

or those who make exports and have small scale industries as their production base. In our new import-export policy we have said that the process of assessment of capacity of small scale industries in the private sector will continue.

Secondly, for non-priority sectors, an increased allocation of imported raw materials has been provided in the case of industries reserved for the small scale sector.

Thirdly, for new-comers, the basis of import licensing has been liberalised.

Fourthly, exporting units in the small scale sector will receive better encouragement.

Fifthly, the basis of import licensing for small scale industries to be set up in the backward areas by qualified engineers and ex-Service personnel has been liberalised.

Sixthly, the procedures for issue of licences for capital equipment have also been considerably simplified.

Seventhly, the existing facilities for setting up small scale industries in the country by Indian nationals returning from or residing abroad have been continued.

Lastly, more districts have been added in the list of backward areas.

These steps are intended to give more and more governmental assistance to the small scale industries so that their share and capacity in the export trade *vis-a-vis* the big competitors increases.

So our policy is to help the weaker sections in the industry or the medium sector etc. about Mica. I had already said something the other day and the MMTC is quite seized of the problem. We are proposing to set up a Mica Trading Corporation. So, this problem, of which we are seized of, will, we hope be looked after by Mica Trading Corporation. After the entry of MMTC in the field there is lot of improvement. I will not say that difficulties have been totally removed, but we are seized of the problems at issue.

I have referred to many points. I have touched upon many problems. But I am sorry to find that there are many points as I see from the notes which I have myself taken down, with a view to answer them, or at least to respond to them. But I could not do so. I wish to inform hon. Members through you that even the points which I could not answer will be borne in mind by me while I take decisions in those and other related matters. Thank you.

MR. CHAIRMAN : I will now put the Cut Motions that had been moved to the Demands relating to the Ministry of Commerce, to the vote of the House.

All the Cut Motions were put and negatived.

MR. CHAIRMAN : The question is :

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the fourth column of the order paper be granted to the President to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March, 1974, in respect of the heads of demands entered in the second column thereof against Demands Nos. 10 to 13 relating to the Ministry of Commerce."

The motion was adopted.

17.28 hrs.

MINISTRY OF IRRIGATION AND POWER

MR. CHAIRMAN : The House will now take up discussion and voting on Demand Nos. 63 to 65 relating to the Ministry of Irrigation and Power for which 7 hours have been allotted.

Hon. Members present in the House who are desirous of moving their Cut Motions may send slips to the Table indicating the serial numbers of the Cut Motions they would like to move.

[Mr. Chairman]

DEMAND NO. 63—MINISTRY OF IRRIGATION AND POWER

MR. CHAIRMAN Motion moved .

"That a sum not exceeding Rs. 8,29,34,000 on Revenue Account be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1974, in respect of 'Ministry of Irrigation and Power'"

DEMAND NO. 64—IRRIGATION AND FLOOD CONTROL SCHEMES

MR. CHAIRMAN Motion moved

"That a sum not exceeding Rs 12,94,81,000 on Revenue Account and not exceeding Rs 7,01,33,000 on Capital Account be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1974, in respect of "Irrigation and Flood Control Schemes".

DEMAND NO. 65—POWER SCHEMES

MR CHAIRMAN Motion moved

"That a sum not exceeding Rs. 4,91,12,000 on Revenue Account and not exceeding Rs 56,32,07,000 on Capital Account be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1974, in respect of 'Power Schemes' "

The hon Members may now move their cut motions.

SHRI BIJOY MODAK (Hooghly) : I beg to move :

"That the Demand under the head Irrigation and Flood Control Schemes be reduced by Rs. 100."

[Failure to complete Kansabati Project, West Bengal in scheduled period (18)].

"That the Demand under the head Irrigation and Flood Control Schemes be reduced by Rs 100."

[Failure to supply water from DVC for irrigation purposes to rabi crop in Hooghly district (19).]

"That the Demand under the head Irrigation and Flood Control Schemes be reduced by Rs 100."

