

Wednesday, 8th March, 1950



PARLIAMENTARY DEBATES

(PART I—QUESTIONS AND ANSWERS)

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PARLIAMENTARY DEBATES
(PART I—QUESTIONS AND ANSWERS)

Wednesday, 8th March, 1950

The House met at a Quarter to Eleven of the Clock

[MR. SPEAKER in the Chair]

MEMBER SWORN

Shri Jwala Prasad Srivastava (Uttar Pradesh).

BALLOT OF QUESTIONS

Shri M. A. Ayyangar: Before we proceed, Sir, may I suggest to you that we follow the same procedure in regard to questions as we do in regard to Bills? I find that Mr. Sidhva's questions appear first always. As you know, we must send questions ten days in advance. A number of questions are sent in. I suggest that you wait till that date, and then take a ballot—[*Interruption.*] I ought not to be misunderstood by Mr. Sidhva. I am not jealous of his questions appearing first in the list. (*Shri Sidhva:* "You are jealous!") What I submit is a more substantial thing. Questions tabled by a number of other hon. Members never come up before the House and they have no opportunity to put supplementaries. A number of new-comers have come into this House and there is no chance for them. Therefore, I would suggest for your consideration, at a later stage leisurely, that you may wait till the last day and then take a ballot. The questions may thereafter be printed in the order in which they are drawn in the ballot—[*Interruption.*] There is also another point which I wish to submit for your consideration. Yesterday, you might remember there were four Short Notice Questions that had been tabled. Mr. Sidhva asked that all those four questions should be put, irrespective of the inconvenience caused to the House and the time taken up—[*Interruption.*]

Shri Kamath: This matter can be taken up after Question Hour, Sir.

Shri M. A. Ayyangar: Those questions were overlapping. Therefore, I submit that even with respect to Short Notice Questions, if they all relate to the same subject a ballot should be taken and whichever comes first must be admitted and the other ones may be put as supplementaries. I would request you to kindly consider this matter for future action.

Shri Sidhva: I am sorry that the Deputy Speaker, holding the position that he does, should have raised this point. He is rather unaware of the existing rules. The new rules will be coming up for discussion and he would be justified in making the suggestion that he has just now made on that occasion. But abruptly today, without any rhyme or reason, he has raised this question. He himself knows that he is jealous of me. Therefore, to justify his position, he

says he is not jealous, but he is jealous of me. Whenever he wants to speak, he wants to have precedence over every body. He is so eager to speak. He not only speaks but he makes long speeches sometimes for an hour. Therefore, my point is that this is out of order—[*Interruption.*]

Mr. Speaker: Order, order. Let him finish.

Shri Sidhva: He holds the position of Deputy-Speaker and therefore, I do not know whether you may not give him latitude, but with due respect to you, I submit that this is out of order and what he has stated is not correct.

Mr. Speaker: I do not think we need take time from the Question Hour.

Shri Kamath: After Question Hour.

Mr. Speaker: Not even after Question Hour.

The Minister of Home Affairs and the States (Sardar Patel): Would it not be proper if the questions of hon. Members are taken up in the chronological order of their names so that Mr. Sidhva's place may be appropriate—[*Interruption.*]

Mr. Speaker: Order, order.

Shri Sidhva: My questions are so inconvenient that from all sides I am opposed.

Mr. Speaker: Let us proceed now. As the hon. Member, Mr. Sidhva has stated, the rules of procedure will be coming before the House and the House would be able to take a decision as to whether it should be by ballot or in the order in which questions are received. But I would not like to put a discount on the alertness of an hon. Member in tabling questions in time. In this connection, I may say that when I reduced the number of questions from five to three, I took into consideration the larger number of Members and the desire of all of them to have more of their questions answered orally.

I would also like to take advantage of this opportunity to make it clear to the House that I find on many occasions when questions are taken up for oral answer, hon. Members seem to forget that we should put through each question as quickly as possible. There is, on the part of hon. Members, a desire always to put as many supplementaries as possible and I remember one occasion in which about twenty minutes were taken on one question only. So, we shall have to try all remedies, such as fewer questions, avoidance of expression of an opinion in the shape of a question, avoidance of suggestions for action in the shape of a question, and so on. If care is taken in these respects and supplementaries are restricted strictly to getting information, then it will be possible for us to put through a larger number of questions and in fact, to exhaust the Question List. I am trying to adjust matters to this new method. I do not know whether hon. Members are satisfied or dissatisfied with the procedure, that I am following of allowing a few supplementaries and then going immediately to the next question. However, this matter may be considered in due course. We need not take time now.

Shri Kamath: We have lost nine minutes already!

Mr. Speaker: It does not matter. We have not lost them; we have used them for some useful purpose.

ORAL ANSWERS TO QUESTIONS

The Minister of Commerce (Shri Neogy): With your leave, Sir, I propose to answer questions to-day on behalf of my hon. colleague the Minister of Industry and Supply.

HANDLOOM INDUSTRY

*689. **Shri Sidhva:** (a) Will the Minister of **Industry and Supply** be pleased to state the total number of handlooms in India state-wise?

(b) Is any export of handloom articles made and if so, to what countries and what percentage of the articles produced is exported?

The Minister of Commerce (Shri Neogy): (a) The total number is 28,26,000. A detailed statement is laid on the Table of the House. [See *Appendix III, annexure No. 37.*]

The statement is based on figures furnished by the State Governments. They are the best available estimates and their accuracy differs from area to area.

(b) A statement showing the countries to which handloom cloth is usually exported is laid on the Table of the House. [See *Appendix III, annexure No. 38.*]

The ratio between export and total production has varied from year to year; it is about three per cent.

Shri Sidhva: May I know the part of the country in which the largest number of handlooms exists?

Shri Neogy: My hon. friend will get the information from the Statement I have laid on the Table.

Shri Sidhva: Would he not at least tell us the province in which the largest number of handlooms exists?

Shri Neogy: Madras.

Shri Sidhva: What is the total value of these goods exported to foreign countries?

Shri Neogy: During which period?

Shri Sidhva: 1948 and 1949.

Shri Neogy: I must have notice.

Shri Khandubhai Desai: How many of these looms are working looms?

Shri Neogy: I have not got the information before me just now. I presume that most of them are working.

Shri Kesava Rao: May I know whether it is a fact that large quantities of handloom goods are lying idle with handloom weavers?

Shri Neogy: Yes, perhaps that is the case.

Dr. Deshmukh: Has the hon. Minister any estimate of the accumulation of handloom stocks?

Shri Neogy: Well, I know for a fact that there has been some accumulation; but I have not got accurate information.

Shri Alexander: Are any quotas for exports fixed for the States?

Shri Neogy: We want to liberalise exports of handloom products as much as possible. No question of quota therefore arises.

Shri Deshbandhu Gupta: Has the number of handlooms gone down, or gone up since 1949, or is it stationary?

Shri Neogy: I am not in a position to answer that question.

Shri Buragohain: To what extent the growth of power looms has affected the handloom industry?

Shri Neogy: I should like to have notice of that question.

Shri Shankarajya: Was any committee appointed to study the conditions of the handloom weavers in South India?

Shri Neogy: We get reports from the Madras Government on this subject.

Shri M. A. Ayyangar: Have any facilities been given to the handloom weavers of South India to export handloom cloth to Malaya, Singapore and to Western countries?

Shri Neogy: Every possible facility is given to every part of the country.

Shri Shiv Charan Lal: Do Government think of importing Japanese handlooms?

Shri Neogy: I do not know how that arises out of the present question.

PURCHASE OF STEAMERS FROM AMERICA

*690. **Shri Sidhva:** (a) Will the Minister of Commerce be pleased to state whether Government have through private agency purchased any steamers from America?

(b) How many steamers have been purchased and what is the total number of ships for which contract has been made?

(c) How many are plying and on what routes are they plying?

(d) When was the deal made and what is the profit and loss so far?

The Minister of Commerce (Shri Neogy): (a) and (b). Last year two Canadian Victory type vessels were purchased on Government of India's account by the Embassy in Washington through the Scindia Steam Navigation Company and their Agents in North America at a gross purchase price of 625,000 dollars each. The ownership of these vessels will be transferred to the first Government-sponsored Shipping Corporation as soon as it is set up. No contract has been made so far for the purchase of any more vessels.

(c) These two ships are now employed in the India/Australia service.

(d) Pending the registration of the first Shipping Corporation these vessels have been run on Government account and their management has been entrusted to the Scindia Steam Navigation Co. Ltd., Bombay. There was a net profit of approximately Rs. 1,32,000 as a result of the voyages of these vessels which have so far been completed.

Shri Sidhva: May I know what is the tonnage of these steamers which have been purchased?

Shri Neogy: The tonnage in one case is 7,216 and in the other 7,217.

Shri Sidhva: The hon. Minister stated that the profit derived was about a lakh and thirty-two thousand rupees. How will it be distributed and what will be the percentage of this Government-sponsored Corporation?

Shri Neogy: I am afraid my hon. friend has not quite followed the reply that I gave. The Government-sponsored Corporation is yet to be set up. Meanwhile these two boats are plying on behalf of Government and the management only has been entrusted to the Scindia Company on a commission basis. The figure that I have given is the net figure and this is creditable to the Government account.

Shri Sidhva: But what is the Government's share?

Shri Neogy: The whole of it.

Shri Sidhva: Is it not a fact that Scindia has got 26 per cent.?

Shri Neogy: My hon. friend is again, I am afraid, under a misapprehension. As I have already stated, the Government-sponsored Corporation has yet to be set up. There is, therefore, no question of Scindias taking 26 per cent. of the shares.

Shri Goenka: What is the knot speed of these steamers?

Shri Neogy: The speed is 10½ knots.

Dr. Deshmukh: In what year were these ships constructed?

Shri Neogy: They were constructed in 1944.

Shri M. A. Ayyangar: In arriving at the profits, is sufficient depreciation allowed as in the case of commercial lines? May I know the rate of dividend that is provided on the capital?

Shri Neogy: This figure has been arrived at after deducting commission, and as far as I can make out even depreciation.

Shri M. A. Ayyangar: What rate of dividend does it work out to?

Shri Neogy: There is no question of dividend: the steamers belong to Government and the profit belongs to Government.

Mr. Speaker: Evidently the hon. Member wants to know what percentage the profit represents on the capital invested?

Shri Neogy: My hon. Friend might work it out.

Shri Munavalli: What is the commission charged by the Scindia Company for management?

Shri Neogy: Five per cent. on net freight collections.

Pandit M. B. Bhargava: May I know why a private agency like the Scindia Steam Navigation Company was employed for the purchase of these ships and what was the amount of commission paid on this purchase?

Shri Neogy: We had to employ some agency for the purpose of making expert enquiries, and it so happened that the Scindia Company had a responsible officer of its own available there at the time. This was the only Indian company whose assistance we could avail of in this matter.

As regards the other question as to whether any commission was payable, I might inform the House that although a commission at the rate of 2½ per cent. was payable to the Scindia Navigation Company, I think they agreed to forego that commission.

Dr. Deshmukh: Is there any proposal to purchase any more ships, and, if so, how many?

Shri Neogy: Yes; we are hoping to be able to purchase, say, about three ships, subject to availability.

Dr. Deshmukh: And all through the Scindia Steam Navigation Company?

Shri Neogy: The Government-sponsored shipping Corporation is likely to be registered very soon and whatever transactions take place in future will be on behalf of that shipping Corporation.

Shri Sidhva: The Chairman of this Corporation made an announcement day before yesterday that this body will come into operation from next week. If that is so, may I know whether the Government have been informed of the terms and conditions?

Shri Neogy: Government had the terms and conditions under consideration for more than a year now and the House itself knows the terms and conditions because this is not the first time that I have to answer questions on the point.

Shri M. A. Ayyangar: Is the purchase of three more ships in addition to the three ships that are being built in the Vizag harbour under the agency of Scindias?

Shri Neogy: Those three ships are not taken into account for this particular purpose.

Dr. Pattabhi: May I know, Sir, how many paid intermediaries were employed for the purchase of these ships?

Shri Neogy: I do not know of any paid intermediaries.

There were the seller's representatives who got one per cent. and there was a broker who got one per cent.

Dr. Pattabhi: May I know whether the total is 2½ plus 1 plus 1 per cent.?

Shri Neogy: 4½ per cent. of which Government have got the benefit of 2½ per cent. which was otherwise payable to Scindia Navigation Company.

TIBETAN LIAISON OFFICER AT KALIMPONG

*694. **Shri A. B. Gurung:** Will the **Prime Minister** be pleased to state:

- (a) the functions of Tibetan Liaison Officer stationed at Kalimpong; and
- (b) the reasons for the detention of some bales of cloth at Gangtok, exported to Tibet under export permit issued by the Ministry of Commerce belonging to Jyoti Brothers of Kalimpong by the Tibetan Liaison Officer?

The Deputy Minister of External Affairs (Dr. Keskar): (a) The Tibet Liaison Officer at Kalimpong is an officer appointed to supervise the export of goods, in particular cotton piece-goods and yarn, from India to Tibet.

(b) The procurement and sale to Tibetan traders of cotton cloth and yarn commodities is carried on by a Syndicate of Indian merchants, established at Kalimpong on the orders of the Government of India, under the supervision of the Tibet Liaison Officer. Some months ago, however, the Government of India issued orders for the free grant of export licenses for cotton cloth to foreign destinations. The firm in question obtained an export permit. The Tibet Liaison Officer who had no knowledge of the authorization of the Ministry of Commerce detained part of the goods obtained by this firm. The detained

goods on reference to Government of India were allowed to go to Tibet. The previous system regulating exports of textiles to Tibet was re-established by fresh orders issued on the 6th December, 1949.

Shri A. B. Gurung: Sir, may I know whether it is a fact that an absolute monopoly with regard to the export of goods to Tibet is given to this association at Kalimpong, much against the will of the Government of Tibet?

Dr. Kekar: There is a monopoly; the fact of the existence of a monopoly is true.

Shri Raj Bahadur: Sir, may I know what is the cost incurred on the establishment and maintenance of the Liaison Officer in Tibet on behalf of the Government of India?

Dr. Kekar: I do not think the Tibet Liaison Officer has got a big establishment. It is a commercial establishment; and I would require notice if the hon. Member wants more details.

Thakur Krishna Singh: Is the Government aware that merchants in Tehri Garhwal and Garhwal do not get any help or protection in the matter of trading with Tibet, from the Liaison Officer at Kalimpong or the Trade Agent for India in Tibet?

Dr. Kekar: I am not aware that Indian merchants trading with Tibet in Tehri Garhwal or Garhwal do not get help from our Liaison Officer. Probably some of the difficulty in getting help may be due to geographical difficulties.

Shri A. B. Gurung: May I know whether the Liaison Officer at Kalimpong is subordinate to the Political Officer at Gangtok?

Dr. Kekar: No. The Liaison Officer is especially for commercial transactions and is subordinate to the Government of India here.

Shri A. B. Gurung: How does he stand in relation to the District Magistrate at Darjeeling?

Dr. Kekar: He has no relation with the District Magistrate, Darjeeling.

Shri D. D. Pant: Sir, is the Government going to appoint a new trading agent in Tibet?

NON-MUSLIMS IN TERRITORY UNDER AZAD KASHMIR GOVERNMENT

*695. **Sardar Hukam Singh:** (a) Will the Prime Minister be pleased to state whether there are any non-Muslim Kashmiris residing in the *Ilaga* under the domination of the so-called Azad Kashmir Government.

(b) If so, what is their number?

The Deputy Minister of External Affairs (Dr. Kekar): (a) and (b). There is a considerable number of non-Muslim subjects of the Jammu and Kashmir State, who are still on the other side of the cease-fire line, but I cannot give even approximate figures as we have no means of ascertaining them. We have so far failed to reach a satisfactory settlement with the Pakistan Government about these people, but the matter is always receiving the constant attention of the Government.

Sardar Hukam Singh: Sir, may I know whether these people are in their own houses and enjoying their property, or whether they are in some caraps?

Dr. Keskar: As I said, we are not able to get definite information about these non-Muslims who are on the other side of the cease-fire line, except in stray cases.

Sardar Hukam Singh: Do any of these migrate to the border line on this side?

The Minister of Transport and Railways (Shri Gopaldaswami): I may be permitted to answer, Sir.

Some of these people are concentrated in a few camps in pockets. The people in one of these pockets did migrate and were brought over to Lahore, and some of them have returned to India. The condition of the other pockets is not definitely known to us.

Sardar Hukam Singh: Have any of those people who have migrated to India been able to go back, after the cease-fire?

Shri Gopaldaswami: Not so far, none of them has gone back.

گھانی جی - ایس - مسافر : کیا آنریبل ڈپٹی منسٹر صاحب کو اس بات کا پتہ ہے کہ اسکردو اور گلگت سے کچھ ہندو اور سکھ جو ادھر آ رہے تو ان کو راولپنڈی کے نزدیک روک لیا گیا ہے -

Giani G. S. Musafir: Is the Deputy Minister aware of the fact that some Hindus and Sikhs who were coming here from Skardu and Gilgit have been detained near Rawalpindi?

Dr. Keskar: Yes, that is a fact, and hon. Members are aware that a few days back the Prime Minister gave definite figures of the number of such persons detained in a camp near Rawalpindi.

گھانی جی - ایس - مسافر : کیا ان کو ہندوستان میں بہت جلد لانے کی کوئی تجویز ہے - اور سرکار اس کے متعلق کیا کوشش کر رہی ہے ؟

Giani G. S. Musafir: Is there any proposal to bring them here at the earliest and what efforts the Government is making in this connection?

Dr. Keskar: Government is trying to bring them back to India and negotiations are going on with the Government of Pakistan about this.

Shri Deshbandhu Gupta: May I know the number of non-Muslim and Muslim Kashmiris respectively who have crossed the border since the cease-fire?

Dr. Keskar: I would require notice.

Dr. Deshmukh: Sir, are we to understand that Government have not even approximate idea of the number of non-Muslim Kashmiris in that territory, and if so, are any efforts being made to find out the number?

Shri Gopaldaswami: We have made certain efforts. We are trying to ascertain the numbers through neutral observers who go there, people for instance, like Mr. Horace Alexander and one or two others. They visited one or two camps but they were not able to visit the whole area, and it has not been possible for us to ascertain the exact numbers. Some of them have come over to India; others are remaining there, and still others in camps.

Dr. Deshmukh: Do they not have even a rough estimate?

REPRESENTATION OF INDIA BY AN AMBASSADOR IN U. K.

***696. Dr. M. M. Das:** Will the **Prime Minister** be pleased to state whether it is a fact that the Government of India desire to be represented in London by an Ambassador in place of a High Commissioner?

The Deputy Minister of External Affairs (Dr. Keskar): The High Commissioner for India in London has exactly the same status and privileges and functions as an Ambassador. The question of designation is under consideration.

Dr. M. M. Das: Sir, may I know whether the non-replacement of the High Commissioner in London by an Ambassador is compatible with the independent Republican status of India?

Mr. Speaker: It is a matter of argument.

Dr. M. M. Das: May I know whether Government propose to replace the High Commissioners in other Commonwealths other than Britain, by Ambassadors?

Dr. Keskar: There is no question of replacing the High Commissioners anywhere. As I said, what should be the exact status of the High Commissioner is under consideration.

Shri Kamath: Sir, with reference to that part of the answer where it is stated that the question of the designation of the High Commissioner is under consideration, does that mean that our membership of the so-called Commonwealth is only a paper membership and has no relation to reality?

Mr. Speaker: Order, order. I do not think that question arises.

Shri Tyagi: Sir, is it the intention of the Government to send some seasoned politician as Ambassador in London?

Mr. Speaker: Order, order. It may be in the form of a question, but it implies a reflection on the present personnel.

Shri Raj Bahadur: May I know whether the change-over from High Commissionership to Ambassadorship would involve any financial implications?

Dr. Keskar: There would be absolutely no change. At present the High Commissioner enjoys all the privileges and rights of an Ambassador. But whether the name should remain the same, only that is under consideration at present.

Shri Kamath: Does that mean that he is *de facto* Ambassador and not *de jure*?

Mr. Speaker: Order, order. It is going into an argument.

Shri Raj Bahadur: Is it contemplated to reduce the staff there, consequent on the change-over? I mean the English staff?

Dr. Keskar: The office of the High Commissioner anywhere, either in London or in any other country is not built up with reference to whether the person is called a High Commissioner or whether he is called an Ambassador. The office is there with a view to performing certain functions, and as my hon. friend is aware, in London the High Commissioner has to perform certain commercial and financial functions, and that office is mainly for that purpose. So the question of reducing the staff or increasing the staff does not arise.

FINANCIAL COMMITMENTS OF FRENCH ADMINISTRATION IN INDIA

*697. **Dr. M. M. Das:** Will the **Prime Minister** be pleased to state whether it is a fact that the Government of India have agreed to take over the financial commitments of the French Administrations in India and if so, on what conditions?

The Deputy Minister of External Affairs (Dr. Keskar): Yes, Subject to an agreement between the two Governments the existing financial commitments of the French Administration will be taken over by the Government of India when the French possessions in India join the Indian Union.

Dr. M. M. Das: May I know what is the total amount of this financial commitment?

Dr. Keskar: The question will arise when the question of taking over these possessions will come. We have declared that when we take over the French possessions we will at the same time take up the liabilities and assets at the same time.

Dr. M. M. Das: May I know to whom this amount is due?

Dr. Keskar: These things have not been gone into in detail. They will arise and will be gone into only when the question of taking over the French possessions will come.

Dr. M. M. Das: I want to know to whom these liabilities are due?

Dr. Keskar: Nothing is known about liabilities.

JUTE GOODS EXPORTED TO JAPAN

*698. **Shri B. K. Das:** (a) Will the Minister of **Commerce** be pleased to state the value of jute goods exported to Japan during the years 1948 and 1949?

(b) How does the selling price for Japan at present compare with those for U.S.A. and other countries?

The Minister of Commerce (Shri Neogy): (a) There were no exports of jute goods to Japan during the years 1948 and 1949.

(b) The question does not arise.

REPUBLIC DAY CEREMONY AT INDIAN EMBASSIES

*699. **Shri Kamath:** Will the **Prime Minister** be pleased to state:

(a) whether upon the inauguration of the Republic of India, our Ambassadors and Ministers abroad presented fresh credentials to the Heads of States to which they are accredited;

(b) whether any message was read by them in the Embassies on behalf of the Indian Government; and

(c) if so, the text thereof?

The Deputy Minister of External Affairs (Dr. Keskar): (a) It was decided that in accordance with international usage fresh credentials should be presented by our representatives abroad after the 26th January, 1950. They were informed accordingly. Fresh Letters of Credence are being sent out to our various diplomatic missions.

(b) Yes.

(c) A copy of the text of the proclamation, and of the message of the Prime Minister is laid on the Table of the House. [See *Appendix III, annexure No. 39.*]

Shri Kamath: If fresh credentials are being presented, are they being presented in Commonwealth countries as well?

Dr. Keskar: The question whether we shall have to present fresh credentials to the Commonwealth countries is under consideration.

Shri Kamath: On what dates were credentials presented in such of the countries where it has been done so far?

Dr. Keskar: It has been decided and letters are being sent. It will be difficult for me at this stage to say to which countries fresh letters of credence have been sent and to which we have to send.

Shri Kamath: Were any credentials presented in any country on the Republic Day itself?

Dr. Keskar: No, because the letters of credence have to be sent in the name of the President and until the President takes charge, letters cannot be sent.

Shri K. O. Sharma: Were any of these messages in Hindi or Hindustani or any other Indian language?

Dr. Keskar: They were generally in English.

Shri Kamath: How many Ambassadors or Ministers were absent from their posts on Republic Day?

Dr. Keskar: I will require notice of that.

MANUFACTURE OF MOTOR PUMPS

*700. **Shri Jnani Ram:** Will the Minister of **Industry and Supply** be pleased to state:

- (a) whether motor pumps are manufactured in India;
- (b) the names of the factories where motor pumps are manufactured;
- (c) the number of pumps manufactured and distributed in the State; and
- (d) the approximate cost of each pump?

The Minister of Commerce (Shri Neogy): (a) Presumably the hon. Member is referring to power driven pumps. If so, the answer is in the affirmative.

- (b) (i) Messrs. Kirloskar Bros., Kirloskarvadi.
- (ii) Messrs. Jyoti Limited, Baroda.
- (iii) Messrs. P. S. G. & Sons, Charity Industrial Institute, Peelamedu, Coimbatore.
- (iv) Messrs. Argus Engineering Co. Ltd., Peelamedu, Coimbatore.

(c) About 14,338 pumps were manufactured during 1949. Information regarding their distribution is not available.

- (d) It varies from Rs. 60 to Rs. 1,975 according to size, type and make.

Shri Jnani Ram: Is there any control by Government on the sale of these pumps?

Shri Neogy: I do not think so.

Pandit M. B. Bhargava: May I know what is the normal requirements of this country and what is the percentage of imports?

Shri Neogy: I do not find anything to indicate the normal requirements, even approximately but it is estimated that in about 4 years time our requirements may be met wholly by indigenous manufacture.

Pandit M. B. Bhargava: What is the extent of import from outside countries of these pumps?

Shri Neogy: Imports are allowed only on the basis of essentiality and is confined to types and sizes and only where these types and sizes are not available in the country.

IMPORT AND DISTRIBUTION OF SILK

*701. **Shri R. C. Upadhyaya:** (a) Will the Minister of **Industry and Supply** be pleased to state whether Government have received the resolution passed by the representatives of silk interests of the country held at Bangalore on 31st January, 1950, submitted through the All India Silk Board?

(b) Have the Government of India considered the resolution and if so, have they come to some conclusion about the policy to be adopted regarding the import of silk and distribution of the imported quota?

The Minister of Commerce (Shri Neogy): (a) No.

(b) Does not arise.

RAID BY PAKISTANIS ON BIRILPUR FORT NEAR BIKANER

*702. **Shri Kamath:** Will the **Prime Minister** be pleased to state:

(a) whether it is a fact that on Republic day some Pakistanis, dressed in khaki and blue uniforms, and equipped with modern weapons, occupied Birilpur fort near Bikaner;

(b) what action was taken against the raiders, and when were they driven away;

(c) how many such or similar raids have taken place along the Pakistan-Bikaner boundary during the last six months; and

(d) the measures taken by Government to check and repel such border raids?

The Minister of Transport and Railways (Shri Gopaldaswami): (a) and (b). About one hundred Pakistan nationals armed with rifles and wearing khaki and blue uniforms approached village Birsalpur not Birilpur on the afternoon of the 26th January, 1950, and opened heavy fire. Military reinforcements were sent and the raiders were driven away by the morning of the 28th.

(c) 26 raids, mostly minor ones.

(d) There are police picquets, supported by units of the Rajasthan forces all along the border. Vigorous patrolling is being carried out by these picquets. Apart from this, quarterly meetings are held between the Inspectors-General of Police of the border states to devise ways and means of preventing such raids.

Shri Kamath Have any military pickets been posted or increased on this border since these raids took place?

Shri Gopaldaswami: It is not desirable in the public interest to disclose information of that character.

Shri Deshbandhu Gupta: Have some of these raiders been arrested?

Shri Gopaldaswami: I have not got the information here, but I shall find out if the hon. Member wants it.

Shri Deshbandhu Gupta: Is it not a fact that some of these raiders who have been arrested have confessed that they were getting communications from some people on this side and were guided by same in the raids?

Shri Gopaldaswami: I have no information on the point.

Babu Ramnarayan Singh: Was any raider killed?

Shri Gopaldaswami: I do not think there was any person killed in regard to the particular raid referred to by the hon. Member who put the question. As to whether there were any killed in the course of the other 25 raids, it is not possible for me to give the information at present.

Sardar Hukam Singh: Was any reply received because I presume a protest must have been lodged?

Shri Gopaldaswami: The Army Headquarters themselves have protested against that but so far we have received no reply.

Kanwar Jaswant Singh: It is the general belief on our side of the area that these raids are generally inspired? Have Government any information?

Shri Gopaldaswami: One bit of information I can give which perhaps shows that things work in a contrary direction also. The person who brought the information to our authorities in regard to the referred to in part (a) of the question was himself a muslim of our area. He was sent out to find where these people were and he came back minus the camel on which he rode to that place.

SPECULATION IN OILSEEDS

*703. **Shri Sidhva:** (a) Will the Minister of Commerce be pleased to state whether it is a fact that Government have banned speculation or Phatka in oilseeds and if so, since when?

(b) Is it a fact that recently the Government of India issued warnings against speculative dealings in oilseeds?

(c) Are Government aware of the fact that in spite of such ban and such warnings Phatka is openly going on in the Burrabazar Market in Calcutta and if so, what steps do Government propose to take in the matter?

(d) Have Government got any report as to the rise in prices of linseeds recorded within last 10 days at Calcutta Phatka Market?

(e) Have Government received any representation from the President, Bengal Oil Mills Association, that the speculative rise in prices of linseed is doing harm to the oil mill industry in Bengal and if so, what steps have Government taken in the matter?

The Minister of Commerce (Shri Neogy): (a) Yes, Sir. Forward contracts in certain oilseeds, including linseed, have been prohibited since 1943, under the Oilseeds (Forward Contracts Prohibition) Order 1943.

(b) Yes, Sir. A Press Note was issued by the Government of India in September 1949, warning the public against illegal futures transactions in oilseeds.

(c) and (e). Government have received representations from certain commercial bodies including the President, Bengal Oil Mills Association, alleging speculative activities in linseed in Calcutta. The Government of West Bengal, to whom the matter was referred, have informed us that some futures transactions in linseed are reported to have taken place in Burrabazar. Action to be taken against persons participating in these transactions is under consideration.

(d) The recent price rises in the Calcutta market for linseed in January and first week of February have been reported by West Bengal Government to be not substantial.

Shri P. G. Sen: Is there any ban on jute *phatka*?

