power supply, levelling of the site, building of roads and installation of certain complicated reinforced concrete foundations, has been done. Most of the structural steel work necessary for the building has been ordered and fabrication is well advanced. Some steel work and a considerable tonnage of plant have arrived at site or are in transit. A temporary railway siding has been constructed for the receipt of plant. The permanent broad-gauge connection linking the factory with the E. I. R. system is nearing completion. A permanent township is being built for housing the staff and workmen, and necessary services such as water supply, electricity, etc. are being provided.

(c) At the time when it was decided to establish a factory at Sindri, it was agreed that the possibility of establishing a factory in South India should be examined. The matter has not yet been taken up for active consideration, but when it is, the suggestions put forward by the Honourable Member will be borne in mind.

#### CONSTRUCTION OF FOOD-GRAIN STORE-HOUSES

†462. \*Prof. N. G. Ranga: Will the Honourable Minister of Food be pleased to state:

(a) whether grants are being made to Provincial Governments for construction of food grain store-houses, ware-houses and elevators and if so, what are the amounts of grants and the names of Provinces to whom they are given and the number of such constructions which have so far been completed;

(b) whether the Railways are being encouraged to construct grain elevators and if so, where; and

(c) whether any steps are being taken to spread the knowledge of better storage of grain among the rural people and also urban markets?

**The Honourable Dr. Rajendra Prasad:** (a) Grants are made to Provincial Governments at 50 per cent of the cost of construction of godowns for the storage of the exportable surplus. Particulars of such grants made upto date are as under:—

Province	Grain Storage Godowns constructed.			Grain Storage Godowns under construction capacity (in tons)	Total capacity (in tons)
	No. of constructions	Capacity (in tons)	Estimated cost (Rs.)		
1	2	3	4	5	6
Orissa	40	18,500	6,36,000	12,500	31,000
C. P.	65	25,250	13,65,000	600	25,850
East Punjab	6	3,600	90,000	—	3,600
<b>Total</b>	<b>111</b>	<b>47,350</b>	<b>20,91,000</b>	<b>13,100</b>	<b>60,450</b>

† Answer to this question laid on the table, the questioner having exhausted his quota.



The question of installation of elevator stores is under examination and no grants have so far been made for the purpose.

(b) The Railway Board were also approached with a view to investigating the advisability of constructing grain elevators in the Punjab and Sind but consequent upon the partition the matter has been dropped for the time being.

(c) The following steps are taken to spread the knowledge of better storage for rural and urban areas:

- (i) Broadcast talks in English, Hindustani and other Indian Languages.
- (ii) Advice to observe conditions of godown hygiene and maintenance of stocks.
- (iii) Practical demonstration of the methods of insect and rat control.
- (iv) Issue of posters depicting methods of proper storage.
- (v) Holding Central and Regional training classes.
- (vi) At the instance of the Ministry of Food, Legislation has been passed or is under contemplation in some Provinces and States to grant licenses only to those grain dealers who possess approved warehouses and take proper care of stocks.

#### CONTROLLED FOOD-GRAIN PRICES

†463. \*Prof. N. G. Ranga: Will the Honourable Minister of Food be pleased to state:

(a) the level of controlled food grain prices prevailing in different provinces in the years 1942, 1943, 1944, 1945, 1946 and 1947;

(b) the prices that Government have been obliged to pay per maund of wheat and rice to Pakistan Government since the 15th of August 1947; and

(c) the quantities of food grains that were promised to be supplied by Pakistan Government every month and to what extent they have been supplied?

**The Honourable Dr. Rajendra Prasad:** (a) A statement is placed on the table.

(b) Pakistan Government has charged the same prices for despatches after 15th of August as were approved of by the Government of India for despatches before 15th of August. These were for wheat Rs. 11-4-0 per maund f.o.b. Karachi and for rice (Sind Kangni) medium Rs. 11-4-6 f.o.b. Karachi.

(c) A statement showing despatches from Pakistan areas since 15th August is placed on the table. For outstanding balances which have not been supplied attention of the Honourable Member is invited to the statement placed on the table of the House in answer to part (a) of starred question 196 by Seth Govind Das on the 20th November, 1947.

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† Answer to this question laid on the table, the questioner having exhausted his quota.

STATEMENT I  
Showing wholesale statutory and market prices of Rice in India since 1942

(In rupees per maund)

Province	1942		1943		1944		1945		1946		1947	
	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price
Assam	Rs. A. P. ..	Rs. A. P. ..	Rs. A. P. 23 8 0 (a) 21 0 0 (b) (Since 15-10-42) 22 0 0 (c)	Rs. A. P. 20 5 6	Rs. A. P. 20 0 0 (a) 17 8 0 (b) (Since 1-1-44) 18 0 0 (c)	Rs. A. P. 15 1 0	Rs. A. P. 13 8 0 (a) to 14 8 0 (Since 1-1-45) 13 0 0 (b) to 14 0 0 (b) (Since 1-7-45)	Rs. A. P. 12 12 2	Rs. A. P. 11 10 0 (a) to 12 6 0 9 0 0 (b)	Rs. A. P. 11 11 2	Rs. A. P. 11 10 0 (a) to 12 6 0 9 0 0 (b)	Rs. A. P. 11 9 7
Bengal	..	9 8 0	20 0 0 to 20 0 0 Up to 30-11-42 16 0 0 to 17 0 0 (Since 1-12-43)	20 14 8 17 0 0 (Up to 14-1-44) to 15 0 0 (Since 15-1-44) 18 12 0 (T) to 15 0 0 (A) to 14 4 0 (Since 15-3-44) to 14-4-44)	16 0 0 to 17 0 0 (Up to 14-1-44) 14 0 0 to 15 0 0 (Since 15-1-44) 18 12 0 (T) to 15 0 0 (A) to 14 4 0 (Since 15-3-44) to 14-4-44)	13 3 10	13 8 0 to 14 12 0 (T) to 12 12 0 (A) to 14 0 0 1 1 45 to 10 3 45	12 0 5	12 14 0 (T) to 19 8 0 to 12 0 0 (A) to 12 12 0	13 3 7	12 12 0 (T) to 12 8 0 to 12 0 0 (A) to 12 12 0	17 3 1

(a) Other than Aus and Boro.

(b) Aus and Boro.

(T) - Traders.

(A) - Agriculturist.

Foot. 1.—Market prices shown above are the arithmetical averages of the month-end prices of as many producing centres as available in the Provincial Governments' reports covering the entire period.  
 11 Statutory or ceiling prices, where the range is not shown relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the province to cover transport handling, etc.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) [1st Dec. 1947

Provisions	1942		1943		1944		1945		1946		1947	
	Secondary Price	Market Price	Secondary Price	Market Price	Secondary Price	Market Price	Secondary Price	Market Price	Secondary Price	Market Price	Secondary Price	Market Price
Behar	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
			11 0 0 (1-4-45 to 20-11-45)	9 15 6	9 0 0 (Banks) (15-1-45)	9 15 6	9 0 0 (Banks)	14 11 10	9 0 0 (Banks)	14 11 10	9 0 0 (Banks)	15 5 1
Bombay	9 5 2	9 5 2	15 14 0	13 15 2	5 2 0 (Share 24-3-45)	13 7 6	5 2 0 to 16 0 0	11 12 6	5 2 0 to 16 0 0	11 12 6	5 2 0 to 16 0 0	11 12 6
C. P. & Bihar	6 5 1	8 13 16	8 13 16	8 11 10	8 5 0 to 10-3-0 (Calling prices) (From 24th April to 27th May.)	8 12 1	8 9 0 to 10-3-0 for (48-47)	8 14 6	8 9 0 to 10-3-0 for (48-47)	8 14 6	8 9 0 to 10-3-0 for (48-47)	8 14 6
Madras	12 12 4	18 4 6	18 4 6	14 12 6	8 4 0 to 8 12 0 (II sort.) F. O. F.	13 10 7	8 4 0 to 8 12 0 (II sort.) F. O. F.	14 13 0	8 4 0 to 8 12 0 (II sort.) F. O. F.	14 13 0	8 4 0 to 8 12 0 (II sort.) F. O. F.	14 13 0
Madras	6 11 0	7 15 6	7 15 6	7 14 7	L. O. F. 12 5 0 to 14 2 0 (Share 6-4-46) (Banks) 13 5 0	13 8 0	12 5 0 to 14 2 0 (Share 6-4-46) (Banks) 13 5 0	7 15 4	12 5 0 to 14 2 0 (Share 6-4-46) (Banks) 13 5 0	7 15 4	12 5 0 to 14 2 0 (Share 6-4-46) (Banks) 13 5 0	8 12 1
R. W. P. F.				13 5 0		13 5 0	13 5 0 to 14 2 0 (Share 6-4-46) (Banks) 13 5 0	13 5 0	13 5 0 to 14 2 0 (Share 6-4-46) (Banks) 13 5 0	13 5 0	13 5 0 to 14 2 0 (Share 6-4-46) (Banks) 13 5 0	13 5 0

Grain	5 6 10	9 0 0† (14th Nov.)	11 1 4	9 0 0† (since 1-12-44)	9 6 0	7 12 0†	7 2 0† to 7 12 0	7 7 0	7 12 0†	7 12 0
Panjab	11 0 0	16 15 0	12 6 11 (Basic) (20-10-45)	12 4 0 (Basic) (20-10-45)	11 6 7	12 4 0 (Basic)	12 4 0	12 4 0	12 4 0 (Basic)	..
Bind	8 8 0	8 0 0 (6th Jan. 43.)	8 6 10	8 2 0 (25th Oct)	8 4 7	8 2 0 (Upto 27th Nov.) 8 6 0 (28th Nov.)	8 2 0	8 2 0	8 6 0	8 6 0
U.P.	9 7 0	14 8 10	15 4 6	13 8 0	14 3 11	15 4 0	14 10 9	13 4 0	17 10 1	

(†) Price payable to Producers.  
 (††) According to district.  
 (‡) Faddy prices according to districts and quality.  
 (†††) Market prices shown above are the arithmetical averages of the month-end prices of as many Producing centres as available in the Provincial Governments' reports covering the entire period.  
 (††††) Statutory or ceiling prices, where the range is not shown relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the province to cover transport handling etc.

(†) Traders. (A) Agricultural. (°) Purchase price.

STATEMENT II.

Showing wholesale statutory and market prices of jowar in India since 1942.

(In rupees per maund.)

Provinces.	1943		1944		1945		1946		1947	
	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.
Bombay	Rs. A. P. 6 11 0	Rs. A. P. 6 8 2	Rs. A. P. 7 0 0 (31st Jan.) (Bank.)	Rs. A. P. 7 0 0	Rs. A. P. 7 0 0 (Bank.)	Rs. A. P. 6 7 2	Rs. A. P. 6 12 0 <sup>00</sup> (10th Dec.)	Rs. A. P. 6 12 4	Rs. A. P. 6 12 0 <sup>00</sup> (Bank.)	Rs. A. P. 6 9 2
I. P.	5 6 0	7 10 5	7 0 0 (Bank.)	4 12 5	7 0 0 (Bank.)	5 0 0	6 12 0 (Bank.)	6 1 10	6 12 0 (Bank.)	7 13 2
I. W. P.	4 15 1	7 13 4	7 0 0 <sup>00</sup> (10th April) (Bank.)	6 9 0	6 12 0 <sup>00</sup> (25th Oct.) (Bank.)	6 10 3	6 12 0 <sup>00</sup> (Bank.)	6 13 0	6 12 0 <sup>00</sup> (Bank.)	13 0 0
Madhya	6 0 0	6 0 0 <sup>00</sup> (25th Oct.)	6 0 0 <sup>00</sup> (4th Nov.) (Purchase Price.)	6 5 4	6 0 0 <sup>00</sup> (Purchase Price.)	6 6 0	5 1 0 <sup>00</sup> (Purchase Price.)	6 4 0	5 1 0 <sup>00</sup> (Purchase Price.)	6 9 0
P. & Bihar	6 0 0	6 10 2	6 4 0 <sup>00</sup> (2nd Nov.) (Purchase Price.)	6 6 11	6 12 0 (29th Oct.)	5 15 5	6 12 0 (6th Jan.)	6 7 3	6 2 3 <sup>00</sup> (Purchase Price 6th Jan.)	6 10 10
Madras	4 13 7	7 6 11	7 0 0 (31st Jan.) (Purchase Price for 1944-45.)	7 5 6	6 12 0 (29th Oct.)	7 5 8	6 0 0 <sup>00</sup> (Purchase Price.)	7 7 11	4 0 0 <sup>00</sup> (Purchase Price.)	6 7 11

(\*) According to District.   
 Nov. I.—Market prices shown above are the Arithmetical averages of the month-end prices of as many producing centres as available in the Provincial Governments' reports covering the entire period.   
 II.—Statutory or ceiling prices where the range is not shown, relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the Province to cover transport, handling, etc.

STATEMENT III.

Showing wholesale statutory and market prices of bajra in India since 1942.

(In rupees per maund)

Prices.	1942		1943		1944		1945		1946		1947	
	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.
Punjab	Rs. A. P. ...	Rs. A. P. 5 1 8	Rs. A. P. ..	Rs. A. P. 7 2 4	Rs. A. P. 7 8 0 (21st Jan. (Basic.)	Rs. A. P. 7 1 11	Rs. A. P. 7 8 0 (Basic.)	Rs. A. P. 6 13 1	Rs. A. P. 7 4 0* to 8 2 0 (18th Dec.) 7 4 0 (Basic.)	Rs. A. P. 7 7 2	Rs. A. P. 7 4 0* to 8 2 0 (Basic.)	Rs. A. P. 7 4 0
C. P.		5 15 8		7 6 8	7 8 0 (Basic.)	6 4 0	7 8 0 (Basic.)	8 9 9	7 4 0 (Basic.)	7 13 2	7 4 0 (Basic.)	8 10 3
N. W. P. P.			...	7 8 0* to 8 6 0 (18th April) 7 8 0 (Basic.)	7 8 10	7 4 0* to 8 2 0 7 4 0 (Basic.)	7 7 4	7 7 4	7 4 0* to 8 2 0 7 4 0 (Basic.)	7 4 0	7 4 0* to 8 2 0 7 4 0 (Basic.)	14 13 9
Bombay		5 2 4	7 0 0* to 10 0 0 (From 25th October.)	7 14 2	7 0 0* to 9 0 0 (4th Nov.) (Purchase Price.)	7 7 6	7 0 0* to 9 0 0 (Purchase Price.)	7 4 0	6 4 0* to 9 0 0 (Purchase Price.)	7 2 2	6 4 0* to 9 0 0 (Purchase Price.)	7 2 3
Madras		4 3 2	..	4 14 3	7 8 0 (21st Jan.) 5 13 0* to 6 10 0 (Purchase price for 1944-45.)	7 1 1	7 4 0 (29th Oct.) 5 13 0* to 6 10 0* (Purchase Price.)	6 11 3	5 13 0 to 7 0 0* (Purchase Price.)		5 13 0 to 7 0 0* (Purchase Price.)	7 6 9

(\*) According to district.

NOTE. I.—Market prices shown above are the Arithmetical averages of the month-end prices of as many producing centres as available in the Provincial Governments' reports covering the entire period.

II.—Statutory or ceiling prices, where the range is not shown, relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the Province to cover transport, handling etc.

## STATEMENT IV.

Showing wholesale statutory and market prices of Wheat in India since 1942.

(In rupees per maund.)

Produce.	1942		1943		1944		1945		1946		1947	
	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.
Wheat	Rs. A. P. 4 15 0	Rs. A. P. 9 14 10	Rs. A. P. 7 0 0	Rs. A. P. 9 0 4	Rs. A. P. 9 5 0 (Bande.)	Rs. A. P. 9 1 3	Rs. A. P. 9 5 0 (Bande.)	Rs. A. P. 9 1 3	Rs. A. P. 9 5 0 (Bande.)	Rs. A. P. 9 10 0	Rs. A. P. 9 5 0 (Bande.)	Rs. A. P. 9 7 10
Maize					9 5 0	8 9 1	8 10 0	8 9 1	8 10 0	8 10 0	8 10 0	8 10 0
U. P.		8 11 9		11 1 10	10 4 0 (Bande.)	10 5 2	10 4 0 (Bande.)	10 3 6	10 4 0 (Bande.)	11 15 7	10 4 0 (Bande.)	14 3 0
Bihar		8 11 0		15 5 3	15 0 0 (from 1-3-44) 14 0 0 (from 6-4-44) 13 0 0 (from 15-7-44) 11 0 0 (from 15-12-44)	12 5 9	11 0 0	11 6 7	11 0 0	13 15 1	11 0 0	16 9 0
G. P. and Mysar				12 9 11	11 0 0 (ceiling price)	12 1 2	10 8 0 (ceiling price)	10 2 9	10 8 0 (ceiling price)	10 3 7	10 8 0 to 11 8 0* (ceiling price)	11 8 9

(\*) According to district.

NOTE 1.—Market prices shown above are the arithmetical averages of the month-end prices of as many producing centres as available in the Provincial Governments' reports covering the entire period.

2.—Statutory or ceiling prices, where the range is not shown, relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the Provinces to cover transport, handling, etc.

STATEMENT V.

Showing wholesale statutory and market prices of Barley in India since 1942.

Province.	1942		1943		1944		1945		1946		1947	
	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
R. W. P. P.	..	..	..	6 5 10	6 10 0* to 6 14 0 (5th April) 6 10 0 (Basic.)	6 5 8	6 10 0* to 6 14 0 (Basic.)	5 15 2	6 10 0* to 6 14 0 (Basic.)	6 6 7	6 10 0* to 6 14 0 (Basic.)	6 15 3
Punjab	..	4 4 0	6 15 3	..	6 10 0* to 7 10 0 6 10 0 (Basic) (from 3rd April.)	4 11 0	6 10 0* to 7 10 0	5 6 7	6 10 0* to 7 10 0	6 9 4	6 10 0* to 7 10 0	6 10 0
U. P.	..	5 12 1	7 15 1	..	7 2 10 (Basic.)	6 0 3	7 2 10 (up to 31.3.46) (Basic) (Up to 17th May).	6 10 9	7 3 0	7 12 3	7 3 0	8 10 0

(\*) According to district.

NOTE I.—Market prices shown above are the arithmetical averages of the month-end prices of as many producing centres as available in the Provincial Governments' reports covering the entire period of the prices, where the range is not shown, relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the province to cover transport, handling, etc.

II.—



## STATEMENT VI

Showing wholesale Statutory and Market Prices of Meats in India since 1942.

(In rupees per mutton)

Provinces	1942		1943		1944		1945		1946		1947	
	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.	Statutory Price.	Market Price.
Bihar	Rs. A. P. 3 8 3	Rs. A. P. 3 8 3	Rs. A. P. 3 0 0 (with 10% allowance) (1st Nov.)	Rs. A. P. 3 2 0	Rs. A. P. 7 0 0 (1st Jan.)	Rs. A. P. 5 9 6	Rs. A. P. 7 0 0	Rs. A. P. 5 12 7	Rs. A. P. 7 0 0	Rs. A. P. 7 12 4	Rs. A. P. 7 0 0	Rs. A. P. 12 2 11
U. P.	Rs. A. P. 5 2 0	Rs. A. P. 5 2 0	Rs. A. P. ..	Rs. A. P. 7 9 8	Rs. A. P. ..	Rs. A. P. 5 12 9	Rs. A. P. ..	Rs. A. P. 6 9 4	Rs. A. P. ..	Rs. A. P. 6 11 8	Rs. A. P. 6 4 0 (Wed) 6 12 0 (Dec) maximum price	Rs. A. P. 10 3 2
Punjab	Rs. A. P. 5 12 0	Rs. A. P. 5 12 0	Rs. A. P. 7 4 9	Rs. A. P. 7 4 9	Rs. A. P. ..	Rs. A. P. 5 12 9	Rs. A. P. ..	Rs. A. P. 6 14 8	Rs. A. P. 7 0 0 <sup>00</sup> to 5 2 0 (18th Dec.)	Rs. A. P. 7 12 8	Rs. A. P. 7 0 0 <sup>00</sup> to 5 2 0	Rs. A. P. 8 15 6
S. W. P. P.	Rs. A. P. ..	Rs. A. P. ..	Rs. A. P. ..	Rs. A. P. 7 10 0 <sup>00</sup> to 5 10 0 (19th April)	Rs. A. P. 7 10 0 <sup>00</sup> to 5 10 0 (19th April)	Rs. A. P. 7 8 3	Rs. A. P. 7 10 0 <sup>00</sup> to 5 8 0	Rs. A. P. 7 8 0	Rs. A. P. 7 10 0 <sup>00</sup> to 5 8 0	Rs. A. P. 7 1 4	Rs. A. P. 7 8 0 <sup>00</sup> to 5 8 0 (31st Jan.)	Rs. A. P. 9 14 2

(\*) According to District.

Notes [—] Market prices shown above are the arithmetical averages of the month-end prices of all manufacturing centres as available in the provincial Governments' reports covering the entire period.

ii.—Statutory or ceiling prices, where the range is not shown, relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the provision to cover transport, handling, etc.

STATEMENT VII

Showing wholesale statutory and Market prices of Gram in India since 1942.

(In Rupees per maund.)

Province	1942		1943		1944		1945		1946		1947	
	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price	Statutory Price	Market Price
Punjab	Rs. A. P. 6 4 0	Rs. A. P. 8 1 3	Rs. A. P. ..	Rs. A. P. 8 1 3	Rs. A. P. 7 10 0* to 8 10 0 (3rd Apr.)	Rs. A. P. 6 8 6	Rs. A. P. 7 10 0* to 8 10 0 (29th July).	Rs. A. P. 7 10 0* to 9 0 0	Rs. A. P. 7 15 3	Rs. A. P. 7 10 0* to 9 0 0	Rs. A. P. 7 9 3	Rs. A. P. 7 9 3
U.P.	..	8 9 1	..	8 9 1	8 3 2 (Basic) (3rd April).	6 4 6	8 3 2 (Basic) (17th March) 8 0 0 (17th May) (Basic).	8 3 2 7 2 1	9 6 1	8 3 0	11 3 2	11 3 2
Bihar	6 1 10	9 14 10	13 6 0 (30th Sept.) 11 8 0 (1st Nov.)	9 14 10	11 0 0 (1st Jan.) 10 0 0 (6th May) 9 0 0 (3rd August.)	7 4 11	9 0 0 8 0 5	9 0 0 12 15 0	12 15 0	9 0 0 9 0 0	17 8 11	17 8 11
C. P. and Bihar	8 1 7	9 7 10	..	8 15 0	..	8 3 6	8 3 6	8 3 6	9 3 5	8 3 0 (Deadu) 11 0 0 (Gulabi) (ceiling price)	8 13 1	8 13 1

(\*) According to District.

Note.—1. Market prices shown above are the arithmetical averages of the month-end prices of as many producing centres as available in the provincial Governments' reports covering the entire period.  
2. Statutory or ceiling prices, where the range is not shown, relate to the basic maximum fixed for the main producing areas; normal differentials being allowed for other areas within the province to cover transport, handling etc.

## STATEMENT VIII

Showing despatches of different foodgrains from Pakistan Areas after 15th August, 1947 to date

(In tons.)

Name of Receiving Area	Ex-Sind (upto 9th October 1947)				Ex-Bhawalpur (upto 4th September 1947)		Total grains coe. 6 & 7
	Rice	Wheat	Wheat Products	Gram	Total	Wheat	
1	2	3	4	5	6	7	8
Bombay . . . . .	486	..	..	614	1,100	..	1,100
Madras (Malabar) . . . . .	65	..	..	310	375	..	375
U. P. . . . .	15	..	..	60	75	..	75
C. P. . . . .	..	1,094	..	..	1,094	79	1,173
Ajmer . . . . .	..	245	..	..	245	..	245
Baroda . . . . .	47	..	..	101	148	..	148
C. I. States . . . . .	276	1,307	..	..	1,583	99	1,682
Cutch . . . . .	132	..	..	..	132	..	132
Deccan States . . . . .	..	..	..	249	249	..	249
Eastern States . . . . .	..	200	..	..	200	..	200
Mysore . . . . .	..	..	..	1,461	1,461	..	1,461
Travancore . . . . .	..	..	..	78	78	..	78
Cochin . . . . .	..	..	..	31	31	..	31
Rajputana States . . . . .	..	540	..	..	540	..	540
<b>Total India . . . . .</b>	<b>1,021</b>	<b>2,328</b>	<b>..</b>	<b>2,904</b>	<b>7,311</b>	<b>178</b>	<b>7,489</b>
Hyderabad . . . . .	..	..	..	5,167	5,167	..	5,167
Goa . . . . .	..	..	..	226	226	..	226
Ships' stores . . . . .	45	..	9	..	54	..	54
Hedjaz . . . . .	180	108	..	..	288	..	288

## NOTE

1. There have been despatches of 1,000 tons Seed wheat from Khairpur to C. I. States through Delhi for which intimation was received from Director of Civil Supplies, Delhi though no intimation has been received from Khairpur Durbar.

2. Returns from the Punjab have not been received after 24th July, 1947.

3. Baluchistan has not sent any returns after 14th August 1947.

### PRODUCTION OF COTTON IN INDIA.

‡464. \*Prof. N. G. Ranga: (a) Will the Honourable Minister of Agriculture be pleased to state whether the position of India in regard to production of long and short staple cotton has been reviewed in the light of the creation of Pakistan?

(b) What steps do Government propose to take in order to increase the production of long staple cotton in India and to develop the cotton spinning industry in such a way as to make greater use of our short-staple cotton, since much of the area under cultivation of long staple cotton has gone into Pakistan?

**The Honourable Dr. Rajendra Prasad:** (a) and (b). Yes. The position was reviewed by the Indian Central Cotton Committee at the meeting held on the 21st November and the Committee's report is awaited. Suitable steps to increase the production of long staple and medium staple cotton in India will be taken on receipt of its recommendations.

The production of short staple cotton in India including the acceding States and Hyderabad exceeds the requirements of the mills in India but such excess is required for export. It is considered advisable to reorientate the cotton spinning industry to make better use of short staple cotton. Instead it is proposed to increase the area under long-staple cotton to reduce India's dependence on imports of long staple cotton as far as practicable.

### MAINTENANCE OF PEDIGREE QUALITY OF COTTON.

‡465. \*Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether Government are aware of the fact that there are herd-books in Holland and Denmark and other Scandinavian countries for the maintenance of pedigree quality of cattle; and

(b) whether Government propose to make a similar effort in India in order to raise the quality of our cattle?

