

fostering and nursing and for that purpose, there should be a Central Fund to help that private sector. The implication is that by helping this private sector, it should be allowed to subsist and continue to exist as an integral part of the industrial economy of the country. So, the Act as it stands today, is a sort of endorsement of private capitalism in the country. Some of the Members in 1948, particularly Shri K. T. Shah, made out a very cogent case in favour of nationalising this Corporation. According to the provisions of the Act, the State guarantees the capital of the Corporation. That is the shares which are subscribed to the Corporation are guaranteed by the Government. But the State has not full say in the management and control of this Corporation. That is the analysis of the position of the Finance Corporation. When the State guarantees fully and completely the capital of the Corporation, it is but logical to expect that it should have complete sway in the matter of ownership and management of this institution.

Shri Velayudham (Quilon cum Mavelikkara—Reserved—Sch. Castes): It is only guarantee.

Shri M. S. Gurupadaswamy: Sir, You are aware that this Government are tinkering with planning. They have almost finalised a Five Year Plan. It may be coming before this House within a few days. If you accept planning as the basis of your economy, then why should you support a policy which means that this Corporation which is to help the industries of the country should be partly privately-owned? Sir, the development of the entire country is the responsibility of the State and State alone and in all matters of development of the country, the State should have full say. But here is a case where the State guarantees the entire capital of the Corporation which is mostly controlled by private capitalists. If the Corporation runs into loss, then the State will come and straightway meet the loss of the Corporation. Why should there be such a thing at all? If the intention of the Government, or the sole purpose of the Government is to promote economic development uniformly in every corner

of the country, then it is necessary that the Corporation should be owned, managed and controlled by the State alone.

Sir, my hon. friend, Mr. Guha, was referring to certain cases of favouritism in the operation of the Corporation. He said that certain concerns were inviting the relatives of the Directors to become the Directors of those concerns with an ulterior motive—with a motive to get financial help from the Corporation. I have seen many instances, and many people, who are trying to get the relatives of those Directors somehow or other to their concerns in some capacity so that they may get the financial help easily. This should not happen.

Sir, nationalisation policy should be made the corner-stone of our economy.

Mr. Chairman: I take it the hon. Member will continue for sometime, more.

Secretary will now read a message from the Council of States.

MESSAGE FROM THE COUNCIL OF STATES

Secretary: Sir, I have to report the following message received from the Secretary of the Council of States:

"In accordance with the provisions of sub-rule (6) of rule 162 of the Rules of Procedure and Conduct of Business in the Council of States, I am directed to return herewith the Bill further to amend the Indian Tariff Act, 1934, which was passed by the House of the People at its sitting held on the 14th November, 1952, and transmitted to the Council of States for its recommendations and to state that the Council has no recommendations to make to the House of the People in regard to the said Bill."

Mr. Chairman: The House will now stand adjourned till 10-45 A.M. tomorrow.

The House then adjourned till a Quarter to Eleven of the Clock on Wednesday, the 26th November, 1952.