

Volume I

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Tuesday
3rd June, 1952

PARLIAMENTARY DEBATES

HOUSE OF THE PEOPLE

OFFICIAL REPORT

(Part I - Questions and Answers)

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Members Sworn [Cols. 2—18].

PARLIAMENT SECRETARIAT
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PARLIAMENTARY DEBATES

(Part I—Questions and Answers)

OFFICIAL REPORT

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Tuesday, 3rd June, 1952.

The House met at a Quarter Past Eight of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Shri N. S. Nair: Sir, on a point of information may I know whether the Secretariat or the Speaker can disallow, questions without assigning any reasons whatsoever?

Mr. Speaker: The hon. Member will see that the Secretary does not allow or disallow questions. The position must be clear to the hon. Member as also other Members of this House. The Secretary only looks at the questions, examines them and if necessary amends them but these are all only recommendations to the Speaker. It is the Speaker who finally allows or disallows questions and I can assure the hon. Member that I do not merely go on signing them. It is a huge burden on me to go through hundreds of questions, look to their language and their admissibility and all the rest of it. The hon. Member need not labour under the impression he seems to be under.

Shri N. S. Nair: Have I a right to get the reasons why my questions are disallowed?

Mr. Speaker: Yes. If any Member is dissatisfied and wants to know the reasons, he should approach the Secretary in the first instance and if he is still dissatisfied with what the Secretary explains to him, the hon. Member can always come to me in my chamber.

Shri N. S. Nair: I approached the Secretary in one instance, where I was told that the Speaker had disallowed

the question. There are other questions disallowed for which no answer has been given.....

Mr. Speaker: It is no use arguing that point in general. He may come to specific questions in respect of which he is dissatisfied or has any dissatisfaction with the explanation which the Secretary may give. If I were to sit again over reconsideration of every question, probably I need not enter the House at all but only sit in the Chamber the whole time dealing with questions only. Questions are disallowed for many reasons into which I need not go at present. I agree that he is entitled to know the reasons why any question of his is disallowed but he also should know that on that point the Speaker's decision is final and he will accept it as binding on him.

MATCH INDUSTRY

*382. **Shri S. N. Das:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the Central Excise Superintendent, Lahriarasai allowed export of matches to Nepal in Jainagar and fixed the local inspector to certify the export for rebate purposes;

(b) whether it is a fact that the Mithila Match Company exported matches and produced certificates of export from the Inspector and Nepal Customs office and still were not allowed rebate;

(c) whether it is a fact that Jainagar has been made a Lands Customs outpost also under the said Central Excise staff for purposes of rebate of import duty realised at sea customs port which is done on certification of entry by the local staff;

(d) whether it is a fact that this facility is not granted with respect to Central Excise match duty passing through Jainagar outpost as regards Indian Match Companies?

The Minister of State for Finance (Shri Tyagi): Presumably, the hon.

Member is referring to consignments of matches exported, early in 1950, to Nepal by the Mithila Match Factory, in respect of which rebate of excise duty was refused by the Central Excise Department on the ground that the prescribed export applications were not countersigned by the Indian Embassy at Khatmandu as required by the Central Excise Rules, 1944. The answer to the question is as follows:

(a) Yes; the Inspector of Central Excise posted at Jainagar examined the consignments of the matches in question, and the seals of the Central Excise Department affixed thereon, before export to Nepal, and he recorded a certificate to this effect on the export application forms.

(b) Yes; but, in the absence of the prescribed certificate from the Indian Embassy at Khatmandu, neither the certificate of the Inspector of Central Excise, Jainagar, nor the certificate of the Nepal Customs authorities, was sufficient to establish the claim for rebate in accordance with the Rules.

(c) Border outposts were established at Jainagar and other places, for purposes of regulating movement of goods in transit from and to Nepal through Indian Territory with effect from the 1st November 1950, according to the treaty of Trade and Commerce between the Governments of India and Nepal. Those outposts, however, could not function, as certain administrative arrangements under the treaty could not be completed by the Nepal Government. The customs outpost at Jainagar and other places on the Nepal border still remain closed and rebate of import duty realised at Sea Customs ports is granted only after production of the goods before the Indian Embassy at Khatmandu.

(d) Rebate of excise duty is granted on all exports to Nepal of matches manufactured in India, if they are exported, and proof of export is furnished in accordance with the procedure prescribed in the Central Excise Rules, 1944. An essential part of the procedure is the production of the goods before the Indian Embassy at Khatmandu for physical identification and certification.

श्री एस० एन० दास : क्या मैं जान सकता हूँ कि जिस समय सेंट्रल एक्साइज ड्यूटी रिटर्न ने मिथिला मैच फैक्टरी को नेपाल में मैचवाइज भेजने की अनुमति दी उस समय उन को यह बात बता दी गई थी कि एम्बेसेडर से काउंटर साइन कराना होगा ?

[Shri S. N. Das: May I know whether, at the time of Mithila Match Factory being allowed to export matches to Nepal by the Central Excise Superintendent, the factory was informed that it would have to get the export application forms countersigned by the Indian Ambassador?]

श्री त्यागी : यह तो मुझ को मालूम नहीं लेकिन यह रूख गड़बड़ हो गये हैं और सब लोगों को मालूम है कि जो सामान नेपाल को जाता है उस पर एकसाइज ड्यूटी वापस करने का तरीका यह है कि इस बात का सर्टीफिकेट लिया जाय कि काठमांडू तक वह चीज पहुंच गई, और उसके बाद ही रिफंड मिल सकता है।

[Shri Tyagi: That I do not know, but, as everyone knows, rules have been published in the Gazette which prescribe that the correct procedure of claiming rebate of excise duty is that a certificate to the effect that the goods have been delivered in Kathmandu should be produced. Only then can the rebate be granted.]

श्री एस० एन० दास : क्या मैं यह जान सकता हूँ कि जो सामान काठमांडू जाता है उसी पर एकसाइज का रिबेट दिया जाता है या कि जो सामान नेपाल में दूसरी जगहों पर जाता है उस पर भी रिबेट दिया जाता है ?

[Shri S. N. Das: May I know whether such rebate of excise duty is granted with respect to goods sent to Kathmandu alone or to those sent anywhere in Nepal?]

श्री त्यागी : नेपाल टैरिटरी में कहीं भी सामान जाय रिबेट सब पर दिया जाता है। लेकिन हर एक्साइजेबिल सामान का काठमांडू पहुंचना और उस पर सर्टीफिकेट लिया जाना इसलिए जरूरी है कि काठमांडू पहुंचने में इतना किराया लग जाता है कि कोई शस्स वहां पहुंचने के बाद उस सामान को हिन्दुस्तान वापस नहीं ला सकता। इसी हिकाजत की वजह से वहाँ पहुंचने पर सर्टीफिकेट लिया जाता है।

[**Shri Tyagi:** The rebate is granted with respect to goods sent anywhere in Nepal. The necessity of ensuring that all excisable goods have reached Kathmandu and hence of obtaining certificate to that effect arises only due to the fact that their transport to Kathmandu involves enough expenditure so as to render its bringing back to India much too uneconomic. It is for the sake of that very precaution that the certificate has to be obtained on arrival there.]

श्री एस० एन० दास : क्या जो बाहर का सामान हिन्दुस्तान में हो कर नेपाल जाता है उस पर भी रिबेट मिलने के लिए यही नियम लागू है कि एम्बेसेडर से सर्टीफिकेट काउंटरसाइन कराया जाय ?

[**Shri S. N. Das:** Does the necessity of such a certificate being countersigned by the Ambassador arise also in the case of foreign goods that go to Nepal via India, before a rebate could be claimed?]

श्री त्यागी : जी हाँ, उस के लिए भी यही नियम है।

[**Shri Tyagi:** Yes, Sir, it does.]

UNAUTHORISED IMPORTS

*383. **Shri Hukam Singh:** Will the Minister of Finance be pleased to state:

(a) the value of properties confiscated by the Customs Authorities for unauthorised imports during 1951-52;

(b) the value of fine recovered in lieu of confiscation; and

(c) the value of confiscated goods sold and the price realised?

The Minister of State for Finance (Shri Tyagi): (a) The value of properties confiscated by the Customs authorities for unauthorised imports during 1951-52 is Rs. 3,17,76,600 approximately.

(b) The amount of fines recovered in lieu of confiscation is Rs. 64,33,500 approximately.

(c) The appraised value of the confiscated goods sold is Rs. 21,44,000 approximately and the price realised so far is Rs. 20,77,100 approximately.

Shri Hukam Singh: Does this amount of Rs. 3 crores include all the confiscations at the land customs posts?

Shri Tyagi: Yes, Sir.

Shri Hukam Singh: Whether there were any confiscation of the articles of import which were first put on the O.G.L. and when commitments had been made subsequently were brought under some licence?

Shri Tyagi: If the hon. Member has information about some particular goods and tells me, then I may make enquiries. There may probably be some such goods, but the matter has to be investigated.

Shri Gurupadaswamy: What are the articles which are imported illegally and how much and from which country? How do those articles compare with the authorised imports?

Shri Tyagi: The articles so imported are numerous. They are imported against section 18 of the Sea Customs Act, under which import of certain goods is prohibited altogether. There are some commodities which have been notified under section 19 of the Sea Customs Act, whereby Government prohibits or restricts the import of certain articles from time to time. There are the Import and Export Control Acts, the Dangerous Drugs Act, the Foreign Exchange Regulation Act. There are so many commodities the import of which is altogether prohibited or restricted.

BRAILLE SCRIPT

*384. **Shri Hukam Singh:** Will the Minister of Education be pleased to state:

(a) whether any International Conference was convened to study the possibility of evolving a single Braille Script for the World; and

(b) whether there is a common Braille code for our country?

The Minister of Communications (Shri Jagjivan Ram): (a) Yes, Sir. Three International Conferences were convened by UNESCO to study the possibility of evolving a single Braille script for the world.

(b) Yes, Sir. The common Braille code for Indian languages is known as Bharati Braille.

Shri Hukam Singh: What was the result of the deliberations of that Conference? Was any common Braille Code evolved for the whole world or not?

Shri Jagjivan Ram: Not yet. Efforts are being made still.

Shri Hukam Singh: May I know whether there is any central printing press also for this Bharati Braille?

Shri Jagjivan Ram: Yes, a central printing press has been established at Dehra Dun.

Shri Hukam Singh: May I know whether the school imparts education in Hindi alone or in other principal Indian languages as well?

Shri Jagjivan Ram: This is for Hindi as well as for other Indian languages.

Shri Hukam Singh: Is there any Braille connotation for music in this institution?

Shri Jagjivan Ram: I cannot say definitely.

CIVILIAN GAZETTED POSTS

***385. Shri Hukam Singh:** Will the Minister of Defence be pleased to state:

(a) the number of applications received by the Selection Board from the retrenched and surplus military and Civilian Officers for absorption in Civilian Gazetted posts; and

(b) the number selected by the Selection Board and the number actually absorbed?

The Minister of Defence (Shri Gopalaswami): (a) 2,996.

(b) 48 were selected of whom two have so far been absorbed. The others have not yet accepted the offer of appointments made to them.

Shri Hukam Singh: Does the selection board consist of military officers alone or are any civilians also represented on it?

Shri Gopalaswami: There is a member of the U.P.S.C. on it.

Dr. Gangadhara Siva: May I know how many applications have been received from members of the Scheduled Castes and how many of the applicants have been selected?

Shri Gopalaswami: I am afraid, Sir, I have not got that information.

HINDUSTAN AIRCRAFT LTD.

***386. Shri B. R. Bhagat:** Will the Minister of Defence be pleased to state:

(a) whether the Share-Capital of the Hindustan Aircraft Ltd., is proposed to be increased; and

(b) if so, by how much?

The Minister of Defence (Shri Gopalaswami): (a) and (b). It was recently decided to increase the share capital of Hindustan Aircraft Ltd., by Rs. 200 lakhs.

Shri B. R. Bhagat: Who will own these shares? Will they be Government or non-Government owned?

Shri Gopalaswami: The whole of the two crores will be Government of India's funds.

Shri B. R. Bhagat: Are there non-Governmental shares in this company?

Shri Gopalaswami: No, at present the share capital is divided between the Government of Mysore and the Government of India.

Shri B. R. Bhagat: May I know whether there is a proposal to transfer this concern to the Production Ministry?

Shri Gopalaswami: There is no such proposal.

ELECTRICAL ENGINEERING SCHOOL

***387. Shri B. R. Bhagat:** Will the Minister of Defence be pleased to state:

(a) whether Government propose to start an Electrical Engineering School at Jamnagar;

(b) if so, for what purpose; and

(c) when the school will start functioning?

The Minister of Defence (Shri Gopalaswami): (a) and (c). The Naval Electrical School has been in commission at Jamnagar since 1942. It is now proposed to build a permanent building to house it.

(b) The main function of the Naval Electrical School is to impart training to Officers and men of the Indian Navy in general, and of the Electrical Branch of the Indian Navy in particular, in the operation and/or maintenance of all Electrical equipment in use in the Service.

FIVE YEAR PLAN

***388. Dr. Ram Subhag Singh:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that India's five-year plan of development would be converted into a six-year plan to bring it in line with the Colombo Plan; and

(b) if so, what would be the consequent increase in the outlay?

The Minister of Finance (Shri C. D. Deshmukh): (a) I would invite the attention of the hon. Member to the reply I gave to Question No. 67 on the 21st May, 1952, when I stated that the only difference between the Plan of the Government of India included in the Revised Colombo Plan and the Five-year-plan is that the probable expenditure on development for an additional year, not covered by the latter, is included in the former.