Shri Neogy: Yes, that is not an oilseed.

Shri P. G. Sen: No, that is *phatka* in question.

Shri Goenka: May I know whether the Government are aware of the fact that as a result of speculation in groundnut in Madras province, the price of oil has doubled recently?

Shri Neogy: The evil complained of is not confined to Madras, and I am prepared to accept from my hon. friend any information on this subject as fairly authoritative.

Shri Barman: Has there been any attempt on the part of Government to find out where the oilseeds have been garnered by the profiteers and black-marketeers?

Shri Neogy: The execution of this law is entrusted to the provincial Governments. I take it so far as the particular question goes, the West Bengal Government is expected to take whatever action is possible and necessary.

Shri Goenka: What action do Government propose to take if, as the hon. Commerce Minister has said, he accepts my statement as correct?

Shri Neogy: We are contemplating comprehensive powers for the purpose of dealing with the evil effectively.

Shri Alagesan: Has there been any speculative activity in groundnut in Saurashtra?

Shri Neogy: I presume so.

Shri N. S. Jain: May I know why Government allow speculative activities in these commodities?

Mr. Speaker: Order, order. Next question.

INDUSTRIAL TRAINING

*704. **Shri Ethirajulu Naidu:** (a) Will the Minister of Labour be pleased to state whether Government are imparting Industrial Training?

(b) What is the expenditure incurred by Government for (i) establishment; and (ii) stipends for candidates?

(c) What is the total expenditure incurred by Government?

The Minister of Labour (Shri Jagjivan Ram): (a) Yes, Sir. After the termination of the War, the Government of India in the Ministry of Labour instituted Schemes for the technical and vocational training of demobilised services personnel with a view to facilitating their resettlement in civil life and securing an adequate supply of skilled personnel for post-war industrial development. These schemes were subsequently extended to displaced persons from Pakistan. They are due to be terminated very soon. A new Scheme for imparting technical and vocational training to adult civilians has, however, been sanctioned up to 31st July 1952. Under this Scheme, provision has been made for 10,000 seats in 49 training centres throughout the country. Approximately 7,000 seats will be in engineering and building trades and the rest in occupations relating to cottage and small scale industries. The list of trades in which training will be given and the location of the proposed training centres are given in the prospectus, copies of which are available in the Library of the House.

(b) and (c). A statement is laid on the Table of the House. [See *Appendix III, annexure No. 40*].

Shri Ethirajulu Naidu: Are other Ministries also imparting industrial training?

Shri Jagjivan Ram: The next question is seeking just that information. The Rehabilitation Ministry is doing something for displaced persons.

Shri Ethirajulu Naidu: Is there any proposal to bring all industrial training under one Ministry?

Mr. Speaker: That is a suggestion for action to bring all training under one Ministry.

Shri Deshbandhu Gupta: The hon. Minister in reply to part (c) of the question said that a statement was laid on the Table of the House. You were pleased to rule on an earlier occasion, Sir, that if it was just one figure, it would be given on the floor of the House and not laid on the Table of the House in a Statement. May I, through you, request the hon. Minister to enlighten the House by giving the total figure? It is only the total that is wanted.

Mr. Speaker: Can he give the total?

Shri Jagjivan Ram: The totals for three years have been given under different headings. That is why a statement has been made. I can give the total figures. For the current year, it is 87.76 lakhs out of which 56.53 lakhs came from the Centre and 31.23 lakhs from the States. For the next year, the Budget provision is 61.60 lakhs out of which 40.50 lakhs will be from the Centre and 24.10 lakhs from the States.

Shri Venkataraman: Is it a fact that many of the trainees are unemployed?

Shri Jagjivan Ram: The fact is just the contrary. Many of the trainees of Technical Training Centres are so much in demand by the industry that they

are not even allowed to complete their course and are taken away by the industry.

Shri Shiva Rao: With reference to part (c) of the question, the form of the question was, what is the total expenditure incurred by Government. Am I to understand that the answer just now read by the hon. Minister refers to Government as a whole or to his particular Ministry alone?

Shri Jagjivan Ram: If a question is put to Government, the Ministry concerned gives the answer and this expenditure is of course the expenditure incurred by the Ministry concerned.

Shri Shiva Rao: I am asking the question because the next question is in identical terms. Am I to understand that this answer to part (c) does not include the expenditure incurred by the Ministry of Rehabilitation on the same subject?

Shri Jagjivan Ram: It does not.

Shri Ramaswamy Naidu: Is there any undertaking given to the trainees that employment will be found for them?

Shri Jagjivan Ram: There is no undertaking. But, there is so much demand for this kind of skilled workers in the country that Government is satisfied that as soon as they complete their courses, they will be absorbed in industry or will be able to start small cottage industries of their own.

Ch. Ranbir Singh: May I know whether there are any training centres in rural areas?

Shri Jagjivan Ram: Most of them are in rural areas if by rural areas it is meant that the centres are surrounded by villages.

INDUSTRIAL TRAINING

*705. **Shri Ethirajulu Naidu:** (a) Will the Minister of **Rehabilitation** be pleased to state whether Government are imparting Industrial Training?

(b) What is the expenditure incurred by Government for (i) establishment; and (ii) stipends for candidates?

(c) What is the total expenditure incurred by Government?

The Minister of State for Transport and Railways (Shri Santhanam): (a) Yes.

(b) (i) Rs. 22.41 lakhs.

(ii) Rs. 56.56 lakhs.

(c) Rs. 1,22.02 lakhs.

Shri Tyagi: May I know if there is any co-ordination in the administration of these schemes in these Ministries?

Shri Santhanam: Yes, Sir. Many of the refugees are being trained at the training Centres established by the Labour Ministry and also by the States.

Shri Tyagi: Are the administrations of both the Ministries with regard to training separate or are they co-ordinated into one?

Shri Santhanam: They are co-ordinated. Only the expenditure is allocated.

DISPLACED PERSONS TRAINED AT VOCATIONAL TRAINING CENTRES

*707. **Shri S. N. Sinha:** Will the Minister of **Rehabilitation** be pleased to state:

(a) the number of displaced persons who have already been trained in the vocational training centres;

(b) if there is any proposal to give financial assistance or loan to these trained persons to enable them to start their own cottage industries; and

(c) the number of trained persons who have been absorbed in Government-owned industries?

The Minister of State for Transport and Railways (Shri Santhanam): (a) 17,700 up to 31st December, 1949.

(b) Trained displaced persons desirous of setting up their own cottage industries are eligible for loans up to Rs. 5,000, under our urban loans scheme which is administered through the State Governments. Besides, these persons are also given facilities for procurement of tools, raw materials etc.

(c) Information about the number absorbed in the Government owned industries is not readily available.

Shri Kesava Rao: Out of the 17,700 may I know how many of them received financial assistance?

Shri Santhanam: All of them.

Dr. Parmar: Are any of them women?

Shri Santhanam: Out of 7024 persons trained by the Ministry of Labour, there were 278 women. I have not got the different figures for the people trained by the States.

PROTECTION TO COCOA POWDER AND CHOCOLATE INDUSTRY

*708. **Shri S. C. Samanta:** Will the Minister of **Commerce** be pleased to state:

(a) whether Cocoa Powder and Chocolate Industry in India is given any protection;

(b) if the answer to part (a) above be in the affirmative, whether the industrialists concerned submit their statistics every year in time;

(c) how much Cocoa Powder and Chocolate was imported in the years 1948 and 1949 and from what countries; and

(d) how much was produced in India?

The Minister of Commerce (Shri Neogy): (a) Yes Sir. The period of protection has recently been extended to the 31st December 1952.

(b) No, Sir; not hitherto. I might add that the recommendation regarding submission of such data was contained in the Tariff Board's Report on this Industry issued on the 15th December 1949. This recommendation of the Tariff Board was *inter alia* accepted by Government in its Resolution issued on the 21st January, 1950. It is therefore too early as yet to judge whether

this information would or would not be furnished by the Industry every year in time.

(c) I place on the Table a statement showing imports of cocoa and chocolate other than confectionery during the years 1948 and 1949 and the countries from which they were imported.

(d) 1947—2,170 cwts.

1948—1,004 cwts.

The only factory producing cocoa powder and chocolate closed down in March, 1949 but is expected to resume production.

STATEMENT

Imports of Cocoa and Chocolate other than confectionery

	1948 Quantity (Cwt.)	1949 Quantity (Cwt.)
U. K.	9,160	4,410
U. S. A.	1,663	1
Netherlands	283	176
Canada	457	...
Switzerland	77	19
Australia	13	531
New Zealand		1,621
Denmark		28
Malaya	...	205
TOTAL	11,653	6,991

Shri S. C. Samanta: May I know, Sir, what is the quality and price of the imported and indigenous cocoa and chocolate?

Shri Neogy: As I have already stated very few of these industries have been in production of late, but as far as I recollect, there has been some complaint on the ground of quality about the Indian production. As regards prices, well, I am not in a position to state anything definitely but so far as quality is, concerned, the quality has been considered to be more or less poor due to the poor material available.

Shri S. C. Samanta: What are the raw materials required for the production of cocoa powder and chocolate?

Shri Neogy: May I refer my hon. friend to the report of the Tariff Board. I have got it before me and I should not like to read whole extracts of it.

Shri S. C. Samanta: Has the cultivation of cocoa beans been experimented in Indian soil?

Shri Neogy: As far as I know, it has not been. As a matter of fact it is considered that the quality of cocoa beans that come from Ceylon and other neighbouring countries is not quite up to the mark and I do not imagine that India grown cocoa bean would be any superior.

Shri S. C. Samanta: May I know if it is true whether the Government want to protect the industry or the industrialists want to protect it?

Shri Neogy: I might remind my hon. friend that the protection in this particular case consists mostly in converting the revenue duty into a protective duty without any change in the rate of duty payable.

Dr. V. Subramaniam: May I ask whether cocoa powder and chocolate are taken as foodstuffs?

Shri Neogy: I presume so.

DISPLACED PERSONS IN DATIA IN VINDHYA PRADESH

*709. **Shri Dwivedi:** (a) Will the Minister of Rehabilitation be pleased to state whether it is a fact that about 5,000 displaced persons are housed for the last two years in an old six storeyed building in Datia in Vindhya Pradesh which is open to inclemencies of all kinds of weather?

(b) How long more will it take to rehabilitate them?

(c) What sums of money are proposed to be given to each family?

(d) In addition to the working capital will it also include sums of money for construction of houses for them in places where they are to be rehabilitated?

(e) Will there be any discrimination in the distribution of these sums as between persons who are to be rehabilitated in rural and urban areas?

The Minister of State for Transport and Railways (Shri Santhanam): (a) and (b). The hon. Member is probably referring to the Bahadur Garh Fort at Datia. If so, the number is 1500. Most of those people are gainfully employed and are therefore averse to going to other places for rehabilitation.

(c) Loans at the average rate of Rs. 1,100 and Rs. 800 per agriculturist and non-agriculturist families respectively have been sanctioned.

(d) No.

(e) There is no question of discrimination. Loans are given on the basis of actual requirements of displaced persons and according to the funds available.

Shri Dwivedi: May I ask if the Vindhya Pradesh have been co-operating with the Central Government in this respect?

Shri Santhanam: It is the Vindhya Pradesh Government which is administering this for the Rehabilitation Ministry.

Shri Dwivedi: If the Vindhya Pradesh Government have been co-operating may I know, what is the cause of delay, particularly when free feeding was stopped?

Mr. Speaker: The hon. Member says that something has not been done and wants to know what is the cause of this slow progress.

Shri Santhanam: I have not heard the question clearly.

Mr. Speaker: We shall then go to the next question.

COAL LABOUR CONCILIATION AWARD

***710. Shri Jnani Ram:** Will the Minister of Labour be pleased to state:

- (a) the date of giving the Coal Labour Conciliation Award;
- (b) the period for which the Award was to remain in force;
- (c) whether the period has expired;
- (d) if so, the reasons for not giving a fresh award; and
- (e) the time by which a fresh award will be given?

The Minister of Labour (Shri Jagjivan Ram): (a) The hon. Member presumably refers to the report of the Conciliation Board (Colliery Disputes). It was published on the 12th May 1947.

(b) This is not an award under the Industrial Disputes Act, 1947 but a report made by a Conciliation Board constituted under the Trade Disputes Act, 1929. The report of the Conciliation Board was a unanimous one and the parties agreed to implement it. It is being observed by both the parties.

- (c) to (e). Do not arise in view of the reply to part (b).

HOSPITAL IN KODARMA AREA FOR MICA MINES LABOURERS

***711. Shri Jnani Ram:** Will the Minister of Labour be pleased to state:

- (a) whether there is any proposal to construct a hospital in Kodarma area for Mica Mines Labourers;
- (b) if so, the amount sanctioned and the progress made so far; and
- (c) the reasons for the delay in the construction of the hospital?

The Minister of Labour (Shri Jagjivan Ram): (a) Yes.

(b) No formal sanction has so far been issued, but an expenditure of Rs. 8,987-9-0 has already been incurred on the acquisition of land, possession of which has since been taken. Plans and estimates of the hospital building and staff quarters are under preparation.

(c) Delay was mainly due to the fact that it took sometime to get the land acquired.

Shri Jnani Ram: May I know from which funds this hospital is being constructed?

Shri Jagjivan Ram: From the Welfare Fund.

BAN ON GROUNDNUT EXPORT

***712. Shri E. Velayudhan:** (a) Will the Minister of Commerce be pleased to state whether Government have imposed a ban on the export of groundnut?

(b) If so, what were the causes that necessitated the ban and when was it imposed?

(c) Is it a fact that prices of groundnut have gone up?

The Minister of Commerce (Shri Neogy): (a) and (b). On 1st February 1950 Government announced a ban on further exports of groundnut kernels

from India. The action was necessitated by a number of circumstances which include the late arrival of the groundnut crop, the size of which is now estimated to be less than what was originally anticipated, the rise in internal prices, the acute supply position in some of the internal markets, and the large volume of exports which had already taken place in January 1950.

(c) Yes, Sir.

Shri R. Velayudhan: May I ask whether the Andhra Chamber of Commerce have protested against the ban on the export of groundnut oil?

Shri Neogy: I do not recollect having received a protest like that, but I am prepared to take that from my hon. friend.

Shri R. Velayudhan: May I ask whether Government have banned groundnut oil also for export?

Shri Neogy: I may inform the House that just a week ago a Conference was held of the representatives of all the State Governments interested in oil seeds for the purpose of considering the situation and also possible future action and the Government are now considering the report of that Conference.

Shri R. Velayudhan: May I know what amount the Government got by the export of groundnut oil last year?

Shri Neogy: I am afraid, I must ask for notice.

Shri Rudrappa: May I know what is the surplus quantity available in India for export generally?

Shri Neogy: That depends upon the size of the crop. We get the figures from the Ministry of Agriculture indicating the available surplus for export. So far as the current year goes, the Ministry of Agriculture might have been agreeable to an export of about two lakh tons, but as I have already indicated, the crop has proved to be very much shorter than was anticipated.

Shri Rudrappa: May I know what was the quantity exported last year?

Shri Neogy: I do not think that I have got the figure here just now.

Shri Shiv Charan Lal: Has the export of groundnut oil also been banned?

Shri Neogy: I do not think so.

Shri Goenka: Do Government enquire into the causes for the rise in prices whenever it happens?

Shri Neogy: When the rise is of the order with which we are now concerned, the answer is 'Yes' and that is why the conference to which I have referred was held.

Shri Goenka: Will the Government tell us what are the causes for the rise in prices at present?

Shri Neogy: The causes are very many, the principal one being speculation.

Shri Alagesan: May I know whether the ban was first imposed by one of the State Governments and then the Government of India followed suit and whether such powers vest in a State Government?

Shri Neogy: I am prepared to allow that credit to that State Government, but it is a fact that the whole question was under examination by Government and it was an accident that action was initiated by the State Government concerned.

Short notice question and Answer**ESCAPE OF MIR LAIK ALI**

Shri Sidhva: Will the Minister of States be pleased to state:

(a) whether it is a fact that Mir Laik Ali, former Premier of Hyderabad, escaped from house custody;

(b) if so, when and under what circumstances;

(c) when was he last noticed by the guard;

(d) what were the arrangements that were made for guarding the said person while under arrest;

(e) was any action been taken against those responsible for his escape; and

(f) what efforts have been made to find him out?

The Minister of Home Affairs and the States (Sardar Patel): (a) Yes.

(b) and (c). Investigations into the escape of Mir Laik Ali are still proceeding and it is yet too early to say exactly when and in what circumstances he escaped. So far, enquiries indicate that he escaped, accompanied by his wife, on the morning of the 4th March after 7-30 A.M. in a car which was screened. He was last seen by the Guard Commander at 7-30 A.M. on the 4th March. I should like to use this opportunity of contradicting the general impression created by news agencies that Mir Laik Ali had grown a beard. Our information shows that this news is entirely unfounded, although he had not trimmed his moustache for some time.

(d) Mir Laik Ali was lodged in his own bungalow at Begumpet with his family consisting of his wife, son and five daughters. The bungalow was guarded by one Guard Commander of the rank of Head Constable, one Lance-Naik, Second-in-Command, and six Constables of the U.P. Provincial Armed Constabulary. The Guard was changed twice a week on Mondays and Thursdays and was stationed at two fixed posts of sentries, one in front of the main gate and the other at a point commanding a view of the back portion of the house. In addition, two intelligence men in *mufti* were posted to keep watch and one woman Constable of City Police was posted for the search of females entering and leaving the house.

(e) As I have already indicated, the investigations are still proceeding. At the request of the Hyderabad Government, we have lent the services of an officer of the Intelligence Bureau to assist them in the investigation of this incident. The Chief Minister of Hyderabad Government will consider action to be taken against the persons concerned as soon as the course of investigation justifies it.

(f) The police authorities of various States have been informed with a view to searching air ports, railway trains and private and public motor vehicles. Locally also, intensive searches are being made and a close watch is being kept.

Shri Sidhva: Is there any truth in the statement that he has crossed Indian territory and entered into Portuguese territory?

Sardar Patel: That is the report in the press. These are all more or less speculative or imaginative reports.

Shri Sidhva: May I know whether any daily roll call was made or whether there was any daily check?

Sardar Patel: There is no daily roll call.

Shri Brajeshwar Prasad: Is the hon. Minister in a position to state the extent of the immovable property left by Mir Laik Ali?

Sardar Patel: It is difficult to say, but he had considerable immovable property so far as I understand—houses, factories, business concerns, etc.

Shri Brajeshwar Prasad: Is it true that property worth several lakhs has been left by Mir Laik Ali?

Sardar Patel: It may be true.

Pandit Krishna Chandra Sharma: Has any member of the family of Mir Laik Ali or any member of his staff been left behind?

Sardar Patel: I do not know about his staff. One servant was there and he has been arrested. About his family members, there is none there.

Shrimati Durgabai: May I know whether there is any truth in the press report that Mir Laik Ali's relatives, viz., his wife and children were allowed to go out and come in as they liked for some time past?

Sardar Patel: His wife and children were allowed to go out and come in as they liked, because they were not under detention. The children were going to school. There was also a marriage party where these people, his wife and children, were going during the week, before his escape.

Shri Hanumanthaya: How many servants did Mir Laik Ali and his family have?

Sardar Patel: He had about a dozen servants of whom five had already left in January. Five servants seem to have left him a week before. One is still there.

Shrimati Durgabai: May I know whether it is true that Mir Laik Ali disappeared in a *burqa*?

Sardar Patel: All these are speculations. It may or may not be true. I do not know. All the information available is that he went away with his wife in a screened car. Whether he was in a *burqa* it is difficult to say. The police woman who was to check this gave the report that everything was all right.

Shri Goenka: Is there any truth in the news report that two months back the Hyderabad Administration suggested to the States Ministry the transfer of Mr. Jetley, the Inspector General of Police?

Sardar Patel: That was not in this connection. It was in connection with Communist activities which occurred in two districts, and the report of the Hyderabad authorities was that the present Inspector General of Police was not up to it. We were trying to replace him by another competent and able officer, a very much younger officer. We have written to several Governments to find out whether they could spare anybody. We have written to U.P., we have written to Bombay and also Madras, but the difficulty is of finding officers capable of dealing with this job, because of the formation of many Unions and States and the general disruptive activities in several places.

Shri Goenka: Is it a fact that recently the Hyderabad Administration informed Mr. Jetley that since the Government had practically decided to prosecute the ex-Members of the Hyderabad Cabinet, the guards in their houses should be strengthened?

Sardar Patel: That I cannot say till we get a full investigation report.

Shri B. K. Chaudhuri: May I know when the Government of India received the news of the escape?

Sardar Patel: We received the news on the 6th evening.

Shri Kamath: Was this the first occasion on which a screened car as was stated by the Minister was allowed to pass out of the bungalow premises or did it happen before on any other occasion?

Sardar Patel: Such things may be disclosed in the enquiry, I do not know.

Shri Deshbandhu Gupta: Is it true that Mir Laik Ali has already disposed of some of his valuable movable property?

Sardar Patel: He had ample time. There was no restriction on disposal of property, and his wife was free to go about.

Shri Tyagi: When was Mir Laik Ali last seen before his escape?

Sardar Patel: I have already answered that question.

Mr. Speaker: In view of the statement of the hon. the Deputy Prime Minister that investigation is not yet complete and that it is still in progress, I do not think that these questions should be put just now, at this stage before the Government have full information. The hon. the Deputy Prime Minister has already stated that these are questions relating to the enquiry which is proceeding now.

Sardar Patel: I have already answered that particular question that he was last seen on the 4th morning.

Shri Tyagi: May I know whether all were found missing together or one or the other of them was reported to be missing previously?

Sardar Patel: The report is that on the 3rd his wife and children had left for a marriage party. His children never returned but his wife returned. Laik Ali and his wife are, according to the report, said to have gone on the 4th morning in a car which was screened.

Mr. Speaker: I think I shall put a stop to these questions now. We have already taken more than ten minutes over this.

Shri Goenka: Just one question, Sir. Is it a fact that the Inspector General of Police allowed an American correspondent to interview Mir Laik Ali without reference to the Government?

Sardar Patel: I have no information.

Srinmati Durgabai: Sir, just one more question.

Mr. Speaker: I do not propose to allow any further questions. I have made myself quite clear about that.

WRITTEN ANSWERS TO QUESTIONS

PERMITS TO MUSLIMS FROM WESTERN PAKISTAN

*691. **Seth Govind Das:** Will the Minister of Rehabilitation be pleased to state the number of Muslims who entered India from Western Pakistan with and without permits up to date?

The Minister of State for Transport and Railways (Shri Santhanam): The attention of the hon. Member is invited to my reply to Part (a) of Starred Question No. 598 on 14th December, 1949 which gives the number of persons who entered India from Western Pakistan without permits up to the 31st October, 1949. During the period 1st November 1949 to 31st January 1950, 908 persons were found to have entered India without permits.

Besides, 66,619 permits of all kinds were issued from the date the permit system came into force to 31st January, 1950.

PROSECUTION OF PERSONS ENTERING INDIA FROM PAKISTAN WITHOUT VALID PERMITS

***692. Seth Govind Das:** Will the Minister of **Rehabilitation** be pleased to state the number of prosecutions that were launched up till now against those who entered India from Pakistan without valid permits?

The Minister of State for Transport and Railways (Shri Santhanam): About 2,200 up to 31st January, 1950.

INDIANS WHO VISITED SHRINES IN PAKISTAN

***693. Seth Govind Das:** Will the **Prime Minister** be pleased to state the number of Indians who were granted facilities for visiting the religious shrines in Western Pakistan?

The Deputy Minister of External Affairs (Dr. Keskar): 277—a detailed statement is laid on the Table of the House. [See *Appendix III, annexure No. 41*].

INTERNATIONAL TEA AGREEMENT

***706. Prof. Ranga:** Will the Minister of **Commerce** be pleased to state:

(a) the terms of the International Tea Agreement as far as they apply to India; and

(b) what are the present Indian and world prices prevailing for the same qualities of tea?

The Minister of Commerce (Shri Neogy): (a) and (b). I lay on the Table of the House a copy of the International Tea Agreement for 1948-50 and also a statement showing the average prices per lb. of export teas ruling in the Calcutta auctions held on the 17th January 1950 and Colombo auctions on the 30th January, 1950. [See *Appendix III, annexure No. 42*].

IRON IMPLEMENTS FOR AGRICULTURAL PURPOSES

***713. Shri Zangre:** (a) Will the Minister of **Industry and Supply** be pleased to state as to what quantity of iron implements for agricultural purposes is procured by Government?

(b) What is the total output of iron implements for agricultural purposes from Indian iron and steel works?

(c) Are iron implements for agricultural purposes imported from foreign countries?

The Minister of Commerce (Shri Neogy): (a) Information regarding quantity is not readily available. The value of orders placed by Government during 1949-50 up to December 1949 is Rs. 1,81,51,096.

(b) About 14,055 tons in weight during 1949 on the basis of allocation of steel to factories on the approved list.

(c) Yes.

EMPLOYMENT EXCHANGE MADRAS

*714. **Shri Rathnaśwamy**: (a) Will the Minister of **Labour** be pleased to state how many applications for employment were received by the Employment Exchange at Madras in 1949?

(b) How many were provided employment in that year?

The Minister of Labour (Shri Jagjivan Ram): (a) 30,112 applicants registered for employment at the Employment Exchange at Madras during 1949.

(b) 8,490 persons were found employment in that year by the Exchange at Madras.

"NO-WAR" PROPOSAL

*715. **Shri Kamath**: Will the **Prime Minister** be pleased to state:

(a) whether Pakistan's reply to India's "No-War" proposal has been received;

(b) whether Pakistan has accepted the proposal; if so, on what terms and conditions; and

(c) if not, whether Pakistan has rejected the proposal or made any counter-proposal?

The Deputy Minister of External Affairs (Dr. Keskar): (a) Yes.

(b) and (c). In his reply, the Pakistan Prime Minister referred to a number of disputed matters between India and Pakistan. The matter is still under correspondence and I think that it would be desirable to await the conclusion of this correspondence before the details are published. I might mention, however, that, speaking before the Security Council in the debate on the Kashmir issue, the Pakistan representative read out some of the proposals which are contained in Mr. Liaquat Ali Khan's letter to me.

RACIAL RIOTS IN JOHANNESBURG

*716. **Shri T. N. Singh**: Will the **Prime Minister** be pleased to make a statement regarding the losses in life and property suffered by Indians in the recent riots near and around Johannesburg in South Africa?

The Deputy Minister of External Affairs (Dr. Keskar): There was no loss of life but a few Indian shops in the locality were burnt or looted. No official figures are available but according to a press report the damage to property is estimated at £ 16,800.

BAN ON IMPORT OF BICYCLES

*717. **Shri Sanjivayya**: (a) Will the Minister of **Commerce** be pleased to state whether any memorandum was presented to Government by the bicycle importers regarding the lifting of the ban on import of bicycles?

(b) If so, what action have the Government taken on that?

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

(b) The matter is under consideration.

CONTRACT FOR SUPPLY OF AMMONIUM SULPHATE

***718. Shri M. C. Shah:** (a) Will the Minister of **Industry and Supply** be pleased to state whether a contract was made by our High Commissioner's office in London for the supply of ammonium sulphate?

(b) If so, when and with which firm in England, and for what quantity and at what rate?

(c) What quantity was actually received against the said contract?

(d) If the full quantity was not delivered under the said contract, on what grounds was that not supplied?

(e) Did Government suffer any loss on this account?

(f) If so, what action is taken or proposed to be taken to recover the loss?

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

(b) A contract for 400,000 tons of Ammonium Sulphate was placed with M/s Kenbanks Enterprises Limited, London, on 25th July 1949, at the rate of ₹23-2-6 per metric ton C. & F. Indian Port.

(c) 24,457 tons were actually received.

(d) The balance quantity of the contract was cancelled as it was found that the suppliers were not in a position to make shipments according to the agreed schedule and also later claimed increased prices due to devaluation.

(e) No.

(f) In view of my reply to part (e) above, the question does not arise.

AUTOMOBILE MANUFACTURE

***719. Shri B. B. Bhagat:** (a) Will the Minister of **Industry and Supply** be pleased to state whether there are possibilities in India of complete manufacture of automobiles in the near future?

(b) If so, how far have the plans for complete manufacture of motor cars advanced?

(c) How many concerns, foreign or indigenous, are prepared to start manufacture in the near future?

(d) What is the capital proposed to be invested on them?

(e) What time will they take to start actual manufacturing of motor cars?

The Minister of Commerce (Shri Neogy): (a) Yes.

(b) Two firms M/s. Hindustan Motors Ltd., of Calcutta and M/s. Premier Automobiles Ltd., of Bombay have started manufacturing some of the automobile components.

(c) and (d). Three. Their Authorised Capital is Rupees 4 crores.

(e) It is difficult to estimate the period accurately.

TRADE BETWEEN INDIA AND CENTRAL ASIA

***720. Prof. S. N. Mishra:** Will the Minister of **Commerce** be pleased to state:

(a) whether it is a fact that the trade between Central Asia and India via Leh (Ladakh) has been brought to a standstill; and

(b) if so, the volume of trade affected and the measures contemplated to be taken to resume the trade?

The Minister of Commerce (Shri Neogy): (a) Yes.

(b) The volume of trade between India and Central Asia has not been substantial in the recent years. The latest statistics of Indo-Sinkiang trade available are for the year 1943-44. The value of trade in that year was Rs. 41,000. Trade since 1946 has been negligible. As regards resumption of trade it is proposed to ask the Consul General at Kashgar, as soon as direct communication with him becomes possible, to study and report on the possibilities of trade between India and Sinkiang in the light of the existing situation in Sinkiang.

FREE TRADE ZONES

***721. Prof. S. N. Mishra:** Will the Minister of **Commerce** be pleased to state whether it is a fact that a proposal to set up "Free Trade Zones" in India is under the consideration of Government?