**The Honourable Dr. Rajendra Prasad:** (a) Yes.

(b) The Government of India have already taken action for the initiation, maintenance and operation of Herd Books. There is a small Central Herd Books Organisation at the headquarters of the Indian Council of Agricultural Research which works in co-operation with the provinces and States for the registration of improved breeds of cattle in India. Herd Books now exist for six (Sahiwal, Sindhi, Harians, Gir, Tharparkar, Kankrej) of the important Indian breed of cattle and one breed of buffalo (i.e. Murrah breed).

### HARDSHIP OF THIRD CLASS RAILWAY PASSENGERS.

‡466. \*Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Railways be pleased to state whether Government propose to remove the present hardships of 3rd class railway passengers?

(b) When will 3rd class railway carriages be provided with bath-rooms?

(c) When will the corks that have been put in the First Class carriage bath-rooms be removed?

(d) Are Government waiting to remove the corks until similar facility is provided for the 3rd class passengers?

(e) Are Government aware that 50 per cent. of the carriages in which the First and Second Class passengers travel deserve to be condemned?

**The Honourable Dr. John Matthai:** (a) Yes. Government will use every means in their power to improve conditions of travel for III class passengers.

†Answer to this question laid on the table, the questioner having exhausted his quota.

‡Answer to this question laid on the table, the questioner being absent.

(b) The provision of bathing facilities in III class coaches is not at present contemplated.

(c) and (d). The Honourable Member presumably refers to the plugging of water pipes in the bath rooms of some 1st class carriages. This has been necessitated by the difficulty of replacing stolen and damaged fittings owing to the limited supplies available. Deficiencies will be made good as rapidly as supplies become available.

(e) Government are aware of the unsatisfactory condition of much of the coaching stock in service. Every attempt is being made to repair existing stock as far as resources permit.

#### REPAIR OF BADNERA STATION APPROACH ROAD.

†467. \*Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Railways be pleased to state the month and the year in which the approach road to the Badnera railway station was last repaired?

(b) Are Government aware that for over two years it needs extensive repairs?

(c) Do Government propose to have it repaired?

The Honourable Dr. John Matthai: (a), (b) and (c). The information is not readily available and is being collected and will be laid on the table in due course. However, instructions are being issued to carry out such repairs as may be necessary.

#### WIDENING OF OVERBRIDGE AT BADNERA.

†468. \*Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Railways be pleased to state whether Government are aware that the overhead bridge at the Badnera station is too narrow for the present traffic?

(b) Are Government aware that this causes immense inconvenience and is dangerous to the present increased traffic?

(c) Do Government propose to provide for its widening at an early date?

The Honourable Dr. John Matthai: (a), (b) and (c). Enquiries are being made and a reply will be laid on the table in due course.

#### CONSUMPTION OF PETROL.

469. \*Mr. R. K. Sidhwa: (a) Will the Honourable Minister of Transport please state the quantity of petrol available upto the end of October, 1947, in all ports and various stations of the Dominion of India?

(b) What is the normal total consumption of petrol in all parts of the Dominion of India?

(c) Do Government propose to remove the control on petrol?

(d) What is the yearly expenditure on maintenance of Control Department for petrol?

(e) What is the normal quantity of petrol received from various countries at all ports of the Dominion of India?

The Honourable Dr. John Matthai: (a) 80.8 million gallons of motor spirit were held in stock in the Dominion of India by the established oil companies on the 24th September 1947. The figures subsequent to that date are not available.

(b) Since August 1941, civil consumption of petrol in the country has been on a rationed basis which is now of the level of 80 million gallons per quarter for the Dominion of India. The pre-rationing consumption would be in the neighbourhood of 23 million gallons per quarter for the Dominion of India.

†Answer to this question laid on the table, the questioner being absent.

(c) No, not for the present, but the position is constantly under review with a view to remove the control as soon as conditions permit.

(d) Rs. 9 lakhs approximately.

(e) The imports of petrol vary considerably from year to year. During the year 1946, 79.8 million gallons were imported through the ports in the Dominion of India from the Persian Gulf.

**Mr. R. K. Sidhwa:** What are the conditions that prevail, Sir, at present which do not enable Government to remove control?

**The Honourable Dr. John Matthai:** The question of removing control depends primarily on two factors: First of all the question of the supply in the country, and secondly the question of distribution facilities and transport capacity.

**Mr. R. K. Sidhwa:** Is it not a fact that in the year 1946 the then Government decided to remove control in the end of 1946?

**The Honourable Dr. John Matthai:** Not to my knowledge.

**Mr. R. K. Sidhwa:** Is it not a fact that at present some of the tankers which brought petrol were not in a position to discharge it because the tanks were overfull in the ports of Calcutta and Madras and therefore they were turned to another port? Is it not a fact that supply is abundant considering the requirements?

**The Honourable Dr. John Matthai:** Taking the country as a whole, the supply is not sufficient.

**Shri T. T. Krishnamachari:** Arising out of the answer to part (c), may I ask the Honourable Minister if further restrictions have been imposed in regard to petrol distribution during the last fortnight?

**The Honourable Dr. John Matthai:** The position as far as that is concerned is, as the Honourable Member knows, there was restriction imposed on the 1st of November due to emergency conditions, particularly in relation to the Kashmir situation, and that restriction was imposed really for the purpose of bringing the stocks in Delhi and in the East Punjab areas up to the level necessary for meeting these emergency requirements. I am keeping the position very carefully under review, and although I am not in a position to state when this restriction will be removed, I think that at a very early date it would be possible for me to relax if not to remove it.

**Shri T. T. Krishnamachari:** Will the Honourable Member be able to assure the House that he will instruct the Provinces not to curtail unduly the quota allotted to civilians who do not come under the category "essential"?

**The Honourable Dr. John Matthai:** That is a matter entirely for the Provincial Governments.

**Shri Rohini Kumar Chaudhuri:** In view of the general inefficiency and inadequacy of the railway services now, will the Government be pleased to give a more liberal quota of petrol to transport vehicles?

**The Honourable Dr. John Matthai:** To both parts of that question, my answer is in the negative.

**Mr. R. K. Sidhwa:** Sir, petrol is a necessity to the general public who travel by buses and also for the purpose of carrying goods by road. In view of this fact, will the Government reconsider this matter and remove the control as early as possible?

**The Honourable Dr. John Matthai:** It is because petrol is an essential commodity that it has been brought under control.

**Mr. R. K. Sidhwa:** That is not the answer to my question, Sir.

**Shri Rohini Kumar Chaudhuri:** Is the Government aware, Sir, that there is a large quantity of petrol lying with the Assam Oil Company at Digboi, which

they are finding difficult to clear out on account of control, and that the Company has actually represented that they should be allowed to clear out this stock?

**The Honourable Dr. John Matthai:** I have had representations from the Assam Oil Co. on questions of that kind but they have not raised the particular point.

**Pandit Balkrishna Sharma:** May I know, Sir, if the primary difficulty in regard to petrol is not so much the insufficiency of it as the immovability of it on account of the lack of tankers?

**The Honourable Dr. John Matthai:** Well, that was the case a few months ago; but the supply position has become more difficult now.

**Prof. Shibban Lal Saksena:** May we know what is the position of the Digboi oilfields and when we can hope to get petrol from those fields?

**The Honourable Dr. John Matthai:** I am not in a position to answer that question.

**Shri C. Subrahmanyam:** Are there any restrictions on the import of petrol?

**The Honourable Dr. John Matthai:** The import of petrol is restricted by the world position.

**Mr. B. K. Sidhwa:** Do we now get petrol from Burma?

**The Honourable Dr. John Matthai:** Not so far as I now.

#### TRANSPORT OF REFUGEES.

470. **Mr. B. K. Sidhwa:** (a) Will the Honourable Minister of Railways be pleased to state the expenditure incurred by Government on account of transport of refugees from one place to another?

(b) What is the loss of railway earnings due to trains being engaged in evacuating refugees?

(c) What steps have Government taken or propose to take to check the ticketless passengers travelling as refugees on various Railways in India?

(d) What is the estimate of loss to Government due to ticketless travelling?

**The Honourable Dr. John Matthai:** (a) It is presumed the Honourable Member refers to the expenditure incurred in the transport of refugees by rail. It is regretted this information is not available since the expenditure incurred in running refugee trains is included in the general working expenses of the railway and no separate accounts are maintained for running of refugee trains only.

(b) It is difficult to estimate the loss incurred in the ordinary transport of passengers and freight by railways on account of running of refugee trains since the conditions due to communal disturbances and breaches on account of floods would not have permitted carrying of normal traffic.

(c) No refugees are allowed to travel by ordinary trains except on purchase of tickets. Railways have been instructed to tighten their check on ticketless travel and steps have already been taken to intensify the campaign against ticketless travelling by the appointment of more Ticket Checking Staff and controlling entry of unauthorised persons on platforms.

(d) It is not possible to calculate this loss with any degree of accuracy, but as I mentioned in my Budget speech, I estimate it at 8 crores per annum.

**Mr. B. K. Sidhwa:** Is it not a fact, Sir, that most of these T. T. Es. and T. T. Is. are themselves a party to this ticketless travelling by encouraging passengers not to buy tickets and pocketing some money themselves?

**The Honourable Dr. John Matthai:** It is quite conceivable.

**Mr. Speaker:** I am afraid all these questions have been sufficiently disposed of during the recent cut motion on this question. It is no use repeating the arguments now.

**Mr. R. K. Sidhwa:** Sir, my point is what steps are being taken to remove this ticketless travelling? It is an important matter.

**The Honourable Dr. John Matthai:** As this is an important point, I referred, to it at some length in my Budget Speech and I mentioned to the House the lines on which we would take action.

**Mr. Tajamul Husain:** Are Government aware that there are hundreds of refugees on the platform of the Old Delhi Railway Station, to their inconvenience and also perhaps to the inconvenience of other passengers; and whether Government propose to make suitable arrangements for their shelter, food and clothing outside the Railway Station?

**Mr. Speaker:** Order, order. The question does not arise.

#### LOSS OF GOODS IN TRANSIT DURING DISTURBANCES.

471. \***Mr. R. K. Sidhwa:** (a) Will the Honourable Minister of Railways be pleased to state the number of packages and articles and the value of the same, booked as goods by goods trains, as also of articles booked by passenger trains, which have been destroyed, looted or burnt during the recent disturbances?

(b) Do Government propose to admit, for payment, the claims of the owners of these articles and packages? If so, to what extent?

(c) What amounts have so far been paid in meeting such claims?

(d) How many packages are still lying undelivered at various stations and what is their approximate value?

**The Honourable Dr. John Matthai:** (a) The information asked for will not be available in the ordinary course for some time.

(b) The responsibility of a railway for the loss, destruction or deterioration of animals or goods accepted for carriage by rail is that of a bailee under Sections 152 and 161 of the Indian Contracts Act, 1872. Claims for loss, destruction etc., which occurs in spite of the required amount of care being taken by railways, are not entertained. All claims arising from the present disturbances will be dealt with on their merits.

(c) and (d). No information is at present available.

#### SAFETY OF RAILWAY TRAVEL.

472. \***Mr. R. K. Sidhwa:** (a) Will the Honourable Minister of Railways be pleased to state what arrangement Government have made for the safety of passengers travelling by various trains?

(b) Are Government aware that the present police and other force, travelling in trains is not sufficient to assure safety of passengers' lives?

(c) What steps do Government propose to take to ensure safety in travelling by railway?

**The Honourable Dr. John Matthai:** (a) As my Honourable friend is aware, in the areas in which disturbances have recently occurred, military escorts have been provided. Other measures taken to ensure the security of passengers travelling by trains include the provision in Bengal, Bihar and U. P. of additional armed railway protection police recruited and trained by the Provincial Governments, but paid for by the railways.

Railways are providing improved fastening for security doors and windows in compartments. These devices are of a type which cannot be manipulated



from outside. Iron bars are being fitted to windows of lavatories of compartments of all classes. Instructions have been issued to all railways to adopt any additional measures possible to ensure safety of passengers and train crews on sections where they are required.

(b) The Government have no reason to believe that the present arrangements are inadequate for the protection of passengers. More stringent measures will however be taken if necessary. The arrangements are being reviewed from time to time.

(c) The Government have taken and will continue to take all steps they consider necessary to meet the present wave of lawlessness which they believe is a temporary phase.

**Mr. B. K. Sidhwa:** Is it not a fact, Sir, that some of the important scheduled trains including mail trains still do not run from Delhi to Ahmedabad via Ajmer, and if so, when are these trains likely to be restored?

**The Honourable Dr. John Matthai:** The matter is under consideration.

**Mr. Tajamal Husain:** How long will Government take to finish their consideration?

**The Honourable Dr. John Matthai:** Well, the question was raised a little while ago I think in the Press, but the reason for suspending that particular service is one which is very closely connected with the general political situation in this part of the country.

**Prof. Shibban Lal Saksena:** Is the Honourable Member aware that it is not possible to travel from Delhi to places in Meerut District by train on account of curtailment of services and stoppages at certain small stations, and will he take care to see that the trains and stoppages are restored there as soon as possible?

**The Honourable Dr. John Matthai:** The question is bound up with the amount of rolling stock we are in a position to provide, after meeting the urgent necessity of rolling stock for the refugee movement which is still going on.

**Shri H. J. Khandekar:** May I know from the Government whether there was a military guard on the train when shooting occurred on the passengers in Bhopal Station about two months ago?

**The Honourable Dr. John Matthai:** If the Honourable Member will be good enough to give me the facts of the case, I should be glad to look into it. I cannot answer it straightaway.

**Shri H. J. Khandekar:** I want to know whether there was a military guard on that train when the incident happened.

**The Honourable Dr. John Matthai:** I should like to make an enquiry.

**Shri Jainarain Vyas:** Sir, is the Honourable Member aware that passengers were taken out of the railway train in Alwar and Bharatpur territory and killed?

**The Honourable Dr. John Matthai:** I have heard of these regrettable happenings occurring in the States concerned. I am having enquiries made, but since these events have occurred in areas which are outside the Dominion, namely the States, it has not been possible for me to get all the information that I would like to have.

**Shri Jainarain Vyas:** Have the Government themselves lost some trucks etc. in Bharatpur when a goods train was going through Bharatpur?

**The Honourable Dr. John Matthai:** If the Honourable Member means that wagons have been looted, probably it is true.

## SURVEY OF SIND-GUJRAT RAILWAY.

473. \*Mr. B. K. Sidhwa: (a) Will the Honourable Minister of Railways be pleased to state whether the then Government of India, before the 15th August, 1947, had asked for immediate survey of Sind-Gujrat Railway?

(b) If so, is it a fact that the survey was to be completed by July, 1947?

(c) Is it a fact that the then Government of India had given first priority to the construction of this Railway?

(d) What is the position of this project after the 15th August, 1947?

(e) Do Government propose to proceed with the scheme in consultation with the Government of Pakistan?

**The Honourable Dr. John Matthai:** (a) Yes.

(b) Yes.

(c) It is not a fact that the then Government of India had given first priority to the construction of this railway. Priority had been given to the Survey investigations only.

(d) Such of the staff engaged on the survey of this Project, who opted for India, were transferred to the B., B. & C. I. Railway after 15th August 1947 to complete the Survey Reports. In view of the political changes that have taken place, the financial prospects of the following three alternatives are now being worked out:—

(i) a through Broad Gauge link between Bombay and Sind;

(ii) a Broad Gauge railway line from Viramgam to Lakhpat via Kandla; and

(iii) a Broad Gauge railway line from Viramgam to Kandla Port only.

(e) The question will be considered after the Survey Reports are received.

**Mr. B. K. Sidhwa:** When is the survey likely to be completed?

**The Honourable Dr. John Matthai:** As the Honourable Member knows, there were two main routes that were being examined. The first is the northern route and the second one is the southern route. The survey report on the northern route is in our hands; the report on the southern route, I expect, will be here next month.

**Shri M. Ananthasayanam Ayyangar:** Is the Honourable Member in a position to state what length of this line passes through Pakistan territory?

**The Honourable Dr. John Matthai:** As far as the northern route is concerned I cannot give the exact mileage, but the greater portion of it would be in Pakistan.

**Shri M. Ananthasayanam Ayyangar:** Has the Pakistan Government intimated to the Honourable Member or to this Government its desire to have this line?

**The Honourable Dr. John Matthai:** The survey was started at a time when the partition had not taken place. It was carried out entirely by the old N. W. Railway. Now, in view of the constitutional changes which have taken place, the whole question requires re-examination. We have not communicated with the Pakistan Government so far.

**Shri K. Santhanam:** May I know, Sir, before the survey is taken, if the Pakistan Government will be asked to pay its proportionate share?

**The Honourable Dr. John Matthai:** That is on the assumption that the line would extend to Pakistan.

## (b) WRITTEN ANSWERS

## WINDING UP OF DISPOSALS DIRECTORATE.

474. \*Shri K. Santhanam: Will the Honourable Minister of Industry and Supply please state:

(a) the total value of goods disposed of by the Disposals Directorate up to November, 15, 1947;

(b) the estimated value of goods still remaining with the Disposals Directorate on November 15; and

(c) whether any target date has been fixed for the winding up of the Disposals Directorate?

**The Honourable Dr. Shama Prasad Mookerjee:** (a) Figures showing the total value of sales up to the 15th November are not yet available. Up to the end of October the total sales by Disposals amounted to Rs. 100.24 crores, against a book value of Rs. 297.86 crores. In addition, salvage worth Rs. 24.87 crores has been disposed of.

(b) The book value of stores, excluding salvage, awaiting disposal on the 1st November was Rs. 165.08 crores.

(c) No, Sir.

**Shri M. Ananthasayanam Ayyangar:** In view of the statement made the other day by the Honourable the Premier that we require a number of aeroplanes, is it a fact that many of these materials which have been marked off for disposal contain very decent and good material which can be used by the Central Government and various Provincial Governments? If so, will the Central Government and Provincial Governments look into this matter and re-mark those which are useful as against those which are useless and which can be scrapped and sold?

**The Honourable Dr. Syama Prasad Mookerjee:** Sir, the system which is followed in regard to disposals is that there are priority indentors, and the first is the Government of India, the second the Provincial Governments and third the States. Then comes the public. Obviously, if there are materials which are useful to Government, they will certainly use them.

**Shri K. Santhanam:** May I know, Sir, if the recommendations of the Committee which was recently appointed in regard to disposals have been accepted and implemented?

**The Honourable Dr. Syama Prasad Mookerjee:** They are being followed now.

**Shri M. Ananthasayanam Ayyangar:** Is it a fact that a number of aeroplanes which were to be sold away in Calcutta were found to be in good condition—about 100 or 150 of them—and they were used in the Kashmir expedition?

**The Honourable Dr. Syama Prasad Mookerjee:** What happened is this. There were certain planes which were declared unflyable. Later on, after we had a separate inspection made, we were satisfied that a number of them were flyable and they are now going to be used.

**Prof. N. G. Ranga:** What action was taken, Sir, against those officers who were responsible for this wrong classification?

**The Honourable Dr. Syama Prasad Mookerjee:** Several of them have left the Dominion of India. The case of others is being considered.

**Seth Govinddas:** Will Government take action against such officials as have not yet left for Pakistan and see that such things are not done in future?

**The Honourable Dr. Syama Prasad Mookerjee:** If this is at all possible, we shall certainly pursue the matter.

**Shri Mohan Lal Sahasra:** May I know if there are no officials who were responsible for this sort of classification still left in the service of Government?

**The Honourable Dr. Syama Prasad Mookerjee:** There are some and their cases are being considered.

**Shri M. Ananthasayanam Ayyangar:** Apart from taking action against the people concerned, will the Government in view of their disclosure, appoint a Committee or make thorough investigation into the matter in order to see whether all these articles which are remaining to be sold away, do not many of them contain useful material which can be utilised?

**The Honourable Dr. Syama Prasad Mookerjee:** In no case a Committee had been appointed and so far as the use of aeroplanes is concerned, that report is before Government. I can give this assurance that the present Government has altered the policy of the previous Government. The policy of the previous Government was somehow quickly to dispose of the 'disposals', but now we would like to examine and we are examining how far the different stocks and goods which are available can be utilised for the best purposes of the country.

**Seth Govinddas:** Will the Government see that at least the personnel of that Committee which had examined these things before and declared them to be unfit, and which were subsequently found to be fit for use, is changed and new personnel is appointed to go into the matter?

**The Honourable Dr. Syama Prasad Mookerjee:** There was no Committee. There was one European officer.

**Shri L. Krishnaswami Bharathi:** May I know the total number of aeroplanes labelled as scrap but were found fit for flying and the approximate cost of such planes?

**The Honourable Dr. Syama Prasad Mookerjee:** Only four were declared to be flyable from one stock and on further examination we found 894 were flyable from two stocks. Each aeroplane which was declared as unflyable was being sold for Rs. 5,000 to Rs. 10,000.

**Seth Govinddas:** May I know, Sir, what would be the personnel of the Committee or any other machinery which the Government is thinking of appointing?

**The Honourable Dr. Syama Prasad Mookerjee:** We cannot have one Committee to consider all these matters. We are having technical experts for various purposes.

**Shri B. Das:** Is it not a fact that part of this disposal is property belonging to U. S. A. and unless they are disposed of soon, the U. S. A. will not bear the losses?

**The Honourable Dr. Syama Prasad Mookerjee:** So far as U. S. A. is concerned, we have been handed over the surplus stocks, the book value of which was Rs. 170 crores; but on 1st November 1947 the book value of such surplus was only Rs. 70 crores.

**Shri M. Ananthasayanam Ayyangar:** Has the Honourable Minister taken care to see that no European is put in charge of the Disposals Organisation?

**The Honourable Dr. Syama Prasad Mookerjee:** We shall certainly take good care to see that no dishonest officer is put in charge.

**Mr. R. K. Sidhwa:** Will Government see that no interested persons are appointed in that Committee?

**Mr. Speaker:** I think that question does not need a reply.

**Shri B. Das:** Will the Government be pleased to state if the U. S. A. has been paid and if so, has it agreed to share the losses that were incurred in the sale of goods disposed of by the Disposals Directorate.

**The Honourable Dr. Syama Prasad Mookerjee:** We have been paid 50 crores of Rupees and up till now we have not exceeded that limit.

## IMPORT OF MAIZE.

475. \*Shri K. Santhanam: Will the Honourable Minister of Food please state:

- (a) the quantity of maize imported from 1st April, 1946 to 31st March, 1947;
- (b) the rates at which maize was bought and its total cost;
- (c) the price of maize at that time in (i) India, and (ii) U.S.A.; and
- (d) the total subsidy borne by the Government of India in respect of maize?

The Honourable Dr. Rajendra Prasad: (a) and (b). A statement is laid on the table of the House.

(c) (i) The price of Maize in important surplus markets of India ranged between Rs. 6/8/- and Rs. 18/- per maund.

(ii) 1.86 dollars per 56 pounds, which in terms of Rupees works out to Rs. 6/10/- per maund f. o. b.

(d) 562.09 lakhs.

Statement showing Maize imported during 1946-47 from various sources.

Country of origin	Quantity in 000 tons	C. & F. Rate per maund	Total cost paid in lakhs of Rs.
		Rs. A. P.]	
U. S. A. . . . .	116	9 9 0	348
Burma . . . . .	5	9 8 0	18
Argentine . . . . .	259	13 2 0	917
	380		1,273

## IMPORT OF WHEAT.

476. \*Shri K. Santhanam: Will the Honourable Minister of Food please state:

- (a) the quantity of wheat imported from 1st April, 1946 to 31st March, 1947;
- (b) the rates at which wheat was bought and its total cost;
- (c) the price of wheat at that time in (i) India and (ii) U.S.A.; and
- (d) the total subsidy borne by the Government of India in respect of wheat?

The Honourable Dr. Rajendra Prasad: (a) and (b). A statement is laid on the table of the House.

(c) (i) The price of wheat in important surplus markets of India generally ranged between Rs. 8/10/- and Rs. 11/8/- per maund.

(ii) 87.87 dollars per ton, which in terms of rupees amounts to Rs. 10/12/- per maund f. o. b.

(d) Rupees 264.91 lakhs.

*Statement showing wheat imported during 1946-47 from various sources.*

Country of Origin.	Quantity in '000 tons.	C. & F. Rate per maund.	Total cost paid in lakhs of Rupees.
		Rs. A. P.	
Australia . . . . .	375	9 4 0	935
U. S. A. . . . .	558	13 12 0	2,069
Canada . . . . .	165	13 11 0	611
Turkey . . . . .	38	18 7 0	189
	1,136		3,804

#### IMPORT OF RICE.

477. \*Shri K. Santhanam: Will the Honourable Minister of Food please state:

- (a) the quantity of rice imported from 1st April, 1946 to 31st March, 1947;
- (b) the rates at which rice was bought and its total cost;
- (c) the price of rice at that time in (i) India, and (ii) U.S.A.; and
- (d) the total subsidy borne by the Government of India in respect of rice?

The Honourable Dr. Rajendra Prasad: (a) and (b). A statement giving the information is laid on the table of the House.

(c) (i). Price of rice in the important surplus markets of India ranged between Rs. 8/2/- and Rs. 18/2/- per maund.

(ii). During the period, no rice was imported from U.S.A. and no information is available with the Government of India regarding the prices of rice then prevailing in that country.

(d). Rs. 477.92 lakhs.

*Statement showing Rice imported during 1946-47 from various sources, C. F. rate and total cost paid.*

Country of origin.	Quantity in '000 tons.	C. & F. Rate per maund.	Total cost paid in lakhs of Rupees.
		Rs. A. P.	
Burma . . . . .	299	14 10 0	1,186
Siam . . . . .	26	9 7 0	67
Indo-China . . . . .	11	16 11 0	50
Brazil . . . . .	73	17 1 0	336
Indonesia . . . . .	36	8 12 0	85
	445		1,724

**TRANSPORT OF RAILWAY PERSONNEL TO EASTERN PAKISTAN.**

478. \*Pandit Lakshmi Kanta Maitra: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that during the last three months, a number of special trains were run by the Indian Dominion Railway authorities for transporting Railway personnel who opted for service in Pakistan?

(b) Are Government aware that some of these special trains which went from Calcutta and other stations on the Bengal-Assam Railway to Eastern Pakistan have not been allowed by the Pakistan Railway authorities to return to India?