(b) The Draft Five-year Plan published in July, 1951, envisaged a development expenditure of Rs. 1,943 crores over the five years on Public Account. Extended to the sixth year, the figure increases to Rs. 2,334 crores.

Dr. Ram Subhag Singh: May I know whether the external assistance contemplated under the Five Year Plan would also increase with the conversion of that Plan into a six year plan?

Shri C. D. Deshmukh: Yes, Sir, *pro rata*.

Dr. Ram Subhag Singh: By what amount?

Shri C. D. Deshmukh: Approximately *pro rata*.

DEFENCE SCIENCE ORGANISATION

***389. Shri Velayudhan:** Will the Minister of Defence be pleased to state:

(a) whether a conference of Scientists was held under the auspices of the Defence Science Organisation; and

(b) if so, what were the results of the deliberations of this Conference?

The Minister of Defence (Shri Gopalaswami): (a) Yes.

(b) The Conference afforded an opportunity to scientists in Universities and in the different parts of the Defence organisation to come together and exchange ideas on various scientific problems concerning the Defence Services.

Shri Punnoose: May I know whether that conference was a conference of Indian scientists alone or foreign scientists had also taken part in it?

Shri Gopalaswami: I believe they were practically all Indian scientists.

Shri Punnoose: May I know whether those Indian scientists were invited in their individual capacity or as representatives of certain organisations?

Shri Gopalaswami: I think some of them were invited in their individual

capacity but I believe some others represented certain organisations.

Shri Nambiar: May I know whether the question of production of atom bomb was also concerned in that conference?

Mr. Speaker: Order, order. Next question.

DESHMUKH AWARD

***390. Shri B. R. Bhagat:** Will the Minister of Finance be pleased to state:

(a) whether the Government of Bihar asked for the revision of the Deshmukh Award of 1950 in regard to the division of Income-tax Pool and share in lieu of payment of export duty on jute and jute-products;

(b) if so, the reasons advanced by the Bihar Government for the same; and

(c) the decision, if any, taken by the Government of India on the request of the Bihar Government?

The Minister of Finance (Shri C. D. Deshmukh): (a) to (c). As the hon. Member is aware, this matter is now under enquiry by the Finance Commission and Government's decision can be taken only after receipt and consideration of the Commission's recommendations. Government are not aware of the contents of the representation submitted by the Government of Bihar to the Commission.

Shri B. R. Bhagat: May I know whether the Finance Commission is likely to pay a visit to Bihar to examine these points in the near future?

Shri C. D. Deshmukh: I am not in a position to answer the question. The Finance Commission determine their tour programme—it is very likely they will visit Bihar before they finish.

U. N. TECHNICAL ASSISTANCE

***391. Shri S. N. Das:** Will the Minister of Finance be pleased to state:

(a) what are the terms and conditions of the Technical Assistance Pact recently entered into between India and the U.N.;

(b) how much India will have to contribute towards the common fund financed by the voluntary contributions by participating Governments; and

(c) the benefits that India will be deriving from the Pact?

The Minister of Finance (Shri C. D. Deshmukh): (a) The terms and conditions are laid down in the Basic Agreement concerning technical assistance between the United Nations and the Government of India, signed on the 2nd April, 1952, a copy of which is placed on the Table of the House. [See Appendix III, annexure No. 1].

(b) The contribution of the Government of India to the Expanded Programme of Technical Assistance for the year 1952 is equivalent to \$275,000.

(c) Under this Agreement India will be able to secure technical experts and trainee facilities in all fields, not available in India, from all countries of the world which are members of the United Nations.

Shri S. N. Das: Since this basic agreement has been signed, may I know whether any supplementary agreement has been made between the United Nations and the Government of India for any specific purpose given in paragraph 3 of Article 1?

Shri C. D. Deshmukh: I want notice of the question.

Shri Velayudhan: The hon. Minister has said that he is trying to get experts from all the member countries of the U.N.O. May I know whether any expert is being invited from Soviet Russia or China?

Shri C. D. Deshmukh: It depends on the availability of experts and our need for them. So far among the experts invited I do not think anyone is included from the U.S.S.R.

Shri Nambiar: May I know why from the U.S.S.R. men are not invited considering the necessity of our industries as well as the availability of technicians in Soviet Russia?

Mr. Speaker: I think it is a matter more or less for decision of the Government.

Shri Nambiar: May I know why?

Mr. Speaker: He has already replied that it depends upon the schemes we have on hand and the availability of the particular type of experts in the other countries.

Shri Punnoose: Is it due to political considerations that they are not invited?

Mr. Speaker: Then let a straight question be put as to whether U.S.S.R. is excluded on account of political considerations.

Shri Nambiar: Yes, Sir.

Shri C. D. Deshmukh: It depends on the countries which are willing to participate in the scheme. I have here a table which gives the amount of contributions pledged by contributing countries and I do not find the U.S.S.R. among them.

Shri Namdhari: May I know, Sir, when U.S.A. has contributed so much in helping India, only because of pro-pagandist fear why should we not have experts from their country?

Mr. Speaker: Order, order. We are entering into an argument now.

Shri S. N. Das: Do the terms and conditions given in this basic agreement cover other technical assistance given by specialised agencies of the United Nations?

Shri C. D. Deshmukh: I should like to have notice of that.

GENERAL ELECTION

*392. **Shri S. N. Das:** Will the Minister of Law be pleased to state:

(a) the total amount of expenditure incurred in connection with the first general election both by the Central Government and the various State Governments giving separate figures for both Houses of Parliament and State Legislative Assemblies; and

(b) what is the total amount of income in the general election by way of fees and forfeiture of security deposits?

The Minister of Law and Minority Affairs (Shri Biswas): (a) Rs. 9,03,48,389 approximately (excluding the expenditure in Madhya Bharat, Patiala and East Punjab States Union, and Coorg, the figures of which have not yet been received).

The operations in connection with the elections to the House of the People and the State Legislative Assemblies were undertaken simultaneously. As no separate accounts could be maintained, it is not possible to furnish figures of expenditure separately for the House of the People and the State Legislative Assemblies.

(b) Rs. 13,83,897 (excluding incomes in Orissa, Uttar Pradesh, West Bengal, Madhya Bharat, Mysore, Patiala and East Punjab States Union, Travancore-Cochin, Delhi, Kutch and Bilaspur, the figures of which have not yet been received).

Shri S. N. Das: May I know whether the hon. Minister is in a position to state what is the total expenditure incurred by the candidates who contested the elections?

Shri Biswas: The figures are not yet available. Unless the returns of

election expenses are scrutinised, the information cannot be given.

Shri Nambiar: May I know whether the expenditure incurred by Government includes the expenditure on the cars used by the Ministers in the elections?

Mr. Speaker: Order, order.

Shri Biswas: There is no information on the subject.

Mr. Speaker: The hon. Minister need not reply to it. It makes a suggestion that the Ministers made use of State cars for election purposes.

Shri K. G. Deshmukh: May I know whether the amount of the security forfeited from the candidates is received by this Government or the State Governments?

Shri Biswas: I believe the security was forfeited by the States in which the elections were held.

RESETTLEMENT OF EX-ARMY VETERANS

*393. **Dr. Ram Subhag Singh:** Will the Minister of Defence be pleased to state the total amount of money which the Government of India have granted to different States for the re-settlement of ex-Army veterans since January 1, 1952?

The Minister of Defence (Shri Gopalaswami): The Government of India have given to State Governments a sum of Rs. 9,00,150 since January 1, 1952, for the settlement of 1,265 ex-servicemen in Land Colonies. This amount consists of a grant of Rs. 7,05,000 and a loan of Rs. 1,95,150. A statement is placed on the Table of the House.

STATEMENT

The amounts paid to State Governments since January 1, 1952, for implementation of Land Colonisation Schemes.

State	Grant	Loan
	Rs.	Rs.
Punjab	1,86,000	..
Manunagar (UP)	20,250	41,000
Bhopal	24,750	34,150
Coorg	1,49,000	..
Madras	1,25,000	..
Hyderabad	2,00,000	..
Pepsu	..	1,20,000
	7,05,000	1,95,150
Total Grant and Loan	7,05,000+	1,95,150 = Rs. 9,00,150.

Dr. Ram Subhag Singh: May I know to which States these grants have been given by the Government of India?

Shri Gopalaswami: The names of the States are given in the statement, but for the information of the hon. Member I may mention that the States are Punjab, U.P., Bhopal, Coorg, Madras, Hyderabad and PEPUSU.

Dr. Ram Subhag Singh: May I know whether there are any ex-Army veterans still left who require resettlement benefit?

Shri Gopalaswami: Of course, there are.

Dr. Ram Subhag Singh: What is their approximate number?

Shri Gopalaswami: I am afraid I should require notice of that question.

Pandit C. N. Malviya: May I know whether any grant has been made for the resettlement of ex-servicemen in Bhopal? If not, why? What steps are being taken to resettle them?

Shri Gopalaswami: Bhopal has been given both grants and loans. The grant is Rs. 24,750 and the loan is Rs. 34,150.

Kumari Annie Mascarene: May I know what amount is set apart for Travancore-Cochin State?

Mr. Speaker: I think we need not go into separate States.

Shri Gopalaswami: None has been given during the last few months.

Shri P. T. Chacko: May I know whether any compensation or relief was given to the personnel discharged from the State Forces at the time of integration of the Indian Forces?

Shri Gopalaswami: I do not know if I can give the figures, but I do not think that there is any discrimination against men discharged from the State Forces.

Shri V. P. Nayar: Why is it that no amount has been set apart for Travancore-Cochin?

Mr. Speaker: Order, order. He can table a separate question.

Shri Gurupadaswamy: May I know whether Government have received any complaints that the grants are inadequate and if so, from which quarter have the complaints been received?

Shri Gopalaswami: I do not think we have received any complaints. I should say from the figures I have got.

here that the grants are fairly adequate.

Shri Hukam Singh: Have the State Governments been advised to reserve any fixed percentage of land for these ex-servicemen or is it left to them to decide what area to give?

Shri Gopaldaswami: We have two sets of colonies—one relating to blocks of lands measuring more than 1,000 acres and another relating to blocks which are less than 1,000 acres. Wherever these blocks are available, and they are required for these ex-servicemen, we ask the State Governments to reserve them.

Shri V. G. Deshpande: May I know if the Shiledars in Gwalior State have been disbanded without any compensation?

Mr. Speaker: That does not arise out of this.

APPOINTMENT OF EXPERT ON AFFORESTATION

*394. **Dr. Ram Subhag Singh:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Mr. G. Wilson, Director of the Colombo Plan, has impressed upon the Government the necessity to secure the services of an expert for advising them on afforestation problems in the catchment areas of the various dams of the Damodar Valley Corporation; and

(b) if so, when this suggestion is going to be acted upon?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). Mr. Wilson discussed this matter in an informal way, among other matters, with various authorities in this country. No specific request for securing the services of any expert in the field has however been received by the Government of India either from the Damodar Valley Corporation or the Governments of the States who are principally concerned.

Dr. Ram Subhag Singh: May I know whether the D.V.C. has appointed any expert for this purpose?

Shri C. D. Deshmukh: It is understood that the D.V.C. do not at the present moment intend to appoint an expert for the purpose.

BASIC AND SOCIAL EDUCATION

*395. **Shri S. C. Samanta:** Will the Minister of Education be pleased to state:

(a) whether the scheme for Basic and Social Education as adumbrated by

the Government of India is being uniformly followed by State Governments;

(b) whether the persons trained in the Wardha Scheme are being taken in by both the Central and the State Governments; and

(c) what are the findings and recommendations of the Planning Commissions as regards the development of Basic and Social Education?

The Minister of Communications (Shri Jagjivan Ram): (a) The different States have accepted the scheme generally but introduced such modifications as are necessary to their local condition.

(b) Yes, teachers trained in Basic Education are being employed in Government schools.

(c) The final Report of the Planning Commission is not yet ready but the Commission in its Draft Report has generally approved of the educational schemes formulated by the Government of India.

श्री एस० सी० सामान्त : क्या मैं माननीय मंत्री महोदय से जान सकता हूँ कि सेक्रेटरी एजुकेशन में बेसिक एजुकेशन के मुताबिक कोई तब्दीली हुई ?

[**Shri S. C. Samanta:** May I enquire of the hon. Minister whether any changes have been introduced in secondary education in consistence with basic education?]

श्री जगजीवन राम : कहीं कहीं पर हुई है ।

[**Shri Jagjivan Ram:** Here and there changes have been effected.]

श्री एस० सी० सामान्त : दिल्ली में कब बेसिक एजुकेशन शुरू हुई और कितने शिक्षकों ने शिक्षा पाई ?

[**Shri S. C. Samanta:** When was basic education introduced in Delhi and how many teachers have received training therein?]

श्री जगजीवन राम : इस प्रश्न का उत्तर तो यहाँ पर कई दफ़ा दिया जा चुका है । अगर भविष्य में भी आप चाहें तो आप की सूचना आने पर यह बता दिया जायगा ।

[**Shri Jagjivan Ram:** This question has been replied to in the House more

than once. The answer would be given again if the hon. Member gives notice of the question.]

सेठ गोविन्द दास : जहाँ तक समाज शिक्षा का सम्बन्ध है क्या तमाम प्रदेश सरकारों से केन्द्रीय सरकार के पास समय समय पर कोई रिपोर्ट आती हैं, और यदि आती हैं तो सब से अच्छा केन्द्र सामाजिक शिक्षा का किस प्रदेश में है?