The Minister of Commerce (Shri Neogy): Yes, Sir. The Chambers of Commerce and Trade Associations whose views were sought in the matter have, however, not supported the proposal mainly on the ground that the stage has not yet been reached when the scale of processing of imported raw materials would be so large as to justify establishment of such zones with all the attendant administrative problems. The Export Promotion Committee also held a somewhat similar view. No final decision has yet been arrived at.

FOREIGN PARTICIPATION IN INDUSTRIAL PROJECTS

***722. Prof. S. N. Mishra:** Will the Minister of **Industry and Supply** be pleased to state whether it is a fact that negotiations for foreign participation in Industrial Projects have been finalized in regard to 75 projects between 15th August, 1947, and the end of 1949?

The Minister of Commerce (Shri Neogy): The total number of cases of foreign participation for which issue of capital has been sanctioned is 75. Negotiations in such cases take place between the Indian and foreign parties and Government have no information as to the number of cases in which the negotiations have been actually concluded.

INDIANS IN NORTHERN RHODESIA

***723. Pandit M. B. Bhargava:** Will the **Prime Minister** be pleased to state:

(a) the number of Indians residing in Northern Rhodesia;

(b) whether it is a fact that the Indians there are subject to certain social and educational disabilities;

(c) if so, what the nature of such disabilities are; and

(d) what action the Government of India are taking to get the same removed?

The Minister of External Affairs (Dr. Keskar): (a) About 1,500.

(b) Government have recently received a report to that effect.

(c) It has been complained that sufficient facilities are not provided for the education of Indians and that discriminatory treatment is accorded to Indians in such matters as entry into cinemas and accommodation in trains.

(d) The Government is at present investigating the matter.

RECORDS OF OFFICE OF REHABILITATION COMMISSIONER

***724. Pandit M. B. Bhargava:** (a) Will the Minister of Rehabilitation be pleased to state whether it is a fact that certain records and files of the Rehabilitation Commissioner, Delhi were found to be used by a shopkeeper as waste paper and if so, how and when did these records reach the shopkeeper?

(b) Has any search been made as to what records and files are missing from the said office and since when?

The Minister of State for Transport and Railways (Shri Santhanam): (a) and (b). Enquiries made by the Police reveal that some blank forms and delivery books, etc., were sold as scrap to a *Kabari*. The Chief Commissioner is taking further action in the matter.

EXPORT OF RUBBER

***725. Pandit M. B. Bhargava:** (a) Will the Minister of Industry and Supply be pleased to state what proportion of rubber produced in India is exported out of India and to which countries it is exported?

(b) What is the stock of raw rubber accumulated at present in various States and Union of States?

(c) What is the reason for such accumulation and what steps, if any, are taken by Government to avoid such accumulation?

The Minister of Commerce (Shri Neogy): (a) During the year 1948 out of a total production of 15,422 tons, 6 tons of raw rubber was exported out of India. There was no export during the months January to October 1949.

(b) About 5,000 tons.

(c) Production during the months October to December is at peak. Owing to curtailment in the manufacturing programme, some important manufacturers were not able to purchase normal quantities.

It has been decided to allow 500 tons of high grade rubber for immediate export out of India so that the growers can take advantage of the rising prices in the foreign market. The position will be reviewed at a meeting of the Indian Rubber Board at Cochin fixed for to-day.

ENAMEL-WARE PRODUCTION

***726. Kaka Bhagwant Roy:** (a) Will the Minister of Industry and Supply be pleased to state what is the number of enamel-ware factories in India?

(b) What is their annual total production?

The Minister of Commerce (Shri Neogy): (a) 59.

(b) 6.6 million pieces in 1949.

AUTOMOBILE FACTORIES

*727. **Giani G. S. Musafir:** (a) Will the Minister of Industry and Supply be pleased to state the total number of automobile factories in India and their total annual output?

(b) How much of the automobiles goods have been imported in the year 1949 from Sterling area and from the Dollar area?

The Minister of Commerce (Shri Neogy): (a) and (b). A statement is laid on the Table of the House.

STATEMENT

(a) There are 13 firms in India who already assemble automobiles or will assemble in the near future.

The total output during 1949 was 21,800 vehicles (6,672 cars and 15,137 trucks).

(b) The value of automobiles (cars and trucks) imported into India during 1949, is given below :

		<i>(Value in Rupees)</i>
From Dollar area	...	5,41,94,447
From Sterling area	...	5,60,30,425
Total		11,02,24,872

SEIZURE OF ASSAM POLICE PARTY BY PAKISTAN POLICE

*728. **Shri Borooah:** Will the Prime Minister be pleased to state:

(a) whether it is a fact that an armed Police Party of Assam Government, consisting of one Sub-Inspector, one Assistant Sub-Inspector and two Constables were seized by Pakistan Police on the Indo-Pakistan borders in the Khasi Hills in Assam from Indian territory on the 23rd November 1949 and taken to Sylhet;

(b) whether it is a fact that the Government of East Bengal did not reply to the communication from the Government of Assam in this connection and refused to release them;

(c) whether it is a fact that they were sentenced to rigorous imprisonment for one year and a half by a Pakistan Court without giving them any opportunity and facilities for defending themselves and that the verdict was passed on the second day of the trial;

(d) whether Government are aware that this seizure and punishment of Police officers and Constables have created great dissatisfaction amongst the Police officers and men of the Government of Assam and demoralisation amongst the tribal people inhabiting the border areas in the Indian Union;

(e) whether the attention of Government has been drawn to the Press note issued by the Government of Assam on the 20th February, 1950 which states that "The Government of Assam have no power but that of persuasion so far as the East Bengal Government are concerned"; and

(f) what steps do Government propose to take to secure the release of the aforesaid Police Party?

The Minister of Transport and Railways (Shri Gopalaswami): (a) Yes.

(b) Yes.

(c) Yes, according to the reports received by the Government of Assam.

(d) It is natural to expect that the effect of this incident on the police officers and tribal people inhabiting the border areas in the Indian Union should be as stated by the hon. Member.

(e) Yes.

(f) In the copy of the Press Note, which the Government of Assam sent to us merely for information, it is said that they propose to seek relief and justice in this case from the judiciary of East Bengal. We had already instructed the High Commissioner at Karachi to take up with the Government of Pakistan the question of their failure to observe the terms of the Inter-Dominion agreement on the subject, under which the Government of Pakistan were bound to inform our High Commissioner of the arrest of any of our officials in Pakistan limits while they are on duty or on leave or otherwise. On receipt of a copy of the Press Note from the Assam Government, we have instructed our High Commissioner at Karachi to lodge immediately a vigorous protest against the arrest and conviction of these policemen and ask for their release. Information as to the result of this protest is awaited.

TRADE WITH PORTUGAL

***729. Shri Joachim Alva:** Will the Minister of Commerce be pleased to state the value of trade carried on between Portugal and India during the years 1947-48, 1948-49 and 1949-50?

The Minister of Commerce (Shri Neogy): A statement showing India's trade with Portugal during the years 1947-48, 1948-49 and 1949-50 is placed on the Table of the House.

STATEMENT

India's Trade with Portugal.

(In lakhs of rupees.)

Year	Imports	Exports	Balance of Trade
1947-48	32.70	47.06	+14.36
1948-49	18.77	42.58	+23.81
1949-50	11.76	10.54	-1.22
April to October.			

PAPER AND NEWSPRINT

***730. Shri Joachim Alva:** Will the Minister of Industry and Supply be pleased to state:

(a) the total quantity of indigenous and foreign paper used in India during the years 1939 and 1949 and what was the value of both the categories;

(b) whether Government have any plans to tackle the problem of the scarcity of newsprint especially in an emergency period; and

(c) what encouragement Government have given for the manufacture of newsprint?

The Minister of Commerce (Shri Neogy): (a) Accurate figures are not available. Estimated consumption based on figures of indigenous production, imports and exports are as follows:

	<i>Production</i>	<i>Imports (in tons)</i>	<i>Exports</i>	<i>Consumption.</i>
1939	70,813	1,10,696	525	1,80,984
1949	1,03,133	1,54,416	3,035	2,54,514

(b) For the current half yearly period a monetary ceiling of Rs. 180 lakhs for import of newsprint has been fixed which is expected to cover a quantity of about 28,000 tons at current prices in exporting countries.

(c) A newsprint mill with a capacity of 30,000 tons per annum is under erection in Madhya Pradesh. Requisite quantities of steel and cement have been made available for this purpose and the construction is proceeding satisfactorily. Assistance has also been given for import of machinery from the U.S.A.

RENT FOR RUSSIAN EMBASSY BUILDING IN INDIA

83. Dr. M. M. Das: Will the **Prime Minister** be pleased to state the amount of money the Russian Government have to pay to the Indian Government as rent for the housing accommodation of the Russian Embassy in New Delhi?

The Deputy Minister of External Affairs (Dr. Keskar): The Russian Embassy in New Delhi is located in the Travancore House for which they pay a rent of Rs. 9500 p.m. to the Travancore and Cochin Government. They also occupy two blocks of hutments built by the Government of India in the compound, for which rent will be charged at Rs. 2318 p.m. with effect from 25th January 1950. For the period 1st June 1948 to 24th January 1950, the rent was fixed at Rs. 3845 p.m.

WELFARE OFFICERS IN FACTORIES

84. Seth Govind Das: Will the Minister of **Labour** be pleased to state the number of Welfare Officers appointed at present for supervision in various factories in India?

The Minister of Labour (Shri Jagjivan Ram): Welfare Officers are appointed in some factories, but no information is available regarding their number. The appointment of Welfare Officers in factories employing 500 and more workers became a statutory obligation only on the 1st April 1949. The enforcement of the provisions of the Factories Act is the responsibility of State Governments. The number of Welfare Officers appointed under the Factories Act will be known only when the report for the year ending the 31st March 1950 is prepared.

SUPPLY OF FILTERED WATER TO LABOURERS IN ESTATE COLLIERIES

85. Shri Jnani Ram: Will the Minister of **Industry and Supply** be pleased to state:

(a) whether filtered water is supplied to the labourers in all the Estate collieries, and if not, why not;

(b) whether there was a demand by the I.N.T.U.C. workers for supply of filtered water;

(c) whether it is a fact that usually water drained out from the mines is supplied to the labourers; and

(d) whether it is a fact that tanks at some places are exposed in the extended area at Bhurkunda collieries?

The Minister of Commerce (Shri Neogy): (a) No Sir; the existing filters are insufficient to cope with the increased demand, due to large increase in labour force.

(b) Yes. Arrangements are being made for the installation of Jewell Pressure filters in Kargali and Bokarp.

(c) Water pumped from the mines is sometimes used to augment supply, but only after filtration and chlorination. Such water has been found potable on analysis.

(d) Yes.

Wednesday, 8th March, 1950



PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

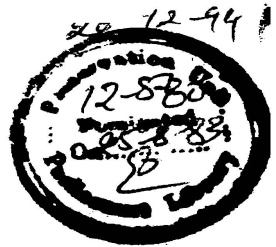
OFFICIAL REPORT

VOLUME I, 1950

First Session
of the

PARLIAMENT OF INDIA

1950



CORRIGENDA

to

the Parliamentary Debates (Part II—Other than Questions and Answers), 1st Session, 1950,—

In Volume II,—

1. No. 1, dated the 24th February, 1950,—

- (i) Page 809, line 19 for "cbroadly" read "broadly".
- (ii) Page 814, line 20 for "alsod" read "also a".
- (iii) Page 826, line 24 after "have" read "got".
- (iv) Page 831, line 12 for "stile" read "still" and in line 13 for "wouild" read "would".
- (v) पृष्ठ ८५४, पंक्ति ६ में "बैठेगो" के स्थान पर "बैठेंगे" पढ़ें।
- (vi) पृष्ठ ८५७, पंक्ति ४ में "डब्बो" से पहले "और" को निकाल दें।
- (vii) Page 865, last line for "15th" read "25th".

2. No. 2, dated the 25th February, 1950,—

- (i) Page 884, line 27 from bottom for "latterly" read "laterly".
- (ii) Page 898, line 11 for "fact" read "feet".
- (iii) Page 901, line 11 omit "a" after "had".
- (iv) Page 903, line 10 from bottom for "low" read "law".

3. No. 3, dated the 27th February, 1950,—

- (i) Page 950, line 5 from bottom for "alternation" read "alteration".
- (ii) पृष्ठ ९६१, नीचे से पंक्ति १३ में "श्री ए० पी० सिंह" के स्थान पर "श्री ए० पी० सिन्हा" पढ़ें।
- (iii) पृष्ठ ९६६, पंक्ति १ में "मा" के स्थान पर "या" पढ़ें।
- (iv) Page 967, line 9 for "ot" read "to".
- (v) Page 970, line 9 for "Mangers" read "Managers".

4. No. 4, dated the 28th February, 1950,—

- (i) Page 984, line 11 for "Mr. Chairman :- The question is" read "The motion was adopted".
- (ii) Page 986, for the existing last line read "The House then adjourned for lunch till half past two of the clock".
- (iii) Page 994, line 27 from bottom for "onse" read "ones".
- (iv) Page 1010, line 16 from bottom for "Mr. Gaganvinari lal" read "Mr. Gaganvihari Lal".

5. No. 5, dated the 1st March, 1950,—

- (i) Page 1021, line 22 for "has been callous" read "has been even callous".
- (ii) Page 1033, line 25 from bottom for "on" read "or".
- (iii) Page 1053, line 21 for "Shri Ethirajula Naidu" read "Shri Ethirajulu Naidu".
- (iv) Page 1054, transfer lines 29 and 30 after line 31.
- (v) Page 1064, line 4 for "cadamom" read "cardamom".

6. No. 6, dated the 2nd March, 1950,—

- (i) Page 1090, line 17 for "Hon. Members three minutes" read "Hon. Members say three minutes".
- (ii) Page 1096, first line for "section" read "selection".

7. No. 7, dated the 6th March, 1950,—

- (i) Page 1143, line 11 from bottom for "fact" read "face".
- (ii) Page 1150, line 18 for "in" read "the".

(ii)

(iii) Page 1060, line 13 from bottom *delete* "no".

(iv) Page 1164, line 4 from bottom *for* "Shri Satis Chandra" *read* "Shri Satish Chandra".

(v) Page 1165, line 26 *for* "Dr. Matthai" *read* "Dr. Mathai".

(vi) Page 1171, line 2 *for* "as" *read* "or".

(vii) Page 1174, last line *for* "Hudget" *read* "Budget".

8. No. 8, dated the 7th March, 1950,—

(i) Page 1179, line 11 *for* "question" *read* "questions".

(ii) Page 1221, line 13 *for* "by" *read* "but".

9. No. 9, dated the 8th March, 1950,—

Page 1260, line 21 from bottom *after* "so far," *read* "but no".

10. No. 10, dated the 9th March, 1950,—

(i) Page 1306, line 28 from bottom *for* "gah" *read* "Durgah".

(ii) Page 1321, line 28 *for* "has " *read* "This".

11. No. 11, dated the 10th March, 1950,—

(i) Page 1342, line 23 from bottom *for* "panel" *read* "penal".

(ii) Page 1352, line 3 from bottom *for* "Houses" *read* "House".

12. No. 12, dated the 11th March, 1950,—

Page 1385, *for* the existing line 18 from bottom *read* "another thing that I wish to submit is this. It is but fair that, when the".

13. No. 14, dated the 14th March, 1950,—

Page 1507, line 11 from bottom *for* "Shri A. P. Fain" *read* "Shri A. P. Jain".

WEDNESDAY 1ST MARCH, 1950—*contd.*Railway Budget—List of Demands—*contd.*

Construction of Chittorgarh—Kotah Line	1056—1057
Class III waiting hall at Kotdwara	1059—1060
Restoration of Nilambur—Shoranur Line	1063
Need for connecting Hassan—Managalore—Malpe	1063—1064
Demand No. 4—Working Expenses—Administration	1057—1059, 1061—1062.
(i) Janta Express on Howrah Puri Line,	
(ii) Oriyas on B. N. Railway, (iii) Establishment of a Workshop in Orissa	1057—1059
Over-crowding on B. N. Railway	1061—1062

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Motions for Adjournment re—

Safety of Refugees travelling by Assam and Dacca Mails in East Pakistan	1065—1074
Parliament (Prevention of Disqualification) Bill—Introduced	1074—1075
Railway Budget—List of Demands— <i>contd.</i>	1075—1112
Demand No. 4—Working Expenses—Administration— <i>contd.</i>	1075—1077, 1103—1109
Assam Railways	1075—1077
Social Guides	1103—1109
Demand No. 13—Appropriation to Development Fund	1077—1079, 1111
Restoration of Jaunpur—Sultanpur Railway Line	1077—1079
Demand No. 1—Railway Board— <i>contd.</i>	1079—1083, 1084—1092, 1109
Inadequacy of Railways on Travancore-Cochin State	1079—1080
Remodelling of Madura Junction	1080—1082
Shuttle train between Buxar and Patna	1082—1083
Amenities to passengers on B. B. & C. I. Railway	1084—1089
Janta Express on Madras-Trivendrum Line	1089—1093
Demand No. 15—Construction of New Lines— <i>contd.</i>	1083—1084, 1111
Madhepur-Murliganj Railway Line	1083—1084
Demand No. 6—Working Expenses—Operating Staff	1093—1099, 1110
Disabilities to Railway Staff	1093—1099
Demand No. 7—Working Expenses—Operation (Fuel)	1099—1103, 1110
Fuel Economy	1099—1103
Demand No. 11—Working Expenses—Appropriation to Depreciation Fund	1103—1109, 1110
Amenities to Class III passengers	1103—1109
Demands Nos. 2, 3, 5, 8—10, 12A, 12B, 14, 16—20	1109—1112

MONDAY, 6TH MARCH, 1950—

Death of Dr. Sachchidananda Sinha	1113
Business of the House	1113—1117
General Budget—General Discussion—not concluded	1117—1176

TUESDAY, 7TH MARCH, 1950—

Motion for Adjournment *re* :

Escape of Mir Laik Ali from custody	1177—1185
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Papers Laid on the Table—

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General Budget—General Discussion— <i>contd.</i>	1186—1231

WEDNESDAY, 8TH MARCH, 1950—

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General Budget—General Discussion—contd.	1246—1290

THURSDAY, 9TH MARCH, 1950—

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Durgah Khwaja Saheb (Emergency Provisions) Bill—Passed	1305—1330
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Demand No. 76—Defence Services, Effective Navy	1380, 1457
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Demand No. 41—Zoological Survey	1461—1503
Demand No. 51—Agriculture	1461—1503
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PARLIAMENTARY DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Wednesday, 8th March, 1950

The House met at a Quarter to Eleven of the Clock

[MR. SPEAKER *in the Chair*]

QUESTIONS AND ANSWERS

(See Part I)

12 Noon

MOTION FOR ADJOURNMENT

ESCAPE OF MIR LAIK ALI OF HYDERABAD FROM CUSTODY—*contd.*

Mr. Speaker: We have now to take up the question of the admissibility of the adjournment motion. Before I request the hon. the Law Minister to give me the benefit of his views, I might say that there are certain doubts which have arisen in my mind as a result of my study of what was said in the House yesterday. I would just express them, so that the hon. the Law Minister may be able to give me some enlightenment on those points.

Mr. Munshi made a point yesterday that the root of authority is only the people of a State as represented in their legislature or the people of India as a whole as represented here. I also find that, the scheme of the Constitution proceeds upon a division of authority—the Centre being given certain powers of control all round and, at the same time, the States being given some kind of autonomy. That seems to be the general division and the lists of powers seem to have been made on that basis.

Mr. Munshi then referred to article 371 and it is here that I feel a certain amount of difficulty. Article 371 is a temporary provision for a period of ten years and the President is authorised to curtail that period by a special order. That is the character of that provision. But then, it provides that “the Government of every State specified in Part B of the First Schedule shall be under the general control of, and comply with such particular directions, if any, as may from time to time be given by, the President.” The question of responsibility of the Government of India is to be based upon this power of general control and the power to give particular directions.

During the course of arguments yesterday, a distinction was sought to be made as between States which have Legislatures and States which have no Legislatures. I find that, so far as article 371 goes, there is no such distinction. It groups all the States together irrespective of the fact whether they have a Legislature or not. I find difficulty in evolving an interpretation equally applicable to all the States in Part B, if I were to accept the ground of distinction as made out by Mr. Munshi and which was also supported by some other

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Members of the House, namely the fact of there being a Legislature or not in a State. If I were to accept that kind of distinction, I am afraid I shall be going beyond the provisions of the Constitution by introducing a distinction which the Constitution itself does not envisage.

I may also refer to articles 385 and 386. There also I find that, in cases where Legislatures are not functioning provision is made that the *Rajpramukhs* will continue to exercise the powers which they used to do before the Legislatures were there. The authority to appoint a Council of Ministers is given to the *Rajpramukh*. In this view would it be correct to say that the *Rajpramukh* is purely a constitutional head till the Legislature comes into existence?

Then, I would like to have the matter clarified—though I am clear within myself—as to what the words “general control” in article 371 exactly mean. A distinction has been made by the hon. Deputy Prime Minister between giving directions about the general policy and exercising control over the internal administration of a State. Within the policy which the Centre may lay down or directions which the Centre may give, the State will have perfect autonomy. The present question is really one of law and order, as the hon. the Law Minister stated and it is a question of day to day administration. Therefore this aspect also might be clarified, so that I may be able to consider the matter in all its aspects.

The Minister of Home Affairs and the States (Sardar Patel): Before the legal position is explained I wish to remove certain doubts about the exact constitutional position of Hyderabad State and its relations with the Centre, so that the bearing of the legal position may be properly explained. Otherwise there is likely to be considerable misunderstanding and ill-informed statements in this House are likely to be used for various purposes. For instance, I said yesterday and I want to repeat it today, that so far as the Chief Minister and the other Ministers are concerned they are appointed by a *firman* of the Nizam and not by us. After the Police Action the House is aware of the hostile atmosphere in the State, where the services were composed of people who were to be placed in restraint or detention and one of them, the principal man, has escaped. In those circumstances, when the whole machinery of the State was such that it was difficult to put the administration under proper control, we had to give the State trained and experienced officers who would exercise their functions with responsibility. To this State Mr. Vellodi, a very senior officer, has been given on loan and His Exalted Highness has appointed him as his Chief Minister. The other officer next to him is also a very senior officer of the Bombay Government, Mr. Bakhle—an honest, upright, straightforward and a very able man of high repute. This officer is the Home Minister in charge of law and order. Under him is the Inspector General of Police to look after the police administration.

It is very dangerous to say that the States Ministry here does every thing and the Nizam is nothing and that he cannot do anything but sign what is given to him. I have heard Moin Nawaz Jung saying so in the U.N.O. but that a Member of this House could be so ill-informed as not to know the status and position of the Nizam and the manner in which we have treated him is very regrettable. No statement should be made in this House without knowing the full facts, and without realizing its implications. Anything stated here will be reported immediately outside perhaps with exaggeration, and with ulterior motives. Therefore the House should know the full facts before making any statement. If after the Police Action, it had been thought necessary for us to treat the State as a conquered State there was nothing to prevent us. If we found it necessary to

remove the Nizam there was nothing to prevent us. But we did not do so because the Nizam himself said that he was a prisoner and that the Indian Government had released him from his prison—from his bondage. We had nothing to doubt his statement and everything to support his statement that a clique of conspirators who ruled the State for their own purposes in a fanatical manner had kept the Nizam a prisoner. That is why we could not settle the question of the State's accession. So, when we found that position, we treated him with all the courtesy due to him. And up to now he has been kept in a different position and status and he is today in the position of a Governor of a Province. Therefore, to attribute to the States Ministry the assumption of powers which it had never claimed on behalf of the Government of India is a very wrong statement to make. So I warn this House to be on their guard to ascertain full facts before making statements. And if there is any mistake, certainly by all means condemn the States Ministry, condemn the Administration and everything. But in a State, where full autonomy in the administration is given, merely because there has been no election or there is no Assembly, cannot suggest that we are here to take over the administration of those States. Otherwise we will not be able to do any business here except taking up motions of adjournment and discussing these questions. There are many questions in the States and even in the Provinces. Look, for instance, at Salem and at what happened in the jail there. Twenty-two people have been shot dead. They have appointed an Enquiry Committee. But we cannot in the Centre take the responsibility for all these questions. Therefore, although some of us may feel shocked that a responsible man of the status of an ex-Prime Minister, who was responsible for most of the administrative evils of that State, should have escaped in this manner, that should not influence our judgment as regards the responsibility of the Centre. You cannot take the responsibility in this way. Mr. Munshi has quoted article 371. I do not know what his idea was at the time the Drafting Committee drafted this article. But the other member of the Drafting Committee says that Mr. Munshi is wrong. Now, what advice have I to take—from what source? I must use my own knowledge of law, however imperfect it may be. If full administrative charge has been given to our officers, who have been loaned there for service, and the Nizam by his own *firman* has given all administrative powers to them, how can we interfere in this matter? I do not see. It would be very bad, if we establish such a precedent. You can get all information, you can ask questions. But to have an adjournment motion of this nature if you want to condemn the administration of the States Ministry or the Government of India so far as the *internal* administration of Hyderabad is concerned, is a wrong thing. If there is any policy which we have laid down so far as the administration of Hyderabad is concerned which you want to discuss and also to disapprove of, by all means you are free to do that. So, what I submit is that the Administration there is in full charge so far as internal administration is concerned, as in the Provinces. Now the Law Minister can explain the position.

Mr. Speaker: I believe my difficulty is cleared so far as the interpretation of article 371 is concerned. If I accept Mr. Munshi's interpretation, I do not see how questions regarding Mysore or Travancore-Cochin, where the legislature exists, can be dealt with.

Sardar Patel: There is Vindhya Pradesh, there is PEPSU, there is Rajasthan—there are so many places where there is no legislature.

Mr. Speaker: There are no legislatures in those places. But if I were to accept that distinction, as the article mentions only the States in Part B without making any distinction, it will be impossible to interpret the article differently when we come to different States. That is the difficulty which I have been feeling in accepting Mr. Munshi's interpretation.

The Minister of Law (Dr. Ambedkar): Sir, I am grateful to you for the second opportunity which you have given to me to clarify and to explain further the points that were made by me as well as by other Members of this House in the course of the debate that took place yesterday on the adjournment motion. Since you have been good enough to point out to me, before I commenced my remarks, the difficulties which you feel, I will follow the line of points which you have set out; I will first of all try and explain the constitutional position of the States on the one hand and the Centre on the other and to what extent the States are free and independent of the Centre, to what extent they are under the subservience or surveillance or superintendence or control of the Centre.

The first thing I would like to draw the attention of the House to is this that there is a certain amount of parallelism in the constitutional frame-up of the Central Government and of the States. For instance, with regard to the Central Government you have article 53 which says that the executive power of the Union shall be vested in the President. Corresponding to that article, you have article 154 which states that the executive power in the States shall be vested in the Governor or the *Rajpramukh*, as the case may be. Coming to the question of actual administration, article 74 of the Constitution provides that there shall be a Council of Ministers to aid and advise the President in the matter of the exercise of the executive authority which is vested in him by the Constitution. Analogous to that article, we have also article 163 which relates to the States. It also is worded in the same language as article 74. It says that there shall also be a Council of Ministers to aid and advise the Governor in the carrying out of the administration which is vested in the Governor, or the *Rajpramukh*. Then we have another article, 79 which vests the legislative power of the Centre in Parliament consisting of two Houses. Analogous to that, we have article 168 constituting a legislature for the States in almost the same terms, except for the fact that in some cases there are two Houses and in other cases there is one House. There is a further provision, namely, that where at the commencement of the Constitution there does not exist any popularly constituted legislature in any State, then the *Rajpramukh* of that State shall be deemed to be legally the legislature for that State. It will therefore be seen that the paraphernalia, so to say, of administration in accordance with the Constitution is parallel in both cases. Supplementing this by what I stated yesterday that the legislative authority of Parliament is primarily confined to subjects enumerated in List I, and the legislative authority of the States is confined to subjects mentioned in List II, with the further proposition—to which there can be no objection raised because it is a well-established judicial proposition—that the legislative authority is co-extensive with executive authority, it follows that so far as the States are concerned, primarily and fundamentally they occupy an independent position in the Constitution. That being so, it is quite clear that by the rule of comity and also by the rule governing responsibility, it would not be open to this House to discuss any matter, either in the form of legislation or in the form of administrative action, which has been taken by the State which lies within the ambit of subjects mentioned in List II. As I stated yesterday, so far as I can understand, the subject-matter of the Adjournment Motion relates primarily to law and order. Law and order is a subject which is included in List II and therefore it would not be open to this House to discuss such a question when the Legislature of the State is competent by the rule of the Constitution to deal with it. That I think is a general proposition which must be accepted.

I should like, if hon. Members want to see the thing in a clear light, to ask them to compare the provisions of article 239 with the provisions of the articles to which I have referred in regard to the States. Article 239 refers to States

in Part C; they are what are called "Centrally Administered Areas". The language of article 239 is absolutely different from the language of article 154. The language of article 154 is that the executive power, which also includes administration, vests in the Governor, while article 239 begins by saying that the States in Part C shall be administered by the President, which means "President on the advice of his Council of Ministers", which in turn means that the responsibility for any matter of administration so far as States in Part C are concerned, directly falls upon Parliament and upon the Central Government. It is therefore open for any Member to discuss any matter relating to States in Part C on the floor of the House, which would not be the case so far as the other States are concerned.

