loan? Just because there are States, just because the Centre has got all the financial powers, they are treating the States in this

There is another wrong assumption also that the States alone derive all the benefits from three developmental schemes. Supposing there is the scheme inaugurated in one State and it gives some benefits, does not the Centre become a partner in reaping the benefits by way of the Central excise corporate taxes and income-taxes? All these things emanate from that scheme.

When we look into this position, a complete reappraisal of the debt position, the indebtedness of the States, should be taken into consideration as to how far they have contributed and how far they have been thrust upon by the Centre to do so. Supposing it is a non-productive loan, if it is a relief measure, it should be written off completely. Such loans should be completely written off. For other loans also, I would suggest one way. As regards the loans given for productive schemes, whether they are Plan or non-Plan schemes, those loans should be treated as non-payable with the condition that they should give annual rate of interest. This is not a new suggestion given by me. Even the report of the study team of the A. R. C. has made that suggestion, Supposing, it has been invested by the Centre itself, will it be expecting instalments out of the capital? They may only expect a return, In the same way, if they give a lumpsum amount to the State, that should be treated as a non-payable loan. But they can fix some rate of dividend to be given to them. The colossal amount of indebtedness of the States is not going to be wiped out from the revenue account. Year by year, the indebtedness is going to swell to an enormovs extent. No State is thinking of repaying their debts, whether it is a grant or a loan, they want to grab money from the Centre. Here is a relevant quotation from the report of the study team of the A. R. C. on Centre-State relationship. It says:

"This has bred in the States a degree of indifference as a result of which, when reviewing assistance from the Centre, they heed little whether the assistance is in the form of a loan or a grant. For this very reason, mounting indebtedness does not seem to have brought about keen awareness of the need for either

thrift or the efficient utilisation of scarce resources".

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They do not mind whether it is a grant or a loan, because they do not have any idea of repaying it. Even if they want, they cannot pay back because the revenue receipts are so low.

Lastly, I would like to say this much to the Central Government that they should have a realistic attitude. Just because the Constitution has given so much power to them, they should not try to utilise the situation to the disadvantage of the States. A complete reappraisal of the entire position of financial allocations should be taken. Otherwise, a starving State and an overstuffed Centre cannot function together smoothly and efficiently.

In conclusion, I say, if this state of affairs continues, if the States are put more and more under the tiresome burden of the mounting indebtedness, if the Centre continues to hold the money strings and supdresses and oppresses the States financially, a stage may come when the people of the States may say, "All right. Let us collect all the taxes. Let us have all the financial resources. We will contribute to the maintenance of the Centre." That stage may come.

17 55 hrs.

RE: POLITICAL SITUATION IN MADHYA PRADESH

[Mr. Deputy-Speaker in the Chair]

श्री विभूति मिथ (मोतीहारी) : उपाध्यक्ष जी. मेरा पोइंट माफ मार्डर है। मध्य प्रदेश में ध्रसेम्बली की बैठक चल रही थी. गोविन्द नारायस सिंह ने इस्तीफा दिया। उसके बाद भ्रसेम्बली प्रोरोग हुई भीर राजा नरेशचन्द्र सिंह को मुख्य मंत्री बनाया गया । लेकिन असेम्बली नहीं बुलाई जा रही है श्रीर नतीजा यह हो रहा है...(अववान)...वहां हालत यह है कि भाषा राम भौर गया राम हो रहा है। कांग्रेस के सदस्यों की संख्या 181 हो गयी है। कम से कम गृह मंत्री कहें कि भसेम्बली ब्लायी जाये। यह बहुत जरूरी चीज है।...व्यवधान)...

SHRI UMANATH (Pundkkottai): The point of order is totally unrelated to the subject under discussion.

SHRI RANDHIR SINGH (Rohtak):
The Constitution has been flouted there.
There is no Constitution. (Interruptions)

MR. DEPUTY-SPEAKER: The hon, members may please rasume their seats. I will listen to all of them.

SHRI RANDHIR SINGH: The ruling party is in minority and the Opposition is in majority. Kindly bring it to the notice of the Minister of Parliamentary Affairs. Something should be done immediately. There is no Constitution there.

SHRI R. D. BHANDARE (Bombay Central): I rise on a point of order under rule 340. I beg to move:

"That the debate on the motion be adjourned."

I have two reasons why I want the debate to be adjourned. One is that the Constitutional provisions have been flouted and the second is that the principles which have been enunciated by the Speakers' Conference and the principles which have been vociferously supported by the Opposition have been flouted in Madhya Pradesh... What has happened in Madhya Pradesh...