[Failure to check erosion of Ganges down stream Farakka Barrage, that is threatening BAK. loop lines, NH 34 and big towns in Murshidabad District in West Bengal (20)]

'That the Demand under the head Irrigation and Flood Control Schemes be reduced by Rs 100 "

[Failure to have a definite policy of diverting 40,000 cusecs of water from Ganga to Bhagirathi through Forakka Barrage (21)].

"That the Demand under the head Irrigation and Flood Control Schemes be reduced by Rs 100 "

[Failure to expand the reservoirs at Maithon at Panchet for flood control purposes in Lower Damodar region by acquiring land in Bihar (29)]

"That the Demand under the head Power Schemes be reduced by Rs. 100."

[Failure to check load-shedding in Greater Calcutta area (32)].

"That the Demand under the head Power Schemes be reduced by Rs. 100."

[Failure to expand rural electrification in West Bengal (33)].

"That the Demand under the head Power Schemes be reduced by Rs. 100."

[Bad maintenance of electricity generating plants in West Bengal (34)].

SHRI GADADHAR SAHA (Birbhum):
I beg to move :

"That the Demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Failure to complete Mayurakshi Irrigation Project in West Bengal formulated long ago (25)].

That the Demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Failure of the Mayurakshi Irrigation Project to supply water for paddy cultivation and wheat cultivation in major parts of Birbhum and Murshidabad and Burdwan to some extent (26)].

"That the Demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Urgent need for survey and investigation to make the Mayurakshi Irrigation Project a success and to implement the project in such a way as to provide intensive irrigation facilities for agricultural development (27)].

"That the Demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need for extension of existing irrigation project in Burdwan district for Katwa Sub-division areas in West Bengal (28)].

"That the Demand under the head Irrigation and Flood Control Schemes be reduced by Rs. 100."

[Need for formulation and implementation of flood control-cum-irrigation projects for Birbhum and Murshidabad districts, West Bengal (30)].

"That the Demand under the head Irrigation and Flood Control Schemes be reduced by Rs. 100."

[Urgent need for construction of an over-bridge on the river 'Ajoy' near Billeswar and Uddharanpur in Katwa Sub-division in Burdwan district, West Bengal (31)].

SHRI D. K. PANDA (Bhanjanagar) :
I beg to move :

"That the Demand under the head Ministry of Irrigation and Power be reduced to Re. 1."

[Failure to tackle the problem of floods in a massive way by providing for quick investments in Orissa (35)].

"That the Demand under the head Ministry of Irrigation and Power be reduced to Re. 1."

[Failure to link up river Chheli-gada with Ghodabada in Ganjam district, Orissa to fulfil the irrigation requirement of the district (36)].

"That the Demand under the head Ministry of Irrigation and Power be reduced to Re. 1."

[Failure to provide adequate funds for implementation of medium irrigation schemes which have spilled into Fourth Plan in Orissa (37)].

"That the Demand under the head Ministry of Irrigation and Power be reduced to Re. 1."

[Failure to complete investigation of eighty medium projects in Orissa which are

Shri D.K. Panda]

approved for investigation
(38)]

"That the Demand under the head
Ministry of Irrigation and Power
be reduced to Re. 1."

[Failure to reduce the gap between
irrigation potential and
irrigation utilisation which
comes to about 15 per cent
in Orissa (39)]

"That the Demand under the head
Ministry of Irrigation and Power
be reduced to Re. 1."

[Failure to complete the nine
medium irrigation schemes
in Orissa, viz., Darajanga
Project, Bahuda Project and
Uttal during the Fourth
Plan period (40)].

"That the Demand under the head
Ministry of Irrigation and Power
be reduced to Re. 1."

[Failure to implement the Inte-
grated Jarau-Harabhangu
Project in Ganjam district in
Orissa during a period of
15 years (41)]

"That the Demand under the head
Ministry of Irrigation and Power
be reduced to Re. 1"

[Failure to implement the me-
dium irrigation projects,
namely, Baghua, Ghoda-
hada, Daba, Manubhadra
Irrigation Project and
Bahuda Projects in Orissa
(42)].