With regard to the States, I should also like to point out that although our Constitution divides the States in Part A and Part B for certain purposes, that is for the purposes to which I have referred, namely the frame of their constitution, the vesting of the executive authority, the authority to make law, and all that, they are on a parallel footing and there is complete parity. True enough that the Constitution contains an article, article 238, which applies with certain modifications, the articles which apply to States in Part A to States in Part B. But anyone who has the curiosity to examine the provisions of article 238 will find that the changes made in the articles which are applicable to States in Part A in their application to States in Part B are of a very minor character—substituting "Governor" for "Rajpramukh" etc., a sort of terminological difference. Beyond that there is no difference at all. Therefore, from that point of view, just as it would not be competent for this House to discuss any matter falling within the jurisdiction of States in Part A, it would also not fall within the jurisdiction of the House to discuss any matter relating to Part B States because both of them, as I said, are placed by the Constitution on the same footing.

At this stage I would like to endorse what the hon. the Home Minister has said just now. The mere fact that the Nizam is a Rajpramukh, the mere fact that there is no legislature, the mere fact that certain officers have been lent by the Home Ministry to the Nizam for carrying on the administration of the State, would not alter the character of the Hyderabad State being exactly on the same footing as other States in Part B, which is the same thing as being equivalent to States in Part A. I shall have to say something at a later stage by way of a small qualification, but I should like to say that the mere fact that the officers have been lent would not alter the status and the character or position of the Hyderabad State within the field of the Constitution.

Now, this is the general proposition, namely that the States in Part A as well as the States in Part B are free and independent of the Centre in the matter of executive authority, in the matter of legislative authority and in the mode and manner of administering the legislative and executive authority that they possess. This is the general proposition. The question that we have now to consider is the provision contained in article 371, and the question is: does the provision of this article make any change in the position of States in Part B? Because, as everyone knows, article 371 applies only to States in Part B and does not apply to States in Part A. In the course of the debate yesterday, I found that one hon. Member said that the Central Government possess no authority to issue any directions to the States except under emergency provisions, which gave me the impression that in his view article 371 could not be the foundation for the Ministry of States or the Government of India to issue directions to States in Part B. With all respect, I submit that I cannot accept that position. To explain the matter fully, the Centre has the power to issue 352 directions under the Constitution to the various States, under four different articles. The first is article which is what is called an emergency article arising out of war or internal aggression and things of that sort. The second article

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which permits the Centre to issue directions to the States is article 360 which deals with financial emergency; when the President is satisfied that the credit of the State is in jeopardy he can declare a state of financial emergency and under that article he can issue certain directions to the States. The third article is article 356 which is called a breakdown article. When the President finds that the Constitution in any particular State is not being carried on in accordance with the provisions contained therein, then also, the President issues certain directions to see that the Constitution is carried on in accordance with its provisions.

Then comes the last Article, Article 371, which is the supervisory Article. It has to be understood that Articles 352, 360 and 356 are, in a general sense, emergency articles, that is to say, they can be invoked for the purpose of giving directions to the States only when certain circumstances arise and the President is satisfied that those circumstances have arisen.

Pandit Kunzru (Uttar Pradesh): May I ask the hon. Minister of Law whether he has made this observation with reference to Article 371 also?

Dr. Ambedkar: No. I am taking it separately. I am trying to point out the distinction between the provisions contained in Article 371 on the one hand and Articles 352, 360 and 356 on the other. As I said, these latter Articles are emergency Articles. They are not Articles which deal with normal administration in normal times. Circumstances must justify their invocation. The second thing with regard to them is that they apply to States in Part B to the same extent, in the same degree and in the same manner as they apply to States in Part A, provided, of course, that the emergency has arisen.

Article 371 stands on a different footing. It does not require an emergency. It can be used in normal times. That is one feature of distinction. The other feature of distinction is that it applies only to States in Part B. It does not apply to States in Part A. Therefore, in my judgment it is not correct to say that the Central Government must use either Article 352 which is an emergency Article, or Article 360, or Article 356, to issue directions to States in Part B. (*Pandit Kunzru*: Hear, hear.) Independently of these three Articles, the Centre has the power to issue directions to States in Part B under Article 371.

Pandit Ba'krishna Sharma (Uttar Pradesh): And it is only transitional.

Dr. Ambedkar: That is a different matter. The transition has not ended. The Article is in operation and we must therefore take it as it is. Therefore, in my judgment, Article 371 does give the power to the Centre of issuing directions to States in Part B even though there is no emergency. It is an Article which is to be used in normal times.

Now, Sir, the question you have been good enough to raise is one which, if you will permit me, I would like to take up towards the close. In so far as Article 371 is concerned and in so far as a direction has been issued—I am using my language very deliberately—in so far as Article 371 is concerned and in so far as it has been used for the purpose of issuing a direction to the State Government, it seems to me that there is a possible basis for discussion of that matter by this House. That is my view of the matter.

Now, I would like to take up.....

Mr. Speaker: May I have clarification on one point at this stage? Will the failure to give direction.....

Dr. Ambedkar: I am just coming to that. That is the very point I want to deal with, because that is a very important one, and we must be very clear about it.

Pandit Balkrishna Sharma: May I know what direction has been issued under Article 371?

Dr. Ambedkar: I am coming to that. I am stating the position generally. My hon. colleague, the Home Minister will say what direction he has issued. I am not in charge of administration, and I have merely been asked to explain the legal position.

Now, Sir, I was trying to find out whether there was any precedent in the past procedure of our Legislature which could help us to come to some definite conclusion on the issue before the House. I have examined the provisions of the Government of India Act, 1919, in order to find out whether there was any ruling which could furnish to us some kind of a precedent. As the House will remember, the scheme of the Government of India Act, 1919, was to divide, so far as the Provinces were concerned, the field of administration into two parts: the transferred part and the reserved part. The House will also remember that under the old Government of India Act the superintendence and control of the civil and military government of India was vested in the Secretary of State in Council. It was also provided that the Governor-General in Council as well as the Governors would carry out their respective duties of administering this country, subject to the power of superintendence and control of the Secretary of State. When the field of administration was demarcated into the reserve and transferred sides in 1919, a rule was made that those subjects which were classified as 'transferred subjects' were not to be under the supervisory control either of the Secretary of State or of the Governor-General or of the Governor, because they were administered by Ministers who were responsible to the Legislature. Now, the question that arose under the provisions of the 1919 Act was this: whether it was possible for the Central Legislature to ask a question with regard to the administration in the Provinces. The researches that I have made—and I am grateful to the Secretariat of the Speaker for the help they have rendered me in this connection—show that the then President of the Assembly took the view that in so far as the question related to transferred subjects, he would not allow them, but if they referred to 'reserved subjects', he would allow them subject to the sanction of the Governor-General. You will recollect that such sanction was necessary, because the Assembly worked under both Rules and Standing Orders. The Rules were made by the Governor-General, which sometimes restricted the scope of Standing Orders. Therefore, his permission was necessary. But the principle was conceded that in so far as the administration continued to be under the superintendence, direction and control of the Governors, of the Governor-General and ultimately of the Secretary of State, it was possible for a Member of the Central Legislature to ask a question relating to those subjects and the President, subject to other conditions being fulfilled, would admit that question. That is one precedent. Of course, it must not be extended to a field which it did not cover. As I said, it extended only to questions and not to other matters.

Now I come to the Government of India Act, 1935. Probably, some Members of the House will remember that as soon as the Government of India Act, 1935, was passed, certain members of the House of Commons were considerably agitated as to their rights to ask questions to the Secretary of State in Parliament with regard to the administration of India and a question was put to the then Prime Minister, Mr. Chamberlain, in the year 1937. Mr. Chamberlain gave the reply to the effect that since the administration of the country was transferred to agencies in India and to that extent the Secretary of State ceased

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to possess to have any kind of responsibility for the actual administration, it would not be possible or permissible for Members of Parliament to put any questions to the Secretary of State on those matters. That matter was taken up in the Assembly here immediately after the interpellations had taken place in the House of Commons and a question was put by our old friend Mr. Pande, who was a well-known Member of this Assembly, to the then Law Member, Sir Nripendra Sarcar. I propose to read the answer which Sir Nripendra Sarcar gave, because it is a very illuminating reply and, in my judgment, supports the conclusion to which I have come and to which I have given expression just now.

The answer of Sir Nripendra Sarcar was this:

"(a) The general position is that where the executive and legislative authority are vested under the Act in the provinces, it would not be appropriate for the Central Legislature to discuss those matters. There are likely, however, to be matters in which the Central Legislature may be properly interested, (e.g., a direction under sub-sections (1) and (2) of section 126 of the Government of India Act) and thus the prevention of any encroachment on the provincial sphere may well be left to be regulated by the powers vested in the hon. the President under Rule 7 of the Indian Legislative Rules in regard to questions and in the Governor-General under Rule 22 in regard to the Resolutions."

My submission is this: that the provisions contained in Article 371 are more or less analogous. I do not say they are exactly alike to the provisions contained in Section 126 of the Government of India Act. The Act of 1935 vested power in the Governor-General. It says:

"The executive authority of the Federation shall extend to the giving of such directions to a province as may appear to the Federal Government to be necessary for that purpose."

Further it says:

"The executive authority of the Federation shall also extend to the giving of directions to a province as to the carrying into execution thereunder any Act of the Federal Legislature, etc."

As I said, Section 126 deals with power to give directions to the provinces. Similarly, Article 371 also gives power to Central Government to give directions. As interpreted by my predecessor Sir Nripendra Sarcar, on the basis of the discussions and clarifications that took place previously in the House of Commons, he came to the conclusion that a matter such as the one lying within the purview of section 126 could be discussed in this House. My submission, therefore, is that that opinion of his is a sound one.

Shri T. T. Krishnamachari (Madras): May, I Sir, suggest to the hon. the Law Minister to give us his opinion on Section 126 of the Government of India Act *vis-a-vis* articles 257(1) and 73(1) proviso of the Constitution.

Dr. Ambedkar: I have not considered those sections. If at any other time the point is raised I would be prepared to clarify it. For the time being, it does not seem relevant to the subject we are discussing.

Pandit Kunzru: Will the hon. Law Minister read out Article 371 and tell us whether under it orders can be issued by the Government of India to the Governments of the States only in regard to Central (Federal) subjects, or also in regard to subjects included in the State list?

Dr. Ambedkar: It is quite clear that Article 371 contemplates issue of directions relating to matters lying within the purview of the State Legislature and the State Executive. It is really in relation to the administration of the States that Article 371 has been drafted. In my mind there is no doubt on the point at all. Now, Sir.....

Pandit Kunzru: May I ask the hon. the Law Minister how he then regards Article 371 as analogous to Section 126 of the Government of India Act which restricted the executive authority of the Government of India to matters included in the Federal list?

Dr. Ambedkar: I do not think my hon. Friend has understood me. The point is this. Let me put it in a somewhat pointed manner. When one Government has the right to give directions to another, could such directions be the subject matter of discussion in an Assembly to which that particular Government is responsible? That is the question. I am not using Section 126 for the larger issue. I am using it for the limited issue, namely, that wherever there is power to give direction, that power implies responsibility and wherever there is responsibility there must be discussion. That is my point.

Now, Sir, you were good enough to ask me to explain what "general control" meant. Now, it seems to me that the words "general control" are used in order to include every matter of administration arising within that particular State. The direction need not be confined to any particular matter. Today the direction may be given with regard to the Police administration; tomorrow it may be given with regard to revenue administration; at a later stage it might be found necessary to issue a similar direction with regard to finance. "General control" means control extending over the whole field of administration. That is how I use the word general control.

It would not be permissible for me, I suppose, to give the history as to how this Article came to be drafted. I would not ask your permission, nor if you give it would I use it. But I have a very clear picture in my mind as to what this Article was intended to cover. This Article does not take away the powers given to the State under the various Articles to which I have referred, namely, 154, 162, 163 and 168, the power of executive authority, of administration and of legislation. But in the interest of good Government it superimposed the authority of a direction given by the Centre in order that the levels of administration may not fall down. That, Sir, is the implication of Article 371.

Dr. R. U. Singh (Uttar Pradesh): May I ask a question, Sir? Is it contended that when control has been exercised or is being exercised, and directions have been given, Parliament is not competent to discuss the matter?

Mr. Speaker: He is advocating just the reverse.

Dr. Ambedkar: Sir, you referred to the question whether there is a Legislature or whether there is no Legislature is a matter which can be taken into consideration in coming to a conclusion. Theoretically, of course, no such consideration can be paid to the existence or non-existence of a Legislature, because the Constitution itself expressly says in article 385 that where there is no Legislature, the Rajpramukh shall be deemed to be the Legislature. But if I may say so, this matter whether there is a local Legislature where the particular point could be agitated or not, was taken into consideration by your predecessor in dealing with questions during the last war. As you remember, Sir, in 1939 when the war was declared, the Congress party which was the governing party in the various provinces resigned on account of certain differences between the party and the Government, and consequently, section 93 was applied. Here certain Members asked certain questions with regard to the administration in the Provinces as conducted by the Governor and his Advisers. It was then held that it was right and permissible for Members of the Central

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Assembly to ask questions for information with regard to the administration in the Provinces where there was no Legislature functioning. I remember having read the proceedings, and much emphasis was laid on the fact—not on the legal fact, but as a *de facto* position—that since the people have no opportunity to ventilate their grievances before a properly constituted Legislature, that in itself was an additional ground for permitting questions being asked in the Central Legislature about provincial administrations. So technically it would not be right to take this into consideration because the Rajpramukh is the Legislature. But I say, technicalities in a matter of this sort, should not be allowed to come in, much as some hon. Members might like to.

Mr. Speaker: At this point, may I ask whether he would place questions for information on the same footing as a discussion?

Dr. Ambedkar: As I said, the precedents which I have collected refer only to questions. According to Sir N. N. Sircar which is the authority I have relied on, the matter can be discussed, the propriety or otherwise of a direction can be discussed. It seems to me that as he has used the word "discussion" it would be large enough to include even an adjournment motion.

Now Sir, I come to the other question which you have been good enough to put to me, "What is the scope of article 371?" Now, Sir, reading article 371, I should like to point out one important matter and it is this, that that article does not cast upon the Government of India the duty of having general control. It is not an article which imposes a duty. It is an article which permits the Government of India to give directions. Now Sir, this distinction which I am making is a very important distinction and it must be very clearly borne in mind.

Shri Kamath (Madhya Pradesh): May I point out that the language used in Article 371 is—

"...the Government of every State...shall be under the general control .. etc. etc."

Dr. Ambedkar: 'Shall be' means what? It is the duty of the State to be under. There is no duty on the Central Government.

Shri Kamath: There is mutuality.

Dr. Ambedkar: No, no mutuality at all.

Now, the position is this. That distinction is important from this point of view. When there is the duty cast to do a certain thing, then a motion of censure could be passed either upon the mis-performance of the duty or upon the failure to perform the duty. But if it is agreed that this article merely permits the Government of India, in the interest of better administration, to issue on certain occasions or in certain situations, certain directions telling the Provincial Governments that they may do this or they may not do that, then I am sure about it that the only question that can arise for consideration is, what direction was given, whether the direction was proper, and whether any steps were taken to see that the directions were carried out. If the Central Government in its wisdom, in its discretion, felt that notwithstanding the fact that there were elements in the situation which called for the issue of an order, did

not think it necessary, proper or wise to give a direction, then the Central Government could not be called to account for failure to do so. That, I submit, is a distinction which must be borne in mind.

Pan lit Kunzru: How does my friend come to that conclusion?

Dr. Ambedkar: That is how I read it. My friend, as I said, may read it differently; I know, and people who are, if I may say so, more enthusiastic than cautious may probably like to give a more stretched meaning to this article. But looking at it from this point of view, from the fact that the Constitution has vested the States with the right to administer their affairs, and has only given what may be called in the case of States in Part B certain residuary powers to give directions on certain matters and on certain occasions, this power which may be exercised, as I said, under article 371 must be of a very limited character. My submission, therefore, is that although as I read article 371, I cannot help accepting the conclusion that it does admit the possibility of discussing a matter relating to the administration of States in Part B, it must be of a very narrow character. That is all I have to say.

The Minister of Transport and Railways (Shri Gopalaswami): I only want to refer to one particular point. If you are going to give a general ruling on the applicability of article 371, its interpretation and the admissibility of an adjournment motion, based upon that article, I should like you, Sir, to defer your ruling till other Members like me have put certain points before you. But if you are going to reject this motion on the short ground on which the hon. Law Minister ended his speech, I need not waste the time of the House by putting these points before you.

Mr. Speaker: I will tell him what is passing in my mind. I do not propose to hurry up any decision. I have heard the hon. Law Minister, I have heard his point of view, and if other Members are anxious to address on the purely constitutional aspect of it, without going into the merits, I am prepared to hear them; but that discussion should be of a very short duration. I have not yet made up my mind as to...

Dr. Tek Chand (Punjab): Shall we do it today or on some other day? This question raises very important...

Mr. Speaker: I have not finished. The hon. Member will please let me finish first, and then he will see that I entirely agree with him, and that I am going to do what he wishes to be done. The point I was coming to is this. I am restricting myself only to the facts of the present case, and I want to know whether I have understood the hon. Law Minister correctly. He has given his views on the wider issues about the scope and there might be, as he says, occasions when the Centre may exercise this power; but am I clear in understanding him this way that, supposing no directions are given by the Centre or no control is exercised, then the present motion would not be in order. Is that his conclusion?

Dr. Ambedkar: That is my view.

Mr. Speaker: The other position I want to get clarified was about the words 'general control'. He stated that the word 'general' means the control extending to the whole administration.

Dr. Ambedkar: And not detailed control, not over day to day administration.

Mr. Speaker: That is what I wanted to be clear about. Subject to the general policy laid down by the Centre, the States will have perfect autonomy.

Dr. Ambedkar: But with the further fact that if the Government of India is satisfied that the directions are not carried out, then the other provisions will come into operation.

Mr. Speaker: That is a different matter. But no question for a discussion can arise in this House unless the power in Article 371 is exercised by the Centre.

Shri M. A. Ayyangar (Madras): In the same section 'general' means only policy because we find later 'do comply with such particular directions'. So it is general control. If they wanted to.....

Mr. Speaker: I am not referring to the direction because the wording is clear but I wanted to be clear about 'general control'.

I would certainly like to give hon. Members an opportunity to speak but shall we give it today?

Dr. Tek Chand: The questions raised by the hon. the Law Minister are of very great constitutional significance. Apart from the merits of the particular matter in Hyderabad State, this matter should be cleared up, and I would request that a separate day, sometime next week, may be fixed for its consideration. Today, the hon. Minister has drawn very fine distinctions between 'general control exercised by Government' and 'the failure of the Government, to exercise such control'. He has also drawn a distinction between 'power' to exercise such control and 'duty' to exercise it. These are matters which require very careful consideration by the House and before you, Sir, give a ruling I would submit that the matter may be discussed sometime next week or on any other day that you may fix.

Shri Tyagi (Uttar Pradesh): May I submit that on such matters which are absolutely under your own discretion, you can only take light from the Members of the House and they might just express themselves. It is probably your duty to do so and I do not think we should waste our time here. It is a question of giving your ruling. You can make a private study if you like. It is not for the House to discuss about rulings. It is for you to give a ruling and we cannot go on discussing this issue.

Mr. Speaker: Hon. Members will appreciate that whatever ruling I give, this way or that way, will be very important as a precedent and I do not mean to suggest that, even after I hear a large number of Members, I shall necessarily be taken by all as having given a cent. per cent. correct ruling. Opinions may differ on that but the ruling will be binding on the House. Therefore, I should like to give ample opportunity—not a whole day however, I am very clear on that,—not even half a day, it is not necessary. After all, the question for decision before me is a very limited one as to whether this particular motion is admissible or not; and I may say that, even if I hear the whole thing, I do not propose to give in any ruling which I may give a review of the entire history and the implications; and even if I do so, lawyers know that all those things will be purely *obiter dictum*. I do not propose, therefore, to go into those things. My idea was to have a further discussion just tomorrow and not today because otherwise the result will be that we shall be taking the whole time of the budget discussion.

The Minister of State for Parliamentary Affairs (Shri Satya Narayan Sinha): We can sit on Sunday or tomorrow after 5 O' clock.

Dr. Pattabhi (Madras): May I suggest that we do have copies of this motion and if possible the Law Minister's speech?

Mr. Speaker: Yes, that is possible. We shall do that.

Now there seems to be some difficulty in fixing the time for discussion. Tomorrow I am told there is emergent legislation and so that time cannot be taken up. Today hon. Members wish to discuss the budget and so they also do not propose to give up that time. I should have been willing and if the House wishes, I shall have no objection but my difficulty is purely personal that I shall not be able to remain present in this House on the 10th and 11th. That will be the difficulty.

The Minister of Works, Mines and Power (Shri Gadgil): If the House agrees the question hour may be used for discussing this tomorrow.

Shri Satya Narayan Sinha: For today we have decided to sit till six O' clock. Tomorrow we can sit after five or the question hour may be dispensed with.

Mr. Speaker: We undertake then to finish the discussion tomorrow?

Shri Kamath: The question hour must not be eliminated.

Mr. Speaker: Let us fix up a time-limit. Shall we finish it in one hour?

Shri Tyagi: Yes.

Mr. Speaker: I may crave the indulgence of the House for making another request. If we sit tomorrow, it will not be possible for me to study and come to a conclusion and deliver my ruling.

Dr. Tek Chand: You will be back on Monday, Sir?

Mr. Speaker: I shall be back on Sunday night but I must have a few hours.

Dr. Tek Chand: Let us have it on Tuesday. We are not going to deal with the Hyderabad incident but deal with the constitutional aspect and what does it matter if we do it tomorrow or on Monday or Tuesday? Any day next week will do. There is no urgency about the constitutional aspect of the matter and it requires very careful consideration by the House and by you. Therefore any time next week or any other day may be fixed but it will take at least two hours—not necessarily a whole day. After all, Members have to place different points of view before you and two hours would be the minimum time required.

Sardar Patel: In view of the difference of opinion among the members of the Drafting Committee themselves and some of the new lawyers that have come, it is better to give a little more time because it will involve legal questions.

Mr. Speaker: I would not mind putting this to next week. The only difficulty. I was feeling was as to whether it may not be felt by some Members that an adjournment motion discussion to raise a definite matter of public importance and urgency is being postponed. So we shall have the matter sometime next week. It may be Monday or Tuesday whichever is convenient.

Shri Kamath: After five O'clock.

Mr. Speaker: I think it is better to have these arguments while one is fresh in the morning and not when fagged out at the end of the day. We shall have it next week but that will also be after the question hour. If the question hour is not dispensed with, some time of the Demands will have to be taken up. If we think that we cannot allot two hours on one day, we shall take one hour each day and finish the business in two days. That will be a fair compromise. At any rate the House will now stand adjourned.

The House then adjourned for Lunch till Half Past Two of the Clock.

[MR. DEPUTY-SPEAKER in the Chair.]

GENERAL BUDGET—GENERAL DISCUSSION—*contd.*

FIRST STAGE—*contd.*

Shrimati Durgabai (Madras): Rising on the last day of the general discussion on the budget, I am afraid that I am not in a position to contribute to the usefulness of the debate. Yet, I do not like to miss this opportunity, because, it is only once in a year at this time that we could take stock of our position, economic as well as political.

We have achieved certain things. We have achieved a unified army, a single customs system, a unified railway organisation and a unified finance structure. These are great political and economic gains. But, Sir, though they are not ends by themselves, they can certainly be the means to build up a just democracy. The man in the street has fought and won the battle. He has made the leaders who now occupy the Treasury Benches as his superior leaders and supreme arbiters of his future. He has made it possible for them to use these gains in the interests and for the betterment of public at large. Sir, this is a great trust and we have to see how far Government have succeeded in discharging this trust and how they intend discharging this trust. This could be best judged only by a review of the financial proposals that are placed before the House for its acceptance.

I have had the advantage of listening to many speakers who have examined the budget proposals from different angles.

Shri Kamath (Madhya Pradesh): And disadvantage also.

Shrimati Durgabai: As far as I understand there seems to be a large measure of unanimity about the diagnosis of the budget. It is unmistakably a business-man's harvest. The Finance Minister has not hidden his intentions. He has told us in plain terms that the tax reliefs that are given to the well-to-do classes are necessary to build up this country's economy. It was his endeavour to find money not only to balance his budget, but also to create a surplus for handing it over to these investing classes. Sir, the poor and the lower middle classes are extremely grateful to the hon. Finance Minister because he has not increased the indirect taxes for paying bonus to the rich classes, who, according to him, are the primary producers. This is one good point about the budget.

I fully agree with the views expressed on the floor of this House that Dr. Matthai's thesis is wrong and that the tax reliefs given to these so-called investing classes do not certainly induce them to invest in the gainful industries and that this money is likely to find its way into speculative operations. I do not mean to say that the capitalists are not public-spirited enough. They do invest; but they invest in their own industries. They do not like to lend the money to Government for their own undertakings, because it means no advantage to them and they could get only a fixed interest on their money. The reliefs given and the unbounded sympathy that is manifested to these classes, I am sure, are not strong enough to dispel their fears. They are fully aware of the spirit of the times; they are also aware of the fact that what is happening today to capital all over the world is bound to happen to capital in India also sooner or later. Prudent as they are, they do not like to take the risk for fulfilling the aspirations of the Finance Minister. The budget should therefore be cast

in a different mould by transferring the surplus to the benefit of the industries that are being run by the State or to the development projects that are being undertaken by Government. But, the hon. Finance Minister has not only not done this, but he has not chosen even to utter a word of sympathy for these poor and lower middle classes. Of course, he has made a reference to labour in his speech. Of course, he had to, because he knows the power of labour. The lower middle class people have no right to strike and therefore there is nothing to talk to them or talk about them. The hon. Finance Minister is right when he said that the budget is a human document involving the emotions of multitudes of women and men. May I ask with all humility, is there any human approach made in this budget? What kind of emotion will be brought about by these proposals among men and women?

The complaints voiced by my hon. friends on the floor of this House that they cannot face the public with these proposals are not untrue. What is it that we can tell them? We have to tell them, of course, that their salvation lies in the reduction of prices and therefore production, more production and still more production is the only solution to their problem. We have to tell them that it is just to bring about this we have made a present of fifteen crores to the investing classes. Of course, they would naturally ask us, what happened to the anti-inflationary measures adopted by the Government last year and have they brought about a reduction in the prices, have they increased production and brought down cost of living? They have only failed. Coming to their borrowing programme, in spite of the hopes expressed by the hon. Finance Minister that certainly he would be able to enlist their co-operation and be in a position this year to present a more heartening picture, has this happened? Therefore, naturally, the question will be put to us by the people whom we have to face with these proposals. What should be our reply? What is our reply? We will, of course, open a long argument with them and tell them that these will certainly bring some relief if certain 'ifs' and 'buts' are satisfied. What are they? If these investing classes are made to feel safe and secure, if the raw materials they require are made available to them, if the State undertakes to train technical personnel and make their services available to them, if ample power is given to them, also if the State gives a further guarantee that they would never commit the blunder of imposing a Business Profits Tax, or limiting their dividends, then if they produce on those conditions, if all that is produced will come into the white market, then only, there will be relief. That would certainly bring relief by bringing down the cost of living and bringing a reduction in the prices. Sir, I confess that it is an argument which will convince none except those who have a flair for figures, graphs, charts, index numbers, etc. If a young man says that he does not understand these figures, we should not say that it is his fault. No one would regret more than the Prime Minister or the Deputy Prime Minister who run our Government today for having had to present a Budget like this and they would have certainly liked to present a more humane Budget. Their sympathy for the lower strata of society is unquestionable. But they could not see their way to recommend immediate relief to these classes. Why? Sir, the Government like the whole country is the victim of circumstances, and the Budget is the result. On the one side they have to face immense problems like that of Kashmir or Eastern Pakistan or the communal killings or railway sabotages that we are experiencing day by day. Now the crux of the problem is this: Should the Government undertake to build a new pattern of economy? Should they at this stage give up this traditional method of inducing capital by giving these reliefs? Should they do that now? Are they in a position to do that? Can they afford to do it? That is the question and I say the Government would have certainly preferred to adopt a more bold and popular course. We have come into the picture and we are responsible for it. Are we not to see that there is sufficient public opinion to enable them to adopt a more bold and popular course? Are we having people

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who are sufficiently trained and who are prepared to undertake and face the responsibilities that are involved in experimenting these bold undertakings? That is the question which we have to put and answer ourselves. For instance, I will tell you the small savings scheme proved a failure and I am sure that it is bound to prove a failure and a greater failure this year, because we are expecting this work to be done by people who are paid on the commission basis. Certainly this kind of work is one in the category of social service. Did not we in the good olden days take *Khadi* on our backs and go from house to house hawking? Did we not in those days line up before toddy shops and prevent people from drinking? Did we not take to that work as a love of labour? But today we find the Government is appointing officers, paid propagandists etc. to do this kind of work. Sir, where has the spirit of service gone? Who is responsible for destroying this spirit of service? Should we not revive it? Is it impossible to revive it? If it is impossible, I think we have no business to criticise the way in which things are done.

When the Government see this situation in the country and when also they see that the only existing national organisation capable of enlisting the co-operation of the people in a good cause is dormant, I do not think, Sir, the Government has any alternative other than the one that they have taken, namely, adopting the traditional policy of inducing capital by giving reliefs after reliefs. This involves no risk except the risk of letting sleeping dogs sleep till they wake up. The only thing that is left is to pray to God to grant the prayers of the hon. Finance Minister to be able to induce this investing class to produce more. I have nothing more to add, Sir.

Pandit Kunzru (Uttar Pradesh): I should like to look upon the hon. Finance Minister as a wise and experienced guide who will lead us safely and surely out of the economic difficulties that surround us at present and to accept the proposals that he has laid before the House. I should, however, like to feel sure that the suggestions that he has made to us represent his final views on the difficult matters that we are considering today. I have followed my hon. friend's views on economic and financial questions carefully since 1947 and it seems to me that they have during this period been in a state of flux. For instance, he strongly supported the Budget put forward by the Coalition Government in 1947, but he described it last year as 'an un-orthodox, a sensational budget'. Again when last year we ventured to point out that the deficit in the Capital Budget might lead to inflation and create other difficulties, he rebuked us and said that he had seldom listened to such nonsense as had been spoken on this subject. But events compelled him later to recognize that it was not those who expressed this fear that spoke nonsense, but those that denied its reality. It seems to me, Sir, in view of what I have stated that he is groping in the dark almost as much as the rest of us. It should not be surprising, therefore, if the suggestions made by him raised doubts and questions in our minds and we wanted our doubts to be removed and our questions to be answered before finally agreeing with him.