[**Seth Govind Das:** So far as the social education is concerned, do the Central Government receive from time to time any reports from the State Governments, and if so, in which State is the best training centre for social education?]

Mr. Speaker: I am afraid the latter part of the question does not warrant an answer; only the first part need be answered.

श्री जगजीवन राम : रिपोर्टें तो आती हैं।

[**Shri Jagjivan Ram:** Reports are received.]

श्री वी. जी. देशपांडे : क्या सूध प्रदेश से यह शिकायत आई है कि समाज शिक्षा केन्द्र को कांग्रेस के निर्वाचन के लिये इस्तेमाल किया गया है?

[**Shri V. G. Deshpande:** Has any complaint been received from Madhya Pradesh that the social education centre was taken advantage of by the Congress for election purposes?]

Mr. Speaker: Order, order.

श्री एस. एन. दास : सरकार ने बुनियादी तालीम और समाज शिक्षा की जो योजना बनाई है उस के मुताबिक पार्ट सी स्टेट्स में क्या काम हो रहा है, और यदि हो रहा है तो वहाँ पर कितनी सफलता मिली है?

[**Shri S. N. Das:** Is any work being done in Part C States in connection with the scheme formulated by the Government with regard to basic and social education and if so, to what extent has it met with success?]

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श्री जगजीवन राम : इस समय इस का ब्योरेवार जवाब देना तो सम्भव नहीं है।

[**Shri Jagjivan Ram:** It is not possible at present to give a detailed answer to this question.]

Shri N. S. Nair: May I know whether it is envisaged to give basic education in Hindi in all the provinces?

Shri Jagjivan Ram: That is the ultimate objective.

Shri B. S. Murthy: Is it the intention of the Government to introduce basic system in primary as well as higher elementary education in the Centre and also in the provinces and if so, what steps are being taken to that effect?

Shri Jagjivan Ram: I will refer the hon. Member to the report of the Planning Commission.

Pandit Lingaraj Misra: Is the hon. Minister of Education aware that some of the States have been seriously handicapped in the execution of their social education schemes, because the Centre would not redeem its promise of substantial help for the last two or three years?

Shri Jagjivan Ram: That may be correct to some extent. In reply to a question a few days ago it was said that provision could not be made in the Central Budget due to financial stringency.

श्री एस. सी. सामन्त : क्या मैं माननीय मंत्री महोदय से जान सकता हूँ कि किन किन राज्यों में प्राइमरी एजुकेशन बेसिक एजुकेशन में रूपांतरित हो गई है?

[**Shri S. C. Samanta:** May I know from the hon. Minister in which States has primary education been converted into basic education?]

श्री जगजीवन राम : जहाँ तक मुझे ज्ञात है किसी भी प्रान्त में सारे प्रान्त में प्राइमरी शिक्षा बेसिक एजुकेशन में परिवर्तित नहीं हुई। लेकिन अधिकांश राज्यों में बेसिक शिक्षा कुछ न कुछ अंशों में दी जा रही है।

[**Shri Jagjivan Ram:** So far as my knowledge goes, in no State has primary education been fully converted into basic one, but, in most of the States, basic education is being imparted in some degree or the other.]

श्री एस० सी० सामन्त : क्या यह बात सच है कि अजमेर में लड़कियों के स्कूल भी रूपान्तरित हो गये हैं ?

[**Shri S. C. Samanta:** Is it a fact that in Ajmer Girls' Schools have also been turned into basic education centres?]

श्री जगजीवन राम: कुछ हुए होंगे, मेरे पास इस की सूचना नहीं है।

[**Shri Jagjivan Ram:** There might be some such cases, but I have got no information in this behalf.]

TRANSPORT CO-OPERATIVE SOCIETIES

*396. **Shri S. C. Samanta:** Will the Minister of Defence be pleased to state:

(a) how many and in which States, Transport Co-operative Societies of Army personnel, trained in Mechanical Transport have been formed;

(b) what the contributions of the States and the Government of India to these Societies are; and

(c) how many persons have been resettled by such efforts ?

The Minister of Defence (Shri Gopalaswami): (a) to (c). I lay a statement on the Table of the House. [See Appendix III, annexure No. 2.]

Shri S. C. Samanta: May I know, Sir, whether any transport co-operative society has been formed in Mysore State?

Shri Gopalaswami: No.

Shri S. C. Samanta: May I know, Sir, what varieties of vehicles are supplied to these societies, especially in places where there are road transport corporations?

Shri Gopalaswami: I have no information as to what vehicles are purchased by these societies, but a certain number of vehicles have been made over to them at book value from disposals.

Shri Nambiar: May I know whether the amounts received out of these co-operative societies are being distributed to all the ex-military personnel equally in a particular area?

Shri Gopalaswami: The members of the co-operative societies will certainly participate in any profits that accrue from the working of these societies.

Shri B. S. Murthy: May I know whether Government will issue instructions to the State Governments

asking them to give full encouragement to these co-operative transport societies in preference to private transport companies?

Mr. Speaker: I am afraid this is a suggestion for action.

Shri Hukam Singh: Is the assistance given to these transport societies from the State Governments or from the Central Government?

Shri Gopalaswami: We give vehicles and accessories from disposals stocks at book value. Funds for running these societies are obtained partly as loan from the post-war reconstruction fund and partly as share capital from members.

Shri S. C. Samanta: I find from the statement that loans have been given by State Governments from their post-war reconstruction fund. May I know whether the Central Government has given any help or grant to these societies?

Shri Gopalaswami: Except the concessions I have already referred to, I don't think the Central Government give any more assistance.

PIONEER BANK LTD.

*397. **Shri A. C. Guha:** Will the Minister of Finance be pleased to state:

(a) when the Pioneer Bank Ltd., West Bengal, closed its transactions;

(b) when the liquidation was ordered, who are the liquidators and what is their remuneration;

(c) the amount realised and so far disbursed; and

(d) whether the property of any of the debtors has been seized?

The Minister of Finance (Shri C. D. Deshmukh): (a) The Pioneer Bank Ltd., suspended payment on the 14th September, 1948.

(b) The bank was ordered to be wound up by the Calcutta High Court on the 12th July, 1949, and this order became absolute on the 6th December, 1949, on the High Court dismissing the Bank's application for sanction to a scheme of arrangement. By an order dated the 16th January, 1950, the High Court appointed Messrs. A. C. Ganguli and M. M. Bhargava as the official liquidators. Their remuneration was fixed at 5 per cent. of the gross realisations made by them. These two liquidators were replaced by Messrs. K. C. Mukherjee and P. D. Chatterjee by another order of the Court on the 7th March 1951 with a remuneration of

2 per cent. and 1 per cent. respectively on the gross realisations.

(c) and (d). The liquidators work under the direction of the High Court and Government are not in a position to give the information.

Shri A. C. Guha: May I know why the two previous liquidators were replaced?

Shri C. D. Deshmukh: That is a matter within the competence of the High Court.

Mr. Speaker: If he has got the information he may give it.

Shri C. D. Deshmukh: I have not got the information.

Shri A. C. Guha: May I know the total assets and liabilities of the bank when it was ordered to be liquidated?

Shri C. D. Deshmukh: I shall require notice of that question.

Shri A. C. Guha: May I know if any of the directors, either directly or indirectly, were also debtors to the bank?

Mr. Speaker: I think we need not go into these matters. The matter is under the jurisdiction entirely of the High Court.

Shri A. C. Guha: May I know whether the managing director, either in his own name or in the name of any other company, had taken a large sum of money.....

Mr. Speaker: That is a matter for the High Court to look into.

Shri A. C. Guha: Is it no concern of the Reserve Bank?

Mr. Speaker: It may or may not be. It may be at the back of the hon. Member's mind. So long as the law stands as it is, it is not proper to make enquiries and suggestions on matters which are *suo judice*.

Shri Gurupadaswamy: May I know whether there are any other banks which have been liquidated in the recent past?

Mr. Speaker: Order, order.

CLOSED BANKS OF WEST BENGAL

*398. **Shri A. C. Guha:** Will the Minister of Finance be pleased to state:

(a) whether, in the case of the banks of West Bengal, closed during the years 1947—1951 (both years inclusive) Government have made any enquiry regarding the properties of the persons who were responsible for the managements of those banks;

(b) whether any of these persons directly or indirectly had taken credit from the Banks—either in their own personal names or in the name of any firm;

(c) If so, what were the securities and what portions of these amounts have been realised; and

(d) what steps have been taken to realise these amounts?

The Minister of Finance (Shri C. D. Deshmukh): (a) No, Sir.

(b) and (c). This information is not readily available. Secured loans to Directors are not prohibited under the Act and no particulars are supplied to the Reserve Bank. Unsecured loans have to be reported to the Reserve Bank but the progress of their recovery after liquidation is not available to the Reserve Bank.

(d) Government have no information as this is a matter for the liquidator.

Shri A. C. Guha: May I know if the liquidators have any right to settle the debt, or they have always to.....

Mr. Speaker: The hon. Member will refer to the provisions of the law on the subject. Is there any point on which he wants information?

Shri A. C. Guha: Whatever information I ask for, the hon. Minister takes shelter behind the Reserve Bank and the High Court.

Mr. Speaker: He should await the report of the committee.

Shri Nambiar: May I know whether Government are enquiring into the reasons why a large number of banks get liquidated especially in West Bengal?

Shri C. D. Deshmukh: It will take a long time to give the reasons. All I can say is that these developments are constantly under watch both by the Reserve Bank and the Government of India.

MINISTERIAL STAFF

*400. **Dr. M. M. Das:** Will the Minister of Finance be pleased to state:

(a) the total number of temporary employees in Class III Ministerial staff and in the Income Tax Offices in West Bengal;

(b) what percentage this temporary staff form to the total number of class III Ministerial staff (temporary and permanent combined); and

(c) the normal procedure for a temporary class III Ministerial staff for becoming permanent?

The Minister of State for Finance (Shri Tyagi): (a) The total number of temporary employees in Class III ministerial grades (Upper and Lower Division Clerks, Stenographers and Steno-typists) is 394.

(b) The percentage of the temporary staff to the total staff in these grades was 43.4 on 1st May, 1952 but it has been reduced to 39.6 since then as a result of further confirmations.

(c) For becoming permanent (as distinct from quasi-permanent) the first condition is the availability of vacancies in permanent posts. The other conditions which an employee should satisfy in this behalf are as follows:—

- (i) Production of a certificate of fitness from a competent Medical Authority.
- (ii) Verification of character and antecedents in the prescribed manner.
- (iii) Passing of departmental examinations and/or departmental tests prescribed for confirmation in each grade.
- (iv) Having a good departmental record.
- (v) Having a minimum length of service of one year in the grade.

Dr. M. M. Das: May I know whether any training facilities are provided to these temporary staff to help them in their examination for being absorbed in permanent service?

Shri Tyagi: No. Their experience of office work is the only training which they get for passing in the examination.

Dr. M. M. Das: May I know whether it is a fact that these temporary staff in West Bengal are subjected to quarterly confidential reports by their officers and that this system of confidential report exists only in West Bengal and nowhere else?

Shri Tyagi: The system of confidential reports is followed as a rule in every office, but I cannot really say at present whether in West Bengal it is quarterly or annual.

Dr. M. M. Das: In his reply the hon. Minister has said that the ratio of the temporary staff to the total staff is about 43 per cent. May I know what

is the average number absorbed annually in permanent service?

Shri Tyagi: I am sorry I have not got ready figures to convey. But I may inform my hon. friend that only lately we have received the concurrence of the Home Ministry to have 80 per cent. of the quasi-permanent hands to be declared as permanent.

Dr. M. M. Das: In view of the fact that the work of the Income-tax Department is increasing daily, at least so far as West Bengal is concerned, may I know what are the difficulties in the way of the Government in absorbing all the suitable temporary hands into permanent service?

Shri Tyagi: My friend can well assure the staff that I am soon going to take up their case and as soon as the Income-tax Department is reorganized—as it is going to be—they will probably be accommodated, the deserving among them.

Shri Nambiar: May I know what sort of character certificate is required to prove their antecedents—whether a certificate from the C.I.D. branch or any government official, so to say, about his previous character is required?

Shri Tyagi: My friend need not be afraid about it. There is no political influence among the officers of the Income-tax Department up till now.

Shri Nambiar: In his reply the hon. Minister has stated that an employee should produce a certificate about his antecedents. I want to know what kind of character certificate about his antecedents he is required to produce, and from whom?

Shri Tyagi: It is just the common practice with every government servant. The antecedents of the man are enquired into, whether a man comes from a criminal race or from a house of persons who indulge in some sort of thefts or other crimes. That is enquired into.

Shri A. C. Guha: The hon. Minister has given the percentage of temporary staff in West Bengal. What is the average percentage of temporary staff of the Income-tax Department in other States?

Shri Tyagi: I cannot exactly give my hon. friend the figures or the percentage, but I might assure him that it is practically uniform everywhere.

Dr. M. M. Das: May I know whether it is a fact that about a hundred of these temporary staff have been retrenched about a month back?

Shri Tyagi: Wherefrom?

Dr. M. M. Das: In West Bengal.

Shri Tyagi: Well, I have no information.

Shri Nambiar: In view of the fact that a large number of the employees are still to be confirmed, will the Government enquire into the matter and see that these men are confirmed as early as possible?

Shri Tyagi: As I have already assured the House, such of them as are deserving of confirmation will soon be confirmed.