"That the Demand under the head
Ministry of Irrigation and Power
be reduced to Re.1."

[Failure to complete the
irrigation projects within the
scheduled time resulting in
rise of the expenditure on
the same project. (433)].

"That the demand under the head
Ministry of Irrigation and Power be
reduced by Re. 1."

[Failure to have coordinated plann-
ing on irrigation and power to achieve
time bound programme (44)].

"That the demand under the head
Ministry of Irrigation and Power be
reduced by Re. 1."

[Failure to overcome the power shortage
in the country in general and Orissa
in particular (45)].

"That the demand under the head Mini-
stry of Irrigation and Power be reduced
by Re. 1."

[Failure to secure quick loans from
Government financial institutions to
complete the irrigation and power
projects in the country in general
and in Orissa in particular (46)].

"That the demand under the head
Ministry of Irrigation and Power be
reduced by Re. 1"

[Failure to implement the recommen-
dations of the great lamented Scien-
tist Meghnada Saha for ensuring
protection against flood and cyclone
disasters in Orissa (47)]

"That the demand under the head
Ministry of Irrigation and Power be
reduced by Re. 1."

[Failure to construct dams to provi e
protection to the flood affected areas
in Orissa (48)].

"That the demand under the head
Ministry of Irrigation and Power be
reduced by Re. 1"

[Failure to complete the survey of
underground water for lift irriga-
tion purposes in general and in river
basin areas in particular in Orissa
(49)].

"That the demand under the head
Ministry of Irrigation and Power be
be reduced by Re. 1."

[Delay in taking up Salandi Project, Rengali and Bhimakunt Projects for flood control (50)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Re. 1."

[Failure to link up Talcher in the Mohana to meet the power requirement of Berhampur area of about 15 M.W. and also of Rayagadu in Orissa (51)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Re. 1."

[Failure to properly plan lift irrigation with rural electrification in Orissa, so as to achieve its impact in agriculture and food production (52)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Re. 1."

[Failure to achieve the target of rural electrification in 2800 villages in Orissa (53)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Re. 1."

[Extraordinary delay in providing the requisite funds to work out the Delta irrigation scheme which was contemplated to utilise 10,000 cusecs of tail race water available at Mahanadi Delta head from Hirakud Power House for extending irrigation facilities to 10,09,128 acres in Orissa (54)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Re. 1."

[Failure to achieve agricultural production and employment opportunities as contemplated under the Delta irrigation scheme (55)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to allot funds for immediate construction of Dahi Project in Bhanjanagar area in Orissa (56)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to take up repair works of inundated channels in the district of Ganjam in Orissa (57)].

"That the demand under the head Ministry of Irrigation and Power be reduced to Re. 100."

[Need to accord approval by C. W. P. C. for Jarau-Harbhangi integrated project of 1964 and complete the work this year on a war footing to overcome the drought disaster in the district of Ganjam in Orissa (58)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to expedite the IIInd stage of survey of Beghua medium irrigation project to ensure regular and required supply of cane to the sugar industry at Aska in Orissa (59)].

"That the demand under the head Ministry of Irrigation and power be reduced by Rs. 100."

[Need to raise the height of Bhanjanagar Reservoir in Orissa by ten feet more in order to store more water and prevent the wastage of water (60)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to immediately take up the repair of Sorada Reservoir to meet the water project for storing the river waters for irrigation (61)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to give immediate sanction to the project of the C. W. P. C. to Renapur-Teesta Project (62)].