(c) If so, how many such cases have come to the notice of the Government of India?

(d) What action, if any, has been taken by Government to recover these passenger rakes and wagons from the Eastern Pakistan?

**The Honourable Dr. John Matthai:** (a) Yes.

(b) and (c). No special trains as such have been held up by the Pakistan Railway Authorities in Eastern Pakistan. However, 86 coaching vehicles sent by the East Indian and Bengal Nagpur Railways with railway staff to Eastern Pakistan have not been returned by the East Bengal (Pakistan) Railway Authorities as yet.

(d) Constant watch is kept by the Indian Railways concerned on rolling stock sent to the Pakistan Railway and when delays necessitate, reference is made to the Ministry of Communications (Railway Department), Government of Pakistan, by the Railway Board.

**SURREPTITIOUS REMOVAL OF RAILWAY PROPERTIES TO PAKISTAN.**

479. \*Pandit Lakshmi Kanta Maitra: (a) Will the Honourable Minister of Railways please state whether the attention of Government has been drawn to the numerous Press reports which have appeared, from time to time, alleging surreptitious removal of Indian Union Railway properties to Pakistan by the Pakistan officials?

(b) How many such cases have come to the notice of Government and what action has been taken by Government in the matter?

(c) Are Government aware that in several such cases the culprits caught red handed in the act of removing such properties were released on bail? If so, under whose authority?

(d) What measures, if any, have been taken by Government to prevent further theft and removal of the Railway property of the Indian Union by Pakistan Railway officials going to Pakistan?

**The Honourable Dr. John Matthai:** (a) Government are aware of reports which have appeared in the press alleging surreptitious removal of railway properties belonging to this Government to Pakistan.

(b) 20 cases came to the notice of Government and 27 wagons containing kit of railway employees on transfer to Pakistan were searched.

(c) Government have received one report of an officer having been detained and later released on bail. The matter of bail is one for decision by Courts and falls outside the jurisdiction of Railway Administrations.

(d) Government consider the extent of any surreptitious removal of railway property is not sufficiently serious to warrant any special measures apart from the arrangements already existing for the prevention of theft of railway property.

## SUPPLY OF COAL TO PAKISTAN.

480. \*Seth Govinddas: (a) Will the Honourable Minister of Industry and Supply be pleased to state how much coal has so far been sent to Pakistan?

(b) Are Government aware of the fact that India's industries are extremely short of coal?

(c) If so, what considerations necessitated the supply of coal to Pakistan?

**The Honourable Dr. Syama Prasad Mookerjee:** (a) About 316,695 tons of coal were supplied to Pakistan during the period 1st September 1947 to 17th November 1947.

(b) Yes, Sir. For some time now there has been a shortage of coal at consuming centres, mainly on account of transport difficulties.

(c) For the period of the standstill arrangement, India has agreed to allot coal to Pakistan as far as possible on the basis adopted during the pre-partition period.

## DECONTROL OF FOODSTUFFS.

481. \*Seth Govinddas: (a) Will the Honourable Minister of Food be pleased to state whether Government are aware of the demand for decontrol of food-stuffs in the country?

(b) If so, what action do Government propose to take in the matter?

**The Honourable Dr. Rajendra Prasad:** (a) and (b). The Government of India have completed their examination of the interim recommendations of the F.G.P.C. They have taken decisions which have been communicated to the Governments of Provinces and States. The implementations of these decisions is under consideration by these Governments. This will be completed shortly, and I shall then make a statement to the House.

## IMPORT OF FOOD.

482. \*Seth Govinddas: (a) Will the Honourable Minister of Food be pleased to state how much food has been imported from other countries during this year and how much has it cost Government?

(b) Is it a fact that Government purchased food in other countries at blackmarket prices?

(c) If so, what steps have been taken by Government to stop this waste of money?

**The Honourable Dr. Rajendra Prasad:** (a) Honourable Member is referred to answer to starred question No. 888 by Pandit Lakshmi Kanta Maitra.

(b) Government have purchased foodgrains at the official prices prevailing in those countries where supplies are made on Government to Government basis. In respect of countries where official or controlled prices do not exist, purchases were made through the trade at the lowest rates obtainable from time to time.

(c) Does not arise.

## INCREASING AGRICULTURAL PRODUCE.

483. \*Seth Govinddas: Will the Honourable Minister of Agriculture be pleased to state what steps have been taken so far by Government to increase the agricultural produce in India to save the country from too much dependence on foreign help?

**The Honourable Dr. Rajendra Prasad:** In order to make India self-sufficient in food supplies the Government of India are giving Provincial Governments financial and technical aid and are helping them to secure necessary supplies



of materials as far as possible. For details of financial help so far rendered to provinces and for details of plans for increasing food production the Hon'ble Member may kindly refer to my replies to Question Nos. 182 and 199 on the 20th November 1947.

#### CONTROL OF FOODSTUFFS.

484. \*Shri Rameshwar Prasad Sinha: (a) Will the Honourable Minister of Food be pleased to state what action Government have taken on the majority report of the Food Grain Enquiry Committee?

(b) Has any decision been finally taken on the subject of continuing or lifting the controls on the supply and distribution of Food Commodities?

(c) Will the Central Food Reserve of the Government of India be able to send sufficient quantities of food grains to the deficit provinces or not?

(d) Have Government obtained any expert advice on the subject of continuance or otherwise of the controls on the supply and distribution of food stuffs? If so, what is Government's decision thereon?

The Honourable Dr. Rajendra Prasad: (a), (b), (c) and (d). Attention of the Honourable Member is invited to the answer given by me to starred question No. 481 by Seth Govind Das today.

#### DEVELOPMENT OF AGRICULTURE.

485. \*Shri Rameshwar Prasad Sinha: (a) Will the Honourable Minister of Agriculture be pleased to state what financial aid, if any, has been given to each of the provinces of the Indian Union for agricultural development in their respective areas?

(b) Is there any Central Post-War fund for the development of Agriculture in the provinces; if so, what is the total amount in the fund available under this head?

(c) Has the amount earmarked for any of the provinces lapsed because of non-submission in due time of the requisite lists of works proposed to be taken up in the provinces concerned?

(d) Do Government propose to make the grants so lapsed available to the provinces concerned, if they submit a list of urgent works to be taken up for the development of agriculture in their respective zones even now?

The Honourable Dr. Rajendra Prasad: (a), and (b). Central Development Grants are given to each province for their development programmes as a whole and not for individual subjects. A sum of approximately Rs. 18 crores was paid to provinces towards their development schemes excluding Grow More Food Schemes for the year ending the 31st March, 1947. For the details of the financial assistance given to provinces for Grow More Food Schemes the reply given to question No. 182 on 20-11-47 may please be seen. For 1947-48, Rs. 45 crores have been allotted to provinces as Central Grants towards their development schemes including Grow More Food Schemes for this year.

(c) and (d). Grants allotted are maximum figures. Payments, however, are made only to the extent of expenditure actually incurred on approved schemes. There is therefore no question of any amount lapsing because of non-submission of lists of works.

#### TRANSFER TO INDIA OF GERMAN PATENTS.

486. \*Shri T. T. Krishnamachari: Will the Honourable Minister for Industry and Supply be pleased to state how many German Patents have been transferred to India and what is the description of such Patents?

The Honourable Dr. Syama Prasad Mookerjee: There has been no proposal of transferring any German Patents to India. According to an agreement arrived at, at a Conference of delegates from various Allied Countries, it has

been decided to make German patents available for exploitation, free of royalty, to the nationals of all countries who have signed a document known as the "Accord". Besides India, 45 other countries are parties to this Accord.

It was decided that the Government of France would provide facilities for receiving and disseminating information of common interest, under the Accord through a Central Office. That Office has not yet been established. As soon as it starts functioning we shall receive information about such German owned patents in other countries, as would be available for exploitation by the Indian nationals free of royalty. Such information, when received, will be promptly placed at the disposal of the Indian public.

#### INDUSTRIAL DELEGATIONS TO GERMANY.

**487. \*Shri T. T. Krishnamachari:** (a) Will the Honourable Minister of Industry and Supply be pleased to state how many representatives of Indian industries have visited Germany under Government auspices during the last two years?

(b) Have such Delegations submitted any reports to Government?

(c) If so, what action have Government taken on such reports?

(d) Have Government any definite programme of arranging such visits by Indian industrialists, businessmen and technicians to Germany; and if so, what arrangements do they propose to make in future, in this matter?

**The Honourable Dr. Syama Prasad Mookerjee:** (a) 47 Experts representing 18 industries have visited Germany during the last two years under Government auspices. The visits were arranged by the late Planning and Development Department of the Government of India.

(b) The Experts sent by the late Planning and Development Department were not required to submit reports to the Government of India. They were selected to form part of the teams of technicians representing various industries sent out by the British Intelligence Objectives Sub-Committee, from time to time, to investigate and report to them on different German industrial organizations. Reports of B.I.O.S. teams are submitted to U.K. Government and are made available to Allied Governments. Under this procedure, the Government of India have received copies of about 3,000 reports submitted by these teams.

(c) The reports so far received are being examined with reference to their value to the development of Indian industries and copies of such of them as are likely to be of interest to the Indian industrialists are being made available to them.

(d) Yes, Sir. A limited number of Indian businessmen and industrialists are given facilities to visit Germany with a view to opening up trade with that country and to renew business contacts. It is proposed to continue this system.

#### OPERATION OF NON-INDIAN AIR LINES.

**488. \*Shri T. T. Krishnamachari:** Will the Honourable Minister of Communications be pleased to state:

(a) whether non-Indian Air Lines such as the Pan-American, TWA, BOAC, KLM and Air France, carry passengers between Indian Air Ports;

(b) if the answer to part (a) above be in the affirmative, whether Government are aware that such carriage by a non-Indian Line of internal air traffic constitutes a violation of the principle of "cabotage" and is contrary to the Air Agreements concluded with the countries concerned?

**The Honourable Mr. Rafi Ahmed Kidwai:** (a) No, except that passengers used occasionally to be booked between Delhi and Calcutta by British Overseas

Airways Corporation when no seats were available on Indian Airlines, under an old arrangement which is now being terminated.

(b) Does not arise.

#### AIR SERVICES BETWEEN INDIA AND PAKISTAN.

489. \*Shri T. T. Krishnamachari: Will the Honourable Minister of Communications be pleased to state:

(a) the position in respect of air services between India and Pakistan;

(b) whether in the event of the existence of a standstill arrangement between India and Pakistan, internal air traffic between Calcutta and Karachi is permitted to be carried by non-Indian Companies such as the American, the British, the Dutch and the French Air Lines;

(c) whether the Government of India propose to take up this matter with the Governments concerned; and

(d) what arrangements Government propose to arrive at in regard to air services between India and Pakistan in future?

The Honourable Mr. Rafi Ahmed Kidwai: (a) and (d). The Government of India have agreed to the operation by a Pakistan airline of air services on the following routes:—

- |                    |                         |
|--------------------|-------------------------|
| 1. Karachi—Delhi.  | 4. Chittagong—Calcutta. |
| 2. Dacca—Delhi.    | 5. Dacca—Calcutta.      |
| 3. Karachi—Bombay. |                         |

In return, the Government of Pakistan have agreed to the operation of air services on the following routes by Indian Airlines:—

- |                       |                         |
|-----------------------|-------------------------|
| 1. Jodhpur—Karachi.   | 5. Delhi—Lahore.        |
| 2. Bombay—Karachi.    | 6. Calcutta—Dacca, and  |
| 3. Ahmedabad—Karachi. | 7. Calcutta—Chittagong. |
| 4. Bhuj—Karachi.      |                         |

The arrangement is provisional subject to the conclusion of a bilateral air transport agreement between the two Governments or the 31st December, 1947, whichever is earlier. The terms of a long term bilateral air transport agreement between India and Pakistan are under examination.

(b) At present foreign air services, excepting B.O.A.C., do not carry traffic between Karachi and Calcutta.

(c) The question of B.O.A.C. continuing to carry traffic between Karachi and Calcutta is under examination by Government.

#### IMPORT OF FOOD-GRAINS.

490. \*Shri T. T. Krishnamachari: Will the Honourable Minister of Food be pleased to lay on the table of the House a statement showing:

(a) the total quantity of foodgrains imported into India during the years 1943, 1944, 1945, 1946, and upto 30th September 1947, giving separate figures for each of these years?

(b) the total amount paid for such food grains during these years, giving separately figures of the cost of the food grains for each year; and

(c) the total amount paid by way of freight on the food grains imported during the period indicating the amount of freight paid in each of these years as also particulars of the freight paid in dollars, sterling and in rupees separately for each of these years;

The Honourable Dr. Rajendra Prasad: (a), (b) and (c). A statement is laid on the table of the House.

## Statement showing imported foodgrains and their value

Year of Import.	Quantity in 000 tons	Amount paid.				Total freight in lakhs of Rupees.
		Cost in lakhs. of Rupees	Freight.			
			£	\$	Rs.	
1943 . . . . .	197	502	8,50,175	1,39,551	..	118
1944 . . . . .	640	822	36,27,124	..	..	484
1945 . . . . .	850	1,540	37,55,344	..	..	500
1956 . . . . .	2,330	6,144	49,73,132	2,58,99,181	1,57,913	1,484
1947 (upto 30th September).	1,678	5,447	35,33,210	1,88,41,080	..	1,077

## FISHERIES AND RESEARCH INSTITUTE.

491. \*Shri D. Govinda Doss: Will the Honourable Minister of Agriculture be pleased to state:

- the total number of Fisheries and Research Institutes Province-wise; and
- the total number of candidates sent to foreign countries to study the subject?

**The Honourable Dr. Rajendra Prasad:** (a) As there are no Fisheries Research Institutes maintained by any of the Provinces, except for a small unit of the Fisheries Department of the Madras Government, the Government of India have decided to set up a Central Institute to carry out research on various problems connected with the development of fisheries throughout the country. A start has already been made for establishing Research Stations of this Institute at (1) Palta near Calcutta in West Bengal for Inland fisheries—Freshwater and Estuarine, (2) Mandapam in the Madras Presidency for Marine fisheries and (3) Bombay, for Fish Technology and Pilot fishing.

(b) The total number of candidates sent abroad for training in Fisheries is 26. Of these 19 were sent out for advanced studies in the Biology and Technology of Fisheries to British and American Universities and 7 candidates to the Grimeby Nautical School for training in navigation and modern fishing methods.

## SUPPLY OF STEEL TO 'JANMABHOOMI' GROUP OF NEWSPAPERS, BOMBAY.

492. \*Shri Balwant Rai Gopalji Mehta: Will the Honourable Minister of Industry and Supply be pleased to state.

(a) whether Government had received an application dated the 29th March 1947 from Saurashtra Trust, Proprietors of the 'Janmabhoomi' Group of Newspapers, Bombay, for steel required for their "Janmabhoomi House" to be built in Bombay;

(b) whether Government are aware that applicants had opened 2 letters of Credit Accounts one for \$1,17,000.00 and the second for \$89,000.00 for speed Rotary machines to be imported from the United States;

(c) whether it is a fact that under U. S. Dollar permit, 10 per cent. of the first L.C. has been paid by the said Group of Newspapers, and that for the second order the whole amount of \$89,000.00 has been paid and the machinery has already arrived;

(d) whether Government are aware that the said 'Janmabhoomi' Group of Newspapers are constructing their own building to accommodate the printing machinery and that they have applied for steel for that purpose;

(e) whether it is a fact that the application has been refused by the Iron and Steel Controller, Calcutta in his letter No. ISC/73/PID/PDIII/8982, dated the 27/28th May 1947;

(f) whether it is a fact that the proprietors of the 'Hindu' of Madras had also applied for steel required to build a house for their newspaper to be started at Bombay;

(g) whether it is a fact that the 'Hindu' has not yet received import licence or the dollar permit and has not paid any advance money;

(h) whether it is a fact that the above application of the Proprietors of the 'Hindu' for steel has been granted by the Government of India;

(i) whether it is a fact that a fresh application dated the 5th September 1947 has been filed by the proprietors of the 'Janmabhoomi' Group of Newspapers requesting the Government of India to give them steel on the same principles on which steel has been granted to the proprietors of the 'Hindu' of Madras;

(j) whether it is a fact that the building of the 'Janmabhoomi' Group of Newspapers is already under construction awaiting, for its further progress, the sanction for the supply of steel by the Government of India; and

(k) whether the second application dated the 5th September 1947, of the proprietors of the 'Janmabhoomi' Group of Newspapers has now been considered by the Government of India; if so, what is the decision thereon?

**The Honourable Dr. Syama Prasad Mookerjee:** (a), (i) and (k): Two applications from the Saurashtra Trust have been received. The Trust has now been allotted 64 tons of steel for Period I, 1948, which is half its total requirements.

(b), (c), (d), (e) and (j). Yes, Sir, but advance payment is 6 per cent.

(f) Yes, Sir.

(g) The 'Hindu' obtained licences for printing machinery, piecemeal.

(h) An allotment of one-fifth of requirements has now been made for Period I, 1948.

#### PASSENGER AND TONNAGE CARRYING CAPACITY OF INDIAN RAILWAYS.

**493. \*Shri Ajit Prasad Jain:** (a) Will the Honourable Minister of Railways be pleased to state the passenger and tonnage carrying capacity of all railways in India, except those now included in the Pakistan territories, in the years 1938-39 and 1945-46?

(b) What are the requirements of the country in respect of both the items at present?

(c) What is the programme of Government to make up the shortage, if any?

**The Honourable Dr. John Mathai:** (a), (b) and (c). A statement giving the information required is being prepared and will be placed on the table of the House.

## BRITISH RAILWAY PERSONNEL.

494. \*Shri Ajit Prasad Jain: (a) Will the Honourable Minister of Railways be pleased to state the number of British personnel who were working on all the Railways in India excluding the territories now included in Pakistan, before the 15th August 1947?

(b) How many of the said employees have retired or left service in consequence of the independence of India?

(c) How many of the remaining employees Government propose to retain permanently?

**The Honourable Dr. John Matthai:** Approximate figures based on the information available were given in my Budget Speech. More detailed and up-to-date information is being collected from railway administrations, and will be laid on the table of the House in due course.

## INCREASED PRODUCTION OF COARSE CLOTH.

495. \*Shri Mahabir Tyagi: (a) Will the Honourable Minister of Industry and Supply be pleased to state what steps Government have taken to persuade the textile industry in India to increase the production of coarse cloth?

(b) Did the representatives of the Textile Industry represent to Government that they would not be able to increase the production of coarse cloth unless Government granted them a subsidy of a few millions of rupees on this account?

(c) What is the percentage of difference between the actual costs of production and the retail prices on which the consumers obtain their supplies of fine and coarse cloths respectively?

**The Honourable Dr. Syama Prasad Mookerjee:** (a) The attention of the Honourable Member is invited to the Government of India's Resolution No. 88(2)-Tex. I/47 dated 17-11-47.

(b) No, Sir.

(c) The Report of the *ad hoc* Committee on Textiles submitted to Government in June 1947 estimates the percentage of difference between the actual cost of production and the retail price of cloth of 14s warp and 10s weft as being 1.4 per cent. and the corresponding difference in the case of cloth of 40s warp and 60s weft as being 87 per cent. These will serve as examples of coarse cloth and fine cloth. Ex-mill prices are 25 per cent. below retail prices.

## RICE AND WHEAT PURCHASED FROM OUTSIDE INDIA.

496. \*Shri Profulla Chandra Sen: Will the Honourable Minister of Food be pleased to state:

(a) the quantity of rice and wheat procured for civil and military requirements from outside India during the period April 1946 to October 1947 and the respective prices at which they were obtained from different countries;

(b) the total value of rice and wheat purchased by the Government of India during the period April 1946 to October 1947 from outside India; and

(c) the total loss to the Government of India during the period April 1946 to October 1947, on the sale of rice and wheat purchased from outside India?

**The Honourable Dr. Rajendra Prasad:** (a) and (b). A statement is laid on the table of the House. At the time of making purchases in overseas, the requirement of the country, as a whole, is kept in view.

Imports are not arranged separately for Civil and Military requirements.

(c) Rs. 6.35 crores on rice.

Rs. 5.88 crores on wheat.

## Statement

(April, 1946 to October, 1947.)

Country.	Quantities in ,000 tons.	Average price per md.		Value in Lakhs of Rupees.
		April 1946 to March 1947.	April 1947 to October 1947.	
<b>Wheat—</b>				
U. S. A. . . . .	738	13 12 0	12 0 0	2,699
Canada . . . . .	165	13 11 0	..	611
Australia . . . . .	460	9 4 0	12 0 0	1,221
Turkey . . . . .	98	18 7 0	20 0 0	510
East Africa . . . . .	15	..	9 7 0	39
Abyssinia . . . . .	2.6	..	8 0 0	5
Argentina . . . . .	6	..	24 8 0	40
Total . . . . .	1,484.6			51,25
<b>Rice—</b>				
Burma . . . . .	568	14 10 0	17 0 0	2,462
Siam . . . . .	61	9 7 0	15 0 0	130
Indo-China . . . . .	13	16 11 0	21 0 0	61
Brazil . . . . .	82	17 1 0	..	289
Indonesia . . . . .	34	8 12 0	..	55
Egypt . . . . .	30	..	24 0 0	198
Total . . . . .	770			3,305

## STATISTICS REGARDING PRODUCTION OF FOOD-GRAINS.

497. \*Shri Prafulla Chandra Sen: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether the Government of India propose to collect accurate statistics regarding production of rice, wheat, jawar, bajra and other cereals in the different provinces of India including the states which have acceded to the Union of India, with a view to obtaining proper data for determining the future policy of Government; and

(b) if so, whether, on collection of accurate data, Government propose to have a planned drive for the increase of the production of cereals?

The Honourable Dr. Rajendra Prasad: (a) Yes.

(b) The Government of India initiated a drive for the increase of the production of cereals in April, 1942.

## PROCUREMENT OF PADDY AND WHEAT.

498. \*Shri Prafulla Chandra Sen: Will the Honourable Minister of Food be pleased to state:

(a) whether Government propose to increase the rates for procurement of paddy and wheat from surplus areas of the country so as to cover the cost of production incurred by the cultivators; and

(b) whether Government propose to consider the desirability of fixing different rates for procurement of paddy and wheat respectively for different areas, in view of the varying cost of production in the various parts of the country?

**The Honourable Dr. Rajendra Prasad:** (a) Provincial Government have now been given discretion to fix procurement prices for their respective areas in such manner as may be considered fair and feasible in prevailing local conditions and without danger of an undue increase in the cost of living.

(b) Does not arise.

#### PAY TO TEACHERS OF RAILWAY SCHOOLS.

**499. \*Shri Damodar Swarup Seth:** Will the Honourable Minister of Railways be pleased to state:

(a) whether it is a fact that in 1929 the Railway Board decided that the scales of pay allowed to teachers of Railway Schools in various provinces will be the same as are applicable to teachers in Government schools of the province in which they are situated;

(b) whether it is a fact that in 1930 the United Provinces Government's provincial scales of pay were enforced in the Railway schools in that province, and in 1931 when the provincial grades were revised for future entrants, they were also made applicable to all new entrants in the Railway schools in the United Provinces subsequent to the year 1931;

(c) whether it is a fact that under minute sheet No. AS/86/Z, dated 1st May 1941, from the Secretary to the General Manager and Superintendent, East Indian Railway schools, Calcutta, of which copies were also circulated to all the members of the staff in the Railway schools, the Railway Board re-affirmed its policy of treating the teaching staff of the Railway schools on the provincial basis in respect of pay, qualifications and promotions;

(d) whether Government are aware that the Pay Commission have recommended the inclusion of Railway schools in the Centrally administered areas in which there is marked disparity between the scales recommended by the Pay Commission and those revised by the Government of United Provinces in 1947; and

(e) if the answer to the above be in the affirmative, whether Government propose to look into the case of the teachers of the Railway schools and grant them the revised provincial scales of pay?

**The Honourable Dr. John Matthai:** (a), (b) and (c). Yes.

(d) The reply to the first part of the question is in the affirmative: as regards the second part, Government are not aware of the scales having been revised by the Government of the U. P. in 1947 and it is, therefore, not possible to state whether there is any marked disparity between the two scales. Information on this point is being obtained.

(e) The recommendations of the Central Pay Commission in so far as they relate to Railway Schools are at present under examination. In coming to a decision all relevant factors will be given due consideration.

#### AIR MAIL POSTAL ENVELOPES.

**500. \*Shri M. Ananthasayanam Ayyangar:** Will the Honourable Minister of Communications be pleased to state:

(a) whether Government are aware of the inconvenience now felt in sending air mail letters, by having to affix a stamp and an air mail label in addition to the ordinary postage; and



(b) whether Government propose to consider the advisability of issuing Air Mail postal envelopes (thinner or lighter than the present ones) with the words, 'Air Mail' printed thereon in bold blue or green letters and stamped with a 2½ anna stamp, thus saving paper and material to Government and at the same time removing the inconvenience caused to the public?

**The Honourable Mr. Rafi Ahmed Kidwai:** (a) Yes, Sir.

(b) The question is already under consideration and as soon as the new stamp designs have been selected an air-mail envelope for internal use will be made available to the public.

#### REDUCTION IN TRAIN SERVICES.

**501. \*Shri M. Ananthasayanam Ayyangar:** Will the Honourable Minister of Railways please state:

(a) the total number of mail, express and passenger trains cancelled on Indian Railways as a result of the recent disturbances, on and from the 7th September 1947;

(b) whether there is any train running regularly between Delhi and Simla, daily, and if not, why not;

(c) when it is proposed to restore the cancelled trains on the various railways;

(d) whether armed guards are provided in trains on various sections of the different railways and if so, what are those sections;

(e) whether such provision of armed guards has been necessary on sections running through any Indian States and if so, the number of such Guards posted on those trains and their cost to the Indian Exchequer; and

(f) whether it is proposed to require such Indian States to reimburse such expenditure, and if not, why not?

**The Honourable Dr. John Matthai:** (a) Train services on E.P., G.I.P., B.B. and C. I. and E.I. Railways were mainly affected. Information regarding the number of trains cancelled is being collected and will be placed on the table of the House in due course.

(b) There is no through train between Delhi and Simla for the present. Regular train services had to be suspended, because rolling stock was most urgently required for movement of refugees to and from Pakistan, which had to have first priority, and also to prevent indiscriminate movements of refugees to Delhi.