Shri Nambiar: That is very vague, Sir.

Mr. Speaker: Order, order.

COMPTROLLER AND AUDITOR-GENERAL

*401. **Shri M. L. Dwivedi:** Will the Minister of Finance be pleased to state:

(a) whether in view of the fact that continuation of the offices of Comptroller and Auditor General under one person holding charge of the audit and account Departments at the same time is not considered appropriate Government have decided to separate the two; and

(b) if so, since when this is likely to take effect?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). Separation of accounts from audit is already in force in the case of Defence and Railways. Separation in other spheres is beset with difficulties at present as it involves considerable change in the existing organisation and will entail expansion of staff and extra expenditure.

Shri M. L. Dwivedi: May I know how long it will take to achieve this separation?

Shri C. D. Deshmukh: It is a very difficult question. An experiment was tried as early as 1931 in one State and it had to be abandoned. The shortage of manpower is a chief obstacle, apart from expenditure. And the incidence of expenditure is also likely to shift from the Centre to the States. It is very difficult to give a categorical answer to this question. The desirability of some sort of separation has been accepted in principle, and for the rest we must wait.

TECHNICAL INSTITUTIONS

*402. **Shri M. R. Krishna:** Will the Minister of Education be pleased to

state how many technical institutions have been started in the country State-wise between 1950 and 1952?

The Minister of Communications (Shri Jagjivan Ram): The number of Engineering and Technical Institutions awarding degrees and diplomas and started during 1950 and 1952 was one each in Punjab, U.P., Rajasthan and Saurashtra; 2 each in West Bengal, Bihar and Madras and three in Mysore. Information about institutions awarding certificates is not available.

Shri M. R. Krishna: May I know how many persons have so far been trained in these institutions, and how many of them are engineers and engineering scientists?

Shri Jagjivan Ram: It is very difficult to give all the details about them. I have not got the information.

सेठ अचल सिंह: क्या मंत्री महोदय बताने की कृपा करेंगे कि उत्तर प्रदेश में भी कोई ऐसा इंस्टीट्यूशन खोला गया है ?

[**Seth Achal Singh:** Will the hon. Minister please state whether any such institution has been set up in Uttar Pradesh also?]

श्री जगजीवन राम: हाँ, मैंने बताया तो कि उत्तर प्रदेश में भी एक खोला गया है।

[**Shri Jagjivan Ram:** As I have said already, one has been opened in Uttar Pradesh also?].

Shri K. K. Basu: May I know whether all the institutions are of the same standard?

Shri Jagjivan Ram: Some of them give degrees, some award diplomas. They are not of the same standard.

Shri Barrow: How many of these are State-aided and how many are purely Government institutions?

Shri Jagjivan Ram: Some are entirely State-owned; others are owned by private bodies. I am not sure whether State-aid is given to all by Government or not.

CANTONMENT BOARDS

*403. **Pandit M. B. Bhargava:** Will the Minister of Defence be pleased to state:

(a) when the elections in the different cantonments of India were last held;

(b) the steps so far taken for the preparation of electoral rolls on the basis of adult franchise in the various cantonments in India and by which date new Cantonment Boards on the basis of adult franchise are likely to be constituted; and

(c) the reason for delay in forming new cantonments on the basis of adult franchise?

The Minister of Defence (Shri Gopalaswami): (a) Elections were last held in 29 Cantonments in 1946 and in the remaining 26 in 1951.

(b) The Cantonments Electoral Rules, 1945 were amended in April, 1950 so as to provide for the preparation of Electoral Rolls on the basis of adult franchise.

Elections on the basis of adult franchise have already been held in 26 Cantonments. Electoral Rolls have also been prepared on this basis in the remaining 29 Cantonments.

New Cantonment Boards will be constituted shortly.

(c) Elections in 29 Cantonments, which are due, had to be postponed in deference to the general desire of the residents of Cantonments for the revival of the ward system.

Pandit M. B. Bhargava: May I know whether the Government had appointed a Committee to take up the revision of the Cantonment Act, and if so, what were the recommendations of that Committee and has the Government any intention to implement the recommendations of that Committee?

Shri Gopalaswami: I have not the information definitely. I should not like to be inaccurate. If the hon. Member will put down a question, I will tell him in what stage that matter is.

Pandit M. B. Bhargava: Is it the intention of the Government to separate the civil population areas and to bring them under the jurisdiction of the Municipal Act?

Shri Gopalaswami: At present, so far as the Defence Ministry is concerned, there is no such intention.

सेठ अचल सिंह: क्या मंत्री महोदय बताने की कृपा करेंगे कि एलेक्टोरल रोलस का काम कब तक समाप्त हो जायगा ?

[Seth Achal Singh: Will the hon. Minister please state by when will the work of preparing Electoral Rolls be completed?]

Shri Gopalaswami: It is expected that they will be completed before the end of the year.

CANTONMENT OF NASIRABAD

***404. Pandit M. B. Bhargava:** Will the Minister of Defence be pleased to state:

(a) what progress has so far been made in the implementation of the water supply scheme in the cantonment of Nasirabad;

(b) what amount was sanctioned by the Government of India for the purpose; and

(c) by which date the scheme is likely to materialise?

The Minister of Defence (Shri Gopalaswami): (a) and (b). The water supply installation has been completed. A grant-in-aid of Rs. 1,31,000 was sanctioned by Government therefor.

(c) The scheme is already in operation but the two supply wells of 60 ft. depth provided in the scheme could not be dug deeper than 23 and 40 ft., respectively, due to rocky strata at these levels. As it is the expert opinion that further deepening will not yield additional water, the question as to whether the present yield will meet expected requirements is being examined.

Bidi LICENCES

***405. Shri N. S. Nair:** (a) Will the Minister of Finance be pleased to state whether the Central Government introduced A-Class and B-Class licences for Bidi manufacturers and later on withdrew the same in 1951?

(b) If so, have Government refunded the deposits?

The Minister of State for Finance (Shri Tyagi): (a) When an excise on bidis was proposed in the Finance Bill, 1951, and was brought into immediate effect from the 1st March 1951, by a declaration made in the Bill under the Provisional Collection of Taxes Act, 1931, bidi manufacturers were required to take out a licence in Form L-4 under the Central Excise Rules, 1944, on payment of a fee of Rs. 50 per year. Since, however, the tax was introduced in the middle of the year, the smallest class of bidi manufacturers were asked to pay the concessional rate of Rs. 37/8/- for the year 1951.

When the Finance Bill, 1951, was passed into an Act about two months later (i.e., on the 27th April 1951), the excise duty which had been provisionally introduced on bidi was

dropped, and the licensing of *bidi* manufacturers was accordingly withdrawn. —

(b) Immediately on the abolition of the excise duty on *bidis*, instructions were given to Collectors of Central Excise to refund as expeditiously as possible, the licence fees which had already been collected from *bidi* manufacturers. Up-to-date particulars of the fees which have already been refunded are being collected from the office concerned and will be placed on the Table of the House. The time for the Question-hour is over.

Several Hon. Members: No. no.

Mr. Speaker: Any time taken is time taken from the Question-hour, which is very important. It is not yet over. I am sure of that.

Shri N. S. Nair: May I know whether any amount has been refunded to anybody, anywhere in India?

Shri Tyagi: We have received 29,000 claims and those claims have been sifted. I believe more than half of the amount claimed must have been refunded.

Shri T. K. Chaudhuri: Is it on the basis of positive information that the hon. Minister is speaking? He said that he "believes" or "understands" that a large number of claims must have been settled.

Mr. Speaker: He is answering from the records. Whatever he is saying is definite.

Shri N. S. Nair: What is the meaning of the word 'sifted'? The claims are there and the people who have taken the licences are there. Are they being paid or are only selected people paid?

Shri Tyagi: Difficulty has arisen in some cases where the license fee was realized from *bidi* manufacturers. At the same time the tobacco obtained from the warehouses was at a lower rate. The rate of excise duty on tobacco leaf was raised. So in cases where delays have occurred, there is a dispute. The *bidi* manufacturers are required to refund to the Government the excess duty, which they are now required to pay, because they took tobacco at a lower rate of duty, which was afterwards enhanced and on this side the Government has to refund the license fee. So, an adjustment is taking place. It is because of the accounting that delay has occurred.

Shri B. S. Murthy: May I know whether there is inordinate delay in

the refund of the deposits and also whether discrimination is shown, Sir?

Shri Tyagi: The delay is not on our side. In fact, the delay is due to the *bidi* manufacturers who are still struggling to keep back the excess duty which they are liable to pay. It is on that account that their cases have not yet been settled.

Shri Velayudhan: May I know whether the refund will be made at least within a month's time? It is from two months to one year since they are pending.

Mr. Speaker: Order, order. It is obvious. The claims will have to be investigated.

AERODROME AT SABEYA

*406. **Shri Jhulan Sinha:** Will the Minister of Defence be pleased to state:

(a) the total area of land taken possession of for construction of the aerodrome at Sabeya (Huthwa) Police station Meergunj, District Saran (Bihar);

(b) the rate of compensation payable per acre of land acquired permanently and also for that, if any occupied temporarily; and

(c) whether it is a fact that, for a large area of land comprised in that aerodrome, no compensation has so far been paid?

The Minister of Defence (Shri Gopalaswami): (a) 758.097 acres.

(b) The cost of permanent acquisition varies according to the type of land. It has been fixed as follows in this case—

1st Class land Rs. 1,883 per acre.

2nd Class land Rs. 1,183 per acre.

3rd Class land Rs. 860 per acre.

No land is now under temporary occupation.

(c) The lands were under requisition up to 5th July, 1945. Full recurring compensation has been paid to all land owners concerned for the entire period of requisition. On 6th July, 1945 the lands were notified for acquisition. The Collector announced his award in 1949 on various dates. The tenants did not accept the Collector's award. An arbitrator was, therefore, appointed by the Bihar Government who gave his award in September 1950, fixing the rates as in (b) above. Since then, an amount of Rs. 1,77,969/7/10 has been paid to land

owners in respect of 163-235 acres. Payment in respect of the remaining area is in progress and it is hoped that it will be completed during this financial year.

Shri S. C. Samanta: The clock is out of order.

Mr. Speaker: I have said that already.

The Question-hour is over.

WRITTEN ANSWERS TO QUESTIONS COLOMBO PLAN

***399. Pandit Munishwar Datt Upadhyay:** Will the Minister of Finance be pleased to state the amount of aid India is getting during the year 1952-53 from different countries under the Colombo Plan?

The Minister of Finance (Shri C. D. Deshmukh): I would invite the attention of the Member to the statement laid on the Table of the House in reply to question No. 170 on the 26th May, 1952.

INDIAN COMPANIES ACT

***407. Pandit M. B. Bhargava:** (a) Will the Minister of Finance be pleased to state whether Government have taken any action under clause 7, Sec. 153 (c) (2) of the Indian Companies Act on the information supplied to them?

(b) Has any further information been brought to the notice of Government by any member of any company for taking action under Sec. 153 (c) (2)?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). Some of the more glaring cases, which I referred to in course of discussion on the Indian Companies (Amendment) Bill, are being pursued with reference to sub-section (2) of section 153C of the Indian Companies Act. In one of these cases, a report from the Inspector is expected to be received shortly. In two other cases, share holders have themselves submitted applications to the Court under sub-section (1) of section 153C; the Government would have an opportunity of being heard in due course under sub-section (3) of section 153D. Two other companies have since gone into voluntary liquidation. Shareholders of another company have filed a petition to the Court for compulsory winding-up.

2. Inquiries into the affairs of some other companies have been initiated through the State Governments. The

nature of action which could be taken in each case would depend on the findings and their relevance to section 153C. Under that section it is not only necessary to prove that the affairs of a company are conducted in a manner prejudicial to the interests of the company or oppressive to some part of the members but also that the facts disclose such a state of affairs as would justify the making of a winding up order. It is, therefore necessary to collect information in regard to the continuing irregularities, if any, and to correlate it to the past transactions. The Government are trying to collect such information in regard to some of those cases.

ENERGY FROM SUN-HEAT

***408. Giani G. S. Musafir:** (a) Will the Minister of Natural Resources and Scientific Research be pleased to state whether some project has been developed to produce stoves to be fuelled by the sun's rays?

(b) If so, when are such stoves expected to come into the market and what will be their estimated price?

(c) Are Government aware as to whether any such efforts are being made by any private individuals?

The Minister of Communications (Shri Jagjivan Ram): (a) and (b). Yes, Sir. The National Physical Laboratory of India has been carrying out research to utilise solar energy including production of cheap solar cookers. Experimental models of such cookers have been made and the question of their production on a commercial scale is under consideration. It is estimated that the cost of a small cooker producing heat equivalent to 250 watts would be between Rs. 50 and Rs. 60.

(c) The National Physical Laboratory of India has carried out a survey of past literature on utilization of solar energy and the survey showed that several experiments have been carried out both in India and in other countries to cook food with solar heat and these have met with varying success. The National Physical Laboratory, is, however, working to produce a cheap solar cooker.

SCHEDULED CASTES

***409. Shri Beli Ram Das:** (a) Will the Minister of Education be pleased to state what is the total population of the Scheduled Castes within the Republic of India?

(b) What amount of money is being spent by this Government for the

spread of Education amongst the Scheduled Castes out of this year's budget?

(c) What is the *per capita* expenditure on education in India?

(d) What is the approximate *per capita* expenditure on Education of the Scheduled Castes?