[Shri D. K. Panda]

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to implement the integrated Irrigation project Bhimkund-Anandpur-Salandi (63)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to bring under irrigation 50 per cent of the land which is absolutely rainfed during the period of 4th Five Year Plan in Orissa (64)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to immediately work out the Dadraghathi Irrigation Project in Dhankanal districts Sunder Irrigation Project Saipal Irrigation Project and Upper Indravati Project during 4th Five Year Plan period in Orissa (65)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to complete Kalo and Ong Irrigation Projects within two years, in Orissa (66)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to allocate more funds to raise the 4th Plan provision from Rs. 1.50 crores to 5 crores for lift Irrigation works in view of the remarkable potentialities for lift irrigation (67)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to establish ten thousand lift Irrigation points in the State of Orissa (68)].

"That the demand under the head Ministry of Irrigation and Power be reduced to Rs. 100."

[Need to implement the sixty-six lift irrigation projects selected by the State Government of Orissa to irrigate at least 65,029 acres of Kharif and 28,000 acres of Rabi (69)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to complete Ghodahad medium irrigation project by allocating the requisite funds to Orissa (70)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to take up Salandi Project in Orissa and expedite the work (71)].

"That the demand under the head Ministry of Irrigation and Power be reduced by Rs. 100."

[Need to take up construction of Anandapur Barrage before Salandi project tails off, so as to switch over the personnel of Salandi to Anandapur Barrage to derive the benefit of integration (72)].

MR. CHAIRMAN : The cut motions are also before the House.

SHRI BIJOY MODAK (Hooghly) : I rise to oppose the Demands of the Ministry of Irrigation and Power. Sir, this is an important Ministry and it has great bearing on the economy of the country as a whole. But I am sorry to say that this Ministry has failed to create the necessary increased potential in respect of irrigation and power. The year 1972 has been a year of flood, drought and famine in electricity. Floods have ravaged the country, inundated State after State. Drought has deprived the country of the necessary crop. Famine in electricity has dislocated all sectors of society, industry, agriculture and civil.

■ As a result, the people are helpless, food has become deficit, industry has stopped its

wheels, there is un-employment and lay-off has become the order of the day. The Ministry actually made the god of weather a mute scapegoat for all its failures. This is not permissible in this age of science. This indicates criminal negligence.

Regarding flood, conservation of the flood water is very valuable for generation of irrigation potential, for production of necessary crops. But this flood water is not being used in a rational way. Cannot the water of floods be locked up in reservoirs and used for irrigation purposes. This is not being done.

There is the problem of the flood waters in the Brahmaputra, in the Teesta valley, in fact in the whole country. But there is no proper plan for locking up the water in dams so that it can be rationally used for irrigation purposes.

I will cite one case. In West Bengal, there is the case of the Lower Damodar Valley. The British Government conceived of controlling the flood waters of the D.V.C. in 1943. Experts of the Tennessy Valley Scheme came here. They made a plan and advised Government to construct 8 dams to conserve the waters of the upper catchment area of the Damodar. But the Congress Government constructed only 4 dams. For this initial mistake, the lower Damodar region, the district of Hooghly and some parts of Howrah, have been subjected to the ravages of flood for 15 years. This was the initial sin committed by the Congress Government. Now, after 15 years, Dr. Rao has taken up this question and sanctioned Rs. 21 crores to rectify this. The plan is to contain the excess flood waters of the Damodar, that is, 2,60,000 cusecs; for this, construction of embankments on both banks of Maundeswari and some drainage works in the lower basin area have been planned. But can Dr. Rao definitely say that in days of heavy rains in 10 or 15 years, the heavy onrush of water will not exceed the limit of 2,60,000 cusecs? If it exceeds this limit, the excess flood waters will sweep through the Maundeswari and wipe

out the embankments. Then there will be a disaster in Arambag greater than the disaster in Jalpaiguri in 1968.

According to expert opinion, the flood water can be contained in some dams in some lauds in Bihar. Two more dams in Tenginhat and Balpahari may be taken up. I had a talk with Dr. Rao; he said that the Bihar Government was not willing to give land. Now I see from a statement he made in the Lok Sabha on 14th August, 1972 that he had talked to the Bihar Government and they had agreed to give some land around Panchet and Maithon. Therefore, these two reservoirs at Panchet and Maithon may be expanded. Some more land could be requisitioned for constructing two more dams at Tenginhat and Balpahari. I hope this can be done and also be used for irrigation purposes. The Arambagh and lower Damodar region require attention. I want a categorical answer from the Minister, Dr. Rao, on this point, whether two reservoirs at Panchet and Maithon are going to be expanded.