SHRI RANDHIR SINGH: That Ministry must resign immediately.

SHRI SEZHIYAN (Kumbakonam): Rule 341 (1) says that if the Speaker is of opinion that a motion for the adjournment of a debate is an abuse of the rules of the House...

SHRI R. D. BHANDARE: I am in possession of the House.

MR. DEPUTY-SPEAKER: Under rule 340, some important issues have been raised on several occasions on this side and I have given them a hearing. Let us see whether there is really a Constitutional crisis. Let him build up his case. The contention seems to be that the prorogation should be withdrawn. Let me hear him. The hon. Member may be very brief.

SHRI R. D. BHANDARE: The SVD elected a new leader. Yesterday there was a debate and, therefore, I need not refresh the memory of the hon, members of the Opposition. It was said in the course of the debate that Shri Naresh Chandra Singh was not invited to form the Government. Yesterday he was invited. But now there is a very curious position. We have accepted Parliamentary democracy. Specially the Opposition were shouting vociferously at the top of their voice from the top of the House that Parliamentary democracy must function in this country. We also agree that that should be our aim, and it is our aim, it is our mission, to preserve Parliamentary democracy. But now they are consulting the astrologers. It is a very curious proposition. It is a wonderful fact to reflect upon that the S.V.D. is consulting astrologers...

MR. DEPUTY-SPEAKER: It is no use arguing now. He may please come to the point. Where is the failure? He may come to that point.

18.00 hrs.

SHRI R. D. BHANDARE: I demand that the matter be taken into consideration after adjourning the motion before the House, and there should be a debate on the situation in Madhy Pradesh. The Assembly should be called immediately. Whether it is the Congress or the SVD which should from the Government, we are not so much concerned about.

MR. DEPUTY-SPEAKER: From the points of order and the speeches made, it appears that it is their demand that the Governor should withdraw the prorogation and convene the Assembly.

SOME HON. MEMBERS: Yes.

SHRI NAMBIAR (Tirucherapalli): Nobody is against convening the Assembly.

MR. DEPUTY-SPEAKER: Shri Nath Pai.

SHRI RANDHIR SINGH: On a point of order—shame on the Opposition.

SHRI NAMBIAR: The Governor can

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summon the Assembly: The Assembly must be summoned. We are with him.

SHR! RANDHIR SINGH: My point of order was only shame on the Opposition.

SHRI NATH PAI (Rajapur): Whenever in the past an issue like this, that is, where there was a fear or apprehension that the constitutional machinery in the State was not working, it has been customary for Parliament to take cognisance of the fact and to raise our voice here. So I am very glad that though belatedly, some Congressmen this time are showing this concern for constitutional proprieties. We were the members to demand first that the fate of a government must be decided in the Assembly. not in the chamber of the Governor or for that matter anywhere else. Our stand has throughout been that the fate of a government should be decide on the floor of the Assembly. Even today we demand that the Assembly must be called and given a chance to decided. I do not know if Shri Randhir Singh will now revise his attitude towards us.

SHRI RANDHIR SINGH: I withdraw the 'shame on you'.

SHRI NATH PAI: We have been the ones who have been demanding it, and to the extent we have succeeded in driving this home to our Congress friends that the fate of a government should be decided on the floor of the Assembly, I think this is a victory.

May I, therefore, on behalf not only of the Opposition but perhaps of the whole House say that the Home Minister be requested to make a statement as to what exactly is happening in that State of Madhya Pradesh?

श्री मधु लिमये (मुंगर): उपाध्यक्ष महो-दय, श्रगर मंडारे साहब ने इस चर्चा को स्थगित कर मध्य प्रदेश के बारे में चर्चा चालू करने के लिए वह प्रस्ताव दिया है तो मैं उसका समर्थन करता हूँ लेकिन साथ-साथ इस चर्ची में गवनं रों के क्षांब्य क्या हो इसके बारे में कोई ठोस श्रीर निविचत राय बनाने की बात होनी चाहिए।

धाज सबेरे मैंने पढ़ा है कि बाबू सम्पूर्णी-नम्द ने काँग्रेसी के नाते काम किया इसलिए हरिभाक उपाध्याय उनको बन्यवाय दे रहे थे। अब उनको काम कैसे करना चाहिए था? उन्हें कांग्रेसी के नाते नहीं बल्कि संविधान की दफा 159 के तहत गबर्नर का पद सम्हालते समय जो धपथ, प्रोथ या ऐफरमेशन लेना पड़ता है उसका पालन उन्हें करना चाहिए था। इसी तरह श्री धमंबीर को पिंचमी बंगाल की लोक-तांत्रिक सरकार को बर्लास्त नहीं करना चाहिए था। इसी तरीके से बिहार के गबर्नर को मल्पसंख्यक मंत्रिमंडल को बिहार की जनता पर लादना नहीं चाहिये था।