The Minister of Communications (Shri Jagjivan Ram): (a) Figures for 1951 census are not yet available but according to 1941 census, Scheduled Castes within the Republic of India numbered approximately 4,40,00,000.

(b) Besides expenditure being incurred by most of the States on the education of Scheduled Castes students by way of exempting them from payment of tuition fees and award of scholarship for their primary, secondary and higher education, the Government of India propose to spend Rs. 8,75,000 out of 1952-53 budget for scholarships to Scheduled Caste students pursuing post-matriculation education.

(c) According to 1949-50 returns, expenditure on education was Rs. 2.9 *per capita* of the population.

(d) The information is not available as separate statistics to show expenditure on Education of Scheduled Castes are not maintained.

U. N. SECRETARY-GENERAL

*410. **Shri N. P. Sinha:** Will the Minister of Finance be pleased to state:

(a) whether the Secretary-General of the United Nations has appointed a Resident-Technical-Assistance Representative in India in pursuance of the Agreement entered into between India and the United Nations in New Delhi on the 14th February, 1952 and if so, when; and

(b) whether the Government of India or the United Nations or both will meet the expenses of the Representative in India?

The Minister of Finance (Shri C. D. Deshmukh): (a) Yes, but the representative has not yet arrived in India.

(b) The expenses of the Representative in India would be shared between the Government of India and the United Nations. The United Nations will pay the salary and subsistence allowance whereas the Government of India would provide secretarial assist-

ance and facilities for transport and medical care.

ANTI-TANK GRENADES

*411. **Shri A. K. Gopalan:** (a) Will the Minister of Defence be pleased to state whether any anti-tank grenades were bought recently from a firm in France?

(b) If so, what was the total amount paid for the whole deal?

(c) Is it a fact that the money paid for the grenades was in excess of the actual market rates?

(d) If so, what action was taken against those responsible for the loss?

The Minister of Defence (Shri Gopalaswami): (a) Yes.

(b) It would not be in the public interest to give an indication of the size of the demand.

(c) These are not ordinary marketable commodities for which rates are quoted openly by manufacturers. In such cases prices have to be specially negotiated.

(d) There was no loss and, therefore, the question of taking action against those responsible for the loss does not arise.

TUITION FEES IN CENTRAL UNIVERSITIES

*412. **Shri A. K. Gopalan:** (a) Will the Minister of Education be pleased to state whether there has been an increase of tuition fees in Aligarh and other Centrally Administered Universities?

(b) If so, what is the percentage of the increase?

(c) How much, if any, increase has been made in the pay of the Vice-Chancellor of the Aligarh University?

(d) Has any new post of a Pro-Vice-Chancellor been created in this University and what is his pay?

(e) Have the Government of India recommended the restriction of admission of students in the Centrally Administered Universities?

The Minister of Communications (Shri Jagjivan Ram): (a) Tuition fees in Aligarh Muslim University and Visva-Bharati have been increased to bring these in line with the fees in other Central Universities. Tuition fees have not been increased in the Delhi University. The Banaras Hindu University have increased fees only for their Ayurveda Course and for Laboratories.

(b) The percentage of increase is given in the statement which is placed on the Table of the House. [See Appendix III, annexure No. 3.]

(c) No increase has been made.

(d) Yes. The pay of the post is Rs. 1,500 p.m.

(e) The Reviewing Committee appointed by the Government of India recommended that the sanctioned strength of admission to these Universities should be fixed on the basis of their present teaching staff, equipment and class room accommodation available, and should not be exceeded by more than 10 per cent. without the previous approval of the Central Government. The Government of India have accepted this recommendation of the Committee.

निर्वाचन-आयोग-कार्यालय

*४१३. श्री आर० एस० तिवारी : क्या

बिचि मंत्री यह बतलाने को कृपा करेंगे :

(क) निर्वाचन-आयोग-कार्यालय के ऊपर प्रति मास कितना व्यय किया जा रहा है ;

(ख) क्या भारत में साधारण - चुनावों के हो चुकने पर भी यह आयोग कार्य करता रहना ; और

(ग) यदि करता रहेगा, तो इस के क्या कार्य होंगे ?

ELECTION COMMISSION OFFICE

[*413. Shri R. S. Tiwari: Will the Minister of Law be pleased to state:

(a) how much is being spent on the Election Commission Office every month;

(b) whether this Commission will continue to function even after the General Elections in India have taken place; and

(c) if so, what will be its functions?]

The Minister of Law and Minority Affairs (Shri Biswas): (a) Rs. 23,500 (approximately).

(b) Yes, Sir. It is a permanent body under the Constitution.

(c) Broadly speaking—

(i) Annual preparation of electoral rolls.

(ii) Delimitation of constituencies.

(iii) Revision of scheme of polling stations and booths.

(iv) Conduct of all elections, including biennial elections to Upper Chambers and all bye-elections (including supply of election materials, ballot boxes, etc.).

(v) Scrutiny of the returns; of election expenses and disqualifications arising therefrom.

(vi) Election Petitions and setting up of Election Tribunals.

(vii) Election statistics.

(viii) Revision of electoral law in the light of experience gained from time to time.

(ix) Public relations in matters relating to elections.

(x) Complaints and enquiries relating to the General Elections, removal of disqualifications other than those arising from failure to lodge return of election expenses, appointment of Returning and Assistant Returning Officers and Electoral Registration Officers and keeping the list of such officers up to date.

SAVINGS DEPOSIT

*415. Shri Jhulan Sinha: Will the Minister of Finance be pleased to state:

(a) whether it is a fact that rules for payment of interest falling due on the purchase of various classes of Savings Certificates have not yet been framed and communicated to the treasuries concerned for payment of the interest; and

(b) if so, what action has been or is proposed to be taken to ensure timely payment of interest to the investors?

The Minister of Finance (Shri C. D. Deshmukh): (a) No, Sir.

(b) Does not arise.

NATIONAL LABORATORIES

*416. Shri Gurupadaswamy: Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) the amount of money spent in establishing National laboratories;

(b) the number of research scholars engaged in the various research schemes initiated under the C.S.I.R.; and

(c) the number of research scholars thrown out of research work on account of the abolition of certain posts?

The Minister of Communications (Shri Jagjivan Ram): (a) A statement giving the information required is laid on the Table of the House. [See Appendix III, annexure No. 4.]

(b) 112 research assistants are at present engaged on temporary research schemes financed by the Council of Scientific and Industrial Research. This is apart from the 242 Scientific Officers, 339 Research Assistants and 156 Laboratory Assistants engaged in the various National Laboratories.

(c) No posts under the Council of Scientific and Industrial Research were abolished during the last 2 years. On the recommendation of the Board of Scientific and Industrial Research, certain temporary research schemes financed by the Council of Scientific and Industrial Research on which work had been completed, were stopped, as a result, the services of 40 persons (39 Research Assistants and one Laboratory Assistant) automatically terminated; of these 9 were re-employed on other research schemes.

NATIONAL LABORATORIES (WORKING)

***417. Shri Gurupadaswamy:** (a) Will the Minister of Natural Resources and Scientific Research be pleased to lay on the Table of the House the Report of Professor Burnal on the working of the National Laboratories in India?

(b) What is the action taken by the Government of India on the said Report?

The Minister of Communications (Shri Jagjivan Ram): (a) Professor J. D. Bernal has not written any report on the working of the National Laboratories in India.

(b) Does not arise.

HISTORICAL RESEARCH AND REFERENCE DIVISIONS

***420. Dr. Lanka Sundaram:** Will the Minister of Defence be pleased to state the policy of Government in regard to:

(i) the preservation and maintenance of the Historical Research and Reference Divisions in the Ministry of Defence; and

(ii) recruitment and salaries of the officers of the said Division?

The Minister of Defence (Shri Gopalaswami): (i) There are no such divisions in the Ministry of Defence.

(ii) Does not arise.

COMBINED INTER-SERVICES HISTORICAL SECTION

***421. Dr. Lanka Sundaram:** Will the Minister of Defence be pleased to place

on the Table of the House a copy each of the following documents relating to the Combined Inter-Services Historical Section in the Ministry:

(i) the agreement between India and Pakistan regarding the sharing of expenditure incurred in the maintenance of this Section; and

(ii) the expenditure incurred on this Section in the year 1951-52?

The Minister of Defence (Shri Gopalaswami): (i) There was no formal agreement of which a copy can be laid on the Table of the House. The matter was discussed at a meeting of the Inter-Dominion Defence Secretaries' Committee held on the 4th July 1948 where it was agreed that the cost of the Combined Inter-Services Historical Section will be shared between India and Pakistan in the proportion of 70:30.

(ii) About Rs. 3,30,000.

COMBINED INTER-SERVICES HISTORICAL SECTION

***422. Dr. Lanka Sundaram:** Will the Minister of Defence be pleased to state:

(a) whether it is proposed to continue indefinitely the Combined Inter-Services Historical Section in the Ministry;

(b) whether and when India's own (without Pakistani participation) Inter-Services Historical Section will be established; and

(c) whether Government will recruit all officers, including the Director, to this Section through the Union Public Service Commission after due advertisement of the posts?

The Minister of Defence (Shri Gopalaswami): (a) No.

(b) There is at present no proposal to start our own Historical Section on a permanent basis.

(c) Does not arise.

GRANTS TO ASSAM

***423. Shri J. N. Hazarika:** Will the Minister of Finance be pleased to state:

(a) whether any representation has been received from the Government of Assam for Central grants to the State in order to make good the deficit Budget for the year 1952-53; and

(b) if so, what steps have so far been taken in the matter?

The Minister of Finance (Shri C. D. Deshmukh): (a) No, Sir. But a representation has been received for

assistance to them for their development schemes.

(b) The matter is under consideration.

BASIC EDUCATION

*424. **Prof. Agarwal:** (a) Will the Minister of Education be pleased to state the names of States which have not yet introduced Basic education at the primary stage?

(b) What are the names of States which have recognised Basic Schools as equivalent to the middle schools for purposes of admission to the High school classes?

(c) Which States have opened post-Basic schools and with what results?

(d) Are Government aware that a Basic University has now been started in Sevagram?

The Minister of Communications (Shri Jagjivan Ram): (a) According to the information available, the States of Andaman and Nicobar Islands, Bilaspur, Bhopal, Himachal Pradesh, Manipur and Vindhya Pradesh have not introduced Basic Education (Primary and Middle).

(b) A few States like Bombay and Bihar have done so but the Central Advisory Board of Education has recommended that all States should take steps to do so.

(c) So far as information is available, only the Bihar State has done so but some other States are also now examining the question. The Bihar experiment in this direction has made a good beginning.

(d) The Hindustani Talimi Sangh have started a department for boys and girls who have completed seven years of basic education. This is the post-basic department which according to the Sangh, corresponds to the University stage. But this position has not been examined by the Government of India.

NATIONAL DEFENCE ACADEMY, DEHRA DUN

*425. **Prof. Agarwal:** (a) Will the Minister of Defence be pleased to state how many candidates applied for admission to the National Defence Academy, Dehra Dun during 1951-52?

(b) How many of them were rejected as a result of the medical test?

(c) What was the number (State-wise) that were finally admitted?

(d) What is the average monthly expenditure on the education of each cadet in the Academy?

(e) What portion of this expenditure is borne by Government?

(f) Are the cadets imparted any education in agriculture?

The Minister of Defence (Shri Gopalaswami): (a) to (c). I place two statements on the Table of the House. [See Appendix III, annexure No. 5.]

(d) The approximate monthly expenditure per cadet is Rs. 600 in the Joint Services Wing and Rs. 550 in the Military Wing.

(e) The entire cost of training is borne by the Government.

(f) No.

AID TO NEPAL

*426. **Shri B. S. Murthy:** Will the Minister of Finance be pleased to state:

(a) whether any technical aid has been given to Nepal; and

(b) if so, what?

The Minister of Finance (Shri C. D. Deshmukh): (a) Yes, Sir.

(b) Two persons were given training at the International Statistical Education Centre, Calcutta in July—December, 1951.

SCHEDULED TRIBES STIPENDS

*427. **Shri Brehmo-Choudhary:** Will the Minister of Education be pleased to state the number of stipends, at present, granted to Scheduled Tribe students of India for studies in—

(i) the colleges and Technical institutions; and

(ii) the Secondary Schools,

and the amount of each stipend?

The Minister of Communications (Shri Jagjivan Ram): The hon. Member's attention is drawn to the statement laid on the Table of the House. [See Appendix III, annexure No. 6.]

FORD FOUNDATION ASSISTANCE

66. **Dr. Ram Subhag Singh:** Will the Minister of Finance be pleased to state:

(a) the total amount of money which has been granted by the Ford Foundation for organising village development projects and setting up centres for training staff;

(b) whether the Foundation grant will cover the entire recurring non-capital cost of these centres; and

(c) wherefrom the capital cost of these centres will be met?

The Minister of Finance (Shri C. D. Deshmukh): (a) The total amount of money allocated so far by the Ford Foundation for setting up 5 extension training centres and 15 intensive development projects is 1.2 million dollars.

(b) and (c). The Ford Foundation grant will cover the entire cost, capital and non-capital, recurring and non-recurring, of the 5 extension training centres for 3 years. Regarding the 15 intensive development projects, the Foundation will bear the entire cost, capital and non-capital, recurring and non-recurring, in the first two years and one-third of the recurring (non-capital) cost in the third year.

EXPORT DUTY ON RAW JUTE

67. Dr. P. S. Deshmukh: (a) Will the Minister of Finance be pleased to state the variations in the rate of export duty on Raw Jute, Jute goods, Hessian, Cotton, Tea, Coffee and Pepper from 1st January, 1949 to 30th April, 1952?