(c) Yes, as soon as the refugee traffic diminishes to an extent permitting the release of rolling stock.

(d) Yes; armed escorts are provided on passenger trains in U.P. and also on the Kotah/Muttra/Delhi and Agra/Bandikui/Rewari Sections of the B.B. and C.I. Railways.

(e) The answer to the first part is in the affirmative. Information about the other parts is not readily available.

(f) The matter will be considered.

## MOTION FOR ADJOURNMENT

### ANNOUNCEMENT TO DECONTROL SUGAR AND CONSEQUENT RISE IN PRICES

**Mr. Speaker:** I received a Notice of an Adjournment Motion from Pandit Balkrishna Sharma, which reads as under:

"The announcement to decontrol sugar in near future resulting in upward trend of forward sugar prices from Rs. 19 per maund to Rs. 50 per maund, as also, the recommendations made by the Food Grains Policy Committee in regard to adaptation of the policy of progressive decontrol of foodgrains."

I do not know how this matter can be treated as so urgent as to be permissible for an Adjournment Motion. Further, it also involves more than one point. An adjournment motion must relate to one definite matter; I find it relates to two matters. Has the Honourable Member given notice of this to Government?

**Pandit Balkrishna Sharma (U.P.: General):** Yes, Sir. The fact that the question is urgent cannot be gainsaid for the very simple reason that during the last 3 or 4 days when the announcement was made that sugar will be decontrolled, I found to my surprise, that in my own Province and in my home Town, Cawnpore, which is the biggest sugar market in the country, the forward prices of sugar have risen from Rs. 19/12/0 (and not Rs. 19 as given wrongly in my motion) to Rs. 50 per maund and at the same time we read in this morning's papers certain recommendations of the Foodgrains Policy Committee. Knowing not that inclusion of two items would make my Motion in any way less important or less urgent, I put it there and therefore, I would beg of you to treat it as urgent and the two questions being inter-linked with one another are of the same nature, and therefore they cannot be said to be two questions. Moreover, Government is going to announce the policy regarding decontrol or control measures on the 10th of this month. Now, I wish that before the Government make up their mind, they must give an opportunity to this House to voice its feelings and its thoughts on the questions which are of great importance and therefore, I believe even the Honourable the Minister for Food will have no objection to this Motion, which is put before this House for consideration. One thing more; I do not in any way, by giving notice of this Adjournment Motion, wish to censure the Government. We only want to have an opportunity to voice our feelings and our ideas about the question, and therefore, I wish that you may be pleased to entertain it.

**Mr. Speaker:** Because an Adjournment Motion is tabled, it does not necessarily mean that, it is always a censure Motion. Without being a censure Motion, an Adjournment Motion can be brought for the purpose of discussing any matter which is urgent and it must be a definite matter of importance. The rules require that only one such matter can be raised and the Honourable Member's argument that the two are linked does not appeal to me. On the question of urgency, I believe it is clear to everybody that in the process of decontrolling prices were expected to shoot up and some time will be necessary for these prices to readjust. Therefore, the shooting up of prices by itself is not a matter of such urgency that requires any discussion. I do not think that I could give my consent to this Motion.

### ELECTION TO STANDING COMMITTEES FOR MINISTRIES OF RELIEF AND REHABILITATION AND WORKS, MINES AND POWER

**Mr. Speaker:** I have to inform the Assembly that upto the time fixed for receiving nominations for the Standing Committees for the Ministries of Relief and Rehabilitation and Works, Mines and Power, 11 nominations in the case of the former and 10 nominations in the case of the latter were received. Subsequently one member in case of the former withdrew his candidature. As

[Mr. Speaker]  
the number of the remaining candidates was thus equal to the number of vacancies in each of the two Committees, I declare the following members to be duly elected:

**I. Standing Committee for the Ministry of Relief and Rehabilitation.**

- (1) Ch. Ranbir Singh.
- (2) Shri Khurshed Lal.
- (3) Dr. Bakshi Tek Chand.
- (4) Shrimati Sucheta Kriplani.
- (5) Shri Basanta Kumar Das.
- (6) Prof. Shibban Lal Saksena.
- (7) Shri Jaspal Roy Kapoor.
- (8) Giani Gurmukh Singh Musafar.
- (9) Shri A. P. Pattani.
- (10) Mr. S. M. Ilahi.

**II. Standing Committee for the Ministry of Works, Mines and Power.**

- (1) Dr. Sir S. V. Ramamurty.
- (2) Shri Gokulbhai D. Bhatt.
- (3) Shri B. Das.
- (4) Shri O. V. Alagesan.
- (5) Shri Jaipal Singh.
- (6) Shri Kanayalal Nanabhai Desai.
- (7) Rai Bahadur Sri Narain Mahtha.
- (8) Shri Prafulla Chandra Sen.
- (9) Shri Suresh Chandra Majumdar.
- (10) Mr. Tajatnol Hussain.

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**THE BUDGET—GENERAL DISCUSSION**

**FIRST STAGE**

**Mr. Speaker:** Before we proceed with the General Discussion of the Budget. I have to inform Honourable Members that for Demands and moving Cut Motions only one day was allotted; that period has been extended to two days.

I have to announce that under Rule 46, I fix the time-limit for speeches ordinarily as 10 minutes; as I find a large number of Honourable Members anxious to address themselves to the House the time-limit will not, in any case, exceed 15 minutes for each Honourable Member excepting the Honourable the Finance Minister for whom 45 minutes or more will be allowed, if necessary.

**The Honourable Shri R. K. Shanmukham Chetty** (Minister for Finance): Mr. Speaker, before the General Discussion starts, I would like, with your permission, to make a Statement by way of personal explanation arising on of the Budget Speech that I delivered the other day. I have been told that considerable resentment has been caused in certain quarters in this House on account of my omission to mention amongst the causes that contributed towards Indian freedom the great sacrifice that was made by thousands of our countrymen and countrywomen. Now that this matter has been brought to my attention, I freely admit that it was a serious omission on my part. But I want Honourable Members to believe me when I say that the omission was

neither deliberate nor intentional. Even though I have not myself made any of those sacrifices, I have the greatest admiration and respect for all those thousands of our fellow-citizens who had the courage to make that sacrifice in the cause of India's freedom and I have no doubt that when the causes that contributed towards the attainment of Indian freedom come to be written, everyone will recognize that the major causes were the great struggle for freedom under the unique and inspiring leadership of Mahatma Gandhi and the great sacrifices made by our people. I hope, Sir, that the House will accept my statement in the spirit in which I have given it.

**Shri K. M. Munshi** (Bombay: General): Sir, in rising to make my comments on the budget I take an early opportunity of congratulating my Honourable friend the Finance Minister on the proposals that he has placed before the House. In the first instance they are very sober proposals; his approach has been very reassuring as the indications in the market clearly prove; and he has given the House a frank assessment of the desperate economic crisis through which the country is passing. The Honourable Finance Minister's analysis is one with which, I am sure, the House will agree. The contributing factors to that crisis are, as he has given us, widespread labour unrest, decline in agricultural and industrial production and inflationary pressure. But I am afraid he has dealt with all of them in a certain amount of conservative spirit. He has left many things vague; I do not blame him because the Government was formed with such lightning speed and we are passing through such difficult times that it was not expected that the Honourable Minister would have the time to go over the whole ground. If I may be permitted, Sir, I would like to mention that I expected in the budget some fore-shadow of the contribution which Government proposed to make to resolve the crisis to which the Honourable Finance Minister referred. I also expected—I am afraid in vain—that we would be told something about the economic implications of the changed conditions arising firstly from the partition, and secondly from the loss of staple exports by reason of this partition. At the same time I feel that I would be failing in my duty if I did not make my comments with regard to the policy which Government ought to pursue and which has already been indicated by the Finance Minister.

Sir, I admire him for the courage with which he has stood for economic realism in tackling this crisis. He has told us in unmistakeable terms that in order to tide over the crisis we must have a mixed economy and that private enterprise and nationalism must march together. I entirely agree with him that this is not the time when we can consider the theoretical pros and cons of nationalisation; this is not the time when we can indulge in the pastime of discussing any theoretical matter at all. As I said, we are passing through a crisis and it requires that we should utilise every single factor which is available to us. Nationalisation has proved inconclusive in the test of world experience. I may mention some notable instances which I dare say are known to most Honourable Members. We know of the State-controlled and State-owned German railways which had the highest efficiency in the world. At the same time the British transport system, lately in private hands, was equally efficient. In India we have State-owned and State controlled railways; their efficiency was discussed the other day, and we are still awaiting to see what results they have in the hands of our present State. At the same time we know that the Indian shipping industry as well as the iron and steel industry in private hands has had a fairly high standard of efficiency. In the United Kingdom again you find that the steel industry which is yet in private hands has been able to hit the target of post-war production; on the contrary, the nationalised Coal Board has failed to achieve that success which was expected of it.

**An Honourable Member:** It has the highest production now.

**Shri K. M. Munshi:** I can give figures to show that compared with the steel industry it has not been able to cope with the crisis.

I am not favouring one way or the other, but it is an inconclusive matter and we need not for the moment consider, as I said, the theoretical aspects of this question. What we really want is a purposive direction of all our economic affairs. We want that private enterprise should be encouraged in all the sectors where nationalisation is not possible for the moment; but we must reintegrate private enterprise with broad national objectives that may be settled by our Government. We have already got nationalised concerns like railways and posts and telegraphs; we want them to be raised to the highest possible standard of efficiency. Then again we have other schemes; we have the hydro-electric schemes, we have the Damodar Valley scheme and we can have many other schemes which are going to be State-owned and State-controlled. We have also other large spheres of economic activity; for instance, I read in one paper the great need for having an industry in ammonium sulphate, so highly essential for our agricultural purposes. These are spheres in which our Government can launch industries and in which I am sure, we will be able to make a success.

It is wrong to say that we have not got a controlled economy; there is sufficient control over private enterprise, and further controls, if need be, could be imposed in national interests. We have got taxation, we have already got security schemes and Government are embarking upon a scheme of fixing minimum wages; and I have little doubt the time may come when dividends may have to be controlled. For the present, we must give a purposive direction to the whole of our economic life in order that we may be able immediately and effectively to tide over the present crisis.

Sir, the Honourable Minister mentioned three factors of which the first is labour. I do hope that Government will be able to embark upon a comprehensive labour programme, or rather a programme for labour cacanny in this country. We know that strikes and slowing down process are very popular among labour. We have to deal with them in the way that they have been dealt with—if I may mention it—in Ahmedabad and to a certain extent in Bombay. Since 1917 Mahatma Gandhi in Ahmedabad has tried a successful experiment of resolving industrial disputes between labour and capital by arbitration. As a result Ahmedabad has been richer and its labour has been more contented than in any other part of India or—for the matter of that—in the world. And the industrial laws which have been introduced by the Government in Bombay in 1939 as well as now show that very satisfactory results can be produced by similar legislation all over India and its strict enforcement. I know our labour is inefficient. Only the other day an expert said that the efficiency of an Indian worker is about 1/14th of an American worker and 1/7th of an English worker. We have also no scheme for redeployment of labour. Therefore, what I would urge upon Government is that the whole programme of labour reorganisation should be taken in hand. It is one of the most material factors and the programme cannot be carried out by patchwork reforms.

The next factor to which the Honourable Minister referred was inflationary pressure. This inflation, Sir, appears to be like the ghost in a haunted house. Everybody seems to know about it and no one knows what to do about it. The result has been that we fear to imagine what inflation will bring us next. The Honourable Minister has himself given the figures. Our inflationary conditions here are quite different from those which prevail in the United States, in the United Kingdom and Canada. There, the problem is to stabilize the present productive activity and the present income because there is practically full employment there and a large volume of spending power in private hands. Our case is different. We have got monetary inflation in a high degree and

material and manpower resources which are lying idle. Our problem is entirely different from theirs. We have to secure a spurt in production, and at the same time to keep inflation in leash. The only course—and I speak with some hesitation because I am not an expert—which appears to be obvious and essential is that the Government should embark a development by raising loans. A large programme of loan finances for the purpose of providing capital expenditure is the only thing which will promote real income. I am sorry to find that there was no indication in the speech of the Honourable Minister with regard to this matter. I know the difficulties. I know that economies are difficult to be carried out in such a short time. I equally feel that there are various factors working against it. But at the same time we must equally realize that the time within which we must do something to overcome this economic crisis is so little.

I may only mention one thing. You will forgive me Sir if I take a minute more of your time. So far as our taxation capacity goes, it has reached saturation point. The Honourable Minister has already mentioned that so far as business taxation is concerned, it will have to be reinvestigated in order that the margin of enterprise may not be hit as at present.

But there is one source, Sir, of revenue to which I should like to draw his attention, and that is death duties. All over the world it has come to be recognised that it has great distributive effects. It is innocuous so far as production efforts are concerned. Orthodox economists like Pigeon consider it as an essential complementary to a progressive income taxation. The experience in England proves that death duties are borne much more easily than business taxation, and I have no doubt, when the time comes in next March, the Honourable Finance Minister will be able to see that those sources are tapped which will enable us to get the money so necessary for reconstruction—without hitting production.

I have only one word to add. We are going towards a socialist democracy. Whether we wish it or we do not, whether people theoretically approve of it or do not, is a small matter. The world forces are driving us towards that end. But for that purpose we require a highly trained and incorruptible bureaucracy which we have still to build up. Till that situation comes, what I would like to impress upon the Honourable Minister is that our urgent need is stability and security in the economic sphere as much as in the political sphere.

**Shri M. S. Aney** (Deccan and Madras States Group): Not incorruptibility!

**Shri K. M. Munshi**: Incorruptibility is a necessary ingredient of economic stability. You cannot have stability without incorruptibility, but it is no use trying to create a machinery which is corrupt first and then quarreling with it!

I hope that the few remarks I have been able to make at the short time at my disposal the Honourable Minister will bear in mind, and in his closing speech give us some inkling as to what contribution the Government proposes to make towards resolving this crisis.

**Kazi Syed Karimuddin** (C.P. and Berar: Muslim): I congratulate the Finance Minister on a very straight and frank statement of facts, but I do not entirely agree with his background and the outlook. It is more or less based on the antiquated idea of the past century. The theory of mixed economy is an exploded theory. Nobody disputes that there should be gradual industrialisation of the country. Nobody disputes that the standard of living in the country should rise. But that does not mean that the rich should grow richer and the poor should become poorer.

Sir, in supporting these budget proposals, Mr. Munshi has said that there should be economic realism and that the policy of nationalism in other countries has failed and has not been successful.

**Shri K. M. Munshi**: I did not say that. I said it was inconclusive.

**Kazi Syed Karimuddin:** In a way generalizations without facts and figures are not convincing at all. He has admitted that dividends in this country will to be controlled in future. The point that has to be decided is this. The Finance Minister in his speech has not laid down any definite policy as to what would be the economic pattern in this country. In para. 88 of his speech he has said: "Whatever may be the pattern of our economic system, I hold that there is need and scope for private enterprise in industry." Now the Prime Minister of this country in his speech on 'The Objectives Resolution' said: "I stand for Socialism and I hope India will stand for Socialism, and that India will go towards the constitution of a Socialist State, and I do believe the whole world will have to go that way." Is there any doubt that the economic pattern of this country, the head of the Government has accepted that the future constitution of this country and the future economic pattern will be a pattern of a Socialist State? Then how is this indecision on the part of the Finance Minister that he is not definite of the economic pattern the country will have? If it is an established fact that this country is going to have a Socialist pattern, then we have to move towards socialization of the resources and nationalisation of the industries of this country. The only objection that has been raised is this, that because of last year's policy, there is penury and distress in the economic field, and so that policy will have to be revised. There are countries in the world where socialisation of the resources of the country is being practised. There are countries where nationalisation of industries has been done and the Advisory Planning Board in their report has accepted this principle which has been propounded by the Prime Minister of this country: It says:

"At the same time, it must also be recognised that, if Socialisation is adopted as a policy, it must be applied universally to all parts of the national economy, if it is to be a real success. Any restriction of the field of Socialisation, any exclusion from it of any section of the productive or distribution organisations, would mean very much less chance for a socialised plan to attain full fruition."

The Karachi resolution also states that in India we should make an attempt at socialisation of all resources and nationalisation of industry. The field should not be left to private enterprise mainly. The advantages of socialisation of industry are that there would be nationalised ownership; the surplus of profits would go to labour and there will be the fullest employment of the adult workers in the country. The Finance Minister has said "I believe that the general pattern of our economy must be a mixed economy in which there is scope both for private enterprise and for State enterprise." In the name of mixed economy private enterprise is likely to be encouraged and socialisation of the key industries will be delayed and hence it is to this part of his speech that I object. My submission is that there should have been a declaration in this Budget speech that the country will move towards the socialisation of the resources of the country and the key industries of the country would be nationalised. There is absolutely no declaration to this effect. On the other hand, the declaration that has been made is that last year's policy will be revived and private investments will be encouraged.

The second point which I want to stress is this. I am not very sorry for the deficit budget, because 26 crores have been spent on the refugees.—the people who have been rendered homeless and helpless: but I object to leaving the gap uncovered, as if this was only a temporary matter concerning this year. It is a stupendous task which will go on for at least five years and I do not see any wisdom in leaving this gap uncovered.

Another objectionable feature in this budget speech is that no proposals or measures have been proposed for the agricultural development of this country except the suggestion that dams in one or two provinces will be constructed. Unless and until collective farming on a very large scale is introduced there is

absolutely no possibility in the near future for the improvement of the food position. No measures have been proposed in the budget: no proposals have been made in the budget. Unless this food position improves there is no prospect of our country being self-sufficient. In the event of an international war, in the event of our country going out of the Empire, it would be most difficult to supply food to all the people in the country. This should be the first concern of the Finance Minister and proposals to this effect should be formulated so that the food position may improve in the near future.

It is said in the Advisory Board's report that there are no technicians, no engineers for the agricultural projects. The Finance Minister has not stated in his speech or in the Budget Estimates that any engineers have been trained or engineering colleges in addition are being opened and students in hundreds are being sent to outside countries or any foreign engineers are being engaged for this purpose. Unless these measures are adopted, unless the Central Government gives considerable subsidies to the provinces so that collective farming is practised on a large scale, there is absolutely no hope in the future of the food position improving.

There is another matter to which I want to make a reference and it is a matter of the sterling balances, which finds a place in the budget speech. Looking into the provisions of the Financial Agreement that has been entered into as between the United Kingdom and the Government of India, I find that the sterling balances have been divided into two accounts—Account No. 1 is current account and Account No. 2 is practically a fixed deposit. Instead of getting our deposits for investment in the industrial development of the country as also agricultural development, they have been kept in deposit with Britain to be used towards pension and so many other subjects which are given in Article 4. My submission is that when our capital is there, why should not the capital be brought and invested in the development of this country?

These are the criticisms which I want to lay before the House and I hope the Finance Minister will take them into consideration.

**Shri R. B. Diwakar** (Bombay: General): Sir, I am very glad to welcome the first budget of Free India. Our Finance Minister has at the very outset asked for the co-operation of every member of this House and I do not think that he will lack that co-operation in any of the proposals that he has made. At the same time, I suppose we ought to offer our criticism or make remarks that we have to make on the proposals that he has made. I might say that any carping criticism is of no use and will be destructive. But if along with the remarks that we offer there are constructive suggestions I believe the Honourable the Minister will welcome them.

In fact today we are meeting and considering the finances of the country after a very great catastrophe. No doubt one of the most fortunate things that happened during the year was that we got our freedom but, at the same time, the most unfortunate thing that we got along with it was the division of our country on a communal basis. At this time I cannot but express the feelings of some of us that the reunion of these two Dominions alone will solve the problems that have arisen out of the division of the country. In fact there cannot be any permanent peace in the country unless there is some kind of permanent federation, as regards subjects like defence, commerce, foreign affairs and communications.

Before passing on to the budget itself, I am very glad to observe that the Finance Minister has made ample amends for some omission in his speech which he said was not deliberate. At the same time I shall not be wrong if I point out an act of commission. He has paid a compliment to our erstwhile masters or rulers that it was a unique act of enlightened self-abnegation to have left India. One feels that possibly, if there was no context as regards these words, they point out to some Buddha! Really speaking, I would say that this is an act not so much of enlightened self-abnegation as of enlightened



[Shri R. B. Diwakar]

selfishness, because there is absolutely no generosity in this matter. It was a matter of choice and I think that they have made the right choice—rather than forfeiting the goodwill of a big nation like India they have forfeited the Indian Empire. There is nothing like spontaneous generosity in politics.

As regards the actual budget and certain of the proposals made, my friends have already covered one or two points. I would like to cover only such of the points as remain untouched. The finance or the budget of a country is really a highly technical affair so much so that I have come across Ministers in Provinces speaking of inflation as 'inflation' and that too repeatedly for a long time throughout their conversation. Therefore, it is very difficult for a common man like me to pass any observations on such a technical affair.

**An Honourable Member:** Was he a Finance Minister?

**Shri R. B. Diwakar:** To his credit, he was not a Finance Minister! However, the point of a common man like me will be useful and I think that if we pool the resources of expert knowledge and the experience of common men it will be for the good of the country. The budget presented to us is a general survey in addition to the estimates and facts and figures, and we must thank our Finance Minister for giving this general economic picture of the country just in the first Legislature which has met. Since as a result of partition there are a number of things which have yet to be decided I think the financial or economic picture of the country may change to a great extent. For instance our Railway Minister pointed out that when things go to arbitration, the railway valuation may suffer by crores if the arbitration takes a particular point of view and we may stand to gain or lose tens of crores of rupees. So it might be that our observations will have to be modified in that respect.

Taking now an important question, namely of food, the Finance Minister has said that Rs. 22½ crores will be spent during the year as subsidies for buying food from foreign countries. This Rs. 22½ crores will be absolutely unproductive. Unless there is a kind of alternative suggestion to invest this amount or equal amounts or the amounts available for some constructive purposes whereby we can produce more food in our country, I think we are running down a very bad incline. During the last three or four years we have possibly spent something like Rs. 100 crores merely for paying more and subsidising for food imports. In fact we had to pay through the nose to Australia, America and Canada, irrespective of the prices prevailing in those countries. They saw to it that they got practically double the prices from us. For instance, Australia, I am told, charged us something like 88 shillings for 6 bushels of wheat, whereas they sold us 6 bushels in 1945 for 44 shillings. That means double the value.

**An Honourable Member:** What was the market value?

**Shri R. B. Diwakar:** It was not so much. In the same way, England bought wheat from Canada at the rate of \$1.60 per bushel whereas India had to pay at the rate of \$2.50. Now this difference between 1.60 dollars and 2.50 dollars is really inexplicable unless only by one consideration namely that that country took advantage of our dire need. But India has not acted in a similar manner, though I do not say that acting in a similar manner would be very desirable. All the same, her textiles today are looked upon as the cheapest in the world. My plea is if we have surplus textiles we should look for such countries which need our textiles and also have food to give us, so that we can have bargains on what may be called an equal footing with such countries. That may perhaps reduce the high subsidies that we have to pay today for food supplies.

The second point I want to make is this. The food deficit is really 6 per cent., at the highest. It is put down at 3 per cent. or 4 per cent. by some experts. 6 per cent. deficit of food is really not such an alarming thing. But

we who live especially in cities are as jubilant as Columbus and his crew, whenever any food ship arrives and most of the daily papers give this kind of news in block letters. That means that though the situation is not intrinsically so alarming it is made out to be so and possibly on account of a psychological complex. Therefore, if we can put our heads together and see that the psychological factor which will promote more production is encouraged and production improved in our own country. With the present resources, it should be possible for us to make up this 6 per cent. of deficit.

Another point about the Rs. 22½ crores that we are spending is that this kind of unproductive spending would land us in difficulties. Therefore we should have, as I said in the beginning, some alternative proposals for spending similar amounts on improvement of agriculture, seeds, and irrigation.

I may now pass on to the military expenditure. Military expenditure has been one of the targets of our attack for a very long time. Now we are faced with a similar situation, namely that about 50 per cent. of our revenues are being spent on military expenditure. Consistent of course with the efficient defence of the country, I think we must be able to reduce our expenses and that can be done only, if I may make a suggestion, by creating a kind of citizens' army so far as the land forces are concerned.

I quite realise that so far as a modern army is concerned, it is the air arm and the navy that really matter more than anything else, and therefore possibly we may not be able to curtail our expenditure under those two heads because we have no air arm and no navy as such of any magnitude, and therefore whatever curtailment of expenditure will have to be made will have naturally to be made as regards land forces, and that only by taking up seriously the question of organizing a citizen army.

Now as regards the 12 crores which have been sanctioned for nation-building activities, I am sorry to say that it is too meagre an amount because it has to cover education, medical, public health, running of scientific institutions, scientific survey, aviation, broadcasting, and a number of things. No doubt, some of these things are responsibilities of provinces. But still at a juncture like this I would press upon the attention of the Finance Minister the importance of what may be called mass-education, not mere literacy, which can create the right kind of atmosphere in the country and make every citizen conscious of the new responsibilities that have fallen on his shoulders with the attainment of freedom.

I would like to make one more suggestion about another matter and that is about national savings. As regards national savings the period of 12 years is there for national savings certificates. But I would suggest that that period may be reduced, or any period from 8 to 12 years might be fixed so that the common people or the middle class people might be tempted to put in their money in national savings certificates. The 12-year period is too long a period though the return is tempting enough, and I think even if the interest might be a little less, that does not matter. In fact interest ought to be a little less so that it may not divert money from industries and such other productive purposes.

With these few remarks, I thank again the Minister for Finance for giving us a very full overall picture of the economic conditions and I hope that he will welcome some of the suggestions that I have made, and also the suggestions that may be made by some friends of mine during the course of this debate.

**Shri T. T. Krishnamachari (Madras: General):** Mr. Speaker, Sir, it is indeed an honour to be the first Finance Minister of free India, and I am glad that honour has fallen upon a friend. But, Sir, I am afraid that notwithstanding this I have some criticisms to offer on his budget.

[Shri T. T. Krishnamachari]

In the first place I feel that the details of income and expenditure given to this House are not adequate. If it was the intention of the Honourable the Finance Minister to ask for an authentication of the expenditure of Government for 7½ months, I think the details that have been vouchsafed to us is quite all right, but the reason that has been mentioned in the explanatory memorandum that the figures that have not been furnished, which comprise of the figures relating to India before partition, would have no bearing on the figures that are being placed before us is, I think, fallacious. In fact we would like to know whether we ended after 4½ months. The Government has not started in *vacuo*. I think it is a very serious defect in the budget estimates that are before us.