My hon. friend has proceeded from the assumption that the root cause of the trouble that we are suffering from is one of inadequate production. He expressed the same view last year. I, for one, entirely agree with him in his diagnosis of the problem that faces us. Having diagnosed the disease, he has suggested the remedy which is that various concessions should be given in order to increase the investment available for industrial undertakings.

My hon. friend is willing to decrease the surplus by about 8½ crores in order to increase investment in industries. Now, the first thing that we should therefore like to know is whether we might in future expect our revenues to be as buoyant as they have been hitherto. Such attention as I have paid to the

Budget makes me think that the hon. the Finance Minister has made a somewhat optimistic forecast of the yield from the corporation tax and income-tax. I hope that his expectations will be realised, but when I consider that the arrears that will fall due in future and will be realised later on are likely to be much less than those that we are trying to realise now, I feel somewhat doubtful about the accuracy of his estimate. If on a prudent calculation we really find that there is nothing to give away, then it is apparent that the basis on which the hon. the Finance Minister has proceeded either does not exist or is much narrower than he has estimated it to be.

My hon. friend probably thinks that if business improves if not next year, at least the year after the next, the realisations from the taxes on income will more than make up for any loss that we might suffer next year. We have therefore to consider whether the concessions that he has made will lead to an increase in production. Production does not depend on any single factor. The hon. the Finance Minister in winding up the Budget Debate last year, referred to Sir Archibald Rowland's Budget and told us that the view on which the Budget was based was not realised. Increase in production did not take place because the necessary plant and machinery were not available and the other factors favourable to increased production did not exist. Have we any reason to hope at the present time that the circumstances are such as to lead to an acceleration of deliveries of plant and machinery or remove the difficulties that the shortage of raw materials has created, or remove the inadequacy of building materials and so on? I doubt whether my hon. friend would go so far as to say that all these difficulties would be removed merely by the remission of taxation. Leaving aside cotton and jute about which he has given us information in his Budget, can he tell us what are those circumstances that make him think that the remission of taxation will lead surely to larger production in the immediate future?

Again, Sir, we have to consider the sources from which additional investment can be available. Now, my hon. friend has reduced the income-tax on incomes between Rs. 10,000 and Rs. 15,000 by about half an anna and on incomes above that by an anna. But he has raised the super-tax also by an anna on all incomes up to Rs. 1,50,000. It is obvious that none of those people who will have to pay super-tax will be able to benefit by a reduction of an anna in the income-tax. It is only people whose incomes lie between Rs. 15,000 and Rs. 25,000 that will benefit by the reduction of an anna in the income-tax on incomes exceeding Rs. 15,000. Now, the other class that will benefit by this reduction will be the class whose income exceeds Rs. 1,50,000. So far as I can see, these are the only two classes that can be expected to save more in future and to make their savings available for additional investment. So far as the first class is concerned, *i.e.*, people whose income is between Rs. 15,000 and Rs. 25,000, it seems to me that unless the price level comes down considerably, there can hardly be any hope of their being able to make any savings for investment in new undertakings.

The hon. the Finance Minister referred to the index relating to foodstuffs and told us that but for sugar and gur, the index would have been appreciably lower than it was. The figures relating to the wholesale markets may show that the cost of foodstuffs is coming down, but he will find no consumer in any town either in Northern India or for that matter in Western India, that will be prepared to agree with him that foodstuffs can be bought cheaper now than they could be a few months ago. Whether you ask a man in Delhi, Agra, Allahabad, Bombay or Poona you are told that the cost of living is going up. Unless, therefore, the cost of living can be controlled or the cost of foodstuffs can be appreciably brought down, I do not

3 P. M. think there is any likelihood of additional investment being made available by those whose incomes do not exceed Rs. 25,000. As regards the class of people whose incomes exceed Rs. 1,50,000, will they by themselves be

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able to produce enough additional money to increase production to the degree that the hon. the Finance Minister wants? I suggest that the base of his edifice is narrow and weak and that we need not be surprised if we find that his expectations are not likely to come true.

There is just one more point to which I would like to draw the attention of the House in this connection. My hon. friend has in the Budget referred to increased industrial investment from private sources but he has said very little with regard to the possibility of obtaining more money by Government for carrying out those projects to which the country attaches so much importance. He has told us that Government are awaiting the recommendations of the Committee on Rural Banking and so on. But we should like to know what Government's anticipations are with regard to the success of their borrowing programme in the immediate future. We are concerned with the immediate future here. What will happen to planned economy? Is our economy, in spite of the policy laid down by Government, to be improved only in one sector? Is it all to be a non-socialised economy? If Government have come to the conclusion that their policy should be changed in other ways than in respect of taxation, then the hon. Finance Minister should take us fully into his confidence and tell us what is the present policy of Government in regard to our economic advancement.

Another question to which I should like to draw the attention of the House is that of cheap money. My hon. friend has not said a word about this subject. Yet this is a matter of cardinal importance. My hon. friend is making investment in business and in industry more attractive. How does he then propose to attract money to Government securities and Government loans? This is a matter which concerns us vitally. Is the cheap money policy adopted by the Government sometime ago to endure or not or does my hon. friend propose to change the credit policy of the Government? If he does not propose to change it I should be very glad to know how he proposes them to attract money to Government loans?

The question of cheap money is connected in the eyes of economists at present, with the question of full employment. My hon. friend has been silent on that point too. There is no doubt that if production increases additional labour too will probably be necessary and to the extent that there is co-operation between capital and labour and improvement in transport there may well be additional production. But is there any other way in which he expects that employment will increase? Has he any scheme in view for promoting employment? These are very important questions on which I hope the hon. Finance Minister will throw some light. The credit policy of the Government is a matter that is exercising the minds of many of us in this House and I have no doubt that it is exercising the minds of those people outside this House too who are interested in the economic progress of the country.

Sir, if you will permit me, I should like to say a word more before I sit down. I shall grant that the basis on which my hon. friend has proceeded in framing his taxation is sound. But was it necessary for him to deprive himself practically of all the surplus that would have been available to him but for the remission of taxation proposed by him? The education and health budgets have been so ruthlessly cut down. Could not the additional incentive been provided for businessmen and industrialists without proceeding as far in the way of remission of taxation as he has done?

Again, if more money was available, could he not have done something to meet the legitimate grievances of the Indian Commissioned Officers of the Indian Army? I do not propose to dwell at length on this subject. I drew the attention of the House to this matter last year. I shall, therefore, only say

that the enquiries that I have made on this subject go to show that the difficulties of these officers up to the rank of Lieut.-Colonel, certainly at least up to the rank of Major are that their families are living in great discomfort and that many of them are in debt. It behoves Government therefore to see that their conditions of service are such as to satisfy their legitimate needs without throwing an undue burden on the State. I do not want to plead on behalf of any class of Government employees. I have not spoken on behalf of the Indian Commissioned Officers simply because I take a keen interest in all that relates to the welfare and efficiency of the Defence Forces. I have done so because on a review of the circumstances it seemed to me that this was a case that merited the urgent attention of the Government.

I shall raise the other points relating to the Defence Forces when the Defence Estimates come to be considered. But as it is a matter of general importance and as the hon. the Defence Minister is here, I should like to ask for information regarding the exact manner in which the State Forces have been integrated with the Indian Army. The present situation does not seem to me to be satisfactory. The State forces, from what I can see, will continue to be at least nominally under the control of the *Rajpramukhs* and to be recruited from the classes from which they are at present recruited. This does not seem to me to be a satisfactory state of things. If they are to form part of the Indian Army then they ought to be placed on the same footing as the rest of the units of the Indian Army. Again, if they are to be absorbed in the Indian Army we must take good care to see that we do not place all the officers of the States forces immediately on the same level with the Commissioned officers of the Indian Army. We may bring about complete equality between such officers of the State forces as have been trained in the Indian Military Academy or the Staff College.....

Mr. Deputy-Speaker: I thought the hon. Member said that he would reserve his remarks to the Defence Estimates when they come up.

Pandit Kunzru: Sir, this is the last point. I do wish that a careful selection will be made before all the officers of the State forces are absorbed in the Indian Army and are placed on the same footing as the Indian Commissioned officers.

Mr. Deputy-Speaker: Hon. Members need not put me to the inconvenience of ringing the bell to remind them to sit down. There are as many as 43 names of intending speakers. Even if each Member takes two minutes we will have to carry on till 7 or 8 p.m. today. I would therefore request hon. Members to look at the clock and try to finish their speeches in ten minutes, if not earlier.

Shri Kamath: Might I suggest that the hon. Finance Minister may reply to the debate tomorrow and not today?

The Minister of State for Parliamentary Affairs (Shri Satya Narayan Sinha): Not tomorrow, because we have other business.

Shri Kamath: We have taken two hours over the adjournment motion.

Shri Satya Narayan Sinha: In view of certain emergent legislations the 9th and 10th have been reserved for that purpose.

Shri Kamath: One hour more tomorrow can be arranged.

Shri Satya Narayan Sinha: That can be arranged but the hon. Minister wants to reply to the debate today.

Mr. Deputy-Speaker: The hon. Member himself raised the motion and is responsible for the delay.

Shri Sidhva (Madhya Pradesh): All along during the Budget discussions I have taken the view that those who could afford to pay should be taxed more and relief should be given to those who need the most. But we have been seeing that while taxes were levied on those who could afford to pay more relief was given to the administration and not to those who needed it more. From that point of view I have come to the conclusion that additional taxation should not be supported until corresponding relief is given to those who are really in need and that we should not spend away that money towards administration. In that view this year's Budget is free from any additional taxation. Even if he had not given relief to the businessmen or industrialists I would not have supported that policy. I would therefore submit that even now or at least hereafter, if at all at any time, the hon. Minister should see that the taxes are levied more on the industrialists or capitalists so that money may be available for the nation-building programmes. Unless that is done it is no use every time supporting additional taxation and at the same time giving no relief to that class of people who need most.

I would like to draw attention to two or three important points. Firstly I will take up the import of salt from foreign countries. Last year I raised this point in this House and the hon. Minister stated that he would appoint an Advisory Committee and see that India is made self-sufficient as far as the production of salt is concerned. I am very glad to state that he did appoint the Advisory Committee. But from my experience I find that this part of the work was in the past neglected. There is sufficient salt in Saurashtra and Cutch and I can say that from my own personal knowledge.

In 1949 the production of salt was 553 lakh maunds. In 1950 it is expected (and the expectation is guaranteed) that the production will be 650 lakh maunds, whereas our requirements are 685 lakh maunds and in 1951 it is expected to be 707 lakh maunds. Despite self-sufficiency it is still expected that some salt should be imported from foreign countries. We have 25 per cent. reserve besides the quantities I have stated. Even if any request comes from the Industry and Supply Ministry for importing any foreign salt, I would request the hon. Minister to give the matter serious thought and see that he does not fritter away our foreign exchange. Not only are we self-sufficient but we have exported to Japan 17 lakh maunds of salt last year and 50 lakh tons are awaiting shipment. From this it will be seen that we have earned dollars by exporting salt. There is such a large field. By the end of December if proper attention is paid to this we can send enough salt to Japan where it is in great demand.

Now I come to the duty on tobacco. The duty recovered from this source is Rs. 26,37,81,000 in 1947-48. Having learnt that there is some discrepancy in the recovery of the tax I wrote to the Secretary of the Agriculture Ministry to let me know the acreage under tobacco. He wrote to me to say that the acreage was 6,67,216. On that calculation I found that there was a shortage of 7 crores in the recovery of tax. I wrote to the Chairman of the Central Board of Revenue. I had prolonged correspondence with him and he was able to give me a very comprehensive reply. Ultimately the Chairman of the Central Board of Revenue wrote to say that enquiries made from the Agriculture Ministry showed that no acreage figures of tobacco were furnished to Mr. Sidhva by that Ministry. They surmised that I took the figures from the monthly journal. I sent him a copy of the letter from the Secretary of the Agriculture Ministry stating that they were not figures picked from the wayside or from any journal. On the 29th November I received a reply saying that "the figures recorded in the Central Excise Statistics are the only ones which we accept as correct. I consider my department statistics to be more reliable." Again, after correspondence the Chairman replies to me: "From detailed investigations carried out by the Central Excise Department province by province we have found out that the Agriculture Department figures on tobacco

cultivation are not accurate". I am perplexed as to which figure is correct. Of course I accept the statement of the Chairman of the C.E.R. as being more responsible because he has to recover the duty—and quite a large duty. But the Agriculture Minister, or his Ministry, does not yet admit that their figures were incorrect. Then what am I to understand? If the figures of the Agriculture Ministry are correct it means a loss of revenue to the State to the extent of Rs. 7 crores.

Shri Tyagi (Uttar Pradesh): If the Agriculture Minister has no axe of his own to grind, his figures may be relied on.

Shri Sidhva: I would ask the hon. the Finance Minister to go into this matter and satisfy himself whether the Agriculture Ministry figures are correct or his Department figures are correct, to get an explanation from the Agriculture Ministry and to satisfy this House so that there may be no suspicion in the minds of anybody. I would at the same time request him to see, to avoid any kind of suspicion, why he should not levy a tax on acreage as is done in the case of opium. If that method is followed, probably this discrepancy may not occur. I would like to draw his attention to it.

Coming to the machine tool factory, the Industry and Supply Minister stated on the 8th November last at Nagpur that Government have taken a decision to open the machine tool factory. I personally stand for all industries to be owned by the State. But what I find with respect to this industry is that Rs. 8 crores were originally estimated and it is now expected to go to Rs. 18 crores, and Sir Shanmukham Chetty who is the President of the Machine Tool Manufacturers' Association has publicly made a statement that when the factory is completed it will cost Rs. 24 crores. Subject to correction whether Government have taken a decision in this matter or not—as I said, the hon. Minister for Industry and Supply has made a statement in Nagpur publicly that Government have taken a decision—I would like to state that this subject requires re-examination. But my point is that there are machine tool factories existing today owned by private people in this country and they are manufacturing 1.25 crores worth of machine tools every year. The matter went up to the Tariff Board and it asked for protection. This is a kind of industry which really needs protection. But Government turned it down. I am not here concerned with anybody. My point is this. If that factory is going to cost Rs. 28 crores then we should certainly give priority to our river valley schemes and hydro-electric projects which are going to give us more cotton, more jute and more food. I would therefore ask the hon. Minister, if the Government have taken a decision about the starting of this factory, to re-consider this matter from the point of view of the cost involved, which has risen from Rs. 8 to 28 crores, in this hour of economy. If the axe is not to fall on this industry then I suggest it should be postponed and other three productive schemes which I have just now mentioned, should progress rapidly and without any hindrance of supply of money.

The other day I put a question to the hon. Minister of Works, Mines and Power as to what were the arrears that were due to his Ministry and he promised to give a reply to me shortly. Only last week I have received a statement—I do not exactly know whether it was from him, but the statement has been supplied to me. It gives the arrears as Rs. 63,16,472. There are seven reasons given as to why they have not been able to recover these arrears. One of these refers to Rs. 7 lakhs due to unauthorised occupation by refugees. If it cannot be recovered the account must be wiped out. Rs. 63 lakhs is a very big item and I would request my hon. friend to ask the Ministry to see that this big amount is recovered forthwith. If it is irrecoverable let it go to bad debts. Why show Rs. 63 lakhs as "to be recovered"? If it cannot be recovered it should be shown so and not kept as a burden on the books.

[Shri Sidhva]

I find that the Commerce Ministry issued a press communique on the 5th January in connection with the export of textiles, but on the following day, that is on the 6th January, it was cancelled stating that it was "inadvertently" issued. This reflects considerably upon the Ministry.

The Minister of Commerce (Shri Neogy): This formed the subject matter of an interpellation in this House and I am really surprised that my wide-awake friend is not aware of the reply I gave to that.

Shri Kamath: That question was not orally answered.

Shri Sidhva: It was unstarred and I had therefore no occasion to comment on his reply. But why should a responsible Ministry issue a press communique on one day and cancel it on the following day?

I would also like to draw the attention of the hon. Minister to the fact that in the month of November they levied a duty on pepper. 30 per cent. *ad valorem* was the duty. Pepper is now being speculated to such an extent that the price has risen by thirty-five times as compared with that in 1939. Today the price is Rs. 2,500. Government rightly levied a duty of 30 per cent. to earn more. But after a week the speculators go to the Ministry and state that they have made forward contracts and that the duty should therefore be reduced. So from the market rate they brought it to tariff value with the result that instead of 30 per cent. they have recovered 13 per cent. duty, involving a loss of Rs. 2 crores to the State. Why should you support the industrialists and capitalists, and speculators particularly? I can understand it in the case of *bona fide* businessmen who should be saved from the transactions, but here are the speculators who are earning thirty-five times more than the price prevailing previously, and the hon. Minister listens to them and gives them relief which involves a loss to the State. I would like to know why that has been done.

As far as economy is concerned, the other day I put a question as to why 500 clerks had been retrenched whereas the number of Joint Secretaries had increased from 26 to 35, Deputy Secretaries from 51 to 84 and Under Secretaries from 103 to 191. Surely, when the number of clerks is reduced the work of supervision is simultaneously also reduced and the number of higher officers also should proportionately decrease. But the hon. Minister gave the reply that I put more questions and therefore more Joint Secretaries are necessary. Is that the reply which should come from the hon. Minister that because I put more questions therefore more Joint Secretaries are required? If that is the way finance is handled, God help us! I can say nothing more. He may have said it in humour. I could not follow the answer at the time he gave it because it was not audible and I knew it when I read it the following day in the proceedings. Otherwise I would have retorted him at that time itself. That apart, I hope he would pay a little serious attention to this matter, and tell us what consideration has been given to this Committee's Report and what retrenchment has been effected. Let me tell you that artificial reductions will not help. There must be genuine reduction and you must reduce your staff to the limit which is necessary. You cannot shirk that responsibility. You want to save them, you do not want to take courage into your hands and say that this much should be reduced. Unless you effect that reduction your economy will be shattered beyond what it is at present. Your cuts here and your cuts there will not solve the problem. You may satisfy anybody, you may satisfy certain classes of people. But nothing has been done in the 2½ years. This year nothing could be done, and every year we have the same music. But

I hope the hon. Minister will bear in mind as to where we are leading to and where our economy and finance are going to. These are the main points I would ask him to pay attention to.

Shri Sivaprakasam (Madras): Fairly a good number of hon. Members have spoken on the Budget. Many of them have voiced bitter criticism and called it a capitalistic Budget, and some have expressed disappointment with it. But they all have said that the cause of the common man has been completely neglected. My hon. friend, Mr. Ramnath Goenka, was very vehement in his attack and said that the Government was unduly favourable to the capitalists. As for my part, Sir, I do not want to mix up political ideologies with economic truths. Therefore, I cannot but heartily congratulate the hon. the Finance Minister for his realistic approach to the immediate problem of our country, namely, the economic re-building of India. I also congratulate him for his firm stand on the economic truths, not wandering in vain imaginative thoughts. I hope he will not aim at any popularity which one could obtain by soaking the rich, which will ultimately lead to the rich vanishing, productive enterprise diminishing and the poor being left where they were.

In his Budget proposals, he earnestly endeavours to meet the situation. The immediate problem of our country, as I said, is the economic re-building to the best and largest interests of our country. It is a task which can be done only with the utmost co-operation and goodwill of capital and industry and labour. How can we achieve this complete co-operation and goodwill of capital, industry and labour? Under what circumstances can we create an atmosphere of confidence and goodwill? Well, the hon. Minister has done his best to create this much needed atmosphere of co-operation and understanding. His tax reliefs and concessions are very well received by the business and mercantile communities as paving the way for a psychological change in the economic outlook of our country. He has no new proposals of taxation. The abolition of the business profits tax, the lapse of the Dividend Limitation Act and the reduction in the Companies' income-tax are all steps in the right direction to achieve this confidence and co-operation amongst industry and capital. These concessions will certainly help us in the capital formation necessary for the country's increased industrial production. These concessions and reliefs aim at infusing confidence in the minds of the mercantile and business communities. By these relief measures, the hon. the Finance Minister aims at breaking what is called the "strike of capital" thereby earnestly attempting the promotion of capital formation so necessary, as I have said, for increased industrial production. These measures are necessary for the development of our economy in the best and largest interests of our country. Only by that way can we raise the living standard of our poor and our working classes and better their living conditions. It is only then that we can fight successfully the existing economic inequalities in our society. When the country's industry and commerce are developed to a considerable extent thus making the country rich and prosperous, the benefits will certainly be shared by all classes including the middle and the lower middle classes.

Several hon. Members have expressed a doubt as to how far the expectations of the hon. the Finance Minister will be achieved. I consider that under the existing economic conditions and trends, in all probability his expectations will certainly be achieved. By his relief proposals he has revived the confidence of investors and has given the maximum possible help to industry. His proposals are conceived with a definite object in view, namely, the inducement of a free flow of capital into the investment market so as to be utilised for the country's economic recovery. A great incentive is thereby created in the minds of businessmen and monied people. There is, therefore, no reason to believe that his expectations will not be achieved. The great incentive created in

[Shri Sivaprakasam]

the minds of these industrial classes will certainly work and the country's national wealth will be increased considerably to the benefit of all classes, especially the working classes. Sir, more than anybody else, I believe, that this Government is interested in the cause of the common man, and I think there is no cause for any disappointment or doubt. I will only request these hon. Members who have criticised the Budget to only bear in view the difficult situation which the Government has to face at present and the real handicaps they are suffering from. The budget of any country must be good in the larger interests of that country, and the Budget proposals presented by the hon. the Finance Minister give the maximum possible help to the development of our economic conditions in the larger interests of the country as a whole.

So, this Budget is a realistic one, much-needed at this economic crisis. Unlike many other countries, there is not much concentration of industrial capital in our country. Even today, a large number of middle-class investors come forward for investing in the industrial activities in our country, but in the past these middle-class investors were playing an important part in the economic fabric of the country and the society really depended on them for industrial activity. One of the most serious economic problems of our country now is the deterioration of the financial status of these middle-class investors. These proposals are only the beginnings to better the condition of the middle class investors.

Regarding agriculture, I have to request that the same incentive should be provided for increased agricultural production.

Shri J. R. Kapoor (Uttar Pradesh): I am glad to be able to accord my whole-hearted support to the Budget, though I have some suggestions to make for effective improvements, which I shall do in the course of my observations. A Budget which imposes no new taxes, which gives relief in various directions and yet shows a surplus; a Budget which promises reduction in expenditure, both civil and military; a Budget which promises increased production, which, obviously, in its turn will mean greater employment to the masses, and reduced prices of necessaries of life; and which will mean more income-tax return by reason of the fact that there will be more industrial concerns started in the country bringing more profits to the investors and larger number of income-tax payers and more money to the coffers of the State by means of taxes realised from them—a Budget such as this must certainly be considered satisfactory, and I am happy over it. The hon. the Finance Minister has rightly been congratulated by many hon. Members of this House, but I do not forget that he has been the recipient of many hostile criticisms also. I hope the hon. the Finance Minister is not feeling unduly depressed because of those criticisms!

Some Hon. Members: Not at all.

Shri Tyagi: And you apply the ointment!

Shri J. R. Kapoor: I need not apply any ointment, because the hon. Minister is strong and bold enough to bear any criticism. Did he not tell us in his speech that criticism is stimulating to him? I am glad that he is prepared to take criticisms in that spirit and I am sure he will feel stimulated to pursue the line he has chosen for himself in the best interests of the country.

Shri Kamath: He must be tired by now.

Shri J. R. Kapoor: He should not forget that we of the Congress Party have been brought up in an atmosphere of criticism. Criticising the Government has been our habit for the last twenty-five or thirty years, and he should not expect us to change our habit all too suddenly. I therefore think that

this opposition may be gracefully looked upon by him in the nature of a homage which we pay annually to our old acquired habit of criticising the Government.

Shri Goenka (Madras): Speak for yourself.

Shri J. R. Kapoor: There is one very good thing about this opposition!

Mr. Deputy-Speaker: The hon. Member has already taken five minutes!

Shri J. R. Kapoor: No, Sir. I have seen the Clock. Only one minute has passed. I will proceed on quickly. I would appeal to my hon. colleagues here not to interrupt me as they have been doing, because that means that I would be losing all that time.

There is one very good thing about this opposition. It is this. People both inside the House and outside have been clamouring that there is no opposition party in the Parliament. I am glad, therefore, that there is a good deal of criticism of the Government. It would bring credit to the Congress Party. It will convince people outside that we represent here not merely the Congress point of view, but the point of view of those who are not in the Parliament and who are not well represented here—I mean those who are in the opposition.

This is the very first Budget of the Indian Republic and it is well that the hon. the Finance Minister has, in framing it, adopted an entirely new and fresh outlook. He has not allowed himself to be tied down by traditions of the past, or influenced by wild slogans which howsoever good they were in the old context, they do not suit the present context of things. I would therefore like to congratulate him on the bold and determined attitude he has taken. He has adopted such measures as would lead to production and yet greater production, for, obviously, greater and yet greater production is the need of the hour. He has put his finger on the malady afflicting the country, namely, the malady of short production. If we have more production, certainly many of the ills we are suffering from will disappear, and I am sure if all his expectations are realised, we shall have, in due course, an era of plenty and prosperity. This Budget may well be called a productive Budget, a creative Budget if I may say so, because it is going to produce and create more and more commodities for the consumption of every one of us.

Shri Tyagi: It is a feminine Budget!

Shri J. R. Kapoor: It is a creative Budget. It is likely to bring us great benefits. Firstly, by more industries we shall have greater employment. Secondly, there will be a large number of commodities produced resulting in cheaper prices. Thirdly, we shall have greater availability of consumption goods for the common man. A rich man can very well afford to buy anything that he wants, but it is the poorman who cannot afford to have his necessities unless we have them in abundance and at cheap price. This Budget will lead to a rise in the general standard of living, and finally there will be a substantial reduction in the disparity of wealth between the rich and the poor. To the extent that more goods are produced, and more amenities are available to the poor, the standard of living of the poor will increase, and to that extent they will come nearer the rich people. These are the objectives for which we of the Congress have always stood, and the budget proposals lead us to the attainment of these objectives.

Mr. Deputy-Speaker: The hon. Member has only one minute left. He has already taken nine minutes.

Shri J. R. Kapoor: So I have one minute only left. My submission, therefore, is that this Budget is entirely in consonance with the Congress objectives.

[Shri J. R. Kapoor]

(Some Hon. Members: No, no!) I am really surprised from this cry of "No, no" coming from some of my friends. I do maintain, and maintain vehemently, that there is nothing in this Budget which is in contravention of the principles or the ideologies of the Congress. What is the principle or the ideology of the Congress? It is to raise the standard of living of the poor people. If, as is sought to be done by this Budget, production is increased, the poor people will certainly be more benefited than the rich people.

I was surprised to find my hon. friend Shri Shankarraoji criticising the Budget vehemently on the ground that it has violated the principles and ideologies of the Congress. I fail to see where they have been violated. Shri Shankarraoji observed that as the hon. Dr. John Matthai has not imbued the Congress principles, he has produced this Budget. May I remind my hon. friend Shri Shankarraoji that it is not only the Finance Minister who is responsible for this Budget, but it is the whole Cabinet—the Cabinet which is presided over by no less a Congressman than Pandit Jawaharlal Nehru, and a Cabinet in which there is Sardar Vallabhbhai Patel. I make bold to say that these two **leaders of ours would not have been a party to it if it were not for the fact** that the Budget is absolutely in consonance with the principles of the Congress. Shri Shankarraoji was reminding us of the Sarvodaya programme laying stress only on cottage industries. I understand, Sir, that Dr. Rajendra Prasad, our worthy President, is the President of the Sarvodaya Samaj. May I draw the attention of Shri Shankarraoji and others of his way of thinking to what Dr. Rajendra Prasad said in his address the day before yesterday while inaugurating the Manufacturers' Industrial Exhibition. There he said that large scale industries and small scale industries could very well work together. If the President of Sarvodaya Samaj could hold that view, surely the budget proposals which proceed on the same lines could not be said to be violating the principles of Sarvodaya Samaj.

Dr. Parmar (Himachal Pradesh): I cannot join the chorus of praise that has been bestowed upon the Finance Minister. To me, Sir, this Budget has to be considered from the point of view of the 700 thousand villages of India. Is the economy of the 700 thousand villages of this vast country going to be affected by this Budget, and if so, in what manner? Does this Budget make any provision for better employment, or better social amenities for the villages of India? Looking from this angle I find that this consideration has not at all entered into the preparation of this Budget.

We were all along given to understand by the party which represents the Government that in the new set-up of things, the whole economy of the country would be based on village *panchayats*, co-operatives and cottage industries which will mobilise the resources of the villages. I feel sincerely that there is nothing in this Budget for that hope.

I do not wish to take up the time of the House for long, but I would like to bring to the notice of this House a province which is under the direct responsibility of this House—I mean the Himachal Pradesh and Bilaspur. The Budget as a whole does not give any hope or cheer for the people of the hills. It is a well known fact that the people of the hills were completely neglected by the foreigner and the foreign government and we naturally had very high hopes that with the inauguration of the Republic our lot would change and we would get a fair deal. But as matters stand at present, there is not one word about us either in the Railway Budget or in the General Budget.