प्रव प्रगर इन सारी चीजों के लिए प्रापकी चर्चा है तो मैं साफ शब्दों में कहना चाहता हूँ और मेरी यह पक्की राय है कि मध्य प्रदेश में भी तत्काल विधान सभा की बैठक बुलाई जाए। शक्ति परीक्षण हो। उसके बाद गवनंर की स्वीकृति हो कि वह मंत्रि मंद्रल बनायें। मैं तो चाहता हूँ कि सभी राज्यों में यह प्रणाली अपनाई जाये। लेकिन कभी कभी झाप भी श्री बैंकटसुब्वय के रास्ते पर चलें तो कुछ, मजा श्रीये।

SHRI UMANATH: So far as I am concerned, we are not against calling the Assembly. We want it. That position is there. But in the hurry with which the Congress Party comes here, they are quite consistent, because in West Bengal there was a popularly elected Government at that time. When the Governor adviced that the Assembly must be called on a particular day, the West Bengal Government said that it will call the Assembly and it will call it on such and such date.

AN HON. MEMBER: Why such and such date?

SHRI UMANATH: It has got its own reasons. It advised the Governor to call the Assembly on a particular date. But then the Governor on the advice of the Party's Government here refused, defied the advice of the State Ministry there and then dismissed that Government, (Interruption).

Now the question that arises here is a fundamental one. The Chief Minister has been sworn in. He has not yet constituted the Government. Why it has not been

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constituted, why this delay, I will tell you. The Chief Minister has not yet constituted the Government. Immediatly these people rush in here and say 'Call the Assembly'. (Interruptions) The question is: a properly constituted Government must advise the Governor and the Cabinet in the State must advise the Governor to fix a day to call the Assembly. :Interruptions)

Re. Situation in

MR. DEPUTY-SPEAKER: The question is very limited.

SHRI UMANATH: It is not very limited.

MR. DEPUTY-SPEAKER: Hon. Shri Bibhuti Mishra raised an issuc.

SHRI P. K. VASUDEVAN NAIR: What is that issue. (Interruptions)

MR. DEPUTY-SPEAKER: He prorogued and has not given the elected Members of the assembly to meet...

SHRI UMANATH: The Assembly has got to be called by the Governor on the advice of the Government there, on the advice of a Cabinet there. (Interruptions) I am very particular about that. I do not like to take advantage of the situation. the advice of a properly constituted Cabinet there the Governor has to call the Assembly. The Chief Minister has been sworn in. He has asked for time. He is saying that he will constitute the Government. After constitution of the Government, let the Governor fix a particular date and then call the Assembly. In between, when the Government has not been constituted they are asking 'Why is it being delayed?'. Of course, I know why it is being delayed. After the 'Ayaram' and 'Gayaram' fight is fought by this very Congress Party. D. P. Mishra...

MR. DEPUTY-SPEAKER: I am not stopping you. This House is more concerned about the observation of constitutional functions and practices. (Interruptions) After the Chief Minister has been sworn in and if he fails to from a Government, for how many days one can wait? (Interruptions)

SHRI UMANATH: I am saying that

for the non-constitution of the Government there, both the Congress Party as also the Chief Minister's Party are responsible. The Congress Party in order not to allow the Chief Minister to constitute a Government has caught hold of 40 Members—40 Ayaramsand taken them to the Governor and put them in the Governor's Bungalow or put them under the custody of the Speaker. The Congress Party as well as the other Party are responsible for the delay in constituting the Government. My point is that the Assembly must be called by a duly constituted Government advising the Governor to do so.

SHRI NAMBIAR: The Private Members' time is being taken up.

MR. DEPUTY-SPEAKER: I entirely agree that we should not encroach on the Private Members' time. I have permitted this only to draw attention to the constitutional issue without going into the merits of the case and past history. Under the Constitution it was incumbent on the Governor to summon the Assembly and the Members have raised this issue because we are not meeting for two days. Shri Sehti may convey to the Home Minister the impressions he has gathered.

SHRI NAMBIAR: The Private Member's Resolution should continue.

MR. DEPUTY-SPEAKER: The motion made here is that the Debate be adjourned because the Member wanted to discuss certain situation arising in Madhya Pradesh. Only if the House agrees I will permit further debate on this.