Within the very short time at my disposal it would be impossible to cover many of the aspects of the budget speech, but I would like to say that while I recognize that my Honourable friend did not have enough time at his disposal, enough time during which he could get a good grip over the financial position of this country, the economic picture that has been presented to us is very incomplete. Sir, certain trends he has noticed and has brought to our attention—an upward trend in prices and the scarcity of consumer goods, scarcity of foodgrains and things of that sort. At the same time it does not seem to me that except for making a sort of overall suggestion as to what could be done, it does not appear that the realisation of these trends has had any bearing on the statement of policy made by him. Sir, I know that my Honourable friend believes in a reduction of prices. He has said so many times in public, but what is being done in that connection? Sir, we have had a summary of the report and the recommendations of the Foodgrains Policy Committee sent to us this morning. I must say that it is not very heartening. I do hope that the Government's ultimate decision will be slightly better. In effect all those recommendations, even if partially accepted, must perforce increase the prices of primary foodgrains for the consumer. The problem that the Honourable the Finance Minister has envisaged before us, the problem of the gap of inflation, is likely to get wider with any increase in the purchase price of foodgrains for the small consumer. Wages are bound to increase, and what does my Honourable friend propose to do about it? Sir, he has mentioned about the added momentum to the inflationary trends in this country of war years' unspent accumulation. But it is a fact, Sir, that is common all over the world that those people who are lowest down in the economic level have been spending any surplus they may have immediately on the cessation of restrictions on imported consumer goods. It is a fact that has to be recognized and something done to meet it. I would have liked to have known from my Honourable friend what is going to be his policy in regard to curbing inflation besides the question of putting additional effort behind the national savings schemes. It is true that so far as the Budget is concerned, it has been welcomed by big business of which I shall have more to say a few minutes later, but I find no indication of realisation of the rather serious situation that is facing us, and if the rumour that goes round is correct, it appears that Government would be favouring a policy of decontrol which with all the consequential psychological effects on the people, would only increase inflationary trends.

One aspect on which I would like to lay some stress is that portion of my Honourable friend's speech in regard to sterling balances. I have had the misfortune to have my knowledge of Central Government finances more or less to grow up with these sterling balances though the sterling balances have grown in geometrical progression and reached proportions approximating to the infinite and my knowledge of public finance is still infinitesimal. My Honourable friend's statement on this matter might probably have been more appropriate if they had come from Sir Archibald Rowlands. In fact I have before me here the budget speech of Sir Archibald Rowlands in which he has held up the

sterling balances as something which is sacrosanct, which has to be preserved there, the sterling balances that are in England, will have to be the backbone of the future development and who also doubted the wisdom of frittering away these balances all at once. I found an echo of these sentiments in the speech of my Honourable friend. But is it at all a fact to be so greatly deplored if the sterling balances are frittered away to the extent of 180 crores from the 5th April 1946 to the 5th July 1947? Is my Honourable friend quite sure that we are going to get quite a lot of what is remaining. Has my Honourable

friend looked at the other side of the picture of Britain's views on the matter? It is not a question of his regretting the frittering away of these balances on consumed goods, it is not a question of Sir Archibald Rowland's saying that it is all wrong to do so, but a question of what people in England feel about it. I have before me a copy of the *Economist* dated 19th April, in which there are some remarks in regard to the rapid manner in which sterling balances are being consumed by India, and it says, "It is hard to see how British Authorities can avoid imposing some restrictions upon the use of accumulated balances if the progression of depletion is kept up". Again, Sir, there is further down—a reference to the speech of the Chancellor of Exchequer of England which says—"As the Chancellor said in his Budget Speech, unrequired exports are a luxury of which we can afford very little for many years to come".

Sir, my contention is that if something has come even in the shape of imports which are practically useless, well that is something which has come into this country out of the sterling balances which are now almost semi frozen and I do not think we need regret it. But I do feel that the approach to this question of sterling balances by my friend has to be slightly modified. In fact, our negotiations have all along been on the Secretariat level. The Delegation went from India headed by the Finance Secretary because there was no responsible Member to go with it, and his achievements in the light of subsequent events, in the light of the existence of Article 7 of the Anglo-American Agreement is practically next to nothing. I urge upon my Honourable friend to remember that this matter is a matter vital for the future of this country, as he himself recognises. But it is also a matter where it would not be possible for us ultimately to realise in full, or even a greater moiety, this asset of ours; and if any further negotiations are to be carried on, I hope my friend would be careful about it: it has to be conducted at the highest of levels, has to be conducted with the aid of experts of unapproachable reputation. The matter cannot be trifled with. I would even suggest to my Honourable friend that if necessary he should have to use the only threat that he has in his hands. If Britain would not agree to make an equitable settlement of this matter it will upset all our calculations—the whole speech of my friend in regard to the economic future of this country has been based more or less on the ultimate realisation of those sterling balances of ours. I think it should be clearly stated that if nothing is done, well, the British assets in this country will first be adjusted against the debt that Britain owes to us.

Sir, I have a few words to say in regard to the policy enunciated by my friend in the matter of taxation and in the matter of Government's attitude towards private enterprise. I am sorry my Honourable friend Mr. Munshi who has had a lot to say about it is not here. Of course, I cannot be an advocate for private enterprise that he is, in fact, I hold certain views which probably may not meet with the approval of people who are advocates of private enterprise.....

**An Honourable Member:** I did not know you are a socialist.

**Sri T. T. Krishnamachari:** .....but so long as we allow private enterprise in some form to flourish, so long as we make the bulk of our taxation dependent on the output of industry, the present type of taxation is not

[Shri T. T. Krishnamachari]

merely unsuitable but is positively disastrous. I agree with my Honourable friend in quoting the view of the Governor of the Reserve Bank in that particular matter, because not only is it a fact that we have put a blanket ceiling at a fairly low level in the matter of higher incomes, but we do not have the machinery which could implement our taxation proposals. Persons who have some experience of the tax administration of the Central Government know that the Sheehy tradition of tax administration that is still obtaining by which the small and honest man is squeezed and the taxes due from the richman are compounded can hardly be considered efficient. I believe that there is room for my Honourable friend to revise his taxation to take the blanket ceiling further up so that there will be something left to the person who owns and runs any industry; at the same time tighten up your methods of collection so as to concentrate on the people from whom you could get more rather than from the people from whom you could get less. In fact, I was surprised the other day when a friend of mine who is considered to be an expert on income-tax law, and perhaps also in the matter of how to administer it, told me that my estimate that only 50 per cent. of the taxes are collected was rather optimistic; his estimate was that it was much less than that. I believe that a variation in the taxation scheme is called for but at the same time I would ask my friend to be cautious. Sir, we know the rich are not only always with us, but they are always amongst us—their existence is something like the existence of God as comprehended by a Vedantist—they are everywhere, and rumour has it that they are very near the seat of power; and if it happens that there is an unnecessary emphasis on private enterprise and simultaneously an emphasis on the necessity to re-grade our taxation schemes, well, my Honourable friends from the former Muslim League and others will be enabled to have their own say more freely.

Sir, I think caution is very necessary; caution is also necessary by reason of the fact that the very reception by the Bombay Market of this Budget is a thing that will put the popular will against it. But I will re-affirm that however much of a socialist one may be, one cannot avoid a mixed economy for some time to come. I do hope that my Honourable friend would amplify his words referring to this question; mixed economy means what? It is going to be a mixed economy definitely in relation to what? How will it affect the future industrial policy of the Government which is going to be enunciated a few weeks later?

Sir, I could deal probably with a few other matters referred to in my Honourable friend's speech but there is very little time. But before I close I would like to deal with another matter not relating to the portfolio of my Honourable friend the Finance Minister. I am sorry to see that the Honourable the Prime Minister is not here. I would like to utter a word of warning to the Government in one particular matter. I see that the tendency to employ retired British civil servants by the British High Commissioner in India is on the increase. Sir, it is bad enough that our commercial magnates should employ retired officials as their executives—mainly, I have no doubt, for reason of the contacts that they possess with the Governments, Central and Provincial. It is a thing which is deplorable, but we cannot afford to have foreigners who have served in this country, who have perhaps been patrons in the past of certain people who now occupy posts similar to what they had occupied trying to use their influence, trying to have contacts with these officials when they are appointed Deputy High Commissioners or in charge of other high-placed positions in the various offices of the British High Commissioner in India. I think it is a matter which the Government ought to take up with the British Government at a very high level. Not that we have anything against these officers individually, but as a matter of policy it is a practice that has to be condemned.

Sir, before I close I would like to say that I hope my Honourable friend would accept the criticisms that have been offered in the spirit in which they were made, and secondly when he comes out with the Budget next February, that it would be a little more comprehensive in detail and that he would try to implement what he has touched on in this speech of his—particularly in the matter of the question of linking up prices with our economy. You cannot deal with the monetary aspect of it only and leave the other aspects just to allow the devil to take the hindmost. I do not know what the Government propose to do but if my Honourable friend still holds the view that prices must be reduced as otherwise wages will chase prices and if it happens that there is a further increase in the wage levels then woe to our industries notwithstanding Mr. Munshi and his efforts to save them. I hope we shall have something more tangible from the Honourable Minister when the next Budget comes out.

श्री लक्ष्मीनारायण साहू : सभापति जी, इस बजट में दो एक बात बतलाना चाहता हूँ। पहिले में देखता हूँ कि इस बजट में मिलिटरी का खर्चा बहुत होता है। हम लोग पहिले ब्रिटिश गवर्नमेंट का बार बार क्रिटिसिज्म (criticism) करते थे कि मिलिटरी बजट बहुत होता है इतना नहीं होना चाहिये। लेकिन आज हम देखते हैं कि इसमें हम लोग ब्रिटिश से भी ज्यादा बढ़ गये हैं। यह मुझको अच्छा नहीं लगता है। इसमें इतना खर्चा होगा कि और दूसरा खर्चा हम लोग नहीं कर सकते।

दूसरी बात में यह कहना चाहता हूँ कि हम लोगों का जो भारतवर्ष है। हम लोग जब इसका बजट यहां बनाते हैं तब क्या बजट हर एक प्रान्त को लक्ष्य करके हम बनाते हैं या हम लोग यहां बैठ कर साधारण तौर से सब प्रान्त का एक जैसा तरीका है ऐसा ख्याल रख कर बनाते हैं। मेरी समझ में यह अच्छा नहीं है। हम लोग ऐसा बजट बनायें जिसमें हर एक प्रान्त जो गिरे हुए हैं, उनका ख्याल तो अवश्य रक्खा जाये। मैं आप लोगों को यहां कह सकता हूँ कि उड़ीसा एक प्रान्त है जिसमें ७० आदमी में एक आदमी कोढ़ी है, यहां गवर्नमेंट आफ इण्डिया जब बजट बनाती है तब उसमें इसका ख्याल रखना चाहिये कि ७० आदमी में से एक आदमी कोढ़ी बन गया है। हम लोग जब बजट बनायें तो देखना चाहिये कि तमाम मैडीकल (medical) खर्चा उड़ीसा में कितना करना चाहिये।

तीसरी बात में यह कहना चाहता हूँ कि हिन्दुस्तान में जहां अकाल होता है उड़ीसा से चावल जाता है और उड़ीसा में आदमी लोग खाने को नहीं पाते हैं। अकाल होता है, उसका सबब यह है कि उड़ीसा में जो फूड प्रोडक्शन (Food production) होता है उसमें से भी हर एक पर्याप्त खाने को नहीं पाता। उड़ीसा में अबोरिजिनल (aboriginal) बहुत है जो अपना देश छोड़ कर आसाम और दूसरी जगह चले जाते हैं। इसका ख्याल लोगोंको रखना चाहिये कि ऐसे कितने अबोरिजिनल्स (aboriginals) के वास्ते कितना खर्चा हमें बढ़ाना होगा। लोग यहां बहुत ऐसी २ बातें करते हैं, लेकिन जिस देश के भीतर हम लोग रहते हैं, उस देश के एक कोने के आदमी कितने आनन्द में रहेंगे, इसका भी जरा ख्याल रखना चाहिये। दिल्ली में हम लोग बैठ कर यहां भूल जाते हैं कि ऐसे कई प्रान्त हैं, जहां आदमी बहुत दुख में हैं। मैं सास तौर से यह बात कह कर अर्थ सचिव का

[श्री लक्ष्मीनारायण साहू]

ध्यान इस तरफ दिलाना चाहता हूँ कि अबोरिजिनल्स (aboriginals) के वास्ते ज्यादा खर्चा करना चाहिये। मेडीकल (medical) में उड़ीसा के वास्ते ज्यादा खर्च करना चाहिये और यह देखना चाहिए कि उड़ीसा के आदमी कैसे खाना पीना ज्यादा पायेंगे। मैं सिर्फ इतना ही कहना चाहता हूँ।

[English translation of the above speech ]

**Shri Lakshminarayan Sahu (Orissa: General):** Mr. Speaker; I want to speak about one or two things in connection with this budget. Firstly I find that this Budget provides for a huge military expenditure. We people formerly used to level frequent criticism against the British Government that the Military Budget is very heavy and this should not be so much. But today we observe from this that we have surpassed the British even in this respect. This I do not like, this will include so much expenditure that we would not be able to incur any other expenditure. Secondly I would like to say that for this our India do we people prepare the budget after taking into account every Province individually or while sitting here do we prepare it in the usual manner keeping in view that a uniform principle is applicable to each Province. In my opinion it is not good. We people should frame such a budget which will keep in view every Province particularly the deficit Provinces. I can tell you people here that Orissa is a Province where one man out of 70 men suffers from leprosy. In the Budget framed by the Government of India, this fact should be borne in mind that one man out of 70 became leper. We should while compiling the budget visualize the extent to which the total expenditure under the head "Medical" should be incurred in Orissa. Thirdly I want to point out that Orissa supplies rice to the famine-stricken places in India and in Orissa itself people do not get anything to eat. The cause of famine is that out of the entire food production in Orissa, an individual hardly gets enough to eat. Orissa is inhabited by a large number of aboriginals who leave their places and settle in Assam and other places. We should keep the fact in view as to how much expenditure we shall have to increase for such aboriginals. We talk here of too many things, but we should also see whether people in a particular corner of our country are living in happiness. While sitting in Delhi, we people forget that there are so many Provinces where people are living in a miserable state. By referring to this particularly, I would like to draw the attention of the Honourable Minister of Finance that more expenses should be incurred for the sake of aboriginals. Under the head "Medical", more money should be provided to help Orissa. It should also be seen how the Orissa could be provided with more to eat and drink. I simply want to say this thing.

*The Assembly then adjourned for Lunch till Half-Past Two of the Clock.*

*The Assembly reassembled after Lunch at Half-Past Two of the Clock.  
Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.*

## DELHI AND AJMER-MERWARA RENT CONTROL (AMENDMENT) BILL

[PRESENTATION OF THE REPORT OF SELECT COMMITTEE ]

**The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power):** Sir, I present the Report of the Select Committee on the Bill to continue in force certain amendments of the Delhi and Ajmer-Merwara Rent Control Act, 1947.

## DELHI PREMISES (REQUISITION AND EVICTION) BILL

### PRESENTATION OF THE REPORT OF SELECT COMMITTEE

**The Honourable Shri N. V. Gadgil** (Minister for Works, Mines and Power).  
Sir, I present the Report of the Select Committee on the Bill to confer certain powers in respect of premises in the Province of Delhi.

### THE BUDGET—GENERAL DISCUSSION—Contd.

श्री एच० जे० खण्डेकर : सभापति जी, बजट पर का भाषण मैंने माननीय फाइनेन्स मिनिस्टर साहब का सुना और पढ़ा। जो बजट हम लोगों को बांटा गया उसको भी मैंने काफी अच्छी तरह से देखा। इस बजट के कुछ मुद्दों पर मेरे पहले वक्ताओं ने कुछ प्रकाश डाला। मैं सिर्फ दो तीन बातें माननीय फाइनेन्स मिनिस्टर के ध्यान में लाना जरूरी समझता हूँ।

सभापति जी, आप जानते हैं कि किसी भी देश की सरकार का यह काम हो जाता है कि जो पिछड़ी हुई जातियाँ हों उनकी ओर वह ध्यान दे। और सिर्फ ध्यान ही न दे बल्कि उस जमात के ऊपर, उन लोगों के ऊपर काफी पैसा भी खर्च करे ताकि वह दूसरे लोगों के बराबर आ जाय। जब मैंने इस बजट को देखा और जब माननीय फाइनेन्स मिनिस्टर साहब का भाषण मैंने सुना तो उसमें कोई ऐसी बात नहीं पाई कि जिससे इस देश में रहने वाली पिछड़ी हुई जातियों की कोई तरक्की की गई हो। हरिजनों के बारे में अगर मैं कहूँ तो सिर्फ इतनी रकम इस बजट में रक्खी गई है जो पिछली सरकार ने रक्खी थी। और मैंने यह सुना है, अगर यह बात सच्ची हो, कि आज की सरकार इसको भी निकाल देने के लिये तैयार है। मुझे याद है, और सभापति जी, आपको भी याद होगा कि कन्स्टीट्यूट असेम्बली में माइनोरिटीज सबकमेटी (Minorities Sub-Committee) की सिफारिश के अनुसार एक क्लॉज (clause) पास किया गया जिसमें यह बताया गया कि पिछड़ी हुई जातियों के सामाजिक और शिक्षा सम्बन्धी उद्धार के लिये सरकार सदैव ध्यान रखेगी। मगर मैंने यह देखा कि इस ओर कोई कार्य और किसी प्रकार का भी पैसा इस बजट में नहीं है।

दूसरी बात, सारी पिछड़ी हुई जातियों को लेकर और खास कर जिस समाज से मैं आता हूँ उस हरिजन समाज को लेते हुये मैं आपके ध्यान में लाना चाहता हूँ कि इस समाज की इतनी बुरी हालत है कि हर एक सदस्य इस असेम्बली को जानता है कि हरिजनों के उद्धार की जरूरत है। हमारे दुनिया-मान्य नेता पूज्य महात्मा गांधी ने आज २७ सालों से इस चीज का आन्दोलन किया कि हरिजनों का उद्धार हो और वह दूसरी जातियों के दर्जे पर आ जाय। हमें यह उम्मीद थी कि गांधी जी, जिन्होंने आज तक हरिजनों के लिये अपने प्राणों की बाजी तक लगा दी थी, उनके नेतृत्व में अगर कोई राजकीय सत्ता आ जाय, उस समय हमारे हरिजनों का उद्धार हो जायगा। इस आशा से हम आज २७ सालों से बैठे हुये हैं। लेकिन देश स्वतंत्र हो गया, गांधी जी के नेतृत्व में चलने वाला राज्य शुरू हो गया पन्द्रह अगस्त से। मगर उस राज्य के पहले बजट में



[श्री एच० जे० सण्डेकर]

हरिजनों के उद्धार के लिये एक छदाम भी नहीं है। अब हम कैसे उम्मीद करें कि स्वराज्य आने के बाद जिस चीज के स्वप्न हम देख रहे थे वह सारे के सारे स्वप्न हमारे पूर्ण हो जायेंगे। ऐसी उम्मीद कभी हमारे सामने नहीं रही है।

अगर हमारे पीने के पानी की तरफ आप देखेंगे तो हरिजनों की यह हालत है, सभापति जी, कि उनको बारिश के अन्दर कोई कुएं का पानी पीने को नहीं मिलता। जो नाले और नदियां गन्दे पानी से बारिश में बहती हैं उसमें वह जाकर बेचारे पानी पीते हैं। या किसी सर्वांग हिन्दू की मेहरबानी हो जाय और किसी कुएं से वह पानी निकाल दे तो वह उसके घड़े में पानी डाल देता है और वह बेचारा दूसरों की मर्जी पर पानी पीता है।

उनके मकानों को देखिये, मुझे दूसरे प्रान्तों की बात नहीं मालूम है लेकिन जहां से मैं आता हूं यानी सी० पी० से, वहां मकानों की यह हालत है कि कोई भी जाति का हरिजन हो, उसका मकान पूर्व में गांव के बाहर होता है (एक सदस्य : सब जगह वही हाल है) भेरे मद्रासी बोस्त कहते हैं सब जगह वही हालत है। तो क्या सरकार का कर्तव्य नहीं है कि अच्छे मकान उनके लिये बनाने के लिये कोई रकम बजट में रखी जाय ? मगर इस बजट में कुछ नहीं है।

यह सारी बातें पानी और मकानों की छोड़ दीजिये। जिसकी आज इस देश के अन्दर बहुत जरूरत है उस शिक्षा के लिये भी इस बजट में कोई बात नहीं है। सब कहते हैं और सब की शाब्दिक सहानुभूति हरिजनों की तरफ है परन्तु सच्ची सहानुभूति न जनता के किसी नेता की है न जनता की सरकार की। जनता की पापुलर (popular) सरकार को यह चाहिये था कि हरिजनों की शिक्षा सम्बन्धी सामाजिक और दूसरे उत्थान के लिये उनके लिये काफी से ज्यादा खर्चा किया जाय और बजट में वह रक्का जाय मगर बजट में उनके लिये कोई गुंजाइश नहीं है। दूसरी पिछड़ी हुई जातियों की तरफ में अगर सरकार का ध्यान खींचू तो इस देश के अन्दर एक करोड़ के करीब ऐसी जाति हैं जिनको स्वराज्य मिलने के बाद आज भी क्रिमिनल ट्राइबज (Criminal Tribes) कहा जाता है। वह पैदा होते हैं उसी दिन से गुनहगार बन जाते हैं। ऐसी भी एक जाति इस देश के अन्दर है, जिनके न घर है न द्वार है। वह तमाम आज एक गांव में हैं, अगर पुलिस ने उन्हें निकाल दिया तो दूसरे गांव में जायेंगे, अगर वहां से भी पुलिस ने हकाल दिया तो तीसरे गांव में जायेंगे। वह जातियां हिन्दू भी हैं, मुसलमान भी हैं और सब हैं। ऐसी पिछड़ी हुई जातियां, जिनके घर नहीं, जिनके द्वार नहीं, जिनकी शिक्षा का प्रबन्ध नहीं, जिनके लिये किसी प्रकार का प्रबन्ध नहीं है, उनके लिये भी इस बजट में कोई बात नहीं है। किसी तरह का खर्चा इस बजट के अन्दर ऐसी क्रिमिनल ट्राइबज के लिये, ऐसे गुनहवारों के लिये नहीं है।

**Mr. Speaker:** I may just point out one thing to the Honourable Member. He is entitled to lay before the House the condition of the *Harijans* and all that; but while criticising this budget, he should remember the distinction as to matters which are primarily the concern of the provinces and those which are the concern of the Government of India. It cannot be expected that the Government of India will budget for all that is primarily to be done by the provinces. I invite his attention to that because he referred to the questions of water-supply, wells, housing and education. These are all matters with which the provincial Governments are primarily concerned. If I am mistaken, I may be corrected by the Honourable the Finance Minister. The provision for these will have to be made by the provincial Governments. Of course the Government of India might give them such subventions or other help as they can; but the Honourable Member should remember that background and then make his speech.

**श्री एच० जे० खण्डेकर :** सभापति जी, मैं इस बात को जानता हूँ कि सूबे की सरकार का क्या काम है और हिन्दुस्तान की सरकार का क्या काम है। उसको मद्देनजर रखते हुये ही मैंने अभी भाषण किया था। हिन्दुस्तान की सरकार का काम मैं जानता हूँ कि सेंटर के सम्बन्ध में आता है। हिन्दुस्तान सरकार में इसके पहले से भी शेड्यूल्ड क्लास स्कालरशिप बोर्ड (Scheduled Castes Scholarship Board) नाम की संस्था प्रस्थापित की हुई है, और इस संस्था के जरिये अछूतों के बच्चों को स्कालरशिप (Scholarships) देने का काम भी हिन्दुस्तान की सरकार कर रही है। मेरा यह कहना था कि पहली सरकार ने जो कुछ भी काम किया है उससे ज्यादा इस सरकार ने कुछ नहीं किया। और वह स्कालरशिप जो अब दिये जाते हैं हरिजनों के बच्चों को, वह स्कालरशिप इतना पूरा नहीं है जितने हरिजनों में शिक्षा का प्रसार हो। यही तो मैं कह रहा था कि हिन्दुस्तान की सरकार के बजट में इसके लिये आज कोई प्रोविजन (provision) नहीं है, और इस तरफ में आनरेबिल फाइनेन्स मिनिस्टर साहब का ध्यान खींचना चाहता था। क्रिमिनल ट्राइब्युनल के बारे में मैं ध्यान खींचना चाहता था। यह सारी चीज हिन्दुस्तान की सरकार पर है और क्रिमिनल ट्राइब्युनल ऐक्ट है, यह हिन्दुस्तान की सरकार का कानून है, और हिन्दुस्तान की सरकार का यह भी उसके साथ फर्ज हो जाता है। अर्थात्, यह बात बजट के वक्त कहने की नहीं है फिर भी, हिन्दुस्तान की सरकार का कर्तव्य हो जाता है कि इस ऐक्ट को फौरन दूर करे। भारत में वह क्रिमिनल ट्राइब्युनल के लोगों को बसाने की कोशिश करे और उनके घर द्वार बनाने के लिये बजट में प्रोविजन (Provision) रखे। इस तरफ मैं सरकार का ध्यान खींचना चाहता था। हाऊसिंग (Housing) और पानी के बारे में सिर्फ इतना कहना चाहता था। इसके लिये यद्यपि वह प्रान्तीय सरकार का काम है, फिर भी प्रान्तीय सरकार को इस काम में अगर पैसे की कमी हो, तो उसको ग्रांट (grant) देने के लिये हिन्दुस्तान की सरकार के बजट में कोई जगह नहीं है।

इसके अलावा मैं एक बात और कह दूँ, और आपने जो टाइम दिया है उसके पहले ही मैं अपनी स्पीच खत्म कर दूँ। दुर्भाग्य की बात

[श्री एच० जे० खण्डेकर]

यह है सभापति जी, कि हम लोग कई साल से यह चाहते हैं, हमारा समाज कई सालों से यह चाहता है, इस समय कुछ लोग ऐसे हैं जो हिन्दू समाज को नहीं चाहते हैं, फिर भी अब उनकी आंखें खुल गई हैं और वह कहने लगे कि वह हिन्दू हैं। एक साल पहले वह क्या कहा करते थे। वो आप जानते हैं। मगर मैं उस सुसाइटी से आता हूँ, उस संस्था से आता हूँ जो संस्था सदा के लिये यह कहती रही है कि हम हिन्दू हैं और हम हिन्दू रहेंगे। हिन्दुओं में मिलेंगे और अपने हक हिन्दुओं में रहते ही हम लेंगे। हम क्या-क्या के जो लोग आते हैं उन्हीं में से मैं हूँ।

इतना होते हुये भी अगर मैं हरिजनों की हालत का वर्णन करूँ तो दस मिनट जो मिले हैं वह बहुत नाकाफी हैं। मैं तो तीन दिन तक हरिजनों की हालत के बारे में बयान कर सकता हूँ और बयान करते करते जिनके दिलों में सचमुच हरिजनों के प्रति प्रेम है उनको रुला सकता हूँ। मैं मानता हूँ कि मैं अपने को हरिजन कहने के लिये तैयार नहीं हूँ। मैं सरकार से कहना चाहता हूँ कि हम हिन्दू हैं और हिन्दू ही रहेंगे। हम भी उमी राम-कृष्ण की भक्ति करते हैं और करते रहेंगे। अगर इन्सानियत का बर्ताव हमारे साथ आप करना चाहते हैं तो हमें इन्मान बनाइये। जिस तरह से दूसरी जाति के इन्सान हैं उसी मार्ग पर हमको भी रखिये और अपने साथ मिलाइये। इसका जितना बोझ जनता के ऊपर है उमसे ज्यादा सरकार के ऊपर है। इन बातों की तरफ आनरेबिल फाइनेन्स मिनिस्टर का ध्यान खींचना चाहता हूँ और उम्मीद करता हूँ कि वह इस बजट में नहीं तो आगे आने वाले बजट में इन बातों का प्रोवीजन (provision) करेंगे।

गवर्नमेंट आफ इण्डिया ने हमारी जाति के लिये बड़ी नौकरियों में १२॥ प्रतिशत और छोटी नौकरियों में १६॥ प्रतिशत रिजर्वेशन रक्खा है। डिपार्टमेंटों के इस्टाब्लिशमेंट (establishments) का सारा चर्चा इस बजट के अन्दर पायेंगे। मैं सरकार से यह उम्मीद रखता हूँ कि सरकार इन नौकरियों में हरिजनों का कोटा पूरा करने के लिये ध्यान देगी।

इन सब्दों के साथ मैं अपना भाषण समाप्त करता हूँ।

[English translation of the above speech.]