(b) What were the dates on which the changes came into effect?

The Minister of State for Finance (Shri Tyagi): (a) and (b). A statement showing the variations in the rate of export duty on the articles in question is placed on the Table of the House. [See Appendix III, annexure No. 7.]

FREE PRIMARY EDUCATION IN CANTONMENTS

68. Shri N. S. Jain: (a) Will the Minister of Defence be pleased to state how many Boards have opened (i) new primary, and (ii) Higher Secondary Schools, since 15th August, 1947?

(b) What percentage of the income of these Boards is spent on education?

(c) How many Cantonment Boards are maintaining library and reading rooms?

The Minister of Defence (Shri Gopalaswami): (a) to (c). A statement is laid on the Table of the House. [See Appendix III, annexure No. 8.]

LOANS TO DISPLACED PERSONS

69. Shri Vidyalkar: Will the Minister of Finance be pleased to state:

(a) the number of applications received by the Rehabilitation Finance Administration from the displaced persons upto March, 1952 for the grant of loans for industrial purposes;

(b) the number of applications granted;

(c) the number of applications rejected;

(d) the number of applications pending for disposal;

(e) the number of applications which have been granted, but no loan has been advanced so far;

(f) the total amount applied for;

(g) the total amount sanctioned; and

(h) the normal period, that on the average an application takes to be finally disposed of?

The Minister of Finance (Shri C. D. Deshmukh): (a) The Rehabilitation Finance Administration receives applications for loans for both industrial and business purposes and does not maintain separate statistics about receipt of industrial loan applications. The total number of loan applications received up to 31st March 1952 is 65,619. This includes 41,567 applications received as a result of the reopening of the application lists for a limited period from the 20th of July, 1951, to the 30th of September, 1951.

(b) The total number of loan applications sanctioned up to 31st March, 1952, is 9,621; of these, 1,953 were for industry.

(c) Total number of loan applications rejected up to 31st March, 1952, is 14,846.

(d) Total number of loan applications pending as on 31st March, 1952, is 41,152. As already stated, most of these were received after the reopening of the lists and as many as 32,219 were received after 25th September, 1951.

(e) Total number of loan applications sanctioned but in which cases no loan has been advanced up to 31st March, 1952, is 4,508.

(f) No statistics are maintained by the Administration showing the total amount of loans applied for.

(g) The total amount of loans sanctioned is Rs. 8,25,19,350 out of which an amount of Rs. 2,31,46,750 represents industrial loans.

(h) In view of the large number of applications on hand, they have to be taken in chronological order and not more than 2,000 can be dealt with each month. It therefore takes a considerable time before the turn of an application to be dealt with comes and it is not possible to state how long this takes. Once an application is taken up, it does not take more than a month to dispose of except in the case of industrial loan applications which have to be kept pending for reports from State Governments.

HOUSE OF THE PEOPLE

Tuesday, 3rd June, 1952.

The House met at a Quarter Past
Eight of the Clock

[Mr. Speaker in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

9-15 A.M.

PAPERS LAID ON THE TABLE

NOTIFICATIONS UNDER SECTION 2C OF THE INSURANCE ACT

The Minister of Finance (Shri C. D. Deshmukh): I beg to lay on the Table a copy of each of the following Notifications of the Ministry of Finance under sub-section (2) of Section 2C of the Insurance Act, 1938:

(i) Notification No. 658-I(2)/44, dated the 7th April, 1952. [Placed in Library. See No. P-14/52.]

(ii) Notification No. 666-I(1)/46, dated the 7th April, 1952. [Placed in Library. See No. P-15/52.]

GENERAL BUDGET—GENERAL DISCUSSION—contd.

Mr. Speaker: We will now proceed with the General Discussion of the Budget. I need not repeat the time limit and the other points which hon. Members will bear in mind.

Shri Kandasamy (Tiruchengode): The clocks have stopped, Sir.

Mr. Speaker: Unfortunately, it appears that while I am trying to attend to every nook and corner of the proceedings, hon. Members are not attending to the proceedings. This is

the fourth time that an hon. Member from this corner has raised this same point, which was raised from here, from there. If they attend to the proceedings, it will be all right. This point need not be repeated. I have got a watch with me and I shall go by that. Hon. Members need not go by these clocks. Steps are being taken to see that they are put in order.

Dr. Jaisoorya (Medak): But, our time does not agree with your time.

Mr. Speaker: Hon. Members will realise,—I think Pope said it once— it is with our judgments as with our watches, no two go alike and yet each believes his own. It is no use comparing the watches. Times will never agree. I am now going by my time. It is now 9-17. It is not material as to whether it is 9-17 or 9-20 or 9-25. The point is that the difference in the time of 15 minutes will not be so appreciable as to be of any disadvantage to any hon. Member. It is only a question of closing five minutes earlier or later. I shall keep the time and go according to my own watch, unless it also stops.

Shri Matthen (Thiruvellah): I thank you, Sir, for the opportunity you have given me to speak on the Budget today. This commences a new chapter in my life which has had several eventful chapters already. But this is quite different from the previous ones and I am glad to assure you that I have taken this new life in all seriousness. I am sorry, Sir, that the time.....

Mr. Speaker: Order, order. I might inform hon. Member that written speeches are not allowed. Of course, he may refer to his notes as copiously as he likes. But, he should not read any speech, if he has got any. I do not know what he is referring to. But, looking at the speed at which he was reading, very probably it is a written speech. So, he may refer to his notes.

Shri Matthen: I am sorry, Sir, that the time at my disposal does not permit me to deal with any economic or social aspects of the Budget or its implications, as I have to give priority to a very urgent matter concerning my distant State. Coming as I do from Travancore-Cochin, I have certain very serious problems that are now engaging the common man of this country, which I have to ventilate here.

At the same time, I should be failing in my duty if I do not congratulate the hon. Finance Minister for the bold, courageous and sound Budget that he has brought forward; bold, courageous and sound, I say, in the circumstances, that he or anybody can realise. I do appreciate the place he has given to the River valley projects and other allied activities on which rests the hope of India. I can also understand his painful duty in having had to stop the subsidy. I am sure he must have done it against his natural inclination, just like a surgeon who had to do a painful operation on his child that cannot appreciate the urgency of it. But, I wish he had shown some exception to the common man. It is easy to talk about tightening one's belt; but it has already been tightened beyond limit. I believe that the hon. Finance Minister and the hon. Food Minister will attempt to show some concession so that the common man and the lower income classes are exempted from this stoppage of food subsidy. I expect some announcement to this effect before the session closes.

The State of Travancore-Cochin, whose election results were such big news all over India, is a comparatively small State with a very large population. The educated unemployment and the consequent repercussions have been our great headache for a long time. We are very good agriculturists and we have given a very good account of ourselves in this line. But, the land at our disposal is very limited, with the result that some of our people had to go to our neighbouring district in Madras State, called the Wynad district, which is very malarial. But, still our people got lands cheap from the Zamindar there, and in spite of the fact that they did not get any help either economic or technical or social from anybody, not even from the Government, they have been able to develop the waste lands into first class garden lands, growing rice, pepper, tapioca, cardamom, etc. I recently received a memorial from some colonists, who are now occupying some lands in the district of South

Canara in Madras State. I believe the Madras Government will render them help, or at any rate will not evict them. I may assure, you, Sir, that we are a rugged, hard-working race. We are prepared to work hard and produce more food if only we are given a chance to work on land than the Grow More Food Campaign has or is likely to give. My request is this. There are large areas of cultivable lands in India. Our people are prepared to go even to Andamans or Borneo and are anxious to develop land. That would be a great encouragement to the local people. I would request the hon. Food Minister to instruct the other States to find out the land available where our people can go, colonise and cultivate.

In any case, agriculture alone will not solve our problem. Industrialisation is our solution—both cottage and large scale. We have hydro-electric power and very large possibilities of development even to the extent of supplying to the neighbouring States. We have a long coast-line and a splendid natural harbour in Cochin. There is plenty of intelligent, skilled, and unskilled labour. We can work on any machines. But, we have not been fortunate to get any of the big industrial plants that have gone to other more fortunate centres. Even the Rare Earths Company at Alwaye, in which we provide half the capital and the raw material required, was attempted to be snatched away from us. It was almost by a fluke that we were able to retain that. I request you, Sir, to make an effort to see that the future factories, at least some of them, go to our part of the country which can solve our problem. Even the Planning Commission has not been overgenerous to us. Let me bring home one inevitable factor out of this unemployment situation of my State. It is no more news that we are the danger point of India. If adequate solution is not found in the next five years for the educated unemployed, I am afraid we may prove to be the danger for the whole of India. I am not mentioning this as a threat, but only stating a sad fact.

We are very good agriculturists as I have already pointed out. If, Sir, you happen to travel from one end of Travancore to the other up to the Cape, you will hardly find one furlong of road side without a house or a cultivated garden. In spite of that, we are a chronic deficit State. But for tapioca which you will find all over the country practically all through the year, but for this, thousands of our people would have died of hunger by

now. We did not need the efforts of any Grow More Food Campaign to persuade our people to intensive cultivation. Even the poor man buys chemical manure and produces far more than his predecessors had ever done. But as I have already pointed out, we have no more land. Consequently, our people are prepared to migrate to any place. And I can assure you, again, that they will make the waste land, the uncultivated forest, even though malarial, first class gardens. They are prepared to work and produce.

A more urgent and immediate problem is the plight of nearly one and a half million people who have been engaged in the coir manufacturing industry. The situation is getting worse, as there seems to be very little hope of the revival of the coir mats and matting industry in the near future. This has been brought about mainly because of the restrictions of credit in the United Kingdom, which is our chief market. The demand for coir mat and matting has almost vanished. Till the end of March 1952, as compared with the corresponding period in 1951, the drop in exports has been to the extent of 50 per cent. The April figures show a much bigger drop. While it is the inability of the United Kingdom to import more, countries like Australia have restricted the import of coir mat and matting by 80 per cent. The U.S.A. where there is plenty of scope for our coir products, where we had a good market, has almost choked us off by their Tariff wall. As a long-term measure, let me request the Government of India to give a fillip to the coir matting industry during the negotiations or trade agreements which they will have with other countries. Meanwhile, it is very necessary to tide over the crisis. It is estimated that nearly 100,000 families are directly or indirectly dependent upon the coir industry who are actually out of work, and a deputation has come from Travancore to present a memorial to the Prime Minister, and they have done it, and I believe they are getting sympathetic consideration. But all temporary measures of relief will be only a temporary palliative. A long-term solution has to be found. I submit that as it was done in the case of the South Indian Coffee by the Coffee Board, a Coir Board should be set up to popularise coir, coir products all over India. We are not now producing enough for India's demands, but the Coffee Board has been constituted to popularise this commodity all over India. We want a Coir Board to do a similar job for coir mat and mattings. Fortunately we

have like the U.S.A. got a very extensive potential home market. This coir matting of ours has got the characteristic of being waterproof, which very seldom any other fibrous mat possesses, and can be used as a floor covering all over India, if only a competent Board would do effective propaganda. I request the hon. Minister for Commerce and Industry to set up a Board for the purpose as soon as possible. That alone will solve the problem.

One more word about pepper. The old export duty on pepper was limited to about Rs. 15 per candy of 500 lbs. by the Inter Portal Trade Convention. After the integration with the Government of India, this export duty became the concern of the Union and the Government of India put it down to about Rs. 165 per cwt. as an anti-inflationary measure. Now, Sir, the Government of India have reduced distinctly the export duty on other commodities. This stuff, which is our main concern, and our main source of income still carries the heavy levy of the export duty. I would request, Sir, that it is only just that this export duty on pepper should be reduced considerably, if not cancelled, to the former limit.

Shrimati Sucheta Kripalani (New Delhi): Sir, while I rise to say a few words on the Budget, I am fully conscious of the difficulties which the hon. the Finance Minister has to face. His is a very difficult task. In his own way, he has tried to do what he can. But we have to see whether the policy enunciated in the Budget will help us or not in the development and betterment of our country. Talking from the purely financial standpoint, the Budget proposals, to use a very mild word, are disheartening. There has been an over-all increasing deficit. If you take last year's figures, you will find that the deficit has even increased. In 1951-52 Budget estimates, the overall deficit was at Rs. 50 crores. In the revised estimates, it was 3.8 crores of rupees. We are now told the deficit would be Rs. 75.6 crores. I know that the Government has been anxious to put a check on inflation. Even the hon. the Finance Minister's speech refers to the steps taken by the Government to put a check on inflation. I would like to ask the hon. the Finance Minister whether the deficit of Rs. 75.6 crores will not add to the inflationary tendencies in the country. Will it put a check on inflation or will it increase inflation? We do not know, how the hon. the Finance Minister now proposes to put an end to inflationary tendencies in the country with this Budget.