SHRI UMANATH: What is your ruling on this? Last time, when Mr. Madhu Limaye raised the question of adjorunment of the House to discuss the M. P. question, you gave a ruling. You did not leave it to the House. You gave a ruling that you were not going to permit discussion. When Mr. Patil wanted to speak, you said "I have already given my ruling on this question and now I would not permit you to speak". You give now your ruling on this Motion and then proceed.

SHR1 NATH PAI: On a point of order, under Rule 341.

MR. DEPUTY-SPEAKER: Mr. Bhandare, will you withdraw your motion?

SHRI R. D. BHANDARE: I withdraw my motion. I must give the reason before 1 withdraw. I just wanted to bring this to the notice of the Madhya Pradesh Government.

भी कंबरलाल गुप्त दिल्ली सदर): मध्य-प्रदेश में ग्राज सरकार वाकायदा काम कर रही है भीर उसके बारे में यहां सवाल उठाना भीर उसकी उठाने की इजाजत भापके द्वारा दिया जाना. ठीक नहीं है। यह स्टेट के एफेयर्ज में इंटर कीयरेंस करना है, वहां के इंटरनल मैंटर्ज में इंटरफीयरेंस करना है। वहां पर सरकार बनी हुई है। चीफ मिनिस्टर ने वहां पर ग्रोथ ले ला है। चीफ मिनिस्टर के कहने बगैर गवर्नर ग्रसेम्बली के प्रारोगेशन को खत्म नहीं कर सकते हैं। चीफ मिनिस्टर ने पहले ही कह दिया है कि वह हाउस बूलायंग स्रोर वहां पर सदन में शबित परीक्षा हो सकती है। इस सवाल को यहां उठाना गलत है। मै समभता है कि इसकी यहां डिसकस नहीं किया जाना चाहिए था। जो किया गया है वह गलत है। यहाँ यह सवाल जो डिसकस हुन्ना है, गलत हुन्ना है। न्नाज न्नाप मध्य प्रदेश के बारे में ऐसा करते हैं तो कल को श्रापको महाराष्ट्र के बारे में हो सकता है कि करना पड़े और फिर तीसरे किसी प्रदेश के बारे में भी श्रापको ऐसाही करनापड सकता है।

MR. DEPUTY-SPEAKER: Please resume your seat. On all occasions,—I must be very clear—when Shri Madhu Limaye, Shri S. M. Banerjee and others raised certain important issues under rule 341, I had permitted them. So, there is no question of distinction. He has withdrawn, and as I have already observed, it should be done. (Interruption)

SHRI R. D. BHANDARE: Before I withdraw—

SEVERAL HON. MEMBERS: No. no.

MR. DEPUTY-SPEAKER: No conditional withdrawl. I will rule it out of order. (Interruption) SHRI R. D. BHANDARE: This will be taken notice of in Madhya Pradesh. (Interruption)

States (Res.)

SHRI RADHIR SINGH: Shame on Shri Kanwer Lal Gupta and his party,

MR. DEPUTY-SPEAKER: Order, order. Shri Sezhiyan.

18.17 hrs.

RESOLUTION RE : AMORTISATION OF DEBTS OF STATES—contd.

SIIRI SEZAIYAN : Sir, as I was saying, most of the loans that the States have taken from the Centre were because of the capital disbursement and more and more of the loans were taken because of the paucity of the resources available to the For example, during the first Five Year Plan, the capital disbursements required. by the States were Rs. 980 crores, out of which the loans from the Centre formed Rs. 770 crores, or 77 per cent. During the second Plan period, it was 74 per cent and during third Plan period, it was 89 per cent. That means that important schemes in the States can be implemented only if the Centre gives its consent. The States have to depend on the Centre which has its discretionary powers. Therefore, wherever there is a non-Congress State, wherever the State is not obeying the Centre politically, then financially the Centre uses its power through the backdoor of the Planning Commitsion, in respect of the allocation of schemes and grants. Therefore, this has to be put an end to. A complete reappraisal of the entire constitutional position in the grant of loans and other amounts should be gone into by an expert committee as suggested by the Administerative Reforms Commission. Unless and until this is done, the smooth working of the federal structure that has come into vogue after the general elections of 1967 will not be there. The Central Government should, for its own good, look into this matter. As I said, only if the States live, the Centre can live. Only if the parts are stronger, the whole can be stronger. With these words, 1 conclude.

रराषीर सिंह (रोहतक): उपाध्यक्ष महोदय, जो लोग मरकज को कमजोर करते हैं,