Shri H. J. Khandekar (C. P. and Berar: General): Mr. Speaker, Sir, I have listened to the Budget speech of the Honourable Minister of Finance. I have also seen very carefully the copy of the Budget which was distributed amongst us. The previous speakers have thrown some light on the certain grants included in this Budget. I should like to bring to the notice of the Honourable Finance Minister only two or three subjects.

Mr. Speaker, you know, Sir, that it becomes the duty of the Government of any country that it should devote its attention towards the backward classes living in that State. Not only should they pay attention but they should also spend sufficient amount of money in order to bring those people of the community at level with others. When I saw this budget and heard the speech of the Honourable Minister of Finance, it did not contain

anything which meant to improve the condition of the backward classes living in this country. In referring to *Harijans*, I can say that the same amount as was provided for by the former Government exists in this budget, and I have heard, if this is correct, that the Government of today is even prepared to exclude this. I remember and Sir, you will also remember, that the Constituent Assembly has in pursuance of the recommendations of the Minorities Sub-Committee passed a Clause which stated that the Government will be careful towards the social and educational uplift of the depressed classes. But I saw in this Budget that neither does it contain any reference towards this nor does it provide for any sort of funds.

Secondly, taking the case of the entire backward classes and particularly the *Harijan* society to which I belong. I should like to bring it to your notice that this community is placed in such a bad state that every member of this Assembly knows that the conditions of the *Harijans* should be ameliorated. Our revered and the world-reputed leader Mahatma Gandhi has been agitating the cause of *Harijan* uplift for the last 27 years so that they be brought at level with other communities. We hoped that if any government works under the leadership of Mahatma Gandhi who had staked his life even for the cause of *Harijans*, then only the condition of our *Harijans* could be reformed. We have lived in this hope for the last 27 years. The country has been freed, and Government set up under the leadership of Mahatma Gandhi came into existence on the 15th August, 1947; but there is not a farthing provided for the *Harijan* cause in the first Budget of this Government. Now how can we hope that all our dreams which we had been visualizing would be realized. No such hope has ever been before us.

If you look towards the water which we drink, you will see, Sir, that the *Harijans* are placed in such a sad plight that they are not permitted to drink water from the well even during the rainy days. These poor people have to go to the streams and rivulets which flow with filthy water during the rains and drink water from there. If any caste Hindu does a favour he draws out water from the well, and puts it into the pitcher. These helpless people have to drink water at the mercy of others.

Then look to their dwellings—I do not know what is the position in other Provinces; but the place from where I come, *vis.*, Central Provinces, the housing condition prevailing there is that the house of a *Harijan* to whatever class he may belong is situated towards the east—outside the village. (An Honourable Member: "Everywhere this is the condition"). My friend from Madras says "everywhere the same condition prevails". Then is it not the duty of the Government to provide some amount in the Budget for the building of good houses for *Harijans*? But this Budget does not contain anything.

Set aside, all these matters regarding housing and drinking water. This budget also does not contain any provision in regard to education which is most urgently needed in this country today. All profess and everybody's lip-sympathy is towards *Harijans*. But neither the leaders of the people nor their Government has got any real sympathy. It behoved the popular Government of the people to have spent more than sufficient amount for the educational, social and general uplift of the *Harijans* and that should be provided for in the Budget. But there is no room in the Budget for them. If I draw the attention of the Government towards the other backward classes, you will find that there lives in this country a community numbering about one crore who are still called as 'Criminal Tribes' even after the grant of freedom. They become criminals from the very day of their birth. There lives in this country another community who have no houses. They all are in one village today, if the Police turns them out, they will move to another

[Shri H. T. Khandekar]

village and if from there also they are shunted off by the Police, then they will move to the third village. Those communities comprise of Hindus, Muslims and others. This Budget also does not contain anything for such backward classes who have no homes, no management for their education and no arrangement of any sort. This budget does not provide for any sort of expenditure for such criminal tribes—for such culprits.

Mr. Speaker: I may just point out one thing to the Honourable Member. He is entitled to lay before the House the condition of the *Harijans* and all that; but while criticising this budget, he should remember the distinction as to matters; which are primarily the concern of the provinces and those which are the concern of the Government of India. It cannot be expected that the Government of India will budget for all that is primarily to be done by the provinces. I invite his attention to that because he referred to the questions of water supply, wells, housing and education. These are all matters with which the Provincial Governments are primarily concerned. If I am mistaken, I may be corrected by the Honourable the Finance Minister. The provision for these will have to be made by the provincial Governments. Of course the Government of India might give them such subventions or other help as they can; but the Honourable Member should remember that background and then make his speech.

Mr. Speaker, Sir, I know what are the duties of the Provincial and Central Governments. Keeping this in view, I had just delivered my speech. I know the duties of the Government of India which relate to the Centre. The Government of India had already established before this an institution, namely "Schedule Castes Scholarship Board". The Government of India is already doing the work regarding the grant of scholarships to the children of the untouchables. What I meant to say was that this Government had not done anything more than what was done by the former Government. And the scholarships which are now granted to the children of *Harijans* are not so adequate so as to spread education amongst the *Harijans*. This is what I was saying that there does not exist any provision in the present Budget of the Government of India in this respect and I wanted to draw the attention of the Honourable the Finance Minister to this.

I wanted to draw attention towards the criminal tribes. This entire thing devolves on the Government of India. This is a legislation of the Government of India. And consequently it also becomes the duty of the Government of India, *viz.*, this matter need not be brought up at the time of the Budget. Even then it becomes the duty of the Government of India that it should repeal this Act immediately. They should try to settle the 'Criminal tribes' in India and make necessary provision in the Budget for building houses for their habitation.

I wanted to invite the attention of the Government towards this. I simply liked to say this much in regard to housing and water. Although it falls within the sphere of Provincial Subjects, yet there is no provision in the budget of the Government of India for grant to the Provincial Government if it lacks funds for doing this work. They should make provision for it.

Besides this I might say another thing and close my speech before the expiry of the time allotted by you. It is a matter of bad luck, Sir, that for many years we have been longing for this; our society has been yearning for this; there are many people now who do not like Hindu Society, even then their eyes have opened now and they began saying that they were Hindus. What did they use to say a year before? That you know. But I come from that society—I belong to that institution—which institution has always claimed that we are Hindus and shall remain as Hindus. We will mix up with the

Hindus and get our rights while living amongst the Hindus. I am one of those people who possess these views.

In spite of this, if I mention about the condition of *Harijans*, then the ten minutes' time which has been allotted to me is quite inadequate. I can go on describing the condition of *Harijans* continuously for three days and in course of my description, I can make those people weep who have real love for *Harijans*. I admit that I am not prepared to call myself a *Harijan*. I should like to tell the Government that we are Hindus and shall remain as Hindus. We also worship the same Ram-Krishna and shall go on doing so. If you want to treat us with humanity then elevate us as human beings. You may kindly bring us at level with members of the other communities and associate us with you. The Government has to shoulder more burden for this than that falls on the public. I would like to invite the attention of the Honourable Minister for Finance towards these matters and hope that he would make provision on this account in his ensuing budget even if he has not done in the present budget.

The Government of India have reserved 12½ per cent. and 16½ per cent. of posts in Gazetted and Non-gazetted cadres respectively for our community. The entire expenditure relating to the Establishment of the various Departments is included in this Budget. I expect from the Government that it would pay its attention to fill up the quota of *Harijans* under these posts.

With these words, I conclude my speech.

**Shri Rohini Kumar Chaudhuri (Assam: General):** Sir, I come from the province of Assam and I shall confine my remarks specially to the needs and interests of that province. Perhaps I need not have introduced myself to this House and said that I belonged to Assam because that is so obvious. On the first day I came to the Constituent Assembly my Honourable friend Dr. Pattabhi Sitaramayya told me straightforwardly that I must be from Assam. "Assam is writ on your forehead", he said. An astute politician like him could read in the lines of my forehead the miseries and the age-long injustices that have been inflicted to the province of Assam; and I think other Honourable Members also can guess as accurately as he did.

Sir, I think the Honourable Finance Minister has been given a copy of a memorandum on Assam's Financial Position under the Government of India Act, 1935, and that he has also gone through a leaflet written by an eminent gentleman named Dr. V. K. R. V. Rao in which he has dispassionately and impartially discussed the whole question of financial injustice to Assam. If he has not already come across these pamphlets he may ask his Secretary or his Private Secretary to hunt them out from his waste-paper basket or from some shoved away table where they are lying. Whenever anyone from Assam has approached the Finance Ministers of the past and the present—and possibly it will be the same in the future—with folded hands and asked about the petrol excise duties which are entirely taken away by the Government of India, he is told, "Look here, how can you claim that? Where is this duty levied? What amount of petrol do you actually consume? Beggarly Assam consumes very little of petrol and the bulk of it is consumed by the rest of India. So the tax which is levied on the rest of India should go to India." That is the argument put forward. It is further said, "Who has tapped the source of petrol in Assam? Not you, not an indigenous company. It is the British allies of the Government of India, the Scotch allies of the Government of India, who have founded these companies. Not even a single officer of your country is allowed to serve in this company. Not even the labourers of

[Shri Rohini Kumar Chaudhuri]

that company belong to your province. What reason is there, to give any share of the petrol duty to Assam? That is the argument which is put forward in support of the denial of the petrol tax. When I go to ask for a part of the export duty on tea to which I am entitled, there is the same sort of reply. "Who are the tea-planters in your province? Not the indigenous people, but the European planters. Nowadays there may be a few capitalists from outside the province also. They have opened up those tea gardens. The bigger officers of those tea gardens do not belong to your province. Your people do not help in the tea estates. The labourers come from different parts of India and not from your province. Where then is your claim to the export duty on tea? The railways and the steamer companies which carry the oil and the tea to the ports do not belong to you. What claims have you got to the share of the export duty on tea?" That is the question which we are asked and it is in vain that we argue that the excise duty on this petrol is depleting incoverably the oil in the province and soon the oilfields will be dry. In vain do we argue that since you give 60 per cent. of the duty on jute to Bengal why should not the same treatment be meted out to Assam? If Bengal can claim a large portion of the excise duty on jute which is grown in that province, why cannot Assam claim the excise duty on tea which is grown in that province? There has been no reply to this in the past and I wonder if the present Finance Minister will follow suit or give us an assurance which will be more hopeful. I have in vain complained to him and to his predecessors that it was unjust and unthinkable and not worthy of any civilized Government to tax betel-nut grown in India and especially to tax the betel-nut which is grown in the province of Assam. There the betel-nut is not cured at all, but the officers of the Government of India do not listen to any argument or reason and they do not care for laws when they administer it in the province of Assam. The House will be surprised to hear that I belong to a community whose position is very much akin to that of the scheduled caste in India. There is not even a single officer in the Central Excise belonging to Assam. If they go about collecting betel-nut duty in the villages they do not understand the language of the people. We do not cure betel-nut there. But there is the ripe betel-nut. We call it "hura tambul". When the village people say this the officers think they are calling them old men. No body likes to be told that he is old. I would turn out my servant and take disciplinary action against my relation, if they said the old man was not in the house and I think every Member of this House will share my view. So when they say "hura tambul" there is a misunderstanding and fighting. Although I have mentioned the fact to the Honourable Minister, even then not a single officer from Assam is appointed, not even for the convenience of the administration.

Let I make a mistake and forget to say things which I want to say, I would draw the attention of the Honourable Minister to page 6 of the leaflet to which I have referred. The minimum claim of the province is that there should be an increase in the ratio of income-tax receipts allotted to Assam. The provinces of Assam and Orissa are the only two who get only two per cent. of the income tax. Other provinces get more. The Central Provinces get five per cent. and more fortunate provinces like Bombay and Madras get 15 and 20 per cent. and so forth. Then there is the allocation of 75 per cent. of the export duty on tea; an allocation of 75 per cent. of the excise duty on petrol and kerosene; that special attention be paid to the fact that the whole of the excise duty on tea originates in Assam when determining Assam's share in the divisible pool of Central excise duties; a substantial increase in the Central subvention to Assam, to take into account not only the rise in prices since

1937 but also the extra expenditure which the Government of Assam has to incur in view of the largeness of its territory and the location thereof on a frontier separated from the Indian Dominion by Pakistan territory. In these circumstances, it is extremely important that the standard of Government efficiency in Assam must be of the highest order.

Assam has a small population, now estimated at 73 lakhs, but it has a large area measuring nearly 50,000 square miles after the separation of Sylhet. The expenses of Government services *per capita* in Assam must, therefore be necessarily higher than in other provinces with larger concentrations of population and a consequent smaller cost of overheads per unit of population.

Then again, Assam is one of the backward areas in India in respect of its existing supply of Governmental services. In fact, it is, in some respects, worse than most other areas in India in that it does not possess some of even the elementary insignia of an autonomous Government like a University, a High Court, a Medical College, an Engineering College, etc., and it is essential that these deficiencies should be corrected at the earliest possible moment. I am quoting freely from Mr. Rao's leaflet to which I referred before.

May I continue for two minutes?

I am speaking for the entire area of 50,000 square miles!

**Mr. Speaker:** The Honourable Member may take two minutes more.

**Shri Rohini Kumar Chaudhuri:** Last night—I might take the House into confidence—I was reading the order papers and I dreamt a dream. You know, Sir, that Assam was at one time notorious for consumption of opium. Now in Assam you cannot get opium anywhere unless you are prepared to go to the smugglers and that is a risky job. In India it is available in plenty. The generous Government of India cultivates opium in Ghazipur and other places. The Government of India also maintains two quite good factories. The opium consumers of Assam if any now will be grateful to be able to come here provided Honourable Railway Member will give them a free conveyance. Having got so much opium, I took a little opium. And then, Sir, leisurely, leisurely, I was going along until I reached the gates of the residence of the Honourable Minister of Education. There was no Secretary either official or domestic in the compound. The *durwan* who saw me in *khaddar* allowed me to go in straightaway without any hindrance. I was taken in the presence of the Honourable Member for Education. He said: "Why have you come?" Fortunately his Secretaries were not there. If I had applied to the Private Secretary for an interview it would have taken me a week or ten days. He asked: "What do you want?" I said: "I want some grant for my University in

3 P.M. Gachati." "Why do you call it Gauhati University? Why not call it Assam University? If you pass from the Gauhati University you would say Rohini Kumar Chaudhuri, B.A. (Gau), which would suggest things like cow protection and the prevention of cow slaughter, etc., etc., of which we fear so much nowadays? Why not Assam University? But that would also create some difficulties for in that case it would be Rohini Kumar Chaudhuri, B.A. (Ass)!" It struck me that if on that ground they did not give me a grant for the university it would be very unfortunate. So I said, "Sir, take for instance the case of B. C. Bose, M.A. (Oxon). If that is all right, why not B. C. Bose, M.A. (Gau). I am also reminded of another fact. There are so many illustrious educationists from Madras but there does not seem to be a single lunatic asylum in Madras, though you may have Muniswami Pilai, B.A. (Mad)."

**Shri T. T. Krishnamachari:** There are two lunatic asylums in Madras!

**Shri Rohini Kumar Chaudhuri:** I stand corrected. Though in dreamy



mood these arguments had the desired effect on the mind of the Education Minister. He said, "All right, if I have a free hand in the matter and if the very parsimonious Finance Minister does not stand in the way, I shall give you a suitable grant for the University of Gauhati." All this was in my dream but I do not know what the actual facts will turn out to be. In any case I ask the Finance Minister that the manufacture of opium or cultivation of opium by any civilised people should be stopped, so that no one may be placed in similar false circumstances as I was in my dream.

**Mr. Nasiruddin Ahmad (West Bengal: Muslim):** Sir, we have just listened to a very interesting midnight sojourn by an Honourable Member to the house of a Minister, all in dream, but I hope my remarks will have nothing to do with dreams.

First of all I wish to congratulate the Honourable Minister for his excellent speech and his excellent budget. He has disclosed to the whole world the inherent and sound financial strength of the country at a very opportune moment. The budget has been very favourably received in all quarters and specially in the Stock Exchanges, which are composed not merely of a few gamblers and speculators but also of many very astute financiers and real practical economists who know the effect of the budget on business and the money market as also on the Stock Exchange.

One of the speakers has referred to the gap in the budget of 26 crores. This gap is due to the fact that the figures are all tentative: no accurate figures can be worked upon but it is believed that, other things apart, the estimated deficit would be the nearest approach to a correct guess. The fact that it is left uncovered may be due to the fact that the Honourable Minister is awaiting the result of the 7½ months working that lies ahead of him. However, a balanced budget is a necessity and I hope that the next budget would be a balanced one.

Then there is another kind of gap in the budget. It is about the inadequacy of grant for agriculture. In fact food should receive priority No. 1 and the supreme importance of agriculture from the national point of view is only too obvious and I hope that agriculture will receive greater and greater attention at the hands of the Government.

Much is nowadays said about the nationalisation of industries. It is a very fashionable and attractive catchword and the very mention of nationalisation has a charm about it. It saves people a lot of thinking. But I believe that nationalisation, if at all, should be introduced only very cautiously and gradually and only after long experience. Too quick a switch-over from private management to nationalisation may lead to disaster, as we find evidence of it in the United Kingdom.

Then there is the question of the sterling balances. The Honourable the Minister, it is complained, has merely trodden upon the old path. But it is necessitated by the consideration that sterling balances should be amply available in the United Kingdom for India for the purchase of capital goods, which are imperatively necessary for industrialising the country, which has long been accepted as a national policy.

The last point which I shall deal with is about controls. The blessed controls have created the infamous black markets and their working must have been very familiar to the Honourable Minister and to other members of the Government as to the public. The news of the lifting of the control on sugar has been received in only one quarter in the House with some amount of misgivings but I can assure the Honourable the Minister and the House that it has been received very well in all other parts of this House. Here in New Delhi, in the Western Court, sugar is absolutely scarce. We are supposed to be having our quotas but it is the experience of all that we are taking our porridge, our tea and coffee mostly without any sugar. It has been a new

experience and possibly if this state of affairs went on for sometime we should lose all taste for sugar, which perhaps may be for the good. That the price of sugar has gone up as has been pointed out by you, Sir, is due to a momentary reaction from the normal state of affairs: It does not indicate a permanent tendency. There will be reaction in the opposite direction very soon. Honourable Members of the House would realise what is the actual price at which sugar is actually selling. It is something like Rs. 4 per seer in New Delhi in the black market. There is, it seems, ample sugar in New Delhi, provided you are willing to pay the price. The channels are well known. You pay your money through the recognised channel and the sugar would come. Sugar is dealt with in this way: The sugar quota is supposed to be distributed to a large number of people. Some of them do not want sugar and there are absolutely non-existent people who cannot want sugar. The quotas of people who do not want sugar and those of non-existent persons are collected together with other lots mysteriously procured, are regularly sold in the black market. In my native place, Burdwan, sugar is supposed to be extremely scarce. Yet the sweetmeat shops are very plentiful in their supply. The present District Magistrate went about several shops in disguise and bought some sweets and on careful enquiries he learnt that there was plenty of sugar available from sources not far removed from Government sources. In these circumstances I submit that the lifting of the control on sugar will be well received in the entire country, and sugar will be available to those who are in need of it and can afford to pay the price, but at any rate the higher price would be much lower than the black market price which they have got to pay now. With the elimination of the black market sugar will in due course be available to the public.

The other question is control of cloth. The continuance of cloth-control is a debatable matter, but I find with considerable amazement that the present Government is repeating the arguments of the past. In fact the argument of the members of the present Government when they were outside the Government was exactly the argument which is being advanced by us, namely, "relieve the controls and things will adjust themselves". But then the late Government used to say "there is not enough cloth to go round and therefore we must have control". This argument was then regarded as pure bluff and it is a wonder that the same arguments are repeated by the present Government also. There is I believe enough cloth. The only question is how to procure it. From the Control Departments in the mofussil in the Province of West Bengal people are allowed to get only 9 yards of cloth per head per annum, but by a strange anomaly the people in Calcutta get 25 yards. As to why this distinction exists nobody can say. But 9 yards of cloth, I submit, for the whole year is hopelessly insufficient. On the basis of the 9 yards quota people will have to go about almost naked. Yet we find people wearing cloth considerably over the 9 yards quota. How does this cloth come in, and wherefrom does it come? It comes from the black market, and it enters the black market from the factories and other sources through well established channels. The entire cloth that is manufactured is divided into two parts: one goes through ill-concealed secret channels into the black market and the other goes through the government channel and is supposed to be the entire cloth available. A large part of it again goes from here to the black market through well established channels. The 'available' supply is mathematically distributed per head impartially on paper amongst all. I submit that if cloth control is lifted, the cloth available will seek its natural level, the black market would go and probably on the whole things would become much better. Indeed, the controls have introduced a large variety of sins in the services and in our public life, and I believe that the cloth control should be removed as soon as possible and things should be allowed to adjust themselves in due course.

These are some of the general remarks which I feel called upon to submit at this stage.

**Shri C. Subrahmanyam (Madras: General):** Mr. Speaker, Sir, I wish to congratulate my Honourable and esteemed friend Mr. Shanmukham Chetty on his becoming the first Finance Minister in free India and also on the opportunity afforded to him to present the first budget of free India. Sir, in his speech he has reviewed the financial position of our Government and has assured us that while there is no room for complacency there is absolutely no reason for despair or pessimism. We are glad about it. But the prosperity of a nation does not depend entirely upon its financial position or upon its having a balanced or a deficit budget. It depends entirely upon the production of wealth in the country. Viewed from that aspect I am afraid the picture is rather gloomy and dark. We are short of the most essential commodities such as food, cloth and building materials. As long as we are short of these essential commodities you may deflate your currency, you may withdraw the surplus money in the hands of the common man, but you are not going to solve the problem. Therefore the first problem before the National Government is to step up production of these articles and see that it is wisely distributed. That should be the concern of the National Government.

Regarding industrial production I wish to say a few words. It is agreed that since the war and during the war production has gone down on an enormous scale and that the question has become a matter of national importance. It is not merely the concern of the employer and the employee; it has become the concern of the entire nation. Because of the decrease in production we are faced with a grave economic crisis. How we are going to solve it is the problem. It is said that it is entirely and mostly due to labour unrest and strikes. It is true, but the stating of that problem does not solve it. The entire thing depends upon how you are going to tackle this labour problem. I am not going to enter into the controversial question of nationalisation of industry or private enterprise. I am content with taking stock of the situation as it exists now. Most of the industries are in private hands. There is decrease in production and the reason is said to be labour unrest. True. As far as I can see there is nothing unnatural in labour being discontented or there being unrest in their midst. In my opinion it is a legacy of the war. During the war enormous profits were made by the capitalists. Leaving alone the secret profits made, the legitimate profits alone that the capitalists made were very huge. On the other hand labour was not getting its due return. Because of the restrictions during the war they were not able to agitate and get their grievances redressed. Even after the war if the same state of affairs continued is there anything unnatural in their being discontented? We have therefore to solve the problem taking into account one fact that there is bound to be unrest in the state of affairs which now exists. To my mind the only way in which this problem can be tackled is by the introduction of some sort of a system by which profits can be shared by capital and labour. In the present industrial set up, however much a labourer may produce he is not in any way benefited. The only inducement therefore can be a sense of patriotism that in this national crisis it is the duty of every person to produce to his maximum possible capacity. Appeals have been made by the Finance Minister that labour should co-operate. I know that he is also connected with labour in the sense that he has employed labour in his mills and he knows their problems to a certain extent. But, however much we appeal to them and from whatever quarter the appeal might come, unless there is an inducement for labour to produce more. I do not think we can achieve any results. Therefore the only way this problem can be solved is to find out a way by which whenever there is an increase of production labour will be benefited to that extent, and not only the capitalist or the employer. That is why I said some sort of a sharing of profits system should be introduced. When I say that I realise the entire implications of the proposal. It is said

in some high quarters that if we accept this principle then comes the question of what would be the due share of the capitalist, what would be the share of labour, what should be allowed for reserves after which it is to be shared by the capitalist and labour. During war years capital has been making enormous profits, and if we take into account the dividends paid in war years we will find that each person who has invested capital has sometimes received more than twice the amount in dividends. That being the case, in a national crisis, in the face of the economic crisis which is facing us, cannot the capitalists sacrifice to the extent of saying "we will be content with a much smaller extent of the profits than to which we would ordinarily be entitled"? Certainly it is only those who are in a position to sacrifice should be asked to sacrifice and not the poor people who are not in a position to eke their livelihood even as it is. Therefore in fixing the return to be paid to labour, this circumstance should be taken into consideration.