[Shrimati Sucheta Kripalani]

Then there is another important point to which he has drawn attention. By the end of March we will be left with a cash balance of Rs. 83.38 crores. After the Partition, we had a reserve of nearly Rs. 300 crores, but now we have been left with Rs. 83 crores. Out of this sum, Rs. 40 crores is the unspent balance of foreign aid mainly received from the United States of America. The hon. the Finance Minister admits in his speech that this is not a very happy position. He has used rather diplomatic language. I would only like to quote the words he has himself used: "This balance will be what any prudent management of Exchequer would need as a minimum bank balance for the order of financial operations involved." I would like you to mark the words 'minimum bank balance.' That means we cannot go below this. We have come to the end of our resources, as far as reserve is concerned. And the most interesting part of the speech is this, that if we raise the question of the economic evils of the present day, we are told, "Wait on, wait on, for five or ten years, because we have got some magic schemes, the Five Year Plan and the development schemes, which will redress all your grievances." My question is, how do you propose to finance these schemes? The only proposal that has been put forward is this, namely that we are depending on foreign aid. I would like to quote the hon. Finance Minister's own words. He has said arrangements are being made in such a way "as to widen the flow of assistance from our friends outside." All our energies are bent on getting more assistance from outside. If at the crucial moment, foreign aid fails, what are we to do? We cannot allow this country to be held to ransom by any foreign Government. When we launch such expensive development projects, we have also to think of raising the necessary resources from within our own country. We cannot depend on foreign aid altogether. There is no mention in the Budget of the measures taken or proposed to be taken by the Government to raise the financial resources of the country. I understand there is a proposal to have a betterment levy. Wherever these development projects are being launched, the betterment levy will be imposed on the citizens of that area. The first State, that is thinking of this betterment levy at present is Orissa. I understand that in the next session of the Orissa Legislature, this question will be raised. I would very much like to see the reaction of the people

in these States to this proposed taxation. Particularly, let us take the case of Orissa. We do not know when the Hirakud project will be finished. Meanwhile we have wasted about Rs. two crores, and we have scrapped one portion of the project. Who will pay for this loss? Will the people of Orissa be ready to pay the betterment levy and make good such losses? Therefore, we have to think of how far we are going to raise our own resources to finance these projects. We can depend to a certain extent on foreign aid, but not so well as on our own aid.

Then coming to the Five Year Plan, there are certain questions which are agitating the minds of the people. In the Five Year Plan—it is really a commentary on planning up to this time, there is no clear-cut statement on the financial implications of planning or of the Final plan itself. One year of the working of the Five Year Plan has already passed. We want to know what is the progress? We would like to have a complete report as to the progress made by the working of this Five Year Plan. We would also like to know what the clear-cut estimate of its financial implications is. We cannot go on asking the country to pay for something, of which we have yet no clear idea. These are my general comments on the Budget from the financial standpoint.

Now, I come to the common man's point of view on the Budget. From the common man's point of view this Budget is a *status quo* Budget or a Budget which proposes no taxation and no relief. I know that the industrialists have on the whole welcomed this Budget. Perhaps they anticipated some fresh taxes taking into consideration the reduction of Government income due to fall in export duties. But as no fresh taxes have been imposed, they are pleased although they show some slight dissatisfaction because the surcharge on income tax and super tax imposed last year as an emergency measure has not been removed. But on the whole, their propaganda that the outer limit of direct taxation has reached and reduction on business and industry is called for, has been accepted by the Government. Therefore no fresh taxation on larger incomes has been proposed. But what we fail to see is that no attempt has been made in this Budget to shift the burden of taxes equitably on different income groups. I would like to draw the attention of the Government to the fact that 3/4th of tax revenue coming to the Exchequer is drawn from indirect taxes.

which impinge very heavily on the poorer classes. Now on top of that, for the urban people specially, we have removed the food subsidy. The removal of the food subsidy amounts to an indirect tax imposed on the poorer sections of our population. Who are they? The middle classes, the lower middle class and the industrial labour. So it is not only that poorer people have had no tax relief, rather a new tax has been imposed on them in the form of the removal of the food subsidy.

The Finance Minister told us in his speech that when we are taking up the question of food subsidy, we should view it against the background of the reduction in prices of other commodities which are of benefit to the consumer, and he also told us that the cost of living index has come down. But that is not borne out by facts. We have recently seen that the cost of living index is taking an upward turn. If you take the prices of other commodities, it is true that wholesale prices have come down but they make no appreciable difference in retail price—at least I can talk of Delhi. The prices of commodities which came down slightly after February or in March have again gone up. So in our Budget—even I am talking of my own Budget—I see no appreciable difference. The removal of food subsidy has in Delhi caused an increase of Rs. four per head, in rationed food alone. I can cite an instance. A poor man came to me. His income is Rs. 120 per mensem. He has got a large family and today he spends about Rs. 80 on rations alone. How is he going to meet his other expenses? That is the position of the middle class man. The position of the lower class is far worse. We have not given the slightest relief to the lower class or the middle class. So I think that the time has come for the Government to carry on a detailed objective inquiry into the pattern of economic distribution in the country so as to re-adjust the budgetary burdens accordingly. Unless this distribution is done, wherefrom can we expect people to get any enthusiasm?

The Finance Minister has very kindly told us, that we must be ready for sacrifices because we are sacrificing for ourselves and for our children and for nobody else. We agree. The country would be ready for sacrifices provided there is equitable distribution of the tax burden. Unless there is equitable distribution of that burden, wherefrom will the people have the enthusiasm which will help

in the implementation of the development projects? You cannot have enthusiasm on hungry stomachs or on a sense of injustice. I would therefore, humbly like to draw the attention of the Finance Minister to this aspect of the Budget. We do not see any relief at all. It is not only *status quo* but it also adds to the burden that we the poor men already have.

Now, certain arguments were given for the withdrawal of the food subsidy. We are told that the food subsidy acts as a discrimination in favour of the urban population; therefore, the food subsidy should be removed. I think this argument has been brought to us very late in the day. The whole theory of rationing implies this discrimination. We are giving rationed food to 4.4 crores of the population. What about the 30 crores? You do not give them any rationed food. It is too late in the day to bring forward such an argument. We accepted this position because of the special position that the urban population and industrial labour occupy in the economy of the country.

In order to give a sop to the critics, ten crores have been allocated, for minor irrigation projects out of twenty-five crores meant for food subsidy. I am very happy that the Finance Minister has thought fit to finance minor irrigation. We do need minor irrigation projects and we are all in favour of them. But I have some experience of the execution of these minor irrigation projects. I know how Government money is swindled and wasted in the name of minor irrigation projects. For instance, I know of cases where money was given for digging of tanks. The tanks were not dug. But very shallow tanks were dug just before the rains. And after the rains the Inspector was brought round and told that the tanks were dug but all the earth had gone down so that the tanks had become shallow. This kind of cheating has been going on. I can enumerate other instances also. So I would like the Finance Minister to keep an eye on the ten crores that are given for minor projects and to see that they do yield some results and they do really help in the grow more food campaign.

Now, about grow-more-food the Minister in his speech has given an account of increases in agricultural production. He says jute production has increased to 4.8 lakh bales, cotton crop has increased from 23 to 30 lakh bales. About food, he says—these are his words—"the additional production

[Shrimati Sucheta Kripalani]

from the grow-more-food schemes was more than offset by the fall in production in large areas of the country affected by drought or insufficient rains". Drought did not affect food crops alone; it affected all crops. Maybe there are other reasons which hampered the grow-more-food drive. Is it not a fact that land that was under food crops is increasingly going under commercial crops? For instance, in Madras land is going under tobacco, in Uttar Pradesh land is increasingly going under sugarcane and in Bengal, under jute. Why is this happening? Because the poor cultivator finds that it is a better economic proposition for him to do so. Therefore, it is time for the Government to remove the anomalies in food administration, rationalise the price structure of different crops taking into consideration the basic requirements of the nation. Also rationalise the procurement, about which I need not take the time of the House. Mr. Gadgil yesterday referred to the anomalies prevailing in the procurement work of the States. I am sorry I have to cut down what I had intended to say, but I say that these production projects are not yielding the results that they should yield.

Then I would like to draw the attention of the Government to just one more point. I will finish in two or three minutes. We have not got reserves; we have exhausted our cash balances. We have launched very big economic projects and wherefrom are we to bring the money? Well, a prudent man will husband the resources that is available to him. That means we have to effect economy in our administration. We have to put a check to the misuse and mis-spending of money—I am using very mild words. As far as economy is concerned, we find every year our establishment Budget is increasing. The Army Budget, we thought, would decrease with the advent of freedom, but every year the Army Budget is increasing. Of course, we have got the bogey of Kashmir, we have got the bogey of Pakistan and nobody dare suggest that the Army expenditure should be cut down. As a result, our budgetary structure is the same as it was in the British period. The main items of expenditure are Army and other establishment charges; very little is left for the improvement of the country. Our aim is a welfare State, but welfare departments like Health, Education and others are starved. Rajkumari, who is sitting in front of me, is smiling at this remark. We

all know what difficulties she is facing with regard to any new health schemes, because her hands are tied for lack of funds. If we really want to have a welfare State, we have to think how we are to cut down wasteful expenditure and save money for the welfare departments. The Finance Minister had promised that there would be an economy of five crores in civil expenditure. So far we have had no sign of that. In the Budget speech too, we are promised "a critical examination of army and civil expenditure" with a view to effect economy. We will await the report of that scrutiny with anxiety to see what steps the Government propose to take to bring about this much needed economy. We have had no results so far from the reports with regard to effecting economy, but on the other hand if I may draw your attention to the Audit Report of 1951 and to the Public Accounts Report of 1951 you will see that these are condemnations of the Administration. I have no time to go into scandals, minor or major. This House has heard of many scandals. Only last year, Mr. Shiva Rao created a great sensation in this House by exposing the 'jeep scandal' in which lakhs of rupees have been wasted.

I do not want to indulge in sensationalism but I would like to draw the attention of the Members of this House to Chapter IV of the Public Accounts Committee Report and Chapter IV of the Audit Report of 1951. It is a wholesale indictment and it goes to show that the Government officers have been using public money with the utmost carelessness and irresponsibility. If only the recommendations made by the Public Accounts Committee are adhered to, I think much economy can be effected and much saving of the money can be done. I would like the Finance Minister to enlighten the House by giving a complete statement of the moneys that are involved in the various bungs that have occurred in the last few years. Some of these bungs have been exposed and by whom? Shri Shiva Rao exposed the 'jeep scandal' last year. He is not a ragged Member of the "motley" crowd that compose the Opposition in Parliament. His political colour is neither blue nor red nor one of the dirty intermediary shades. His colour is white. He belongs to the holy brigade called the Congress. He exposed the scandal and other Members of the same party did the same. Why have they exposed them? Because

they have felt themselves to be the true representatives of the people. Because we are here as trustees of public funds and we have to handle public funds with utmost care. We have to prove to the people that their funds are safe in our hands. I am afraid that the reports do not indicate this sense of responsibility as regards public funds. I would like to draw the attention of the Finance Minister to the Public Accounts Committee Report and I would also like to know from him what steps he proposes to take to implement the recommendations of the Public Accounts Committee.

So on the whole the Budget has been a Budget of accounting. It does not hold out any promise for the welfare and betterment of the masses. It does not enunciate any radical change in the outlook. Budgeting is not a mere problem in accounting. We want more vision and more radical change in outlook.

I would again appeal to the Finance Minister to take into consideration some of the criticisms made by me and to see that the burden of taxation is lightened, is equally distributed. If it is equitably distributed, I am sure response for co-operation will not be lacking as we would all be too anxious to co-operate with you in your schemes for the betterment of this country.

Dr. Krishnaswami (Kancheepuram): Sir, I hope I will not be considered to be presumptuous if I invite the attention of the House to the Budget. It is an irony of fate that the Finance Minister of our Government endowed with a sympathetic imagination and a keen insight into economic realities, should have been forced to present a Budget, calculated to make the poor poorer, to extort great sacrifices from many regions without compensating advantages, and to bring about on the whole precisely that situation which we all wish to avoid.

My friend who preceded me pointed out that expenditure was mounting up, that there was not proper financial control exercised over the flow of expenditure, and that rigorous control should be exercised. I echo that sentiment. But may I point out that our methods of budgeting, our methods of accounting have conspired in some fashion—perhaps indirectly, perhaps unconsciously—to promote wasteful expenditure.

Considering the Budget of 1950-51—the estimate of receipts was about

437.49 crores while the actual receipts realised were about 410.6 crores. The estimated expenditure was 337.88 crores while the actual expenditure incurred was 357.49 crores. Parliament had authorised the Finance Minister when the Budget was presented to appropriate a good proportion of income from the lower income-tax groups—and in our country the bulk of the taxation being indirect, it is clear as crystal that we have appropriated a good proportion only from the lower income-tax groups—and it hoped that the estimates both on economic and ethical grounds would not be wide off the mark as they were. As a result of the estimates being so wide off the mark what has happened is that the spending Departments have also pressed for increased expenditure. Parliamentary control has been weakened and as we know, the Supplementary Budget or the Supplementary Grants that are introduced by Government are made more to ratify expenditure than to obtain sanction for expenditure to be incurred.

10 A.M.

What happened in 1950-51 was repeated in 1951-52. In 1951-52 the estimated receipts were 401.03 crores while the actual receipts were 497.67 crores, an under estimate of 96 crores. The estimated expenditure was 375.07 crores while the actual expenditure incurred was 405.05 crores. Out of the 96 crores that we got from this under-estimate, nearly 66 crores were added on to the 26 crores appropriated from the revenue surplus and utilised for capital expenditure. It may be useful expenditure but the point that I seek to establish is that Parliamentary consent must have been obtained in the beginning of the financial year, and when Parliament at the time of the presentation of the Budget authorised only 26 crores to be spent out of the Revenue Budget, an addition of 66 crores was not really something which was in conformity with Parliamentary usage.