When my State (which is now the district of Sirmur) merged into the Centrally Administered Area, and when the Ruler signed the Instrument of merger the representative of the States Ministry assured us that it would not be long

before our district headquarters would be connected by road with Simla. It may interest this House to know that there were only nine miles of road which had to be constructed. The rest of the district was already under a motorable road from both ends. But two years have elapsed and not an inch of road has been made and the condition of the existing road is daily deteriorating. The Rulers at least saw to it that roads were constructed by forced labour. Now, even that is gone. The new administration does not seem to be worried about it.

Shri Tyagi: If the hon. Member had read the Report of the Standing Committee of the States Ministry he would find that the construction of the road has been sanctioned.

Dr. Parmar: I am glad my friend Mr. Tyagi has drawn my attention to it. I myself was coming to that point. It is only one part of the road that has been sanctioned. The fact that the Doon road has been sanctioned does not satisfy us, nor does it meet the demands. It is just one part of it, while the main work is still left undone. Then again, there is another bit of road between Narkanda and Baghi on the Hindustan Tibet Road, it is ten miles long and the work on nine miles had been completed by the late administration, and the work on the remaining one mile, or about six furlongs could not be finished because it involved the use of special technical methods and such technical assistance was not available. But even now it has not yet been made available and that short strip is still left incomplete and so all the money spent on the nine miles of roads is now all wasted.

My complaint is that proper attention has not been given to the development of this area and to the execution of projects in those areas which would yield income and much greater income to the Centre and also to the Province.

Similarly, to give another instance, we wanted a road connecting Simla with Mandi because now we have to do all the 500 miles for reaching one place from the other. We could have connected these two places by a 80 mile long motorable road. But nothing has been done about this road.

I may refer to another small matter to which reference has already been made perhaps. As the House is aware, this country has decided to stop the cultivation of poppy and the Central Government has seen to it that active steps are taken towards that end. Of course it is all done in the interest of humanity and to stop people from taking opium. But unfortunately no attention has been paid to the effect that this will have on the people living in these areas. They certainly realise that the cultivation of poppy should be stopped, but that happens to be the only cash crop in that area and they demand that either they should be able to raise some substitute crop, or at least a road should be built in that area so that they could bring their produce with them to the markets in these places. That is a matter which has to be seriously considered.

Then I have to bring another point to the notice of hon. Members, for after all this is the only place where we can bring up matters, especially matters for which this House is responsible. A glance at the Budget for Himachal Pradesh will show that our difficulty is that we have to spend a great deal, and according to the standards laid down by the Ministry, Departments are expanding. Huge establishments are created and no money is available to be spent on actual development work. There is no money for schools, no money for hospitals or for roads. But if you look at the Budget you will find that for the Agricultural Department, Rs. 1,99,000 have been sanctioned while there is no money for the actual work which that Department is meant to carry out, for instance, there is no money for seeds, none for manures, or farms or for anything else which will really benefit agriculture. All the same a huge establishment has been erected in that area.

Dr. Deshmukh (Madhya Pradesh): In view of this good news, I hope you will give me five minutes more.

[SHRIMATI DURGABAI *in the Chair.*]

In delivering his extempore speech the hon. the Finance Minister made an unusual departure. Although the good opinion on the budget proposals presented by him to the House is unfortunately weakening from day to day, if not from hour to hour, there is no doubt that his speech was a highly remarkable and praiseworthy performance, a performance of which any Parliament could be proud. But even so I am afraid I must live up to my reputation and criticise the hon. the Finance Minister. I welcome the method and manner of his speech, but not the contents of these Budget proposals. At the same time, I must say that no Finance Minister has the powers of either a magician or a dictator. He has got to do his best under given circumstances. Here is our Finance Minister struggling under a set-up left to us with our freedom by the British people. He has also the same set of capitalists daily growing stronger to deal with. It is only in the third place that he has some time and some leisure and some scope to try to look at the Congress ideologies and the extent to which he can give effect to them. I cannot agree with my hon. friend Shri Jaspal Roy Kapoor and I am sure the hon. Finance Minister also did not feel very flattered. In fact he should stand up and exclaim, "Save me from my friends." Because, to Mr. Kapoor, his Budget was a *kalpataru* which could give everything to everybody for the mere asking.

Shri J. R. Kapoor: Not anything to Dr. Deshmukh.

Dr. Deshmukh: According to this hon. friend of Mine the budget embodies all Congress principles and ideologies and according to him Mr. Shankarrao Deo and, along with him, Mr. Kripalani were wrong in criticising the hon. Finance Minister. So far as this latter criticism is concerned I must say, that I really differ from both Mr. Shankarrao Deo and Mr. Kripalani in this that it is utterly wrong for any one of them, or for any one of us to expect that the present set-up of Government can give effect to any of the ideas of Mahatma Gandhi. That is impossible. We are in absolutely different circumstances and in a different situation. Unless you break the one, you cannot have the other.

Shri J. R. Kapoor: And so you agree that this is the best in the circumstances

Dr. Deshmukh: We have inherited the capitalist system and we are going on with it. We started going on with it when two years ago we decided at the instance of the capitalists to postpone nationalisation for ten years. From that moment, we have been making concession after concession to the capitalists. There is no other course open to the hon. Finance Minister, in the present set-up, except to give more and more concessions to the capitalists and woo the capitalists as much as he can. If, in the midst of this, any Congressman with his senses intact expects that Mahatma Gandhi's ideologies are going to be given effect to by this Government, he is, I think utterly mistaken. We, fortunately or somewhat unfortunately, have got our freedom by the Englishmen quitting this land; we did not kick him out. We would have been able to give effect to our ideologies only if we had snatched our freedom from them. Stalin did not succeed or Lenin did not succeed in Russia in the way we succeeded. It was possible for them to plan out an ideology towards which we and many hon. Members of this House and the Congress really want to go. If that ideology is to be given effect to, I am afraid, it will be a vain effort to ask the hon. Finance Minister to give effect to in its entirety or even in some parts here and there. That is also my criticism of the so-called Planning Commission. I, for one feel certain that you cannot expect this Planning Commission to put

revolutionary ideas into practice in the present administration. A revolution must precede; it cannot follow Planning Commissions. Therefore, I think the criticism that has been levelled by Mr. Shankarrao Deo is really unrealistic. To think that *Sarvodaya* will find a place in the budget proposals, and that there will be a couple of crores given by the Finance Minister for the *Sarvodaya* ideas and for working them out in the *Sarvodaya* fashion, is not correct. If *Sarvodaya* merely wants some money from the hon. Finance Minister, he would probably give that much money as a dole as he has given to the capitalists. But, that is not sufficient. *Sarvodaya* stands for a certain ideology. If Mr. Shankarrao Deo wants that ideology to be brought into force, I am afraid he is straining his nerves in vain in trying to persuade this Government to do it.

Apart from this general criticism so far as the outlook towards the finances of this country are concerned, I must say, that the hon. Finance Minister could have done a little more than he has done. Of course, I repeat that, under the circumstances, he has no other course open but to make an effort to woo the capitalists and offer concessions to them in spite of the fact that many of us feel that whatever concessions he may give, the capitalists are not going to be completely pleased. Because, when they helped the Congress movement with finances, they treated those moneys as investments and what they were looking to were huge dividend for their investments at that time. Therefore, whereas we are making concession after concession to the capitalists, they are not going to be pleased in spite of the fact that we are acting on the advice of these very persons from day to day, because, what they expect is far more.

The hon. Finance Minister's speech does not make any reference to retrenchment, I regret to say. This complaint has been made by most people and since the time at my disposal is already coming to an end, I must hurry up with my suggestions. I think the hon. Finance Minister must examine the number of hours our Secretariat is working and the amount of work that is put in. He must also undertake an examination although it is a belated one, of the efficiency of the working of the Central Government. There is a huge waste and squandering of money which several hon. Members have also complained against. Unless he stops these holes, he will never be able to put the finances of this country on their proper legs. There are many other points. Reference has already been made to the fact that instead of trying to reduce the expenditure on civil administration, he has added 10 crores. This is not a step in the right direction. So far as the food subsidies are concerned, he has tried to provide 21 crores. I cannot understand the logic of this. When we had to import nearly four million tons, we provided for 29 crores. We are now thinking of importing only 1.7 million tons. If this were a correct figure, then, the subsidy ought to have been reduced to 15 crores. There is another point so far as production is concerned. The capitalists, the traders and merchants are creating another difficulty for the administration. That difficulty is they are trying to hoard up the foodgrains in a large extent in many places. The present harvest has not been too bad. But, they are taking advantage of the fact that the Government wants to stop import of foodgrains and therefore hoarding with the object of profiteering. That is why prices of foodgrains are going up at the present moment. I would also urge that he should have done something for the middle classes and the lower middle-classes, by at least reducing the postage and telegram charges. If he had done that, he would have certainly benefited them and I hope, before the Finance Bill is passed, he will try his best to reduce the postage rates not only for the town people, but for everybody. Although, of course, he is not personally responsible, his Government must see that this sugar muddle is ended. It is growing worse and worse. I have already expressed the opinion that with such a muddle no Government can carry on except in India. But, that does not mean that the Government should not try and improve the situation. The only other suggestion that I would like to make is that the Government should give the highest priority to

[Dr. Deshmukh]

the establishment of the Steel industry in the country, because, most of our industries are likely to profit by that. I would like the hon. Minister for Industry and Supply to give the highest possible priority for this so that the assurance given by the hon. Prime Minister that we are not going to import the same machinery for a second time, may be fulfilled.

श्री गोपीनाथ सिंह: जब मैं बजट के ऊपर भाषण देने के लिये खड़ा होता हूँ तो मुझे एक प्रकार का धर्म संकट या यूँ कहिये कि दिल और दिमाग का झगड़ा महसूस होता है। जब मैं यह खयाल करता हूँ कि मैं कांग्रेसमैन हूँ, और यह कांग्रेस की हुकूमत है और कांग्रेस के चोटी के नेता इस हुकूमत के सरदार हैं, तब यह महसूस होता है कि क्या यह हमारा धर्म है कि इस बजट की हम आलोचना करें। क्या इससे यह आभास नहीं होता कि जो आदर श्रद्धा और भक्ति मुझे कांग्रेस के बारे में है, उसमें कोई कमी समझी जायगी। लेकिन जब मैं इस ओर ध्यान देता हूँ कि आखिर इस बजट से और कांग्रेस से क्या वास्ता है, इसमें कांग्रेस के प्रस्तावों, कांग्रेस के चुनाव घोषणापत्रों, कांग्रेस के निश्चयों और कांग्रेस के प्रोग्राम की कोई झलक है, कोई छाप है, कहीं इसका दिग्दर्शन है, तो मैं निराश होता हूँ। मैं इस नतीजे पर पहुंचता हूँ कि जो हमारे दूसरे नेताओं ने कहा है कि इस बजट से और कांग्रेस से कोई सम्पर्क नहीं है, दोनों में सामंजस्य नहीं है, कोई वास्ता और ताल्लुक नहीं है, वह बिल्कुल ठीक कहते हैं।

इसके आगे जब मैं यह देखता हूँ कि हमारे मुक्त में गांधीवाद का एक खास नाम हुआ है, उसका विशेष स्थान है, परन्तु आचार्य कृपलानी के भाषण के बाद और श्री शंकरराव देव जी के भाषण के बाद मैं समझता हूँ कि इस विषय कुछ भी कहने में आपका समय नष्ट होगा। लेकिन यह सत्य है कि गांधीवाद से भी इस बजट का कोई सम्बन्ध नहीं देख पड़ता।

आगे चल कर के जब मैं यह देखता हूँ कि आखिर हम कहां हैं, कहां जा रहे हैं, हमारा कोई रास्ता है या नहीं, तब मैं इस नतीजे पर पहुंचता हूँ कि न आप दाहिने जा रहे हैं ना बाईं ओर जा रहे हैं। न आप यह कह सकते हैं, और कहने की क्या, इस बारे में दो रायों की कोई गुंजाइश नहीं है कि आप समाजवाद की ओर नहीं जा रहे हैं। अगर आप चाहें तो यह कहें कि आप आइडियलिज्म (idealism) की तरफ जा रहे हैं, इन्डिविजुअलिज्म (individualism) की तरफ जा रहे हैं, या इसके अलावा शब्दों में पूंजीवाद की तरफ जा रहे हैं पर मैं जहां तक अखबारों में पढ़ता आया हूँ, इस बजट के पेश होने के बाद भी, पूंजीवादी की आप से सन्तुष्ट नहीं है और वह आप में उतना सहयोग नहीं करेंगे जितनी आप उनसे आशा कर रहे हैं। इस हालत में तो मैं यह

समझने में कासिर हूं, मुझे कठिनाई महसूस होती है कि आखिरकार यह बजट क्या है। यह एक हाच पाच (hotch-potch) मिक्चर (mixture) है! क्या चीज आपने पेश की है? कहीं कोई चीज पते की ठीक ठीक हमको नहीं मिलती।

छोड़ दीजिये इस बात को, कांग्रेस से आप का वास्ता नहीं, गांधीवाद से वास्ता नहीं, सोशलिज्म (Socialism) से वास्ता नहीं। लेकिन इस चीज से तो आपका ताल्लुक होना ही चाहिये कि जो संविधान आपने बनाया है उसके अन्दर कुछ डाइरेक्टिव प्रिंसिपल्स आफ स्टेट पालिसी (Directive Principles of State Policy) की राज्य नीति निर्धारित करने के लिये आपको कुछ आदेशात्मक हिदायतें मिली हुई हैं। तो मैं आप से यह निवेदन करूंगा कि वहां भी मुझ को एक प्रकार से निराशा सी प्रतीत होती है। अगर आप यह देखें कि आपके संविधान के चौथे खण्ड के अनुच्छेद ३६ से ५१ तक क्या लिखा है तो मैं आपका ध्यान दो. तीन अनुच्छेदों की ओर ले चलूंगा। आप यह देखें कि आर्टिकल ३८ में जस्टिस (justice), सोशल (social), एकानमिक ऐंड पोलिटिकल (economical and political) की ओर आपको सूझाव दिया गया है। लेकिन और बातें छोड़ दीजिये केवल एकानमिक जस्टिस (economic justice) की तरफ चलिये तो जो आपके देश में सबसे ज्यादा आमदनी वाले आदमी हैं और जिन्हें सब से कम आमदनी मिलती है उनकी तरफ अगर आप ध्यान दें तो आपको यह मालूम होगा कि इस देश में एकानमिक जस्टिस नहीं है। और इस वजह के जरिये से वह एकानमिक जस्टिस लोगों को प्राप्त होने की आशा नहीं है। आपका अपना जो प्रोग्राम है वह भी, जैसे डेवलपमेन्ट (development) का प्रोग्राम, वह भी हमको रास्ता नहीं दिखलाता। आपने सन् १९४८ में यह वचन दिया था कि आप दस लाख मकान मजदूरों के लिये बनायेंगे। हम यह उम्मीद करते थे कि सन् १९५० में आ कर उस प्रोग्राम का १/५ हिस्सा तो आपने पूरा किया होगा, मगर आप देखेंगे कि इस तरफ आप नहीं चले।

आगे चलिये। खुद आपने सरकारी स्टाफ के लिये, अपने मुलाजिमों के लिये जो मकान बनाये हैं अगर आप औसत लगा कर देखिये, रेशियो देखिये तो आप यह पायेंगे कि आपने ज्यादा तन्खाह पाने वाले अफसरों के लिये ज्यादा मकान, महल और बंगले बनवाये हैं। लेकिन बेचारे गरीब चपरासियों के लिये और मजदूरों के लिये बहुत कम मकान आपने बनवाये हैं। वहां भी कोई चीज ऐसी नहीं मिलती है जिससे हम यह महसूस करें कि गरीबों के अच्छे दिम अब आ रहे हैं।

[श्री गोपीनाथ सिंह]

और चलिये, आर्टिकल ३९ (ई) और (एफ) को देखिये, आपके लिये जो स्टेट पालिसी निर्धारित है वह यह है :

“The State shall, in particular, direct its policy towards securing—

- (e) that the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength;
- (f) that childhood and youth are protected against exploitation and against moral and material abandonment.”

मैं आपसे यह निवेदन करूंगा कि अगर आप इस बात को भी देखें तो क्या आपको यह मालूम नहीं है कि छोटे छोटे बच्चे बेचारे मेहनत और मजदूरी करने के लिये मजबूर हो जाते हैं। मैं मिनिस्ट्रों की बात तो नहीं जानता हूँ, लेकिन बहुत से मेम्बर इस हाउस में ऐसे होंगे जिनके घर में डोमेस्टिक सर्वेन्ट्स (domestic servants) छोटे छोटे बच्चे हैं। क्या आप समझते हैं कि इन छोटे बच्चों को, केवल उनकी आर्थिक विवशता के कारण, आप उन्हें नहीं एक्सप्लायट (exploit) कर रहे हैं? आप यह जानते हैं, कितने शर्म की बात है, लज्जा की बात है, कि आर्थिक विवशता के कारण हमारी बहुत सी वहनों और बेटियां बाजार में बठती हैं अपनी इज्जत बेचने के लिये। क्या यह एक्सप्लायटेशन (exploitation) नहीं है? इस तरह की चीज की तरफ, जिस तरफ कि आपके कान्स्टीट्यूशन के डाइरेक्टिव प्रिंसिपल्स आपको गाइड (guide) करते हैं, आप क्यों ध्यान नहीं देने?

इसके साथ साथ आगे चलिये, आर्टिकल ४१ और ४३ में आप देखें कि काम करने की आजादी और भ्रष्ट खुराक देने की भी आपने गारन्टी की है, अपने कान्स्टीट्यूशन की तरफ से। लेकिन आप जानते हैं कि हमारे देश में बेकारी बढ़ती जा रही है, बीमारी बढ़ती जा रही है, भूख बढ़ती जा रही है। मुझे ज्यादा कहने का तो वक़्त नहीं है लेकिन इतना मैं कह सकता हूँ कि बेकारी, भूख और बीमारी से बढ़ कर दुनियां में आपका कोई बड़ा विस्फोट (explosive) नहीं मिलेगा। एटम बम और हाइड्रोजन बम भूख और बीमारी के सामने मान हो जायगे। और मैं यह केवल अपनी बात नहीं कहता हूँ। आपने कल अखबारों में लार्ड बायड और (Lord Boyd Orr, U. N. O. food expert) का भी मत पढ़ा होगा और उसमें वह कहते हैं :

“The people who are short of food and other primary necessities of life and believe these can be obtained, will overthrow any Government or economic system which does not make them available.”

तो मैं आपसे कहूंगा कि अपनी रक्षा के लिये, इस रिपब्लिक की रक्षा के लिये और इस देश के नाम और कीर्ति को बढ़ाने के लिये आपको अपना

रास्ता बदलना होगा और जब आप ठीक रास्ते पर आजायेंगे तब ही मैं यह कह सकूंगा कि हम फाइनेंस मिनिस्टर को उनके बजट के लिये मुबारकबाद दे सकते हैं, वरना खाली खुशामद होगी।

(English translation of the above speech.)

Shri Gopinath Singh (Uttar Pradesh): When I rise to speak on the Budget I feel a sense of conflict of duty, or in other words, a struggle between the heart and the head. When I think of this that I am a Congressman and this is the Congress Government and the top-ranking leaders of the Congress are at its helm, then I realize that it is our duty that we should criticize this Budget. Does it not reflect that it will mean to reduce the respect, esteem and devotion which I cherish for the Congress? But when I look towards this aspect that after all what is the relation between this Budget and the Congress and does it contain any reflection of the Congress resolutions, Congress manifestoes, Congress policies and Congress programmes or even survey any of these things, then I am disgusted. I arrive at this conclusion that the observations made by our leaders that there is no mutual accord and relation between this Budget and the Congress and they have got no connection with each other are quite correct.

Further, when I see this that Gandhism had been a landmark in the annals of our country and it occupies here a distinctive place but after the speeches delivered by Acharya Kripalani and Shri Shankarrao Deo, I feel that I would be wasting the time of the House if I say anything in this connection. But it is a fact that this Budget does not even bear any impress of Gandhism. Furthermore, when I see this that after all where do we stand, where are we going, whether or not there is any way-out for us, I reach this conclusion that neither you are going towards the right nor to the left. You cannot also say this. But what to say? There can hardly be an undivided opinion that you are not drifting towards socialism. If you so choose, you can say that you are going towards idealism and individualism; or in other words, you are going towards capitalism. But so far as I read in the newspapers, I find that even after the presentation of this Budget, the capitalists are not satisfied with you and they will not co-operate with you to the extent you expect of them. Under these circumstances, I fail to understand and feel somewhat embarrassed that after all what is this Budget. It is a hotch-potch mixture: What have you presented? We do not find precisely anywhere anything that is quite relevant.

Leave aside this thing, the Congress has got no concern with you, have got nothing to do with Gandhism or socialism. But you should have some regard of this thing at least that the Constitution which you have adopted provides for certain Directive Principles of State Policy. So, I would submit that there also I am somewhat disappointed. If you would look at the provisions of articles 36 to 51 of Part IV of your Constitution, I would like to invite your attention to two or three Articles. You will see that article 38 lays down: a directive with regard to justice, social, economic and political. But apart from all other things let us talk of economic justice alone. If you look at the persons who have the highest income and also those who have the lowest income in this country, you will find that economic justice does not at all exist in this country and the people have got no hope to secure that economic justice through this Budget. Your own programme, viz., the development programme also does not throw any light. You had promised in the year 1948 that you will construct ten thousand houses for the labourers. We had hoped that you should have at least accomplished one fifth of that programme. But you will see that you did not take any steps in this direction.

Further if you take an average of the houses constructed by you for the Government employees and strike the ratio, you will find that you have built

[Shri Gopinath Singh]

more houses and bungalows for the officers drawing higher salaries and comparatively very few houses for the poor peons and the labourers. Even then also we do not find any such thing which may give an indication to the effect that better days now lie ahead for the poor.

You may go further and see article 39(e) and (f) which enunciates the following state policy:

"The State shall, in particular, direct its policy towards securing--

- (e) that the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength;
- (f) that childhood and youth are protected against exploitation and against moral and material abandonment."

I would submit that when you see this, do you not know that even small children are forced to work as labourers? I do not know of the Ministers. But there will be many such Members in this House who might have employed small children as their domestic servants. Do you not think that you are exploiting these small children simply on account of their financial helplessness? You know this. How shameful it is that many of our sisters and daughters have to resort to prostitution on account of financial embarrassment? Is it not exploitation? Why do you not devote attention to such things towards which the Directive principles laid down in your Constitution guide you?

Along with this, you will see that in articles 41 and 43, you have guaranteed through your Constitution the right to work and also to secure a living wage. But you know that unemployment is rapidly increasing in our country. Illness and poverty are also on the increase. I have not got plenty of time at my disposal, but I venture to say this much that you will not find anything more explosive in the world than unemployment, hunger and disease. The Atom Bomb and the Hydrogen Bomb will even pale into insignificance before hunger and disease. I do not only say this from my own personal feeling. You might have read in the newspapers yesterday the views expressed by Lord Boyd Orr, the U.N.O., Food Expert and he has stated there:

"The people who are short of food and other primary necessities of life and believe these can be obtained, will overthrow any Government or economic system which does not make them available."

So, I would urge that with a view to protect yourself, to protect the Republic of this country and to enhance its name and prestige, you shall have to change your line of action and when you tread the right path, it is then only that I would be able to say that we can congratulate the Finance Minister for his Budget. Otherwise it will be a mere flattery.

Shri E. Subramaniam (Madras): I am thankful to you for giving me this opportunity to make my first speech on the General Budget. As the hon. Finance Minister, Dr. Johan Matthai, said the other day in his budget speech, this is the first budget of the Sovereign Democratic Republic of India, comprising in its fold, as usual, the old provinces and the newly integrated States for the successful integration of which we one and all are much thankful to hon. Sardar Vallabhbhai Patel, the very pillar and prop of the nation. For preparing a budget of this kind for the whole country, the economic life of which is full of complications and dislocations, we are much thankful to the hon. Finance Minister. He has carefully prepared this budget taking into account last year's account which brought us a deficit of 4½ crores and he has also taken much care to see that the economic life of the nation is not dislocated by decrease of trade with foreign countries. I do not want to dilate much upon this subject of economics, but as a layman I want to confine myself to an ordinary man's point of view and express how a man in the street views this Budget.

Of the total income of 339.19 crores, half of it goes to the defence services of the country. Everybody in this country from top to bottom wants some protection or other from foreign aggression, an aggression which means loss of life and property and hinderance to the pursuit of daily avocations by the peaceful citizens of India. For a vast country like India, whose internal security is threatened by subversive elements and whose external security is threatened by a neighbouring country, it is but appropriate that there should be a strong army to maintain the peace and orderly life of the country. and the common man has nothing to say about this item of expenditure. The hon. Dr. John Matthai said the other day during his budget speech that in case the peace and security of the country is endangered, Government will have no hesitation in raising whatever finance may be required for meeting the situation and that they will not hesitate to call upon the people to make whatever sacrifice may be necessary for safeguarding the vital interests of the country. I warmly welcome this part of his speech, and I assure the hon. the Finance Minister that the common man will be second to none in his response to this call of his.

Then coming to the other aspects of the Budget, I want to say a few words from the common man's point of view and express how far a man in the street gets relief by this Budget. After the attainment of freedom, every section of the community wants equality of status and freedom from want. The rich want to become richer and the poor, underfed and half-naked, want the daily necessities of life to be satisfied. The richer section of the community forms only 5 per cent. of the population; the middle classes with a handsome income to eke out their livelihood, form 20 to 25 per cent.; and the rest of the population consists of the poor classes mostly inhabiting the villages and hardly able to eke out their livelihood. I, as a man born in a village and living amidst such poor people, know much about their condition. Thousands and thousands of people do not have one square meal a day and are half-naked, with only a loin cloth and a *dhoti* to cover their bodies. Ninety per cent. of them are illiterate due to lack of educational facilities, and many a people fall an easy prey to contagious diseases every year due to lack of sanitary conditions. No hospital is within the reach of the villages. Naturally such a people look to the leader for relief, and if we fail to fulfil their aspirations, then there can be no distinction made between the old bureaucratic Government and the new Sovereign, Democratic Republican Government of India. They have been eagerly looking forward to this year's Budget to get some relief, but the Budget holds no hope for them, except that it pleases the richer section of the community. The Dividend Act is abolished with effect from the 31st March, and so many other taxes are being reduced. I do not grumble about such concessions, but I want to know what is the real purpose served by such reduction of taxes. The hon. the Finance Minister, by extending such concessions to them, hopes to instil confidence in them and get them to invest more and more money to start trade and industry thereby indirectly finding ways and means to employ more poor people. But taking our past experience into account, I doubt whether his hopes would be fulfilled. Even if his hopes are fulfilled only a few will be employed and the unemployment problem will not be solved, and this will stand as it is today. Instead of losing revenue to the tune of 15 crores of rupees by reducing taxes, if the Government had set apart ten crores of rupees for the development of small-scale and cottage industries, they could have increased production, found employment for many and raised the standard of life of the people more than they hope to achieve by all sorts of roundabout methods.

Then coming to the food problem, I want to say that in spite of the effective methods adopted by the Government to bring down the level of the prices of foodgrains, the prices continue to rise and the index stands at 435 points for

[Shri R. Subramaniam]

cereals and 382 points for pluses. It can be well imagined from this how far a common man is affected by this. Hence it is necessary for the Government to adopt more stringent methods to bring down the level of the prices so as to keep it within the scope of the common man. Because the country is deficit in food, the price continues to be high and unless food production is speeded up, the price level is bound to rise. Food production, as we see it today, is going down and down. Natural calamities such as cyclones and failures of the monsoon add to the worse. On account of such calamities the Madras State is now in the grip of a famine. Leaving alone the natural calamities, the Government also fail to supply the necessary amenities for increasing production. Words alone are not sufficient, and something tangible should be done. The agriculturists could get sufficient manure to enrich the soil, and even some of the manures that are scantily available in the market are sold at very high prices, thereby restricting the ordinary agriculturists from purchasing them. Last year we in our place were able to get groundnut cake at the controlled rate of Rs. 10/8/- per bag, but this year this is not available at this price, since the control has been lifted. Every year we are spending crores and crores of rupees in importing foodgrains from foreign countries. In 1948-49 130 crores were spent. In 1949-50 137 crores were spent, and this year it may be something more or something less. But I assure you, that if we spend a few crores in improving our fertilizers and our natural manures such as cow-dung and green leaves, we shall be able to produce much more food. In this connection, I want to tell you that the officers concerned in the Agricultural Department are not interested in their work. They never go out to the fields to advise the agriculturists to adopt such of the methods as would enable them to produce more. One other factor also contributes to this problem and that is lack of co-operation from amongst the agricultural labourers on account of their low wages. They are the people that enrich the soil by their hard work in the fields under scorching sun and thundering storm. They are not given adequate wages. In some places in my Province the wages go even below twelve annas per day. With these meagre wages you can well imagine how the labourers can work well and how they can put their heart and soul in their work which is quite essential if the drive for self-sufficiency by 1952 is to be successful.

Shri Joachim Alva (Bombay): As I stated elsewhere the other day the first effect of the Finance Minister's speech on our minds and our hearts was that it was excellent. Nothing better than that impression could have been created in our minds as was done on that day. As some other hon. Member mentioned here, I think no Finance Minister in any part of the world could have delivered a better speech under the circumstances. But later on, as we went home, it looked like an excellent cake with rich cream and milk at the top and hard grain crust below which you cannot eat! The point is that the top has been well looked after, but the lower layer has been neglected. With more attachment to the top the Finance Minister has perhaps found it difficult to look downstairs. After all is said and done we have to take care of the lower strata and the lower layers of our economic and social life, and even final politics will be decided there. We cannot have a great and glorious future in our country or maintain the ground of our political freedom without this aspect of social democracy being well looked after.