Furthermore, in its lower reaches the Rupnarayan has got to be desilted. I see in the Report that the work in the project has been taken up. I want to know definitely what he is going to do about this. Annual desilting must be done in the Rupnarayan, and that must be categorically assured here. There are floods everywhere. The question of containing the floods waters of the Brahmaputra and Teesta must be taken up here and now; and there is the question of controlling floods on the Brahmaputra, and Teesta and water properly used. There have been discussions recently with Bangladesh at the Committee level on joint river projects, and the question of the feasibility of the joint project was taken up there. What is going to be done after these talks? I want to hear from Dr. Rao on this Ganga-Brahmaputra-Teesta Grid project.

[Shri Bijoy Modak]

With regard to the generation of irrigation potential, I want to emphasise the importance of minor irrigation projects, in the course of the four Plans, crores of rupees have been spent and 90 per cent of this money has been spent on medium and major projects. What is the result? The actual irrigation potential was only 50 per cent or something more of the necessary potential of three million acres every year that is necessary to cope with the rate of growth of population. For this, I have got the figures. At the end of the third Plan, only 18 per cent of the cultivable land could be brought under irrigation. It cannot be called a good performance.

Moreover, out of the 450 million cft of the underground water resources, only a small percentage of it has been utilised. Dr. Rao has a bias for big projects and big reservoirs. 90 per cent of the money has been spent on big projects. Minor irrigation projects have been neglected. Everyone knows that minor irrigation involves less financial outlay and yields quicker results; they can be executed with local resources and in a shorter period. The bias for outlay on big projects is the root cause of the slow rate of augmentation of the irrigation potential of the country. This is not the way to augment the irrigation potential in a backward country and to develop it in a highly competitive age. In a developing country like ours, we must put our full efforts towards creating agricultural surplus and internal markets. This is the way to a steady and developing industrial base involving no dependence on foreign help.

Minor irrigation gives quicker results at a minimum cost. We cannot wait for long periods for commissioning of bigger projects. Big reservoirs have also proved to become sedimented after years, as is heard of Langol being sedimented after 30 to 40 years. On the other hand, big and medium projects take long periods to give results. I can speak of Kansabati. It is far behind schedule. Out of the target of 10 lakh acres, it is giving water only

to 2½ lakhs of acres after a long period of 15 years.

I would ask this Ministry to give up bias for big projects such as GANGA-CAVERI GRID which will cost Rs. 3000 crores and can be completed after 30 years.

It is a good sign that 25 lakhs tube wells are to be dug to tap underground water in the fifth plan. There must be a planned development to tap underground water resources by digging wells, tube wells; and also local storage system must be planned and encouraged. The role of minor irrigation must be developed increasingly along side the existing ones without taking in any new projects in the immediate planning.

The A.I.C.C. has also submitted a master plan for minor irrigation, wherein they say that we do not want big plans involving long gestation period, on the other hand we want to develop the irrigation potential in a short time so that we can benefit by the projects in the immediate future.

Sir, with regard to drought we feel helpless before this calamity. We must learn from China on this question. This year there was drought in North China. But how did they fight? They mobilised the entire population their co-operatives and village communes. This year in North China 500 big and small reservoirs dried up, 47000 pumping wells worked below capacity, canals ran dry. What did they do? With the help of co-operatives and people's communes they mobilised million peasants to wage a battle against drought. They built more than 5,000 pump wells, improved 5,000 old ones by digging deeper into the dried up streams and well beds and dug 2,000 pond size wells, thus infact expanding the irrigated acreage. Workers came from towns to help with fertilisers and insecticides etc. Government sent diesel engines and there was a record harvest.