Another thing, Sir. In view perhaps of the fact that some such thing is likely to come, the capital of many companies has been inflated to a great extent; reserves have been converted to capital and bonus shares have been issued, so much so that inflated capital is shown on the books now. So when we go into this question, all these things should be taken into consideration and a sort of profit sharing system should be introduced so that labour may have incentive to work to produce more. Therefore in working the existing plans to the maximum capacity, Sir, this is the only way in which we can give incentive to labour. The only way to increase production is to launch new schemes of industrialisation. It is only in this respect that the utilisation of sterling balances come. But certain sentiments were expressed by my Honourable friend Mr. T. T. Krishnamachari taking exception to the views expressed by the Honourable Finance Minister in his speech in the earlier part of the day. After his speech, I went through the Finance Minister's speech rather carefully and as far as I am concerned—and I may confess, Sir, I am not a financial expert—there is nothing exceptional in the views expressed by the Honourable Minister. In speaking about sterling balances, these are the words of the Finance Minister:—

"These balances represent the entire foreign exchange reserves of this country and it is of the utmost importance that they should not be lightly frittered away on import of unessential and luxury articles or on luxury living in foreign countries for they thereby reduce *pro tanto* the capacity of this country to finance capital and developmental expenditure abroad."

I do not see how anyone can take exception to this even though it may have come from the mouth of Sir Archibald Rowlands. So, Sir, unless the National Government tackles this problem with bold imagination, we will not be able to avert this economic crisis. Regarding agricultural production also, I would like to say one word. It is admitted not only by the Finance Minister, but by the Honourable Minister for Food also, that the Grow More Food Campaign has not yielded the expected results. Then why go on spending in the same old way? Why not we have some other scheme? In my view the Grow More Food Campaign and other things are only tinkering with the problem. The entire problem is uneconomic holdings which exist everywhere, the want of capital in the hands of the ryot to make further improvements. These are the main problems which we have got to tackle, and we have also got to decide whether we are going to apply the modern scientific appliances which are used in the West for the purpose of farming. All that the Government have got to take into consideration and see that the gap between requirement and production is filled up as soon as possible. My appeal to the Government is this: Ultimately they are not going to be judged by a balanced budget or a deficit budget, but the sole criterion of the judgment will be how far the standard of the common man has been raised. I hope the Government would deal with the problem with that factor in view.

**Pandit Hirday Nath Kunra (U. P.: General):** Mr. Speaker, the Finance Minister has, as we all expected, presented us with a deficit budget. The estimates of revenue and expenditure, which he has told us are tentative, show that a deficit of about 26½ crores may be expected at the end of the year. But as these figures are tentative, it is quite possible that the deficit may become greater. It is necessary therefore for us to consider whether the gap between revenue and expenditure can even in the present circumstances be bridged over or at least narrowed appreciably. My Honourable friend the Finance Minister said when presenting his budget that so far as interest charges or rather the interest and pensionary charges were concerned, he was debiting the entire amount to the Indian Dominion as no agreement had been arrived at between the Indian and the Pakistan Governments on this subject. If newspaper reports are correct, it appears that the Pakistan Government have agreed to be responsible for 17½ per cent. of this liability. This should reduce our tentative deficit by about 4½ crores.

Again, Sir, it is well known that the income-taxes are being systematically evaded. This matter has come repeatedly before the legislature in the past and attempts have been made by strengthening the staff of the Income-tax Department and in other ways to prevent this. But I do not think that the Government have yet either adequately strengthened their staff or taken such other measures as they could in order to stop the loss of revenue which takes place year after year. I am afraid, Sir, that the heavy tax on personal incomes which was imposed early this year has had the effect of increasing the previous marked tendency to the evasion of income-tax. It should have been obvious to the Government that apart from the effect of the taxation on the economic development of the country, it would increase the existing corruption if it was imposed before adequate arrangements were made to prevent the evasion of the taxes on income. This is a serious matter, and I have no doubt that my Honourable friend Mr. Shanmukham Chetty is perfectly aware of it. He understands the matter perhaps better than any other Member of this House, and I trust therefore that though he himself is a capitalist, although the other day he modestly denied that he was, he will take stringent and immediate steps to secure for the Government what is justly due to it.

Sir, the Finance Minister in his Budget Speech has repeatedly expressed the hope that the Defence expenditure would come down; and it seems to me that according to him the prospect of reducing the expenditure and thus improving our budgetary position depends mainly on the decrease which he expects in the expenditure on the Defence Services. I know, Sir, that if the expenditure continues at the present level, it will amount to Rs. 147 crores a year. This will certainly be a heavy burden for a poor country like India. But we are living in exceptional times and although I am one of those who have lost no opportunity of stressing in the past the need for bringing down military expenditure, I think that the matter should be dealt with in the present circumstances with the utmost care. I am personally glad that the Government of India have decided to have an Army of 200,000 officers and men at least till the 31st of March, 1948. I wish that the situation may so improve as to enable us to reduce our expenditure substantially, but I am strongly inclined to think that for at least a year or two more wisdom and expediency require that the strength of our Army should not undergo reduction.

Apart from this, Sir, I feel that our Air Force and Navy should be strengthened. I am glad to learn from the Finance Minister's speech that the matter is already under the consideration of the Government of India. If these Services are properly developed, I am afraid that the Finance Minister's hope of economy in Defence expenditure will vanish slowly. Both these Services are expensive. If we develop the Air Force alone adequately, as I think it should be developed, the expenditure on it will be heavy, very heavy indeed.

But whatever the expenditure, Sir, I think we should not shrink from it in the best interests of the country. I am not a militarist; I should not like to threaten the independence or security of any country in the slightest degree; but I do want that in these times of danger we should provide adequate insurance for our national existence.

Speaking about the Air Force, Sir, I venture to express the opinion that it badly requires an adequate number of bombers. Anyone who looks around himself at present and who takes an intelligent interest in Defence matters, will I think agree with me that the greatest deficiency in our Air Force is in respect of bombers and I think it ought to be removed as quickly as possible.

Just one or two points about the economic situation, Sir, before I resume my seat. My Honourable friend Mr. Shanmukham Chetty, discussing towards the end of his speech the future economic position of the country, emphatically assured us that it was healthy. The House, I know, was glad to have this assurance. I am not a pessimist, Sir, I am a believer and a whole-hearted believer in the future of this country. I know that it has immense resources both in men and money. But for the present my Honourable friend the Finance Minister will excuse me if I feel some hesitation in sharing his robust optimism. The economic position of the country will depend not on our budgetary position in the present year or the next year or the year after that, but on the level of production attained by us. Now, on this subject the remarks made by my Honourable friend do not inspire much hope of a rapid development; all that he hopes for is that by the end of next year the old level of production in respect of cloth, coal, steel and cement may be restored. Perhaps when he made this remark he had other commodities in view too. Sir, while it is something that an effort is being made to attain our previous levels of production by the end of the next year, one can scarcely regard it as part of a programme for the rapid development of the country. Now, if this is our position in respect of our economic development, it is not easy to be very hopeful about our position in the immediate future.

Again, Sir,—and this is the last point that I shall deal with—the Finance Minister, speaking of our economic development told us that increased production by itself would not enable us to make our future secure. He has stressed the need for the stabilisation of prices and “for pegging money incomes at an agreed and acceptable level, so that the increased volume of trade resulting from the increase of production may neutralise the inflationary effects of a large volume of uncovered money income”. I am sure, Sir, that every member who is interested in this subject will agree with the Finance Minister's views, but is the future very hopeful in this respect?

**An Honourable Member:** It is, theoretically, not practically.

**Pandit Hriday Nath Kunzru:** It seems that the policy of rapidly removing control over those commodities which the Government of India regulate at the present time has been accepted by the Cabinet. It is hoped that while certain articles might be rapidly de-controlled, control might be maintained over a few foodgrains so long as it may be necessary. According to the recommendations of the majority of the Foodgrains Policy Committee, the import of food from abroad should be discontinued by the end of 1948. Now, Sir, we are all aware of the corrupt practices that are going on and which have been produced by the existing controls. But two things are clear: that there is scarcity and that it is our duty to see that the poor man gets his food at prices within his reach, and that unless agricultural production goes up considerably, the discontinuance of the import of food would only mean widespread starvation. We might see once again the scenes that were witnessed in 1943 in Bengal.

**An Honourable Member:** It is a national government now, it will not happen.

**Pandit Hriday Nath Kunzru:** Apart from that, Sir, it will be virtually impossible to maintain control over foodgrains while de-controlling other commodities. If you allow articles, which the cultivator needs, to be sold at any

[Pandit Hirday Nath Kunzru]

prices, it must be obvious to the meanest intelligence that the cultivator would put irresistible pressure on the Government to remove the controls on his produce. The policy which seems to me to have been adopted by Government is thus full of grave social risks. It is in addition fraught with grave economic risks. That crises are bound to arise no one doubts. The manner in which the price of sugar has shot up from Rs. 19-12-0 a maund to Rs. 50 a maund in Cawnpore . . . . .

**An Honourable Member:** That is only temporary.

**Pandit Hirday Nath Kunzru:** . . . . . shows the danger of the policy which the Government of India seem determined to follow. Now, it may be, Sir,—and there are I know some men who think—that this effect will be temporary. I do not know on what grounds this hope is based.

**An Honourable Member:** Past experience.

**Pandit Hirday Nath Kunzru:** Past experience is completely opposed to this facile assumption.

**An Honourable Member:** The example of oil seeds is there.

**Pandit Hirday Nath Kunzru:** I have no time to discuss the question of oil seeds, but surely the case of oil seeds is not in favour of those who want the rapid removal of controls.

Now, to revert to my point, we have the example of America before us. It is a land of plenty, but de-control there was followed by inflation and now President Truman has asked the Congress to agree to the re-imposition of price control. Our position is much worse than that of the United States. How then do we hope that the inflationary effect of de-control will be only temporary? How then do we hope that it will not be lasting and far-reaching? And if my apprehensions turn out to be true, we shall be faced with irresistible demands from labour, from the employees of the various Government departments—the Railways, the Post Offices, the Telegraph Department and so on—for heavy increases in their salaries. The vicious spiral of inflation will then be set up and I do not know what will happen to the economic position of the country. For these reasons, Sir, while I agree with the Finance Minister that our resources in men and money are ample and that if a wise policy is pursued we can feel assured of a balanced and rapid development, I do not feel very optimistic about the future. Indeed, Sir, I view it not merely with deep anxiety but with anguish. I shall be happy if my apprehensions do not turn out to be true, but I shall be failing in my duty if I do not say that the policy of the Government is so full of risks as to be regarded as irresponsible by the people at large.

**Shri O. V. Alagesan (Madras: General):** Mr. Speaker, Sir, it is not for me to criticise the Budget. I only want to make a few suggestions which, I think, would be useful. The first Budget presented in free India by the Honourable the Finance Minister—and he took justifiable pride in being the first Finance Minister to present the first Budget of free India—is a deficit one. In fact the financial deficit in the Budget only reflects the deficit of food and the deficit of faith that we find in the country today. But for two important factors the Budget would not be a deficit one. First comes food. The Honourable Member that spoke previous to me alluded to decontrol and emphatically opposed it. It is by the way and I want to present the other side of the picture. Much is said about the fact that the price of sugar has shot up after decontrol. In Madras grams and pulses were decontrolled and the prices have gone down by Rs. 20 per bag. I am not urging the House to come to any conclusion just now, but I only place the other side before the House for whatever it is worth.

Now, Sir, food is the biggest question today. It is increasingly realized that we cannot depend upon foreign imports any more; we cannot go with the begging bowl to foreign nations and beg at their doors. Ours is mostly an agricultural country and it should be a matter of shame to us to go and beg at other's doors. We have been exploiting the grievances of the agriculturist before we attained freedom and now when we are just free, what is the treatment that we mete out to him? When I say agriculturist, I mean both the small Pattadar and the agricultural labourer who works on the land though he may not possess land. I do not hold any brief here for big people who own thousands of acres and more. They may come under the category described by my Honourable friend, Mr. T. T. Krishnamachari, and I think they are not even as omnipresent as their counterpart, the industrial capitalist. The poor agriculturist who really feeds the nation and who is "the Mother of the Nation" is not properly looked after. The Government must go all-out to aid the poor agriculturists. That is the way to solve this food problem and not to export our money and import food of indifferent quality. Just as a son generally does after attaining majority,—he ill-treats the mother or does not look after her properly,—so perhaps free India behaves towards its mother. I am sorry for it. When Rajen Babu, one of the foremost among our leaders took the Portfolio of Food, all India rejoiced. We expected revolution in Agriculture, but the results are not quite satisfactory. I do not blame the Honourable Minister, but the fact is there. The Honourable the Finance Minister in his Budget speech adverting to the Grow More Food Campaign has spoken as follows: "The results of the Grow More Food Campaign have been on the whole disappointing". Several Honourable Members who preceded me also have touched on that subject. I want to place before the House one or two concrete instances. Under the Subsidy Scheme wells were sunk in Provinces. I can tell you that out of every ten wells sunk in the earth, one well was sunk in the pocket of the official concerned. By prosecuting the Grow More Food Campaign, in this manner the result has not been what we wished it to be.

With regard to the question of prices, the recommendations of the Food-grains Policy Committee are there before us. They were released just this morning and I think the House will debate it sufficiently and I am told that a day has been set apart for it. Then it will be time for us to thrash out all the aspects of the question, but before that I want to tell the Government that they who refused, because of red tape, to increase the prices; they are prepared to throw away crores and crores of rupees to foreign countries for food which, as I said, is of indifferent quality. This reminds me of what used to happen in foreign countries. In order to keep up prices they used to destroy their goods. You are not willing to pay your own cultivator, but you are willing to pay double the amount to the foreigner. You say the inflation will be there; you do not hesitate to punish your own cultivator who feeds you and you throw your money at the foreigner even without his asking for it. I think this is the worst spot in the administration of food in the country to-day. I do not want to discuss the index figures as I have no time but shall do so, if I am given time, during the Food debate. It is a shortsighted policy not to treat the agriculturist properly and to aid him in every possible way as the majority of the cultivators are people who own only five or ten acres and the big landlords can be counted on one's fingers ends.

Another important thing is the question of agricultural labour which also should be tackled without delay. Otherwise, there is the danger of food production being hampered to a very great extent.

I shall be failing in my duty if I do not refer to the 'deficit of faith' in the country. Of course we are not solely responsible for it; our neighbouring country, our erstwhile countrymen are greatly responsible for it; I do realize it. After we left Delhi after the last session of the Constituent Assembly, a



[Shri O. V. Alagasan]

storm as if it were blown over Delhi. The whole foundation of the new State was shaken. For any democratic life or ordered progress law and order is absolutely necessary and we are fortunate in having a very strong man at the helm of affairs and peace was restored and everybody concerned can be proud of it. Mahatma Gandhi who, though as our Honourable the Prime Minister said the other day did not work the same miracle which he worked in Bengal, contributed mostly towards that miracle, but all the non-miracle part of it, I should say, was accomplished by the Madrased Troops. I wish to pay a tribute—and I have no doubt the House will join me in this—to these Madrased troops who accomplished a difficult and not quite a pleasant task. They saved the Capital, Delhi, and thereby saved the whole of India. We should be thankful to them. Instead I know there is a great prejudice against them and I think that prejudice to a certain extent is reflected even against the civil population, who hail from Madras, and in the present time I do not think it would be advisable to employ any more Madrased troop to put down disturbances in the North. I hope Government will consider it.

**Shri B. P. Jhunjhunwala (Bihar: General):** Sir, I will deal with one point which I consider to be very important and which is standing in the way of all our production. The most important thing which should engage—and I think is engaging—the attention of Government is to have more production. In the last Budget speech we were given to understand that we are going to have nationalised industry and the budget was all framed in such a way as would stifle private industry.

[At this stage Mr. Speaker vacated the Chair which was then occupied by Shrimati G. Durpa Bai (one of the Panel of Chairmen)].

**Shri Mohan Kumar Chaudhuri:** I rise to a point of order. With due deference to the Chair but in all seriousness I should like to know if there is any precedent either in this House or in any other Dominion Parliament for a lady taking the Chair; it will be unthinkable in the British House of Commons which is the mother of all Parliaments.

**An Honourable Member:** That is a backward country.

**Mr. Nazruddin Ahmad:** If there is no precedent we will create one.

**Shri Mohan Lal Saksena (U.P.: General):** Even in this House Mrs. Swaminadhan was on the Panel of Chairmen.

**Mr. Chairman:** The point raised has been answered by Mr. Saksena.

**Shri B. P. Jhunjhunwala:** I was saying that last year's Budget was so framed as to stifle private industry. In the present Budget speech the Finance Minister said that it was not the object of this Government to stifle private industry but to take them along with nationalised industries; and one of the hints that he has given is that he is going to revise the whole taxation policy. When the Congress Ministries came in 1935 we were discussing whether we should have more production through cottage industries or through large scale industrialisation. Our Governments were not united in their views and we could not therefore do anything. We had a Planning Committee appointed and plans were made, but this was only planning of ideas and nothing could be given effect to. I am not concerned as to whether we should have private or nationalised industries, but we must have some method by which we may have more agricultural as well as industrial production so that we could meet the demands of the people here and stop the import of foodgrains and other consumer goods. The problem is, as I said, of having more production and Government should decide whether we should have private or nationalised industries. One test of that should be that the fruits of the industries should be properly and equitably distributed among all people so that the common man gets the best advantage out of them. Another test is that we should have

most economic and efficient production. Judged by these two tests we should decide whether we should encourage private or nationalised industry. Not knowing which to adopt, we have not been able to make any progress towards any kind of production. People are under suspense as to whether they should take to any adventure not knowing as to what the policy of the Government may be. We go to the agriculturists and tell them that we are going to have co-operative farming, we are going to get tractors and manures from outside, and so on; and the psychological effect has been that the cultivators have been slow and indolent in their work. Not only that, but even our officers, our Ministers and our provincial Governments do not know whether things are going to be done in this way or in that way. Even the old methods of cultivation are not being carried out to their full extent. If we go to Government for help even for old type of agricultural implements and proper seeds and manures they say that these are very minor things and they have no time to look to these and these are neglected resulting in less production. Those things are neglected and those things which we want to have more and more on a large scale we are not getting. Now we are importing about Rs. 100 crores worth of foodgrains from outside. If this is three per cent. of the foodgrains produced in our country to meet the demands here, I can say, Sir, with confidence, even if no tractors are brought, if no manures are brought from outside, but proper care is taken to supply ordinary implements to the cultivators and proper seed is given to the cultivators, and if our provincial Governments take it into their heads to see that the wants of the cultivators are met in that way, then increase in production will not be a very heavy task. We can do it in two years time and stop the import of foodgrains worth Rs. 100 crores from abroad that is a great strain upon our economy.

Madam, as I have said before, the Government should make up its mind. It is no use saying we are going to have private industries; we are going to have nationalised industries; we are going to have tractors; we are going to have co-operative farming; we are going to have this and that. The Government must put before the House and before the public a concrete proposal as to which of the industries they are going to have as nationalised industries and which of the industries they are going to have as private industries, and whether they are going to have control over the private industries, and if it is for control, what kind of control they are going to have. Unless the Government makes all these points clear, I do not think there will be any impetus to the public to come forward with their money and invest them in industry or to take to any other kind of production.

**Shri Upendra Nath Barman** (West Bengal: General): With due respect to the Chair, at the tag end of the day, I would like to submit a few words to this House for the consideration of the Honourable Finance Minister and the Ministry as a whole.

The whole debate has hinged upon principally two matters: one is agriculture or grow more food; and the other is industry—either nationalised industry or private industry.

As regards the first, the Honourable the Finance Minister has given us a complete picture of the past, and has frankly admitted that for the last three years, it has been a failure. As a result of that, crores and crores of rupees have been spent, both on account of purchasing foodgrains and as a subsidy of foodgrains purchased from outside. He has given us that picture. But he has not given us the picture of the future. We are left in the lurch to think what is going to be done by the Government in this regard so far as the future is concerned. Are we going to spend huge amounts of money and deplete our sterling balances in England in this way for all time to come, or are we providing for the future so that we may be saved from this drain?

[Shri Upendra Nath Barman]

The next point I would ask the Honourable the Finance Minister to make clear before the House is this: there has been much debate upon the question whether industry for the future India should be nationalised or whether it should be left to private industrialists. It is admitted by us all that there is scope for both but there is one sentence in this budget speech which I would like to read. Speaking about the "Ways and Means" the Honourable the Finance Minister says:

"Government issued early this month a fifteen year loan for Rs. 40 crores carrying interest at two and three quarter per cent. with facilities for holders of the 3½ per cent. Loan, 1947-50, failing due for discharge on the 15th of that month to convert their holdings. The loan was issued at the beginning of the busy season and was not expected to be over-subscribed. But the public still seem to be hesitant in taking up Government loans and if their holding off is due to any lingering doubts about the responsibility for the repayment of the outstanding debt, I hope they will be reassured by what I have stated elsewhere that the Indian Dominion remains responsible to the bond-holder. . . ."

On this point, reading between the lines of the two assertions, it is not clear to us what policy Government is going to follow so far as private industry is concerned. As regards big industries, it is admitted by one and all, both by the Government and the speakers in this House that they must be nationalised. But as I read out from the statement of the Honourable the Finance Minister, he finds it difficult to get them loans from the public because the public is hesitant to invest in Government loans. What is the psychological cause that, though India is independent today and speaker after speaker has said that during the war time crores and crores of rupees have been earned by the capitalists and other persons and associations, this money is not forthcoming to fill the Government coffers so that Government may launch on vigorous industrialisation? To my mind the main psychology of the investors is this. If they invest their money through Government or in Government loans, they will get a limited percentage of interest; but if they invest their money in private enterprise they can make enormous profits as they have done so long and certainly expect to do it in the future. Government should declare its policy so far as private enterprise is concerned. To my mind Government should make a considered declaration that so far as private industries are concerned—this is the maximum limit that Government will allow profits and no more and then it will be for the investor to think whether they should invest their capital in Government securities or they should invest their money in private enterprise. Until and unless that is done, the public will remain hesitant as they are today.

One point I would like to mention about the position of West Bengal today. There is very little time, and I need not recount before this House the position that West Bengal occupies today in the map of India and the circumstances under which she is labouring today. When I consulted the budget proposals, I found two items under which no allocations had been made yet. Possibly the Government had not come to any definite design yet: One is the duty that is levied on jute, and so long Bengal has been the main producer of jute. Now we find from page 4 of the explanatory memorandum that the share of jute duty assigned to the province is 80 crores. It is not known whether Government is going to change the quota that Bengal used to get so long. We hear that it is going to be done this time because Bengal has been partitioned.

There is another item as regards income-tax share. From the amount payable to provinces under the Nemeier Award, Bengal had been enjoying 20 per cent. out of the 50 per cent. of the total collection which is provinces' share. Bombay gets 20 per cent. and other provinces the rest. Now that Bengal has been divided it is reported that Bengal's share of this income-tax is going to be reduced. I would ask this Government to consider the position of West Bengal. Even before the partition of Bengal 79 out of 80 rupees collected was from West Bengal and at Calcutta. So, though a major portion of Bengal has been now cut out yet West Bengal is really the source of this revenue, and con-

sidering the position of Bengal she needs so much subsidy from Government that her share, which she had been enjoying, so long, should not be reduced. I wish to mention one fact about the present position of Bengal. It has been said in this House that in order to supplement the civil administration military need not be provided but civic or home guards should be levied in every province to help the administration. Apart from that West Bengal has other needs. It stands to the credit of Bengal that at the time of the partition of Bengal by Lord Curzon she protested and succeeded in getting a settled fact unsettled. If Bengal has consented to the partition today it was because of circumstances over which she had no control. When the partition of India was agreed to in the high level, she had to consent to it and our brethren in Eastern Bengal, which is now a part of Pakistan, consented to the partition of Bengal, because they thought that if some part of it remains within Hindustan, then if any evil day comes, that part of Bengal which will remain in the Indian Union will be able to help her in her hour of need. It is on that ground that Bengal needs a second line of defence next to the military within her border. Bengal's sons and daughters are prepared for the eventuality. But Bengal requires money for that. There is a difference between West Bengal and her provinces. Other provinces are situated in a more comfortable position. East Bengal has contributed most in the cause of India's independence, she had sacrificed all and had never hesitated to put the neck on the gallows. If that was the contribution of East Bengal and if today East Bengal is in a helpless condition, the Centre must come forward with generous help and subsidies, so that at least West Bengal may be prepared not only to defend herself but also help her brethren in East Bengal. With these words, I resume my seat.

**Dr. V. Subrahmanyam** (Madras General): Madam, when we are considering the budget today, the chief point I want to stress is this: I am not satisfied with the budget allotment for the military defence of our country. Though there is no impending war or danger yet it is our imperative duty first to safeguard our homeland, to save the honour of our women and defend every aspect of our existence. The 92 crores which has been allotted will be more or less sufficient in order to give salaries, pensions, compensation and other amounts necessary for our defence purposes. It is not actually the defence purposes for which we are spending but to maintain the army, to give pensions and pay other amounts which are necessary according to our agreements. But we will have to expand our air force, navy and even submarines, so to say. I do not know how many submarines we have. We require enormous numbers, to patrol our long shores. Even now there is a deficit of 26 crores; but if we begin to expand our armed forces—I do not mean in human power or cavalry or infantry—we should expand the air arm, the navy, submarines and other things including even atomic energy. Actually within six or eight months we will be forced to spend something more by sheer necessity. Also there is no provision for the creation of a national militia. I doubt if there is any provision or a plan for a national militia. We must first of all provide some large amounts of money for that department also.