After all is said and done, we have three basic needs of life, namely, food, clothing and housing. As regards housing we find that we have been given the widest promises possible. In a word, as Acharya Kripalani said, a rainbow around our heads has been created by the promise of 50 million houses, to be built in the next ten years with an annual expenditure of Rs. 50 crores. All that looks very good and fine indeed! But we have known that there is a lot of mess about the prefabricated houses. If we perhaps achieve one fifteenth

of the target in the shape of having these houses, especially in the urban areas like Bombay, Calcutta or any other city, where people are really in need of tenements, that will be something. Unless we are able to tackle the problem in some manner and give it the highest priority we shall be having more than unrest and we shall be having more trouble in the cities because for the masses of the people houses are more important than even food. Unless we are able to look after the essential needs of the people we shall really be in for trouble.

Food, again, is like the roses grown in our gardens which, as Acharya Kripalani described, vanish by an acute analysis. In regard to food, the Ministry of Agriculture takes care of a number of things like breeding of cows and bulls and perhaps specimens of flowers or in regard to locusts. But beyond importing large quantities of food they have not been able to solve the basic problem of food. In this matter we have been given about half a dozen huge projects—the Damodar project, the Kosi project, the Bhakra project, the Nanagal power project, the Hirakud dam and the Ramapadasagar project in Madras—in about half a dozen Provinces of the land. These half a dozen projects, drawn on paper—for which the preliminary work has been done—will cost us about Rs. 491 crores, which means nearly twice or thrice the amount we spend on our civil budget and double that of the defence budget, or the expenditure that we propose to spend this year. As against this we have been promised $2\frac{1}{2}$ million kilowatts of power and 21 millions of acres of water and irrigation brought under control, and all this to be achieved in the next ten or twelve years. Thus we have been promised the glories of the Tennessee Valley with a rainbow around us with feet of clay on ground to keep our feet firmly on. In the sense that we can reap no quick or immediate advantage from these great projects.

In regard to clothing, we have seen the muddle about cloth. It is true that in war time the mill owners were able to reap great profits in Bombay and elsewhere. When cloth control was removed they went into black-marketing and the masses of the people suffered a great deal. Some sort of method has to be devised for ensuring the production of cloth of coarser or lower counts so that cloth at a cheaper rate may be available to the vast masses in the land. Mahatma Gandhi made his famous scheme of *khaddar* so highly successful by seeing that every Congressman wore *Khaddar* and found for it an exclusive and successful market. If the great intellects on the Treasury Benches could devise some ways and means in this matter—neither going too forward nor backward—if this can be achieved I think we shall have solved this great problem of clothing. For, after all, if we are able to give five to ten extra yards of cloth to the common man in the street, we shall have done a great deal.

I would then refer to the common needs of people and the excise duties on some of these basic needs like tea, sugar, matches, kerosene and vegetable products. The excise duties on these articles were progressively increased in the time of the war with some kind of promise that they would be reduced. But we have had no reduction and there seems to be no kind of hope coming in the near future. Now they have promised us some concession about the postal rate. Without any fear of contradiction I may state that I posted an Express Letter on the 1st of March at Delhi and it reached Karol Bagh, the other corner of Delhi, after three days. I can produce the proof. If these are the average kinds of instances of postal delays it is no use giving promises which you cannot fulfil and by which the masses of the people are not going to be benefited. These tender mercies like the trunk telephone do not benefit the average man as they are not within his reach. Perhaps only ten or fifteen per cent of the telephone holders can afford to put trunk calls through. If these are the tender mercies that have been granted to us, we certainly look forward to something better and more substantial, so that the masses can be benefited thereby.

[Shri Joachim Alva]

But there are some rays of hope in the Budget. There are three basic things in modern industrial life—coal, jute and cotton. We have to keep our industrial production on a high basis. In regard to cotton in 1949 we had a production of 28 lakh bales and we have been promised a target for the next year in the shape of 36 lakh bales, which is a great increase. In regard to jute we have had about 30 lakh bales for 1949, and we have been promised a target of 50 lakh bales next year. In regard to coal it is a ticklish point, and, as you know, coal cost us the massacre of innocents in Bengal. When we stopped the supply of coal, as the Commerce Minister boldly did it, the people in Pakistan were up in arms and the slaughter started. In regard to coal we had 30 million tons of production and we have been promised 41 million tons in 1955. So, in regard to these three basic needs of industry we have kept our feet firmly on the ground and therein are bright rays of hope. As long as industrial production is kept up on a high basis there will be greater benefits for the masses of the people who will reap the benefits accruing therefrom.

But, as I said, this is a budget drawn perhaps under difficult circumstances, and our Finance Minister has had to deal with a lot of jugglery. The target of production promised in regard to coal, jute and cotton are most promising items. One does not know how far our relations with Pakistan will improve. We have this third and last instalment of trouble in the shape of population. When we have tackled that problem perhaps trouble on the economic side will start. Coal, jute and cotton will surely help us—coal and jute and cotton will surely help us. Perhaps it will help us in applying economic sanctions very squarely against Pakistan which is always in an aggressive mood. If we increase our production in respect of these three articles we shall not only have self-sufficiency of raw materials for our industrial production here but will also be able to apply effective sanctions against Pakistan.

I may say in passing and incidentally that the Finance Minister has had a very difficult job. Turner and Liaquat Ali and Company in 1946 gave the country a very hard legacy. It was said that the Finance Minister was a theorist, that having been in the Tatas in the apex of Capitalism he gave moral sanction to that budget. He gave consent to that unconsciously and unmaliciously. We do hope that now that he has juggled with the figures and given satisfaction to the investing and the big business classes by the abolition of the Dividend Limitation Act and the Business Profits Tax, he would put his heart and mind in the body politic of India and give a square deal to the masses, so that this budget which has been received with mixed feelings will be followed up in future years with provision of real amenities to the masses of the people.

Shri Nadimuthu Pillai (Madras): While congratulating the hon. Finance Minister of the Government of India for balancing the Budget for 5 P. M. 1950-51, the first Budget of the Republic and that with a surplus, one is disappointed to note the comparatively poor provision made for nation-building activities and beneficial capital expenditure. But I want to confine my remarks to one or two matters only, which, in my opinion, deserve better attention than they have so received.

It is very disappointing to note that the Finance Minister has failed to tackle the question of assets of Indian nationals in foreign countries where they have to face acute difficulties and handicaps. It is distressing to note that this immense issue has not been dealt with by the Government of India with a full appreciation of the magnitude of the issues involved and the seriousness of the loss to the nation that is being threatened. I plead that this House should give this problem the careful attention it deserves. The Government of India ought to have taken active and immediate steps at a high level instead of merely depending upon representation through individual officials. The comparative indifference to interests of India's nationals owning properties and businesses

abroad evinced by the Indian Government contrasts strangely with the great solicitude and active assistance given for example by the Governments of the U.S.A., and U.K., whose nationals also have extensive financial interests in other countries whether in India, Burma, Indo-China or elsewhere through their diplomatic and consular representatives at a high level whenever the interests of their nationals are affected. Thus, they have been able to save a great deal. In spite of my several representations to the Finance, Commerce and the External Affairs Ministries, nothing has been done so far to protect the interests of this class of people. Even now, I wish to impress upon the Government of India, and the Finance Ministry particularly and this House, that the wealth of the Indian nationals in foreign countries, if repatriated even under certain conditions, will go a long way to improve the financial and economic condition of India. I would make bold to say that the total value of the assets of Indian nationals in foreign countries will be of the order of about Rs. 1,000 crores. I have made this estimate on very conservative lines based on my personal knowledge of the assets of Indian nationals in various countries in which our nationals have business interests, built up with great difficulty in the face of severe trials and handicaps. If this is not a proper or correct estimate, I shall be glad if the Government will furnish me with what, in their opinion, is a more correct estimate of the total value of our assets abroad. The Government should surely have better information on which such an estimate can be based. The House can well imagine the great beneficial use to which capital of this magnitude can be put to even if only a portion of these total assets are repatriated during each year or even if only the revenues arising out of the assets or even a part of such revenues are allowed to be transferred to the home country.

Therefore, I would like to urge upon the Government of India and its Finance and Foreign Ministries to take immediate steps by concentrating their attention upon suitable negotiations with the respective Governments as several other countries have done. The wealth of these individual Indians is national wealth and proper care should be taken in a business like manner for immediately tackling the question.

The experience of Indian nationals with assets in foreign countries has not been very happy. I have brought to the notice of our foreign office repeatedly the distress caused to enterprising Indian nationals who have built up businesses and assets in foreign countries over a long period of years.

As the leader of the non-official fact-finding and goodwill mission to Indo-China in 1948, I and four non-official colleagues of mine visited the country in 1948, in spite of the acute disturbances that were prevailing in that country. I am thankful to the hon. the Prime Minister for having extended to me his support and that of his ministry. I was afforded also necessary facilities by our Government's representatives. We were thereby enabled to study the situation thoroughly. I have submitted a detailed report to the Government of India suggesting ways and means of tackling the outstanding problems. I regret to find that so far nothing has been done except, I must say, the provision of facilities for family remittance upto Rs. 100 after taking equivalent dollars from Indian nationals there. Even this meagre allowance was stopped all of a sudden in spite of my best and insistent representations. Thus, Indian nationals have numerous practical difficulties which have not been solved. The peculiar condition of the assets owned by businessmen who have suffered a great deal during the Japanese occupation and the damages made by the I.N.A. and the consequent sufferings cannot be adequately described but can only be imagined. I have myself sent a number of representations. The various Indian Associations and other individuals have also represented. But all these representations have proved a cry in the wilderness and nothing has been done so far to alleviate their sufferings and grievances. I have explained in detail to the then Finance Minister and the authorities concerned, the changed conditions in Indo-China.

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and have requested them to take up the matter without any further delay. I am only seeking to express my feelings on this occasion. I am anxious to give elaborate facts and figures in my possession to the Government of India if they are anxious to redress the above grievances. On account of the present changed conditions, it is, I suggest, a most suitable moment for the Government of India to move quickly and solve all the outstanding problems in Indo-China, by contacting the Bao Dai Government. The area where Indian interests are largely concentrated is within the jurisdiction of the Bao Dai Government and negotiations could be started with reasonable chances of success with that Government since I believe the Bao Dai regime to be more amenable to deal with. It is my expectation that if a right approach is made now the problem can be solved and suitable arrangements made to protect our interests. The situation is most propitious and timely diplomatic moves may ensure success.

With these words I request once again the hon. the Finance Minister to pay his personal attention to this most vital and important matter.

श्री के० सी० शर्मा : मैं इस भाषण में माननीय अर्थ मन्त्री को बधाई नहीं दे सकता। इस का कारण स्पष्ट है क्योंकि बजट में बहुत सी ऐसी चीजें हैं जो कि उन बातों की प्रतिवाद स्वरूप हैं जिन को कि अब तक कांग्रेस ने कहा है और कांग्रेस के नेताओं ने कई बार दुहराया है। इस बजट में एक खास बात हम सब को महसूस हुई और इस बात से हम सब को दुःख हुआ और उन सबों में मैं उन सब असंख्य नर नारियों को भी मानता हूँ कि जो इस हाउस (House) के बाहर हमारी कार्य विधि पर नज़र रखते हैं और जो हम से प्रेरणा लेते हैं, हमसे नेतृत्व लेते हैं और हमारी तरफ आशा की नज़र से देख रहे हैं तो मैं आप से निवेदन करना चाहता हूँ कि इस बजट में हम को बहुत सी ऐसी चीजें नज़र आईं जो कि उन चीजों का प्रतिवाद हैं जिन को कि हमने कई वर्षों से दुहराया है और बहुत जोरदार शब्दों में कहा है।

इस बजट में बड़े बड़े व्यवसायियों को और बड़े बड़े व्यापारियों को सुविधाएं दी गई हैं। वह सुविधाएं इस लिये नहीं दी गई हैं क्योंकि वह व्यवसायीगत वर्षों में देश को उन्नत करने में सहायता दे रहे थे। वह सुविधाएं इस लिये भी नहीं दी गई हैं कि व्यवसायियों ने देशभक्ति का परिचय दिया है अथवा इस देश को चलाने के लिये उन्होंने सरकार को सहायता दी है। बल्कि यह सुविधाएं इसलिये दी हैं कि हुकूमत ने समझा कि वह एक शक्तिशाली आदमी है, जिनके पास धन है, वभव है, साधन हैं, अखबार हैं, बैंक हैं, और बहुत प्रकार के साधन हैं। इस तरह से व्यवसायियों ने हुकूमत के हाथ को मजबूर कर दिया कि वह उन को सुविधाएं दे। इस तरह से हुकूमत को यह सुविधाएं उनको देनी पड़ीं। यह एक खतरनाक स्थिति है, जिस की तरफ श्रीमती जी मैं आपका ध्यान आकर्षित करना चाहता हूँ। क्योंकि अगर यह स्थिति बराबर चलती रही

तो मुल्क के अन्दर एक इस तरह का विश्वास पैदा हो जायगा कि यह शासन अथवा यह हुकूमत गरीब आदमियों की मुसीबत को, मुश्किलों को संभालने में सुलझाने में कमजोर साबित हो रही है और व्यवसायियों के प्रभाव से यह हुकूमत इतनी दबती चली जा रही है कि वह अपने स्वार्थों को मनवाने में सफल होते चले जा रहे हैं। यह स्थिति खतरनाक है। क्योंकि जब देश में इस प्रकार की भावना पैदा हो जाती है तब वह वैधानिक रास्तों को छोड़ कर इन प्रश्नों को अपने तरीकों से, अपने साधनों के द्वारा निपटाने की कोशिश करता है। मैं आप से कहना चाहता हूँ, निवेदन करना चाहता हूँ और अर्थ मंत्री जी को विशेष कर यह बतलाना चाहता हूँ कि बजट में बहुत सी चीजें ऐसी हैं जिस से लोगों को निराशा हुई। मैं आशा करता हूँ कि आयन्दा जब बजट बनाया जायेगा तो अर्थ मंत्री जी इस प्रकार की व्यवस्था रखेंगे जिस में कांग्रेस ने जो कुछ कहा है उसका उस में समावेश हो। कांग्रेस क्लासलेस सोसाइटी (classless society) चाहती है। मैं आप से निवेदन करना चाहता हूँ कि मुझे इस बजट में कहीं भी इस तरह की चीज नहीं दिखलाई दी जिस से श्रेणी विहीन समाज की स्थापना की जा सके।

श्रेणी विहीन समाज की स्थापना हम दो प्रकार से कर सकते हैं, एक तो हथियार के जरिये से और दूसरा कानून के जरिये से। लेकिन हथियार की क्रान्ति हम ने रूल आउट (rule out) कर दी है। अब हमारे पास सिर्फ कानून का ही जरिया बाकी रह गया है। लेकिन हम को आज कहीं भी नजर नहीं आ रहा है कि कानून के जरिये से हम श्रेणी विहीन समाज की स्थापना कर सकेंगे। हम को तो गरीब और मजदूर के स्तर को ऊंचा उठाना है और जो अमीर है उनका स्तर नीचे लाना है। लेकिन हम यह देख रहे हैं कि इस बजट में जो प्रौविजन (provision) है उन के अनुसार बड़े आदमी बड़े होते चले जायेंगे और गरीब आदमी और नीचे होते चले जायेंगे। तो इस तरह से हम श्रेणी विहीन समाज की स्थापना नहीं कर सकते।

दूसरी बात जो मुझे आप से निवेदन करनी है वह फ़ौज के बारे में है। मुझे इस बात की प्रसन्नता है कि फ़ौज के मामले में हम ने बजट में कोई कमी नहीं की। मुझे इस बात की और भी प्रसन्नता है और मैं यह भी जानता हूँ कि अगले वर्ष में फ़ौज के बजट में हम अपनी सेना को अधिक शक्तिशाली बनाने के लिए ज्यादा रकम रखेंगे। लेकिन जहां मुझे यह प्रसन्नता हुई है वहां मुझे यह भी कहना पड़ता है कि फ़ौज से मुल्क की सुरक्षा नहीं होती। चाहे हम कितनी ही बड़ी २ मशीनरी (machinery) बनायें, चाहे कितने ही एटम बम (atom bomb) बनायें चाहे कितनी ही शक्तिशाली सेना बनायें,

[श्री के० सी० शर्मा]

लेकिन अगर हमारा पोलिटिकल एप्रोच (political approach) ठीक नहीं है तो वह सारी मशीनरी, सारे एटम बम सब नाकामयाब हो जायेंगे। तो मैं इस पोलिटिकल एप्रोच की तरफ आप का ध्यान दिलाना चाहता हूँ। आज हमारे सामने पाकिस्तान का खतरा है। आप जरूर अपनी सेना को शक्तिशाली बनाइये ताकि जिस वक्त युद्ध का खतरा हो तो हमारी सेना दिल्ली और लुधियाने में न लड़े बल्कि वह पेशावर और कराची में लड़ती हुई नज़र आये।

लेकिन प्रश्न यह है कि हमारा पोलिटिकल एप्रोच पाकिस्तान के प्रति क्या है। हम जानते हैं कि पाकिस्तान के शासक वही लोग हैं जिन्होंने धमकियों के जोर से और बात बात में एक देश को पैदा कर लिया। और एक देश बना लिया। इन शासकों ने बिल्कुल भी कुरबानी नहीं की, उन्होंने बिल्कुल भी त्याग नहीं किया और न किसी प्रकार का प्रयत्न किया। उबत शासकों ने ब्लैकमेलिंग (blackmailing) के जरिये से, हिंसा के जरिये से, धमकियों के जरिये से एक राज्य को बनाया है, आज उसको वह इन साधनों से कायम रखना चाहते हैं। मैं आप से निवेदन करना चाहता हूँ कि जिस तरह से वह इस देश को बनाने में कामयाब हो गये, आज वह उसको कायम रखने के लिये कामयाब होते हुए नज़र आ रहे हैं। वह उस को कामयाब रखेंगे सिर्फ धमकियों के बल पर, हिंसा के बल पर, न कि नैतिक प्रयासों और प्रयत्नों के बल पर। हमारी हुकूमत ने कुछ मामलों को तय कर लिया है। लेकिन आज हम देख रहे हैं कि एक के बाद दूसरी समस्या पाकिस्तान हमारे ऊपर लादता ही चला जा रहा है। उसने हमको काश्मीर के मामले में उलझाया, हैदराबाद के मामले में उलझाया, जूनागढ़ के मामले में उलझाया और आज उसने हमारे लिए पूर्वी बंगाल की समस्या पैदा कर दी है। हम सरदार पटेल साहब को धन्यवाद देते हैं जिन्होंने कई समस्याओं को सुलझाया। हम इस लोह पुरुष को धन्यवाद देते हैं जिन्होंने हमारे बहुत से मामलों को सुलझाया। लेकिन बहुत से मामले ऐसे हैं जो अभी तक सुलझे नहीं हैं और उलझे पड़े हुए हैं।

मिस्टर चेरमैन: आप जरा बजट (Budget) के प्रपोजल (Proposals) के ऊपर बोलिये। बजट के बाहर बोलने की यहाँ पर जरूरत नहीं है।

श्री के० सी० शर्मा: मैं इसके जरिये यह बतलाना चाहता हूँ कि इस बजट में फ़ौज के लिए जो प्रोविजन (Provision) रखा गया है वह कम है, उसमें प्रोविजन और भी अधिक होना चाहिये जिससे हमारी सेना और भी शक्तिशाली बने। और इस क्रिस्म की निराशा जो मुल्क में पैदा हो रही है वह

खत्म हो। मैं चाहता हूँ कि हमारी सेना इतनी शक्तिशाली बने कि जब कभी भी पाकिस्तान हमको धमकी दे तो हमारी सेना उसके मुकाबले में जावे। उसकी धमकी को, उसकी ब्लैक मेलिंग को हथियार के जरिये से, शक्ति के जरिये से, मुकाबला करे। इसलिए मैं चाहता हूँ कि इस बजट में जितना धन रखा गया है वह कम है और मैं चाहता हूँ कि वह बढ़ा दिया जाय।

मिस्टर चेयरमैन : आप ज़रा धीरे बोलिये।

श्री के० सी० शर्मा : मैं लाउड स्पीकर (loud-speaker) को अलग रखकर बोल सकता हूँ।

मिस्टर चेयरमैन : अब आपके पास सिर्फ़ दो ही मिनट बाकी रह गये हैं।

श्री के० सी० शर्मा : तीसरा प्रश्न जो मैं आपसे निवेदन करना चाहता हूँ वह आन्तरिक व्यवस्था का है। इस बजट में इसके लिए जो व्यवस्था की गई है वह संतोषजनक है और मुझे कोई शिकायत नहीं है। शिकायत सिर्फ़ यह है कि आन्तरिक व्यवस्था को ज़्यादा पुलिस के अफसरों पर ही निर्भर न रखा जाय बल्कि उसके लिए एक मनोवैज्ञानिक परिवर्तन की भी आवश्यकता है। पार्टीशन (partition) के बाद वह मनोवैज्ञानिक परिवर्तन आया लेकिन मैं पिछले कुछ दिनों से देख रहा हूँ कि उस परिवर्तन को खत्म करने की चेष्टा की जा रही है। मेरा मतलब साम्प्रदायिक संस्थाओं से है। मैं यह प्रार्थना करना चाहता हूँ कि अगर ऐसे साम्प्रदायिक संस्थाओं को मिटाने के लिए, खत्म करने के लिए, उनके जोर को खत्म करने के लिए अगर हुकूमत को और भी साधनों की आवश्यकता हो, वह साधन उसको प्राप्त कर लेने चाहियें। ऐसा न हो की धन की कमी की वजह से ये साम्प्रदायिक संस्थाएं अपना विष फैलाने में सफल हो जायें।

इन शब्दों के साथ मैं अपने भाषण को समाप्त करता हूँ और अर्थ मंत्री जी स यह प्रार्थना करता हूँ कि जब वह अगले वर्ष का बजट तैयार करें तो इन सब बातों का ख्याल रखें ताकि हम सचमुच उनका हृदय से स्वागत कर सकें।

(English translation of the above speech)

Shri K. C. Sharma (Uttar Pradesh): I cannot congratulate the hon. Minister of Finance for the Budget. The reason is quite clear, because the Budget contains several such things that are directly in opposition to what the Congress has stood for so far and which have often been repeated by the Congress leaders. All of us came across one thing in particular in this Budget and it pained us very much. By 'us' I include all those countless men and women who keep a watch over activities from outside the House who take inspiration from us, who take lead from us and who are looking at us with hope and expectation. So I beg to submit that in this Budget I came across many such things that are directly in opposition to those ideals that we have been preaching since long and in the strongest possible words.

[Shri K. C. Sharma]

In this Budget a good deal of relief has been given to big industrialists and businessmen. These relief measures have not been granted to them for the reason that these tradesmen and industrialists had been giving all possible aid and support to the development of the country during the past years. These concessions have not been given to them also because of the fact that those businessmen have given unmistakable proofs of their loyalty and patriotism or have helped the Government in running smooth administration in the country. These concessions have been given to them simply for the reason that the Government looked upon them as a very powerful group which possesses money, wealth, newspapers, banks and a number of other means also at its beck and call. In this way these businessmen forced the hands of the Government and compelled it to grant them concessions, and the Government had to give them the desired concessions. This is definitely a dangerous situation and I want to draw your attention towards this fact. If this state of affairs continued then the people of this country would come to believe that the present Government is failing in its duty in giving relief or providing amenities or resolving the difficulties of the poor people and is being so much hard-pressed by the capitalistic influence that they are gaining an upper hand and are succeeding in getting their interests acknowledged by the Government. This state of affairs is rather dangerous. Because when once such feelings spread in the country then the people leaving aside the constitutional methods try to resolve such questions by other ways and methods. I beg to submit and wish to bring to the notice of the hon. Minister of Finance in particular that the Budget contains many such things that have caused a lot of disappointment to the people. I hope that when the next Budget would be drawn up then the hon. Minister of Finance would try to make such provisions so as to inculcate the aims and ideals of the Congress therein. The Congress wishes to establish a classless society. I beg to submit that throughout this Budget I did not come across any such thing whereby a classless society could be established here.

We can establish classless society here by two methods only, one through force and at the point of the sword and secondly by adopting constitutional means. We have ruled out the possibility of an armed revolution and so the only method left with us is the constitutional method. But I do not see anywhere in the Budget the slightest possible indication that we would be able to establish a classless society through constitutional means. We have to raise the standard of living of the labour and working classes and to bring down the standard of living of the monied and wealthy people. But what we are seeing is that as a result of the provisions of this Budget the wealthy will become still more wealthier and the poor still more poorer. Therefore, in this way we cannot establish a classless society.

The second thing that I wish to submit is about the army. I am highly pleased to note that we have not at all reduced the grant for army. I am still more pleased to note and know it that in the coming year's army budget we would set apart a still bigger sum of money to make our defence forces more and more powerful. Whereas all this is very gratifying to note, I feel, it very important to submit that an army is never capable of a country's defence by itself. Whatever our capability to manufacture machinery or atom-bombs of the most effective type and howsoever powerful the army that we can marshal, but for a right type of political approach to the various issues confronting the nation, all these things will inevitably be rendered utterly ineffective. It is, therefore, my intention to draw attention of the House to the importance of the political approach with which we face all of our problems. To-day the Pakistani danger looms large over the horizon. You must certainly

proceed to make your army a most powerful one, so that when the call of the hour comes, our army may not remain confined to a mere defensive warfare in Delhi or Ludhiana only, but fight in Karachi or Peshawar.

The point at issue is, however, that we have a probe into the political approach we bring to our dealings with Pakistan. We all know it well that the present rulers of Pakistan are those very people who were successful to carve out a separate country by mere threats or repetition of a two-nation theory in every issue and without making the least sacrifices. These people, never at any time in our recent history, suffered any voluntary deprivations nor were they ever called upon to put in a struggle for the realization of their aspirations. By means of sheer black-mailing, violence and threats, the present rulers of Pakistan, have at last managed to have a separate country whose sovereignty they are now anxious to preserve by those very nefarious tactics. I may respectfully warn you that these people look very nearly successful. They may successfully re-employ those very tactics of threats and violence rather than believe in any statesmanlike efforts or usages to realise their aspirations. Our Government has succeeded in solving a few of the problems. Pakistan, however, is intent upon taxing us hard with fresh problems one after the other. Because of the manoeuvres of that country, we were involved in the Kashmir, Hyderabad and Junagadh tussles one after the other. And now they have forced upon us the East Bengal issue. We feel grateful to the hon. Sardar Patel and congratulate this 'iron man' of ours for providing a befitting solution to many a knotty issue. There are, however, many outstanding problems which continue to require a solution.

Mr. Chairman: You may please confine your speech to the Budget proposals alone. The present is no occasion to speak on a topic other than the Budget.

Shri K. C. Sharma: By this submission I mean merely to point out the inadequacy of the budgetary provisions with regard to the army. We should make more and enough provisions whereby our armed forces may be strengthened further still. It will also put an end to the increasing sense of defeatism overtaking the country these days. I want to see our army so strong as to accept the challenge of Pakistan's threats at all times. Our armed forces should ever be found prepared to make an effective use of their weapons to deal adequately with the Pakistani black-mailing and threats. I feel the money provided for this purpose to be insufficient and, therefore, I plead for an increase therein.

Mr. Chairman: Please speak in a bit lower tone.

Shri K. C. Sharma: If you like, I may speak without the use of a loud speaker

Mr. Chairman: You have now only two minutes left.

Shri K. C. Sharma: The third thing that I want to submit relates to the question of maintenance of the internal security. The budgetary provisions to this end are adequate and I have nothing to complain in that behalf except that the preservation of the internal order should not be dependent on the police officers alone. There is also a need to bring a change in the general psychology of our masses. Some change of this sort was noticeable in the general outlook of our people in the post-partition period, but to my regret, of late, I have been watching a tendency to undo that change. I am, thereby, referring to some communal organisations working in our country. I respectfully warn the Government to arm themselves with necessary and, if need be with further powers and means to crush such communal organisations and do everything to hold these forces in check. We should take care that for mere want of necessary funds, these organisations do not become successful in poisoning the body-politic of our country.

[Shri K. C. Sharma]

With these words I conclude and request the hon. Minister of Finance to keep all these things in view while preparing the Budget for next year so that we may give him a really hearty welcome on that occasion.