Such things are beyond the dreams of our Government because they are away from the people and so cannot rouse them.

Now regarding generation of electricity, this is the kinetics of national development. Lenin said Soviet and Electricity is socialism. Here there is neither Soviet nor electricity. There is famine of electricity everywhere in Northern-Eastern-Southern and Western zones of Indian territory after so much planning. Dr. Rao blames weather for failure in Punjab, non-supply of coal for failure in M.P. bad coal and inefficient maintenance for failure in West Bengal, fault of Congress Government of Andhra Pradesh for failure there and so on. From his statements before Parliament it is evident that there is no planning, no co-ordination with different departments to guarantee the generation of this basic ingredient of production. It needs one centralised coordinating authority to guarantee everything on priority basis for its proper guaranteed production. We see units cannot function for want of coal, wagons in M.P., for want of spare parts, trained men in West Bengal; for want of new generator sets which are to be imported and such other things. If there is electricity there are no transmission lines to transmit them to deficit areas.

Then there is the question of determining the priority of distribution of electricity in rural areas rather than to industry. But we have no option. We are living a hand to mouth existence.

The generation of electricity is lagging behind the necessary requirement at part with the rate of development in industry, agriculture and civic necessity. We must know how backward we are in generation of electricity. India occupies the lowest rung in production of electricity. While U.S.A. consumes 7,013 kwh, U.K. consumes 3,700 kwh and U.S.S.R. consumes 2,628 kwh.

Yugoslavia consumes 1,006 k.w.h. of power in 1969. India consumes, only 93 k.w. of power in 1971-72. Of course,

an ambitious scheme has been formulated to develop electricity from 18 million k.w. to 52 million k.w. in 1980. It is a huge programme to be implemented.

I hope this may be taken up with all seriousness. But, this cannot be done if a Central High Power body with power to coordinate all aspects of the generation is not set up, to do the job. I want to emphasise again that rural electrification for energising tubewells for development of irrigation potential should be given the highest priority. I want to say some thing on Farakka Barrage.

Calcutta port has got to be saved. It is in danger of being rendered useless due to silting of the bed of Bhagirathi. After much agitation Central Government decided to construct the Barrage over Ganges. It was stated by Mr. Rao that 40,000 cusecs of water would be diverted to Bhagirathi for flushing up the river bed. This was the minimum requirement. But, suddenly, the decision was changed. West Bengal Government was pressurised to accept a lesser amount of water through this Barrage. It was said that 20,000 cusecs of water will suffice. Who changed the original decision?

Later, Dr. Rao said before this Parliament on 14-8-72 that Prof. Hansen, an hydraulic expert from West Germany had categorically stated in 1957 that 40 thousand cusecs would be necessary for it for 10 months and 20,000 cusecs for the lean months from March to mid-May. And Government had accepted his suggestion that 40,000 cusecs is the minimum necessary for this.

If that is the final statement of Dr. Rao, then why did he give a wrong schedule in a statement on 31-5-1972 that reads:

"From January to middle of March the water available will be 40,000 cusecs to 20,000 cusecs and mid-March to mid-May upto 20,000 cusecs."

[Shri Bijoy Modak]

This means that this can be less than 20,000 cusecs. This does not tally with his statement on 14th August, 1972 as has been noted already. Dr. Rao must clarify why in face of Dr. Hansen's report, this misstatement was made deliberately?

We understand that some projects in U.P. and Bihar needs water from the Ganges. We have no quarrel with them. They should get water. The necessity of irrigation projects in U.P. and Bihar can be met, during the period of March to May, by some suitable schemes for drawing adequate ground water, surface water for that shorter period, till the Ganga-Brahmaputra grid project can be executed. If that can be done, let Dr. Rao categorically state in this House that he would divert 40,000 cusecs of water of Ganges throughout the year.

Sir, you know there is a serious erosion of Ganges down stream of Farakk Barrage in Murshidabad District. This erosion threatens the present alignment of B.A.K. Loop line, National highway No. 34 also the proposed Jangipara Barrage. Three big towns Dhulian, Aurangabad are in danger of being wiped out.