As regards agricultural purposes the 'Grow More Food Campaign' is more or less a thorough failure in our country. Today the villagers are looking to the Central Government for more manure. If manure is supplied they are prepared to supply more food within six or even three months. The first duty of the Government must be to get large imports of manure from abroad. Instead of importing manure we are importing large amounts of foodgrains. I do not know whether all the consignments coming into this country are fit for human consumption or not. Considering all these things we must import large quantities of manure.

The other point which I desire to stress is whether private enterprise should be encouraged for industrial purposes. Here I am not going to enter deeper into the subject. On one condition we can even encourage private enterprise

[Dr. V. Subrahmanyam]

*vis.*, that when the state wants to take up that industry no compensation must be claimed by the owners of that industry. If rules or laws are made in this regard there will be no difficulty. The State can at any time socialise the industry if it wants.

As regards income-tax, we can increase our revenue through income-tax. The Income-tax Department is not properly functioning, that is to say, if our revenue from income-tax is 20 crores it can easily be doubled from the same incomes. Only 50 per cent. of the income is being charged by the officials of the department. Even though certain suggestions are brought to them they are not prepared to charge those people that amount of income-tax, supertax and excess profits tax that they should. I can give many instances. They will be brought forward during the time of the next budget but I say this only for the consideration of the Honourable the Finance Minister when he draws up the next budget.

**Shri T. A. Ramalingam Chettiyar** (Madras: General): Madam, at this late hour it would be difficult for me to say very much. There are two points I want to make. One is the situation of the capital of India which requires consideration. From various points of view I think this is the best opportunity for considering that question. Madam, Delhi is in one corner of India. Its climate is anything but satisfactory for the greater portion of the year.

**An Honourable Member:** Question.

**Shri T. A. Ramalingam Chettiyar:** There is no use of merely questioning because it is a fact. For four months in the year it is very hot and for three months it is too cold. It is too far away from most of the Provinces. I tried to find out the distances from the various Provinces to Delhi and I find that almost from every important Province two days will have to be spent for reaching Delhi. A more central place will be certainly necessary for more reasons than one, as I have said. Strategically I do not think the place has got any advantage—it is rather the other way. We have seen during the past few months the amount of trouble we had to pass through on account of the position which the capital occupies. For these reasons I should very earnestly request the Government to consider this matter. I do not expect an offhand reply from the Honourable the Finance Minister immediately. I am glad that the Honourable the Home Minister is also here. They may consider this question seriously. I will also say this. This is the opportunity for considering this matter.

**Mr. B. K. Sidhwa** (C.P. and Berar: General): Which place will you suggest?

**Shri T. A. Ramalingam Chettiyar:** I would suggest a place like Betul near Nagpur. It will be geographically a central place. It is said to have an equable climate throughout the year. It has got facilities for water supply and electricity. It is said to be in every way suitable.

I was just saying that this is the best opportunity for considering this question because the East Punjab is searching for a place for its capital. Then there is the question of the Military headquarters for which very costly buildings will have to be put up. There is also the question of putting up buildings for the North Western Railway. Madam, the cost of all these buildings taken together will more than compensate the expenditure that will have to be incurred in building a new capital at Betul or any other place like that. It is for these reasons that I want the Government to seriously consider this question before they finally make up their mind to give a contribution for building a capital for East Punjab or for putting up their own buildings for the Military and the Railway.

The only other question, Madam, about which I want to speak is the question of control about which my friend Mr. Kunzru showed so much anxiety. I come from a place which is probably not only the most deficit of all the Provinces in India but the most deficit of all the Districts in the Madras Province itself. So I know what it exactly means. The control has been the curse of the whole situation. It has also been the disaster because disaster comes this way, namely, that all those who were growing foodgrains before have taken to growing economic crops now because the economic crops pay better. That has been the disaster of this control instituted by the Government of India. Madam this idea of rationing organated in Madras. I for one had a part in proposing the rationing of towns which were likely to be affected by the Japanese attacks. There we thought only of supplying from the surplus areas to the urban areas which were likely to be affected. We chose about 58 places which were most likely to be affected by attacks from Japan. We kept two months' supply in each one of those areas. Otherwise we allowed the rural areas to manage for themselves. For two years we were able to manage like that. There was absolutely no sort of trouble in spite of the fact that there was some purchase made for the Military and there was some export of foodgrains to Ceylon. In spite of all that we were managing. I will assure Mr. Kunzru that if you go back to the old order of things there will be no sort of risk, there will be no sort of experiment or anything like that. We will be only going back to a state of affairs where everything was going on well without anxiety and without trouble. Now we have got this chance of getting supplies from outside countries as well. When we have got this chance and when we can make our own surplus areas to supply the towns, I think that the rural areas may very well be left alone to manage their own affairs. The surplus areas will be able to supply the needs of the urban areas. I do not suggest at present the decontrol of distribution in the urban areas, at any rate in my Province—because we have been so much used to this control that it will be difficult to take it away immediately. We will have to do it gradually. We will have to retrace our steps in the same gradual way in which we proceeded from the beginning. So I would suggest let us go back to the arrangements we were having in 1942 and 1943 before this overall control was instituted. As regards control itself I will say only this, namely that there is now no sort of guarantee that the villagers will get their supply. In my own district in the month of April for three weeks there was no supply given. In the month of June only 5 ounces were given for two weeks. In spite of it they were asked to manage themselves. Is this the proper way of controlling the distribution? I will only say this that if the Government will take away this control, keeping it only for ensuring the supply of foodgrains for deficit areas for the present and if the consumer's price is fixed, I am sure things can be managed. I made an enquiry quite recently in the Circars, one of the surplus areas in our Province. I was able to find that the producers there are prepared to get into direct touch with the deficit areas. They are prepared to send paddy and rice directly to the consumers' shops and thereby save a lot of money. The procurement price is now Rs. 10-8-0 a maund in our Province whereas the consumer's price is now Rs. 17-8-0. There is a margin of Rs. 7 on a maund. That is the sort of thing we have got, and that is the deplorable state of things which I want Mr. T. T. Krishnamachari and others to note—a difference of Rs. 7 between the producer's price and the consumer's price. Is that fair? If this control is taken away and if producers and consumers are allowed to make their own arrangements I am sure the producers will be satisfied with the margin of Rs. 5 or 6 which will be available to them and everything will go on well. I will assure Mr. Kunzru that no sort of calamity will happen if the control is taken away.

**The Honourable Shri R. K. Shanmukham Chetty:** Madam Chairman, I must at the outset express my grateful thanks to my Honourable friends in this House for the generally cordial reception that they have accorded to my budget state-

[Shri R. K. Shanmukham Chetty]

ment. Notwithstanding the criticisms—and all the criticisms were really of helpful character—there has been in evidence ample appreciation—I would say a sympathetic appreciation—of the difficulties under which the new Dominion Government of India is working, especially the difficulties of its first Finance Minister.

A great many points were made during the course of the discussion, but I would like to touch upon two or three of the more outstanding points. My Honourable friend, Mr. Munshi, said that I had not given a clear picture of the consequences of partition. This sentiment was re-echoed by my Honourable friend Mr. T. T. Krishnamachari, who said that a clearer picture of the economic situation in the country had not been given in the Budget statement. Straightaway I plead guilty to the charge. I am myself not satisfied with the picture that I have presented of the economic and the financial conditions prevailing in the country after partition. If I am not yet in a position to see the picture in clearer light, with all the light and shadow on the picture, it is not entirely my mistake. A fuller and clearer picture of the economic pattern of the Indian Dominion can be gained only after some of the outstanding economic and financial problems have been settled with the Pakistan Government. All evidence tends to show that there is every hope that all these outstanding differences would be amicably settled between the representatives of the two Dominions in the very near future. In fact I find for the last one week a conspiracy in which my Honourable friend the Home Minister is deeply involved, to take away the work of Sir Patrick Spens, the Chairman of the Arbitral Tribunal. I think the House should wish him success in his efforts, and if, as we all hope, some of these most intricate and difficult problems are settled out of court, it will redound to the credit of the two Governments and to those who are in charge of the two Governments. My Honourable friend Mr. T. T. Krishnamachari also said that I should have given some statement of the account of the undivided India before the 15th August. For one thing I still hold the view that even if it were possible for us to give these figures, they would not serve any useful purpose because those figures cannot form the basis for any comparison with the figures for the Indian Dominion that I have presented. Apart from the value of those figures, it was not possible for me to give them for the simple reason that the account of the undivided country for the period ending the 15th of August has not yet been closed. The joint account is still kept open, and a great many adjustments have to be made before our joint family account can be closed. Under these circumstances it was not possible for me to give even a rough idea of the state of account of the undivided Government as on the 15th August 1947. My Honourable friend Mr. Munshi again told the House that I had not given any clear indication of the loan programme of the Government of India. I have stated in my budget speech that it was not the intention of the Government to go to the market for any fresh loan before the close of the current financial year. Now that is a positive statement in one respect. But I agree that I have not given any clear indication of what our future loan policy is going to be. If I have not given any such clear indication it is because I am not yet in a position to do so. What confronted me when I took office on the 15th of August was the hard fact that the entire money market in India was seriously disturbed. There was a lack of confidence, with the result that there was no great demand for Government securities in the money market.

**Pandit Lakshmi Kanta Maitra (West Bengal: General):** Does the Honourable Minister think that the lack of confidence was the only factor in this?

**The Honourable Shri R. K. Shanmukham Chetty:** That is the main factor so far as I have been able to study the market.

**Pandit Lakshmi Kanta Maitra:** What about the reactions of the last Budget, the crash in the stock-Exchange?

**The Honourable Shri R. K. Shanmukham Chetty:** Probably that is one of the causes of the loss of confidence, but the fact with which I was concerned was the fact that there was loss of confidence. I had therefore to hold my hand before I went to the money market for any large loan. Naturally the investing public wanted to know what the policy of the Government of India was going to be in the matter of the future industrialization of the country, in the matter of the economic development of the country, and more especially in the matter of the borrowing policy. There have been a great many plans and reports regarding industrial development. If the Government had not been preoccupied with the unfortunate events of the last few months, I have no doubt that the Government would have straightway applied their mind to coming to some definite and positive conclusions regarding these plans that have been made. Now that some sort of order and peace have been restored, I am hoping that in the very near future we would be in a position not merely to make up our mind regarding the future trend of our policy in industrialisation, but also take concrete decisions on the execution of some of the schemes which have been included in those plans. The market was also uncertain about our borrowing policy. One of my predecessors, Sir Archibald Rowlands, initiated the cheap money policy. He very successfully converted our 3½ per cent. loan into a 8 per cent. loan, and he aimed at securing a 2½ per cent. credit for the Government of India. He was lucky. In fact, now that I am on this subject, I am free to confess that the destiny of a Finance Minister is very often governed by the luck that attends him rather than his own cleverness.

**An Honourable Member:** It is true of everybody.

**The Honourable Shri R. K. Shanmukham Chetty:** More especially true of the Finance Minister. As I indicated in my Budget Speech, even the British Government which adopted this policy found that it could not be carried very far. The position that faced us was somewhat difficult. Evidently, as the Reserve Bank Governor had observed, the cheap money policy had been carried a bit too far in our country. But then my difficulty is this: when once a cheap money policy had been adopted it is extremely difficult to retreat from that policy. In fact a retreat from cheap money policy will always be disastrous to the Government on the money market. Therefore it was decided that without following the policy any further or extending it any further I would attempt to consolidate the position gained so far. And from all the evidence that I see in the money market, I think the market has taken this decision well. I feel confident that next time when I go to the Market it will be for a fairly big loan and we would appeal to our countrymen to come to the help of the Government by lending funds so that our vast programmes of development might be put through. In fact, I am thinking whether that first loan should not be an Independence Loan—a loan the success of which will assure the success of our economic policy and our stability. Knowing our people as I do, I have not the slightest doubt in my mind that when the Government makes an appeal to the money market the Market will respond. I know that the money market is a hard nut to crack; they are not easily moved by mere appeals—in fact the appeal must be to their pockets and not to their hearts; and the clear enunciation of our policy that it is our intention to consolidate the gains made so far would I think be a sufficient inducement for the Market to come forward to the help of the Government.

I want Honourable Members to realise how much the stability of a modern Government depends on its capacity to raise loans in the money market. We are apt to think that the stability of a budget depends only on the Revenue Expenditure side of it. There is one other budget which very often is ignored by Honourable Members in this House and by the public at large, and that is the Ways and Means Budget. If you analyse the budgets of any modern state you will find that the outgoings of the Government on the capital side are



[Shri R. K. Shanmukham Chetty]

very often more than the disbursements on the revenue side. Take our own modest budget for these 7½ months. While our revenue expenditure is about 197 crores, our Ways and Means Budget discloses a disbursement of over 145 crores of rupees. If we launch a more vigorous drive in the direction of industrial and agricultural expansion, the outgoing in the capital budget will be infinitely larger, and there it is that we must get the entire co-operation and help of the investing public. My main object in presenting the financial picture of the country as I see it is to instil that confidence which had been lost. From the reaction on the stock exchange and on the money market in general, I feel confident that that objective of mine has very amply succeeded.

A great deal has been said, Sir, by various Honourable Members about the question of Nationalization *versus* private enterprise. Probably my observations on the scope and need for private enterprise in our country have not been sufficiently appreciated. One Honourable friend remarked that the emphasis on private enterprise has been laid a little too much. What I intended to say is this: that the scope for production in our country for the next many, many years is so vast that there must necessarily be scope for private enterprise even though we decide on a downright policy of nationalization. Sir, the other day I said I am not a capitalist and the House was fairly amused. Probably they will be more amused if I say today that I consider myself a socialist. And my own interpretation of socialism is this: that economy which ensures a fair and equitable distribution of national wealth is really the socialist economy. State enterprise or private enterprise are only the means towards achieving that end. What does it matter if our entire industrial structure has been nationalized and yet the standard of life of our people is low? You would not call that a socialistic economy in the real sense of the term. What has been ignored in the capitalistic economy of the world in the past is that sufficient emphasis has not been laid on distribution as that on production. What we in our country must aim at is to increase and increase a hundred-fold the national wealth of our country and distribute that wealth equitably amongst all the people of this country. I am clearly against the concentration of wealth in a few hands. In fact, the whole system and structure of taxation in modern society is intended to prevent that concentrated accumulation of wealth in a few individuals. If we utilise that mechanism wisely and with prudence we would, in effect, achieve a really socialistic economy. But in exercising that right of taxation we have to be cautious.

If private enterprise has got a place in the national economy of the country then you must create the incentive for investment in private enterprise and if your scheme of taxation hinders investment in industry and damps the enthusiasm of private enterprise, to that extent it has defeated its own purpose. In fact the wisdom of a Finance Minister in these days in any country in the world is just to reach beyond that point in taxation which will prevent the concentration of wealth in a few hands but which will at the same time not destroy the incentive to investment.

Speaking about the burden of taxation, probably the House will be interested if its monotony is relieved, if I narrate to them a story. Three Englishmen were one day having lunch. All of them were businessmen. When the lunch was over each one wanted to vie with the other in paying the bill. So one man said, "No, let me pay the bill, because after all I am going to charge the cost of this lunch to my company; already the company is paying 19s. 6d. in the pound as tax, and therefore it is only 6d. in the pound that the company will be paying and the rest will be Government money". The other man said, "No, let me pay", and he said, "You see, my company is paying Excess Profits Tax and the Excess Profits Tax is 100 per cent. I will also charge this bill to the company which means that the entire cost of this bill will be paid

by the Government." The third man said, "No, no. I am still in a better position." Everybody was surprised and this is what he said: "You know,

5 P. M. I am working for the Government on cost plus 10 per cent. basis. I am going to charge the cost of this lunch to Government and I will get 10 per cent. of it from Government." (*Laughter.*) Now, that gives an idea of the burden of taxation today in the country.

But we should judge that burden from the criterion of how far it will encourage investment in industry. It is because I felt that there was some justification for the criticism that the taxation imposed in the last Budget has seriously interfered with the incentive to private enterprise that I gave the undertaking that I shall re-examine the whole structure of taxation to see that that incentive is not destroyed. After all, whatever might be the ideological differences amongst some of us, if we sit down and evolve a practical scheme for the economic development of our country, we will find that notwithstanding ideological differences there is a great deal of common ground amongst all of us. Let us, for the next few years at least, exploit every point of agreement and not unnecessarily emphasize points of difference. It is agreed on all hands that the future of India depends upon her industrial and agricultural production and with that common objective, about which there is no difference of opinion, there is no doubt that we might be able to evolve a practical scheme of economic development.

Now, Madam, more and more production is wanted not merely for creating the future wealth of this country but for fighting inflation. Mr. Munshi was right when he said that we all know about the existence of inflation but we really do not know how to tackle it. Well, we know how to tackle it, but the thing is our efforts do not succeed. I am clear in my mind that the inflation today is not so much due to monetary causes, but really to the very rapid fall in production. I gave index figures to show how the inflationary tendency has become more acute in spite of a considerable reduction in the volume of notes in circulation and in bank deposits. How exactly we must bring about that increase in the volume of production is a matter that lies entirely in our own hands. There are various bottlenecks. A special Committee of the Cabinet has been appointed, called the "Economic Sub-Committee" to study this problem in great detail. As a result of the preliminary study that we have made so far, I find that one of the greatest bottlenecks in our country which hampers production is the problem of transport.

Take, for instance, the position regarding coal. Production has increased and there is a danger of its coming to a standstill. Why? Because coal at pits mouth had accumulated and it cannot be quickly transported to the destinations because of the inadequacy of transport. And in transport, when you come to details our greatest want today is the want of locomotives. As my Honourable friend, the Transport Minister told us the other day, one of the greatest acts, amounting almost to criminal, by the previous Government is their ignoring the need for building locomotives in this country. I came into the Central Legislature in 1924 and I can even today recall the debates during the Railway Budget year after year when those of us sitting on the Opposition Benches tried to impress upon the then Government the need for establishing the locomotive industry in this country. 23 years have passed and still we are not in a position to manufacture locomotives in this country. That is the unfortunate legacy we have got, but we are trying to do our best to rectify this state of affairs. It will take time. As a matter of fact, to get over this difficulty, we are now seriously examining the possibility of buying or chartering a few ships and transporting coal, through sea, for the various places and thereby reducing at least the haulage of coal. For instance, instead of carrying coal by an all-rail route from the pits mouth to Madras, it will be easier to carry it to Calcutta and from there carry it to Madras by sea. I think a great deal

[Shri R. K. Shanmukham Chetty]

could be done to overcome this difficulty if we succeed in this effort. I am only giving this as an example to tell the House that not only are we alive to the problem, but that we are taking all positive and concrete steps necessary to solve it.

My Honourable friend, Pandit Kunzru, very prudently asked me whether I was going to be satisfied with merely increasing the production on the existing plant and machinery. I say No. We have got plans which are going to be put into execution very soon for adding to our productive capacity. For example, a Steel Panel was appointed by the late Government and the Panel has submitted two Reports. The Panel has recommended the erection of two modern steel plants, one in North Bihar and one in the Central Provinces, each with a capacity of half a million tons but so constructed that they might easily attempt at doubling the productive capacity. I have asked my Honourable colleague, the Industries Minister, to go ahead with that plan and I am hoping that before I present the next Budget in February I might be in a position to announce that concrete steps had been taken to start these two schemes. That is only one illustration of the concrete steps that we are taking to actually add to our productive capacity.

While we can do everything that lies in our power to restore the diminished production and to add to our productive capacity, there is one other factor which I submit, namely labour, which also counts a great deal in the solution of this question. Here again, I am free to confess that by mere ordinances and orders we cannot persuade labour to produce more. We must get their wholehearted and willing co-operation. We must create an entirely new outlook in the relationship between labour and employer. A time has now come when the Government with the co-operation of employers must make labour feel that it is an integral partner in the whole industrial structure of the country. Some Honourable friends referred to the scheme of profit-sharing. Now, that is again one of the problems which is now engaging the attention of the Economic Sub-Committee of the Cabinet. Speaking personally for myself, even four or five years back, I advised my friends engaged in the industry to offer to labour a straightforward scheme of partnership and profit-sharing. I hope that the Cabinet would before long be in a position to evolve a satisfactory formula which will ensure the willing co-operation of labour in our enterprises.

Madam, a great deal has been said about the problem of control versus decontrol. My Honourable friend, Pandit Kunzru, naturally expressed serious apprehensions as to what will be the state of affairs if decontrol was effected and the price goes up. He was answered by certain other Honourable Members, who, like Mr. Ramalingam Chettiar, spoke with practical experience of the working of controls. There is no denying the fact that theoretically when there is a gap between supply and demand they should be controlled if everyone is to get an equitable share at a reasonable price. We must go one step further. If control is to be effective, it must be an integrated control. There is no use of tinkering with controls, controlling only one or two essential articles and leaving the rest unchecked, because an upward trend of prices with these other commodities will have serious repercussions on the commodities under control. Control to be successful should therefore be an integrated control, covering all essential commodities. As I said, no one questions the soundness of the statement, but what has been our practical experience?

Madam, I am myself a believer in the value and the need for integrated control, but my sad experience is that in our country our mechanism of control has completely failed. We talk of a controlled price. Let us take sugar. What percentage of the consumers of sugar do you think are really getting sugar at the controlled price? Similarly take any foodgrains; except the growers of food it is my belief that not more than ten per cent. of our people get really the

foodgrains at controlled price. Probably ten per cent. is an over-estimate. The rest really buy in the black market. Today we have got in our country an inflation which really is not reflected in the index figures that we have published. The index figures are published on the basis of our controlled prices. But if an index figure were prepared today at the black market price at which people have to buy these essential foodstuffs, you will find the index figure will be absolutely alarming. What is the use of keeping up this show of control then when you really cannot manage?

Sir, the question of decontrol has been engaging the Cabinet for the last few weeks. We have given most anxious thought to this problem. For meeting after meeting in the Cabinet we had to postpone because even though we came prepared to do something yet when we discussed the problem in all its aspects, we were frightened at the consequences of decontrol and yet we had to take a decision. We know we are fully conscious of the fact that we are taking a risk, but a stage has been reached when that risk has to be taken. It is our intention not to disband our machinery of control, so that if things go radically wrong, we would again come back to control. Subject to these precautions, it is our intention to gradually decontrol certain things and take the risk.

**An Honourable Member:** Then what happens to integrated control?

**The Honourable Shri R. K. Shanmukham Oshetty:** Integrated control, I wish freely to confess, has not succeeded in our country.

**Pandit Hirday Nath Kunzru:** May I ask, what happens to the idea of planned economy?

**The Honourable Shri R. K. Shanmukham Oshetty:** I know that decontrol and a very high inflationary tendency are control to planned development and they might ultimately even defeat all your planning. I am fully conscious of all these theories; I can write quite a thesis on the need of controls in India. The point is, can we, with the mechanism that we can control, really put these controls effectively into operation? So, I have made a clean breast of the thing. I have nothing more to answer. If control has failed this House and the public at large must share the blame with the Government and if the measures of decontrol that we propose to adopt gradually are to succeed, it will again require the co-operation of the public at large. After all you cannot legislate to a people unwilling to work that legislation in its real and true spirit. Let us, therefore, hope that the social consciousness of our people would be roused by the human misery that surrounds us and that with this gradual process of decontrol things might be better. That is all I can hope for and let us all hope for the best.

My Honourable friend, Mr. T. T. Krishnamachari referred to the question of the sterling balances and he criticised my statement because it happens to coincide with a similar statement that Sir Archibald Rowlands made. Madam, I am sure the House will agree with me when I say that the validity of a statement is not necessarily destroyed because somebody else corroborates that statement or concurs with that statement. I firmly hold the view that the sterling balances must be wisely utilised for the economic and industrial development of this country and not be frittered away for the payment of current consumption of luxury articles. Whether Sir Archibald Rowlands agrees with me or anybody disagrees with me, I am prepared to hold to that view. My Honourable friend also referred to the negotiations that have taken place regarding the temporary settlement of the question of sterling balances. The last Delegation from India was purely on an official level because it was intended to bring about only a temporary settlement. The next stage of the discussion will also be on official level and I am glad to announce that His Majesty's Government in the United Kingdom have responded to our invitation to send some of their officials to Delhi to discuss this matter, and they are

[Shri R. K. Shanmukham Chetty]

expected in the middle of this month. My idea is that we should make another interim settlement valid till June, 1948. Thereafter, we must think of a more permanent settlement which must really take place on ministerial level. When such a stage is reached, I am hoping to include in that Delegation private members who would be in a position to help the Government in coming to a satisfactory settlement with the British Government. These are some of the general matters, barring one. Having sat in this House for 12 years and having listened to the magnificent speeches that Pandit Kunzru used to make, attacking the Defence Budget in those days, it was so refreshing to hear from him that we are not spending enough on Defence. I welcome that attitude. That shows that there is a sense of realism amongst our responsible leaders. As Finance Minister I am naturally very nervous about the rate of Defence expenditure; but I might assure this House that whatever might be our financial position, I am sure we can find enough finance to maintain a strong and adequate army in our country.

Madam, these cover the general points. My Honourable friend from Assam spoke about the needs of his province. Only last week the Governor of Assam and the Prime Minister of Assam had discussions with me on this point and they went away satisfied. And this morning there is a report of a broadcast talk by His Excellency the Governor of Assam from the Calcutta Broadcasting station. This is what he says:

"During my recent visit to Delhi I was happy to get heartening proofs that our difficulties are understood and that our needs in the matter of overcoming them are now to be given the assistance required. It is now up to the people of Assam to rise to the height of opportunities offered. I have no doubt they will."

I am sure what has satisfied the Governor of Assam will also satisfy my Honourable friend Mr. Chaudhury and that he will not haunt me in my dreams; and if he does come to me in my dreams I will give him a dose only in dreams.

Madam, the right note regarding the appraisal of the budget was struck by my Honourable friend Mr. C. Subrahmanyam. He said rightly that the financial soundness of the country should not be judged by the deficit or surplus in the budget but by the deficit or surplus in the national income. That is the right way to study the budget and that is why I attempted to give as accurate a picture as I could of the economic and financial position of our country, and gave my emphatic opinion that the financial position of our country is perfectly safe and sound. It is quite possible that I might prove to be a false prophet. But if it came to that I would prefer to be a false optimistic prophet rather than be a prophet like Jeremiah; because "if hopes were false fears might be liars". I am one of those who believe that even faced with a difficult situation, with confidence in yourself and a stout heart you can certainly overcome your difficulties.

*The Assembly then adjourned till Eleven of the Clock on Tuesday, the 2nd December, 1947.*

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