श्री आर० एस० तिवारी : बजट को देखते हुए मुझे बड़ा रंज हो रहा है ।

इस का कारण यह है कि मैं चाहता था कि बजट के ऊपर अपना विचार व्यक्त करूँ । परन्तु जब मैंने अपने ही प्रान्त विन्ध्य प्रदेश का नाम देखा तो उसका नाम ही बजट में नहीं आया है । इससे मुझे बड़ी चिन्ता हो रही है कि मैं बजट पर क्या बोलूँ । जब विन्ध्य प्रदेश का नाम ही नहीं है और उसका बजट ही नहीं है तो बोलना बेकार सा है हम लोगों के लिये जो वहाँ से प्रतिनिधि बन कर आये हैं लज्जाजनक है । वह प्रान्त भारत के सब प्रान्तों से पिछड़ा हुआ है । आप यह समझते हैं कि इसलिये विन्ध्य प्रदेश का जिक्र भी क्या करना और इसीलिये इसका नाम नहीं है । इसकी चर्चा मर्जर (merger) की चल रही थी और मैंने सोचा था कि शायद ऐसा हो गया होगा और किसी पास पड़ोस के प्रान्त में इसका बजट चला गया होगा, लेकिन ऐसा नहीं हुआ कुछ माननीय सदस्य : इसका नाम भी है ।

श्री आर० एस० तिवारी : बल्कि अभी यह ज्ञात हुआ है कि आज इसका नाम भी आ गया है और बजट भी शायद आ गया है । विन्ध्य प्रदेश कई रियासतों में बंटा हुआ था इस कारण वहाँ के लोग आज भी पिछड़े हुए हैं वहाँ पर आजकल भी लोग रेल को काली देवी की रेल कहते हैं । वह लोग यह नहीं समझते कि वह रेल किसी मशीन या इंजन से चलती है । बल्कि वह समझते हैं कि किसी देवता से यह रेल चलती है । जब रेलवे बजट चल रहा था तब भी मैं अपने विचार व्यक्त करना चाहता था परन्तु समय नहीं मिल सका । पिछड़े हुए विन्ध्य प्रदेश की बहुत उन्नति करने की आवश्यकता है । सेन्ट्रल सरकार ही उरे उन्नतिशील बना सकती है । वहाँ कृषि, शिक्षा और सड़कों आदि यातायात के बहुत काम साधन हैं । इसलिये मेरी प्रार्थना अर्थ मन्त्री महोदय जान मथाई साहब से है कि वह विन्ध्य प्रदेश की तरफ, जो भारत के सब प्रान्तों से पिछड़ा हुआ है, अपनी नज़र रखें और उस की उन्नति के लिये जितने भी साधन हो सकें जुटायें । यही मेरी आविरी प्रार्थना है ।

(English translation of the above speech)

Shri R. S. Tewari (Vindhya Pradesh): Looking at the Budget I feel heart-felt sorrow. The reason is that I had liked to express my views on the Budget, but when I looked up the name of my own province, Vindhya Pradesh, in the Budget, I did not find it anywhere in the Budget. So I am feeling myself at sea not knowing what to say on the Budget. When even the name of the Vindhya Pradesh is not there and the Budget estimates do not relate to that part of the country then it is quite useless and shameful for us, the representatives of that area, to speak anything on the Budget. Vindhya Pradesh is one of the most backward State of our country, and so you might not have thought

it at all proper even to make a mention of it and this is the reason that its name even does not appear here. Talks and negotiations for its merger with the adjoining States were going on and so I had thought that perhaps they may have been completed and the Budget transferred to some adjoining State, but I have come to know that no such thing has taken place.

Some Hon. Members: The name is there.

Shri R. S. Tewari: I have just now come to know that the name has been included today and I think Budget estimates have also been made. The Vindhya Pradesh was divided up into a number of smaller States with the result that even today the people of that area are very backward. Even today some people believe the railway train to be a vehicle of the Goddess Kali. They do not believe that some sort of machine or engine drives the trains, instead of this they think that the trains are being run through some invocation to some Goddess. During the discussion on Railway Budget I had liked to express my views but I could not get time then. It is highly needful to develop the backward Vindhya Pradesh, and only the Central Government can take up this stupendous task. Education, agriculture and means of communications are far and far between in that area. Therefore, I request the hon. Minister of Finance, Dr. Matlbai, to keep an eye on Vindhya Pradesh, the most backward area of the country, and to utilize every possible method to develop it. This is the only request that I make.

Dr. V. Subramaniam (Madras): This is the time to take stock of the activities of the Government during the past year and also for the future. Our hon. Finance Minister has done his best and as a doctor of Finance he has done a good operation. Whether the patient survives or not, from the point of view of the art of operation, it has been done very well. So, relief has been offered to the industrialists and other persons who are well off and do not deserve any relief. I would have been very glad if the tax structure had been kept as it is and the surplus utilised for nation-building activities, like cottage industries, establishment of an all-India medical institute which is very badly required in our country. He could as well have set apart a crore or two for medical relief in rural areas. There are other directions like the propagation of Hindi for which a portion of this surplus could as well have been utilised. The Constitution itself lays down that additional funds will be allotted for the propagation of Hindi in non-Hindi areas. But, unfortunately, I find no separate allotment under this head.

Of the various problems to which Government should devote its immediate attention the most important, if I may say so, is that of medical relief, and the policy that Government should adopt for the recognition and encouragement of the Ayurvedic system of medicine. In 1946 the Government of India appointed a committee to go fully into this question. That Committee submitted its report last year and Government have come to some decisions on the recommendations of that Committee. In reply to a question put in this House a few days ago in regard to the policy to be adopted on the recommendations of the Chopra Committee, the hon. the Health Minister—I am afraid she is not in her seat now—made a statement that “modern scientific medicine should continue to be the basis of the development of the National Health Services in the country.” As per this decision, it is understood that a direction has been issued from the Centre. I doubt whether the Provincial Governments were taken into confidence before this direction was issued. I am afraid if this is going to be the attitude of Government, the Ayurvedic system of medicine, will have no place in the health services or medical relief of the country. It is a well known fact, that this system of medicine has been practised in India for the past so many centuries and is affording medical relief to over 80 per cent. of the population. It has stood the test of time and is equally scientific. Under these circumstances, I would beg of the Government to revise their policy over this matter.

[Dr. V. Subramaniam]

I am very glad that Government have appointed another committee, but the terms of reference to that committee are so strangled that the Committee may find it very difficult to work under it.

Government have accepted the proposal to create an Ayurvedic Research Fund; but unfortunately I find no provision to that effect in the Budget. Some provision has been made under the head of Works, Mines and Power for the construction of a building for an institute for research in indigenous systems of medicine. I think by a mistake the provision has gone under the W.M.P. Ministry. The construction of a building to do research work will take a long time. I would, therefore, make a suggestion to Government to start research work in association with one of the existing institutions, in an Ayurvedic college, in one of the provinces, so that this fund at least may be utilised. This fund may be set apart as a Research Fund and the Government may declare their policy in regard to the Ayurvedic system of medicine. The public are ready to contribute in lakhs and lakhs. Already in Delhi there are ten or fifteen lakhs of donations waiting for research in Ayurvedic medicine. If only the Government could start a Research Fund, we can easily collect not less than a crore of rupees within one year, or six months. The public is very sympathetic to this system of medicine, because it is very useful.

Government have decided to bring in All-India legislation for the registration of *Vaidyas*. I would request that effect may be given to this decision at a very early date.

The third point to which I would like to draw the attention of Government is about the fixation of a minimum standard of education in modern scientific medicine and inclusion in the Register of the All-India Medical Council the licentiates in modern medicine. Government must bring in an amending Bill, as otherwise licentiates will have no place in the all-India Register.

The other important point to which I would like to refer is in regard to Government's policy with reference to housing—more particularly the prefabricated housing Factory at Delhi. This branch has been tagged on to the Health Ministry, I do not know how and why, and the Health Ministry has spent Rs. 78 lakhs or something like that, for this item of work. It is better to transfer this work to the Ministry of Works, Mines and Power because there is only one architect who is in control of the whole work and there is no consulting engineer or anyone of that sort and I feel that it would be better to transfer the whole of this work to the Works, Mines and Power Ministry. It may also be not said that lakhs and lakhs of rupees have been spent by the Health Ministry, while in fact, all this money is spent for this construction work. The High Commissioner in U.K. is practically in control of all the materials and capital goods the machinery and such things, and only the labour employed here will be looked after by the Ministry of Health. As a member of the committee I feel responsible to explain these things, and as we know a number of questions are being put in this House about this subject. As a matter of fact, the Health Ministry has little to do with this work, and I feel that it would be better to transfer it to the Ministry of Works, Mines and Power.

I would only once again request Government to give encouragement to Ayurvedic system of medicine and to have a separate policy in this matter, considering the importance of the subject.

Shri Shiv Charan Lal (Uttar Pradesh): I am sorry I cannot congratulate the hon. Minister of Finance on his Budget. Several political doctors have diagnosed this Budget. Some have x-rayed it; some have tested the blood; some have found out one malady and some others, and they have suggested so many

remedies, operations and injections. I am not a doctor. I belong to the old class of *Vaid*s and I diagnose the disease only by feeling the pulse. I want to know what is the chief, or the basic disease behind it all. According to Ayurveda there are only three things—*Vat*, *Pith*, *Kaph* and I find all these three are present in the Budget. It is suffering from "*Tri Dosh*". And if left in the hands of doctors, who are already treating it, I do not think that you can save this body politic. It is necessary that some drastic action be taken to save this body politic. Otherwise I warn the Government, if the present state of society goes on, if this dissatisfaction and this unemployment go on in the country, then it will fall to the party against which we want to save this country. I plainly say, if you want to save the country from Communism, we must change the social order in the country, and then and then only can you save the millions of people who are very much dissatisfied on account of unemployment and poverty from falling into the clutches of the Communists.

When I say that this Budget is suffering from all the three main diseases, that is to say, from *Vat*, *Pith* and *Kaph*, I mean this. First of all there is no social equality in it. Social inequality has gone to the maximum. You find in the Government, government servants getting Rs. 50/- as pay and you find government servants getting Rs. 3,000 and Rs. 4,000 and Rs. 5,000 and even Rs. 10,000. You cannot find this inequality anywhere else in the world. Do you think that in that way you can satisfy these ill-paid government employees? Certainly not. What is the principle on which you have placed these salaries? What is the principle behind it? If you say the principle is to give the minimum which is sufficient for a man and his family to live upon, I say then that that principle is not being followed. Do you think that a man getting a low salary, I mean a man who has graduated or has passed the Tenth or Matric class or the Intermediate class, and who gets only Rs. 80 or Rs. 100, do you think that he can educate his children? Do you think that he can treat his children when they are ill? Do you think that he can live in a house at all in which he can be in a position to keep his family well? Certainly not. You should keep a minimum on which a man will be able to do all these things, on which the man and his family members may get sufficient to eat, good clothes to put on, a house to live in and also a chance to give education to his children and to treat them if they are ill. You should fix his salary accordingly. Otherwise there will be dissatisfaction. On the one hand you have graduates getting Rs. 125 and Rs. 120 and on the other there are graduates getting as much as Rs. 3,000 and Rs. 4,000. If you say that this difference is due to the difference in the kind of education that they have got, I do not agree. You may keep some difference in the salaries, but not this much of difference. There is the Congress resolution of the Karachi session which fixed the minimum as Rs. 50 and the maximum as Rs. 500; that is to say, there is to be a difference of ten times, at the most. But now what is the difference? You have kept the minimum but raised the maximum several times. Are the people going to be satisfied in that way? Is that the way in which Congress resolutions are being honoured and action taken according to them?

Then the second point is about unemployment. I think it is the right of every man living in this country to get employment. What is the provision in the Budget for that? Thousands and lakhs are going without employment, they are starving, but there is nothing done for them in the Budget. Is it not the duty of the Government to see that every man living in this country is provided with work? Madam, the remedy to unemployment does not lie in opening big mills or big factories. These mills can at best serve only as a help to cottage industries. Cottage industry is the main thing and that must be encouraged. In a vast country like India it is only through cottage industries that you can give employment to all its people.

[Shri Shiv Charan Lal]

Now the question may be asked, "Whence to get all the money required for all this? If we are to raise the salaries of people, if we are to have cottage industries, we require a lot of money and where is that money to come from? My suggestion is that you have got ample money and I have a few suggestions here. Cut down the high salaries. Cut down the maximum salaries, and you get some money there. Increase the taxes on incomes and restore the super-tax. On the contrary, in the Budget, you have reduced the tax by 2½ annas.

The principle of taxation is that it should not fall upon those who are in need of necessities. In the case of super-tax it was not going to fall upon people who would have suffered on account of that tax. Therefore this taxation should have been restored.

The last thing I suggest for getting this money is by nationalization of big industries. You can get ample money out of the profits of these big industries if you once nationalize them. In that way certainly the question of unemployment and all the questions that I have mentioned can be solved but you have to take courage in both hands. One of my friends suggested that it was not the time when Gandhian principles of economy can be followed. My reply to that is it is always the time; it is only a question of your taking courage and doing the things. With these words I close.

ठाकुर लालसिंह : अध्यक्ष महोदय, इस बजट पर इतनी स्पीचेज की गई हैं कि बहुत कम बात बहने को रह गई है। मैं तो केवल एक बात की ओर हाउस का ध्यान दिलाना चाहता हूँ और वह यह है कि हमको आज़ाद हुए दो वर्ष हुए और यह कहा जाता है कि रिपब्लिकन इंडिया का पहला बजट है, लेकिन हम आज आम जनता की तरफ जायें और देखें कि क्या वह भी महसूस करते हैं कि हम आज़ाद हो गये हैं। हमारा सच्चा पहला कर्तव्य आज़ाद होने के बाद यह था कि हम इस आज़ादी की ख़बर को इस आज़ादी के संदेश को आम जनता तक पहुंचा दें ताकि वह अपनी ज़िम्मेदारी महसूस करें और फिर हम यह समझ सकें कि सचमुच हम सबने आज़ादी पाई है। हम सत्तर करोड़ रुपया अपनी फ़ौज की तैयारी के लिये लगाते हैं और हम में से कुछ यह समझते हैं कि हमारी फ़ौजी हालत बहुत ज़्यादा अच्छी होनी चाहिये और इससे ज़्यादा हमको रुपया लगाने की आवश्यकता है, लेकिन मैं अदब से निवेदन करूंगा कि खाली फ़ौज होने से हम अपने देश की डिफ़ेंस नहीं कर सकते। हममें यह नैतिकता चाहिये कि अगर कभी हम पर मुसीबत आये, तो हम उसको सहर्ष बरदाश्त करें और यह बरदाश्त करने का मादा केवल लखपतियों और करोड़पतियों में होने से काम नहीं चल सकता। मैं यह अर्ज करना चाहता हूँ कि इस साल अभी कुछ महीने की बात है कि जब भूपाल प्रान्त में जो नया सेंटर से मिलाया गया है, वहां किसानों से जिस बकत लेवी वसूल की गई, तो वहां के आदमी उसको छूट समझते थे, वह ऐसा नहीं समझते थे कि हमारे ही हिन्दुस्तानी भाई दूसरे

प्रान्त में भूख मर रहे हैं, उनको खाने के लिये ज्वार की जरूरत है, लिहाजा हम अनाज खुशी से दें, वह उसको छिपाते थे, और कई जगह तहसीलदारों ने अपने चपरासियों के जरिये से उनसे जबरदस्ती छीन कर वसूल किया। मैंने भी यह सुना था हालांकि यह बात तहसीलदार लोग कहते हैं कि गलत है, लेकिन सबूत है कि उनको मुर्गा बना बना कर वह लेवी वसूल की गई। मैं आप से यह पूछना चाहता हूँ कि यह आजादी क्या है अगर हमें यह नहीं अहसास कराती कि हम अपने भाइयों के लिये खुशी से गल्ला दें ताकि उन्हें भूख से बचा सकें। ऐसी ज़हनियन लोगों में पैदा होने की जरूरत है।

चौधरी रणवीरसिंह : क्या पूरे साल का अनाज उनके पास छोड़ दिया गया था ?

ठाकुर लालसिंह : मैं आपको बतलाऊँ कि भूपाल में गल्ले की ज्यादा कमी नहीं है। यह हो सकता है कि कुछ उससे गल्ला हमारे पास कम हो, लेकिन जब हमको यह मालूम है और हमको यह मालूम करा दिया जाये कि हमारा पड़ोसी बिल्कुल भूखों मर रहा है और वह बिल्कुल मर जायेगा अगर उसकी मदद न की जायेगी, तब फिर ऐसी हालत में क्या हम अपना फर्ज नहीं समझते कि हम अपने गल्ले में से कुछ हिस्सा उसको दें। मुझे यह अर्ज करना है कि हम आम जनता तक उन बेकार बगैर पढ़े लिखों करोड़ों की तादाद में जो जनता पाई जाती है, उस तक यह अहसास कराने की कोशिश करें कि वह भी आजाद हैं और हम अब एक आजाद कौम हो गये हैं और एक दूसरे की दिक्कत को महसूस करें। यह करोड़ों रुपया जो केवल बड़े बड़े आदमियों पर छोड़ दिया गया है और जो उनसे नहीं लिया जाता, इस के बजाय मैं समझता हूँ कि अगर उनसे रुपया लेकर यह रुपया जनता में प्रोपेगेंडा के लिये और छोटी छोटी कोटेज इन्डस्ट्रीज़ वहां जारी करने में लगाया जाता, यह अब भी लगाया जाये, तो वह ज्यादा फ़ायदेमन्द होगा। थोड़े से आदमियों को इम्प्लायमेंट देना और इन्डस्ट्रीज़ को बढ़ाना यह अनइम्प्लायमेंट लायेगा और अगर हमने कोटेज इन्डस्ट्रीज़ को जारी नहीं किया और अपन मुत्क में छोटे छोटे कारखाने नहीं जारी किये, तो नतीजा यह आयेगा कि मुसीबत ज्यादा आयेगी और सिर्फ़ कहने से कमयूनीज्म नहीं रोका जा सकता। जेल में आदमियों को बन्द करके उनकी ज़हनियत को नहीं बदला जा सकता। हमको चाहिये कि लोगों को यह बतलायें कि हमने किन आदर्शों को अपना कर, किन असूलों को अपना कर कांग्रेस ने आजादी की

[ठाकुर लालसिंह]

लड़ाई शुरू की थी और कंसे हमने अपने आदर्श उच्च रख कर हम उनको किस तरह से अमल में ला रहे हैं। लेकिन आफत यह है कि हम सब कुछ आज भूल गये हैं और शायद इसलिये कि अंग्रेजों और मगरिब वालों की नक़ल हम एक हद तक करने लगे हैं। हमारा जो विधान बना, उसमें कहने को तो बहुत हद तक नक़ल की और अब उसको अमल में लाने में भी हम उनकी नक़ल कर रहे हैं। यहां के बड़े आदमियों को और बड़ा बनायें और छोटे आदमियों को और गरीब बनायें।

हमारे सामने यह सवाल है कि लाखों की तादाद में जो पश्चिम से शरणार्थी आये हैं उनके बसाने का हमारी गवर्नमेंट इन्तज़ाम नहीं करती। मैं आप से अर्ज़ करता हूँ कि इस के लिये रुपये की ज़रूरत है। किसान के पास आज हमारे यहां काफी रुपया है। सिर्फ़ ज़रूरत इस बात की है कि इनको समझाया जाये कि तुम्हारा रुपया जो तुम दोगे, वह तुम्हें ज्यादा आमदनी पैदा करेगा। लिहाज़ा ऐसे ज़रिये पैदा किये जायें, छोटे छोटे गांवों में सोसाइटियां बनाई जायं और उनमें थोड़े थोड़े अगर यह शरणार्थी भाई बसाकर उनसे कारखाने खुलवाये जायें, तो जहां एक तरफ शरणार्थियों की समस्या हल हो जायेगी, वहां वह रुपया जो किसान लोग देंगे, उसका भी सदुपयोग होगा। आज उनमें तालीम न होने की वजह से, विद्या न होने की वजह से वह अपने रुपये का ग़लत खर्च करते हैं जो उनको मिला है। क्या हमारा यह कर्तव्य नहीं है कि हम कुछ लाख रुपया इस तरह से खर्च करें और उनमें यह ज़हनियत पैदा करें कि इस रुपये का वह सही इस्तेमाल करना सीखें और ऐसा ही करके हम भारत को ऊंचा बना सकते हैं।

(English translation of the above speech.)

Thakur Lalsingh (Bhopal): So many speeches have already been made on the Budget that very little remains to be said. I wish to draw the attention of the House to just one thing. It is two years since we attained freedom and this is said to be Republican India's first Budget. But, let us today go to the common people and see if they too feel that they have become free. It should have been our very first duty on the achievement of independence to convey that news, that message of freedom to the common people so that they might realize their responsibility and we too might be able to feel that in reality we all have achieved freedom. We are spending seventy crores of rupees over the Army. Some of us think, however, that our military position should be much better than that and that we should increase our expenditure in that behalf. But, I should respectfully submit that we cannot defend our country with the help of the army alone. We should have enough moral stamina so that if ever some calamity befalls us we should be able to bear it cheerfully. And, it will not do for millionaires and multi-millionaires alone to possess that capacity for forbearance. Only a few months back, this year, when the levy was recovered from the *kisans* the people there called it 'loot'. They would not realize that their own Indian brethren in other Provinces were starving, that

they were in need of millet for food and that they should therefore offer foodgrains voluntarily. On the contrary they concealed it and in several places the Tahsildars had to make forcible recovery through their *Chaprasis*. This is what I heard although the Tahsildars say this is wrong. There is proof forthcoming, however, that they were made to take the 'cock' postures in order to be forced to yield the levy. I should like to ask, then, why this freedom should not have such influence on us as to cause us to deliver foodgrains for our brethren voluntarily to save them from starvation? There is need for the inculcation of that kind of mentality among the people.

Ch. Ranbir Singh (Punjab): Were they left with enough foodgrains to last them for the whole year?

Thakur Lalsingh: Let me tell you that there is not much scarcity of foodgrains in Bhopal. It is just possible that we might be suffering from some slight deficiency in the matter of foodgrains, but when we know and are made to realize that our neighbour is dying of starvation and would perish if not helped, should we not deem it our duty to give them a part of our stock of foodgrains? What I wish to submit is that we should make an effort to make the common people—those illiterate millions—realize that they too are free now and that as a free people we should feel each other's difficulties. As for the crores of rupees that have been just left with big people and not realized from them, I think it would have been more useful if this money had been taken from them and utilized for propaganda among the people and for the starting of small-scale cottage industries for them. This might be done even now. By offering employment to a few and by encouraging industries we would be inviting unemployment. If we do not introduce cottage industries and fail to establish small factories the present difficulties will multiply. Pious wishes will not check Communism. You cannot change people's mentality by putting them behind the bars. We should tell people on what principles we of the Congress started the struggle for independence, how we maintained our high principles and how we are still acting on them. But the tragedy is that today we have forgotten all that and the reason possibly is that, to a certain extent, we have started imitating the British and other people of the West. In the framing of our Constitution we imitated them to a great extent and are doing so even in the actual working of it. We are out to make the big people here bigger and the poor ones poorer still.

We are faced with the complaint that our Government is not making arrangements for the resettlement of the lakhs of refugees who have come over from the West. Now, this requires money. Our peasants, today, have plenty of money. All that is needed is to explain to them that if they hand over their money to the Government it would bring them a better return. Steps should be taken to form societies in small villages where these refugees might be settled in small numbers and made to start factories. This would not only solve the refugees' problem but would also help in a proper utilization of the money offered by the peasants. At present, for want of proper education, they make a wrong use of the money they have got. Is it not our duty to spend a few lakhs of rupees for the sake of so changing their mentality as to induce them to make a proper use of their money? Only by doing so can we raise India higher.

Pandit M. B. Bhargava (Ajmer): The budget that has been presented by the hon. the Finance Minister has been the subject matter of criticism and discussion both outside the House and on the floor of the House for the last several days. It has been characterised by a distinguished Member of this House as a unique budget. I say it is unique but at the same time it is elusive and colourless. It is unique because it is the first budget of Republican India. It is unique because this is the first time in the history of this country

3 [Pandit M. B. Bhargava]

from the dawn of civilization and from the time of the record available that this country though infant it may be, has emerged as a compact political unit. It will have one Judiciary, one Executive, one Legislature, one army, one system of communication, one transport system and it will be one integrated State. This is one of the grandest achievements of modern times the parallel of which it will be difficult to find. Therefore, I say it is the proud privilege of the hon. Finance Minister to present this Budget on such unique occasion for which there is no parallel in the history of India.

The credit for this unification must go to the hon. Minister of Home Affairs and the States. Within a very small period of 2½ years, he has achieved in the domain of political unification what Bismarck in Germany and Cavour in Italy could not do in their life time, in spite of the fact that their countries were not even one-tenth of India in size. Therefore, I have not the least hesitation in calling this budget as a unique budget.

At the same time, I have called it an elusive and colourless Budget. The merits of a Budget have to be judged from the point of view of the great problems that confront this country at this critical juncture of its political existence and the solution that the Budget has offered for these burning problems. My submission is that the Budget has offered no solution to all these problems. What are the burning problems? They are three in number: first, defence, internal and external; second, inflation; and third, rehabilitation of displaced persons. It is from this point of view that I would judge the merits of this Budget.

So far as defence is concerned, I need not emphasise the necessity and desirability of strengthening our defences, because, at no time in the political history of this country have its borders and frontiers been so long and so much exposed to foreign aggression as at present after the partition and vivisection of the country. Consequently, you have to judge whether this Budget makes ample provision for the defence of this country both from external and internal dangers of communist activities and so on. In this respect the provision for defence can safely be characterised as fairly up to the mark. Though the defence expenditure has been curtailed in the year 1950-51 from 170.06 crores to 168.01 crores, there is however not a reduction of about two crores but in fact, a reduction of ten crores, because 8 crores have been provided for the new State army that is to be integrated with the Indian Army. The Defence Budget has been reduced in these days of emergency by a very big amount of ten crores. All the same, we have got the assurance of the hon. Finance Minister in this Budget speech that if the necessity arises, he will not hesitate to harness the finances for the defence of this country and to call upon the people of this country to undergo all sacrifices that may be necessary for that purpose. For our part, I may assure the hon. Finance Minister that in a case of emergency, every man and woman in this country will not hesitate to rise to the occasion and make whatever sacrifice is possible for the existence and for the preservation of this hard-earned liberty and the new-born republic.

So far as the second point, inflation, is concerned I must admit and I must assert that this budget does not offer any solution. The hon. Finance Minister has stated that there is a fair hope of bringing under control this monster of inflation, in the near future; but I do not see that. In March 1949, the food index number stood at 376 while in February 1950 it stands at 390. Similarly, the general index number which stood at 370 in March 1949 stands at 389.2 now in February 1950. Therefore, it must be frankly admitted that the hon. Finance Minister, in spite of his campaign against inflation, has not been able to curb the rising spiral of inflation. That is very essential. Unless and until the hon. Finance Minister is able to bring down the prices so as to bring down the cost of living, all this talk of economic recovery is, in my opinion,

futile. Let us see whether the budget for the coming year provides any solution of this inflation problem and whether any attempt has been made to bring down the prices within the reach of the average consumer in this country. The only suggestion that has been made by hon. Finance Minister is to give relief to the industrialists and to the so-called investors in the hope that this relief will return in the form of investment and in the form of loans to Government and that there will be greater production and still greater production which in the opinion of the hon. Finance Minister, is the only solution of this problem. But, I am afraid that these expectations may not come to pass. If past experience is any indication my submission is that these expectations will be falsified like the previous ones in that respect, as anticipated in the Chetty budget of 1948-49 and in the previous budget for 1949-50 by the hon. Finance Minister. In the 1948-49 budget, the Finance Minister had fixed a target of 150 crores for the governments' borrowing programme; but he got only 55 crores. In the 1949-50 budget, he fixed a target of 85 crores, but got only 40 crores. He has again fixed a target of Rs. 75 crores. It is very doubtful whether he will be able to get it at all. Therefore, my respectful submission is that unless and until some drastic measures by way of compulsory borrowing or a programme of compulsory saving or measures of the type that were adopted with success in countries faced with a similar problem like Norway and Belgium in Europe are adopted by the hon. Finance Minister, taking courage in both hands, to meet this drastic malady, I am afraid mere hopes of production, which will never fructify are not going to solve the problem and meet the situation.

The third point is relief and rehabilitation. I need not bring to the notice of this august House the importance of this problem. In fact, a few days back, when, on the non-official resolution day, there was a debate in this House, the greatest emphasis was laid by distinguished members of this House and it was said that this problem has not been solved at all, that even the fringe of the problem has not been touched. We have to see what is the programme and what is the sanction in this budget for meeting the rehabilitation question of sixty lakhs of our uprooted countrymen who have suffered untold misery as the price for freedom, and lakhs of people whose evacuation appears to be almost inevitable in view of the recent tragic events in East Bengal. According to this budget you will be pleased to find that in the revised budget for 1949-50 a sum of Rs. 38,76,12,000 has been provided under various heads for relief and rehabilitation of displaced persons. This amount in the

6 P. M. Budget for 1950-51 has gone down to Rs. 20,14,88,000. This means that there has been a 50 per cent. reduction. Under the item 'evacuation' instead of Rs. 50 lakhs only Rs. 5 lakhs have been provided. I leave it to the House to judge whether in these circumstances when there is an influx of refugees every day from East Bengal and West Punjab this paltry sum of Rs. 5 lakhs is in any way sufficient to meet the situation.

Then under the head 'relief' what is provided in the Budget? The revised budget for 1949-50 was no less than Rs. 9,98 lakhs and this means almost Rs. 10 crores. This amount has gone down in 1950-51 under this very head, to only Rs. 2 crores and a few thousands. Similarly, under the head "rehabilitation" the amount provided in the revised budget was Rs. 2,50 lakhs. This amount has slightly been raised to Rs. 3,30 lakhs, but even this amount is wholly insufficient looking to the great problem that we have to face. Similarly, in the domain of loans and advances the axe of economy has fallen with great force. The amount that was provided in the revised budget was Rs. 23,50 lakhs and this amount has curiously been reduced only to Rs. 12 crores. Then, the Rehabilitation Finance Administration which received 13,000 applications for grants and loans and advances from the refugees could dispose of only 5,000 applications and out of these 5,000 applications, 3,000 applications were granted loans up to Rs. 340 lakhs and out of this sum.....

Mr. Chairman: The hon. Member has already taken fifteen minutes. It is already past Six o'clock.

Pandit M. B. Bhargava: Out of this Rs. 3.40 lakhs that was granted by the Rehabilitation Finance Administration, actually only a paltry amount of Rs. 1.40 lakhs has been advanced. This is the slow pace at which the rehabilitation work is proceeding. My submission, therefore, is that on the last occasion when the non-official resolution of Sardar Hukam Singh was discussed and the amendment of Pandit Thakur Das Bhargava was accepted it was assured by the Government that an intensified and expanded rehabilitation measures for the early rehabilitation of the displaced persons will be undertaken. The hopes thus centred round this Budget, stand belied, I hope, the hon. Finance Minister will take these matters into consideration and make sufficient allowances for the displaced persons, because they are the most oppressed and the most un-cared for in the present situation.

The House then adjourned till a Quarter to Eleven of the Clock on Thursday, the 9th March, 1950.