Sir, one would expect that something must be done immediately to check this. But we only see that Central and State Governments are trying to fix the main responsibility for this erosion on each other's shoulder. Nothing is being done. Even the sum of Rs. 1 crore as demanded *ad hoc* by West Bengal Government has not been given as yet by Central Government on the plea of the total estimate being sent.

On 6th March, 1973 an estimate of Rs.63 crores for protection of 51 K. M. down stream Farakka has been received by the Centre from West Bengal Government. But Dr. Rao has not mentioned how much cost the Central Government is going to bear, though he admits in a way that the Centre will bear some responsibility.

There is strong doubt that the change of the site of the barrage as suggested by the River Research Institute and eminent engineers like Mr. Devesh Mukherjee and Mr. Chakravarty is the main reason behind this recent spurt in erosion. The River Research Institute and Poona Water and Power Research Institute suggested some devices to correct that mistake. But Dr. Rao has disregarded all their advices. Now he is asserting that Farakka Barrage has no connection with this spurt in erosion. There can be no denying the fact that the erosion at the place has increased since the construction of the Barrage. It may be tested by the Hydraulic Model test of river flow. The model is still at the above Institutes. If the Central Government is proved to be responsible for this spurt in erosion, they must bear the full cost for repairing the damage done to the people.

Dr. Rao has admitted that Ganga and Brahmaputra have been causing an immense amount of erosion problem. This cannot be met by the State. I expect that after the total estimates of the scheme are scrutinised, the Central Government must bear the full ~~expenses~~ for containing the erosion.

Regarding the strike by the workers of the State Electricity Board, Haryana, the strike is going on now. The union has called the strike because the Board has not implemented the agreement arrived at between the Union and the Board on interim relief, medical benefit etc. The police has let loose brutal repression on the people. In these days of shortage of electricity, this sort of thing should not be allowed to continue for a long time. I would request the minister to intervene personally in this matter so that a settlement could be arrived at very soon. Otherwise, there is already famine everywhere in northern India and this may add to the difficulties and the whole economic life of the northern zone will be dislocated.

With these words, I oppose the demands of the Ministry.

SHRI LILADHAR KOTOKI (Nowgong): Sir, I rise to support the Demands of the Ministry of Irrigation and Power. My friend from the opposition said that he is opposing the Demands. It is not for opposing him that I am supporting the Demands. I do sincerely feel that not only these Demands should be granted but Parliament should go a long way to see if bigger demands can be granted if we really mean that during the Fifth Plan period we should actually succeed in achieving the objective of democratic socialism and in that way remove poverty and regional imbalances and cater to the weaker sections of society and so on and so forth. Therefore, this Ministry has to play the basic role because for all economic development, it is electricity which is the basic infrastructure. I can do no better than quote from the document of the Ministry itself on Power Generation for the Decade 1971-81. In paragraph 1.1 it states :

"Electric power is one of the basic infrastructure of a developing economy. Through its use in industry, agriculture, transportation and in the commercial and domestic sectors, electricity penetrates directly or indirectly into every facet of the nation's life."

The *per capita* consumption of electricity is a very sure indicator of the standard of economic growth of any country. From the figures, you will find that although our electricity generation has gone up seven-fold, we are still at a staggeringly low level compared to the developed countries of the world. Our *per capita* consumption of electricity is only 90 K.W.H in 1970-71 as against the highest figure of 7013 in the United States in 1969. That shows where we stand.

But in passing I may say that although our *per capita* average is 90 K.W.H., the distribution is so uneven in this country that in some parts it is dismally low. I will come to that later on.

Today within the time limit I will refer to power, and I am glad the Finance Minister is also here. I hope he will appreciate the problem before us and he will be more liberal than hitherto in the allocation of funds for generation of power.

Today all our economic activities are being thwarted by the shortage of power. In fact, if I may say so, we are facing a grave crisis. The source of hydel power is drying up. In my State in the Uman hydel project the minimum level has gone down and it is nearly closed. So, the industrial activity is at a standstill. It is so in other parts of the country also. This power crisis has created a difficult situation and I do not know how the government is going to face it.

The only thing that I would emphasize is that speedy measures must be taken and whatever the Government can do to meet the minimum power requirements of the essential sectors must be done so that the economy does not suffer, so that our agricultural activities may go on, so that a large number of labourers are not thrown out of employment as now threatened, which may create not only a grave crisis in the economic field but may create a law and order situation which it will be difficult to tackle either for the State Governments or the Central Government. This is how I view this problem. Therefore, before I go to the details of the problem, I would urge that this power crisis in the country today must be tackled with the utmost urgency by the Government, both at the Central and State level, because this is a problem for the entire country. Now the Centre may say that electricity is the responsibility of the State Governments and the State Electricity Boards and, therefore, they cannot do anything. I have an answer to this, which I will mention later on. I will say that the Centre must assume greater power and Parliament must amend the Electricity Act and strengthen the Central electricity authority so that the Government

[Shri Liladhar Kotoki]
of India, may not in future put forth this plea that it is the responsibility of the States. I will come with detailed suggestions later on.

This Ministry is concerned not only with power but also with irrigation, flood control and protection from erosion. Therefore, I have some suggestions to put forth on each of these items for the consideration of the House and the Government.

I will take one point now. I know, I have to close in a minute or two because there is a Half-An-Hour Discussion. But I would just now mention this point so that I can develop it tomorrow.

MR. CHAIRMAN: I think, you better develop it tomorrow. We now take up the Half-An-Hour Discussion.

18 hrs.

HALF-AN-HOUR DISCUSSION
DEMAND FOR INQUIRY INTO WORKING
OF RESERVE BANK OF INDIA
SHRI JYOTIRMOY BOSU (Diamond Harbour): Mr. Chairman, Sir, the Reserve Bank of India is a key institution for growth in the economic affairs of the country. We see very impressive buildings and they have, no doubt, become big patrons in the field of architecture but not in the field of economy.

Now, a former Governor of the Reserve Bank of India who knows its working thoroughly, Mr. H.V.R. Ienger, has been quoted thus:

"He attributed the present inflation in India to the virtually automatic process of credit expansion and wanted an Inquiry Commission to go into the extent of advice given by the Reserve Bank and accepted by the Government."

The suggestion was endorsed by Mr. R.G. Saraiya, Chairman of the Banking Commission. Mr. Ienger has been further quoted thus:

"Technically, the RBI was the primary currency authority and bank credit. But the real deciding authority was

the Government which was subjected to pressures.

He brushed aside the argument that inflation was a universal phenomenon and that the present inflation in India was part of the world-wide economic process. The effect of inflation in affluent societies was different from that in a poor country like India, he contended. In a poor country, inflation would hit millions of people at the vital spot—consumption of essential goods.

The ex-RBI Governor had also suggested the procedure of a parliamentary debate 'on the limit of credit expansion'.

I would like the Minister to make a note of this. Parliament has been so far, more or less kept in the dark and brushed aside.

Another gentleman has spoken about autonomy for the R.B.I. Mr B. N. Adarkar, the Bank's Governor told a meeting of the Rotary Club of Bombay:

"If there was one reason why the Reserve Bank should continue to enjoy due autonomy, it was to ensure that its power of credit creation was used wisely on the basis of an expert and non-political judgement.

This did not mean that the Bank's policies and decisions should be immune from public or parliamentary criticism. The Bank benefited from such criticism.

In a federal system, the Central Bank was exposed to constant pressure to create monetary resources to make good deficits arising from other sources.

At a time when the resources available to the State Governments were insufficient to satisfy all demands, the Reserve Bank was asked to make good the deficit, either by making additional credit available through credit banks or by agreeing to an increased amount of market borrowing."