Having disposed of these incidental matters let me consider the Budget for the current year. The Finance Minister in a very clear review of the economic situation pointed out that he anticipated a fall in customs revenue and in indirect taxation. Here there would be agreement with him. But when he points out that in the case of income-tax, we must expect a sharp fall, I must disagree. Now I do not see how we can expect a sharp fall in income-tax, because as far as we can make out, income-tax is paid on the income that has accrued in 1951-52

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and the year 1951-52 was a very buoyant year of economic activity. Is it another case of under-estimate so that later on we may utilise the hidden reserves for the purpose of incurring expenditure and thus encouraging wasteful expenditure?

I propose to examine this Budget and more particularly the new financial policy enunciated by the Finance Minister only last year and pursued with vigour from a new angle. I cannot understand how it is possible for us to contemplate with equanimity this policy of capital expansion being financed out of revenues. I want to examine the economic aspects of this policy because it would be worth our while to understand in fairly concrete terms the sacrifices that we are calling upon people to bear,—the far-reaching economic changes that would be brought about, and wiping out of the lower middle classes which would result, if we continue to ignore economic realities.

We are levying high taxes on consumption and only to a limited extent on saving. As a result of our levying high taxes on consumption what we have done is to diminish purchasing power, and made the lowest income groups feel the pinch of inflation. I would be however told that this is part of the disinflationary measures that he has had to push through. It may be argued that a high degree of inflationary pressure would itself exert an upward force on the price level and an increase in indirect taxes tends to bring down prices. But recent events and recent evidence have revealed that the cost of living is far more responsive to exogenous factors such as rises in the prices of imports and rates of indirect taxation. It is from this angle that the Finance Minister should examine the case that has been put forward for food subsidies by Members on this side of the House. What has happened as a result of the implementation of disinflationary measures on such a grand scale is that we are being led fast into a region where cost inflation plays a very dominant role.

[MR. DEPUTY-SPEAKER in the Chair]

The other day the Finance Minister pointed out that wholesale price indices had gone down. But what are the commodities that enter into the composition of a wholesale price index? And what are the commodities that enter into the composition of a cost of living index? The two

indices are in many respects different. You will find that whereas in the wholesale price index the prices of oilseeds and such other articles of international commerce have fallen steeply, in the case of cost of living index the price of food-stuffs has mounted up and that of coarse and medium cloth has fallen a little. The latter is one of the least weighted items in the wholesale price index. We are faced with a paradoxical situation of the cost of living mounting up and the wholesale price index going down, though not so fast as in January and February of this year.

The Finance Minister in the course of a very eloquent appeal to the business community—an appeal in which I should also like to join, but which the business community would not be in a position to act upon—has asked them to cut down their costs and bring prices and costs into definite harmony and thus make our troubles things of the past. But is it possible, in the present circumstances, to bring down costs appreciably? Labour costs are bound to mount up because of the increase in the cost of living, and as for transport costs, we have recently increased the rates on freights of very many raw materials such as coal. Thus the business community would not be in a position to curtail costs and bring about a narrowing of the margin between costs and prices; production may after an interval have to be curtailed with consequent results on employment and output appreciably. We are, therefore, in a paradoxical situation in which while the economy as a whole is expansionist in character we would be faced with pockets of depression with people feeling the pinch of inflation.

While I am on the subject of disinflationary measures, I should like to bring to the notice of the Finance Minister the hardships that have been caused by the employment of selective credit weapon by our banks under instructions from the Reserve Bank. The Finance Minister, when he was Governor of the Reserve Bank in Bombay, was probably a pioneer, because it is to him that credit goes for having first enunciated the doctrine that selective credit should be employed to control inflation. But selective credit, in order to be effective and progressive, must be selective in character. During the past two or three months we have been employing it in a fashion which

is not at all selective. Thus, for instance, if banks are inclined to demand the same margin from those who are traders, producers, and distributors alike, the hardship would be much greater for producers than for traders and distributors. It would be appropriate to have different margins for allotting advances. According to the information that has reached me and which is purely qualitative, because on such matters you do not have quantitative statistics, it is clear that what has happened is that Selective Credit has hit speculator and producer alike and in many cases, the producer due to stricter control of credit has been forced to accumulate stocks, the precursor of a depression. This is the reason for many industries being depressed in many of the regions, notably the South.

I am mentioning these facts because when the Finance Minister and the Government of India assure us ever and anon that they will take account of scarcities, that they will take account of distress, I reply that they have to take account of what is happening now in our economy and not wait for more distress signals and appeals for help.

Disinflationary measures have their place in an inflationary economy, the result of past expenditure and international factors. But, if these measures are applied indiscriminately, in the manner in which you have done, the community would be faced in many regions with the problem of increasing scarcities—scarcities which are due to a good proportion of the income of the lower middle classes and lower income groups being appropriated by the Union and State taxing authorities. Labour will naturally claim an increase in wages to compensate for the increased cost of living consequent on the levy of higher rates of indirect taxation. What is the position today? I cannot agree with my hon. friends who call this deflationary Budget. It certainly is not a deflationary Budget even though it has been disinflationary in certain respects. According to the estimates, last year we took Rs. 26 crores out of the revenues for the purpose of financing capital expansion. This year we are taking about Rs. three crores out of revenue for the purpose of capital expansion and about Rs. 42 crores or a little more from out of cash balances. Here let me observe that I do not agree with those who suggest that we are running the cash balances down to a dangerous level. After all, the purpose

of a cash balance is to meet unforeseen demands in respect of transactions, and if you have about Rs. 40 crores with a Budget of about Rs. 400 crores, the Government can easily manage to meet all demands. Undoubtedly if your expenditure mounts up to about Rs. 800 crores or Rs. 600 crores, you would require a larger amount of cash balances.

But the gravamen of my charge against the Government is that having taken out a good proportion of this income from a large number of areas, we are attempting to spend the amount in a few localised areas. The moment you spend money in a few localised areas, you will be faced with the problem of inflation. We are to spend on great river valley projects huge sums of money annually and these take time to mature. Between inception and maturity there is a long wait and a mounting inflation of which we have to take account. The scarcities are widespread, and with inflation facing us, inevitable no doubt but which certainly ought to be taken into account, our position is very difficult, if not intolerable. What happens is that the advantage mainly accrues to a few areas and dispersal of economic benefits is confined only to these areas. But the more important point is that during the intermediate period—and the intermediate period can be acute—there are so many scarcities in the economy, there are so many difficulties which we have to take into account. There is the possibility of large sections of the middle and lower middle class and the ordinary classes being wiped out of existence altogether because of the increase in the cost of living. Only the other day I heard my hon. friend, the Minister for Industries and Commerce speaking in another place, suggest that so far as import controls were concerned, he would take account of it only in so far as it was necessary for safeguarding our balance of payments. But according to the Budget and according to the estimates, I think we may have to come to the definite conclusion that import controls may well be a permanent feature of our economy. For this conclusion, I rely on the Memorandum that has been presented to us by the Finance Minister in which he says that so far as the coming year is concerned they intend spending about Rs. 165.83 crores on imports from abroad. What are the economic implications of this policy of import? We have necessarily to incur a great deal of expenditure on the import of vital requirements for implementing our capital projects. But the very fact that we have to im-

[Dr. Krishnaswami]

port so much means that we would have to exercise stricter control over commodity imports. This implies that the civilian community would have much less imports to spend on in the coming year. The problem of scarcities is accentuated all the more by our having to embark on such large scale projects particularly in a period of high costs. I am not one of those who hold the view that we should not have large scale undertakings in our country, but surely the question of timing, the way in which we should finance it and how it should be done—these are matters which ought to be gone into. Shrimati Sucheta Kripalani pointed out in the course of the debate on the President's Address that we should concentrate on minor irrigation projects and medium-sized capital projects spread all over the country. I am not a follower of the *Sarvodaya* school, but from an economic point of view, I do think there is considerable force in her argument. In the present circumstances it might really be better to have medium-sized projects dispersed over the whole country, for two excellent reasons. Firstly, the cost would be relatively low, and secondly, the services would mature sooner, which is what the country wants, particularly when we are faced with the problem of growing shortages. The Planning Commission in its review of the two years' progress has pointed out that it had only wanted about Rs. 315.6 crores to be spent for these two years, but according to the Finance Budget and according to the estimates that have been prepared for us, we are going to spend about Rs. 360.8 crores on these projects. I ask you: is it worth our while taking into account the great sacrifices that the whole of India is undergoing, and taking into account the fact that large sections of the middle classes and lower middle classes are going to be wiped out—is it worth our while exceeding even the estimates of the austerity Commission? We are embarking on a policy of large-scale expansion without taking into account all the stresses and strains to which our community is being subjected. I therefore ask whether the time has not arrived when we should review all these projects, when we should find out whether some of these projects may not be given up for the present, and when we should concentrate on the medium-sized projects and the small-sized projects which may yield early returns and which later on can be tapped for the purpose of capital expansion. It is hard to resist the feeling that this Budget is harsh in its economic conse-

quences and that much as we would like to agree with the Finance Minister on the optimistic view that he has taken of costs and prices marching in harmony, taking account of the present rigid structure, taking account of the scarcities that are bound to be promoted and accentuated in the economy, we find it impossible to accept his optimistic estimate. How long is this state of affairs to continue? There are many areas which are feeling the pinch of inflation and which have a genuine grievance that they have been ignored in many cases. Alternatively, if the Finance Minister does not find it possible to lower the rate of expenditure on some of these capital projects I suggest that he should give some thought as to how scarcities can be mitigated in our economy. For, according to the rates of expenditure that he has embarked upon it will be increasingly difficult for us to provide the civilian community with the necessary goods especially when our balance of payments position is not satisfactory. I hope and trust that the Government will take note of these difficulties, that they will attend to all these problems and that ultimately as a result of discussion and debate we may yet be able to evolve a plan which will take account of the needs of the various sections of the community and which will also take account of the general, overall economic position. But do not for a moment imagine that it is right to call upon people to sacrifice further because what you are now doing is to call upon the lower middle classes not to sacrifice, but to face virtual extinction.

Dr. Gangadhara Siva (Chittoor—Reserved—Sch. Castes): Sir, I offer my hearty congratulations to the Finance Minister for presenting this Budget to the new *pucca* Parliament of India in the most equitable manner. I rise with a mandate from the people whom I represent to din into the ears of the Government the deplorable state of Rayalaseema, the area which is within the worst grip of famine in living memory. Rayalaseema is forsaken by God and forgotten by Government. Seven months ago I brought to the notice of the then Parliament and the hon. Ministers of the day the hardships which the unfortunate people in that part of the country were undergoing. I demanded immediate help from the Government. I implored the then hon. Minister to see that the State Government would start immediate famine relief works in order to provide millions of unemployed with work. In the same breath I cried and

asked the then Food Minister to rush food to the famine affected areas. The two Ministers concerned said that they would call for a detailed report from the State Governments concerning my request. At that stage the Deputy-Speaker, Mr. Ananthasayanam Ayyangar who was in the Chair intervened and asked the concerned Ministers to supply the information at once and do the needful towards that end. Seven months have elapsed since that promise was given to me. The old Parliament died and the Ministers as well. Because I left my task undone my people have sent me again with a new mandate to hammer the Members of the Treasury Benches and especially the Finance Minister to see that some positive relief is given to us. In this connection I would like to express my sense of gratitude to the hon. Prime Minister who coming to know the urgency of the state of affairs of Rayalaseema through the esteemed papers of Madras State—in particular the *Indian Express* which is now collecting the famine relief fund for Rayalaseema, the *Hindu* and the *Mail* which were the foremost papers to inform the Government and the country of the impending famine and the appalling conditions in Rayalaseema—the Prime Minister coming to know of the urgency of Rayalaseema through the papers took immediate steps to relieve our distress by sending the military to deepen the wells and by sending Shrimati Durgabai to Rayalaseema to start labour centres wherever possible. But we want much more than what the Prime Minister has done. I want pecuniary help from the Government. I want at least Rs. five crores to be set apart to meet the crisis that has suddenly developed in my poor Rayalaseema.

As one of the hon. Members said, it is better that minor irrigation projects are started. I appeal to the Planning Commission to see that minor irrigation projects are started instead of starting major projects like the Krishna and Pennar projects which cost crores and crores. In this respect Rayalaseema is the worst placed area in the Madras State. We are hit on one side by Tamil Nad and on the other side by the proposed Andhra Pradesh. I would like this Parliament to know to some extent what Rayalaseema was. While I was a Member of the last Parliament every Member was asking me what that Rayalaseema was. Many of the Members were not able to know it since Rayalaseema was not duly represented on the floor of the House by the Members representing Andhra Pradesh. Rayalaseema is

composed of four Districts: Cudappah, Kurnool, Bellary and Anantpur. These Districts were once in the hands of the Nizam of Hyderabad. As he saw that they fetched no income he suddenly transferred them to the Britishers calling them the Ceded Districts. And then the Britishers thought that it was not a good name and called it the backward districts by virtue of their name, B—Bellary, A—Anantpur, C—Cudappah, K—Kurnool—B—A—C—K. That was the name given by the Britishers. Subsequently, we changed it into "Rayalaseema"—a name that derives from the great emperor Krishnadevarafavori Samasthoni and denotes royal dynasty.

Now, coming to the formation of the Andhra Province, I emphatically protest against it. When our beloved Vallabhbhai Patel was alive, we led a deputation to him. He received us kindly and listened to us, but now poor Rayalaseema has got neither a father nor a mother. Only the Prime Minister came to our help. Even the Madras State did not do its best to relieve our distress. In the midst of our distress and bereavement—I might almost say in the midst of our bereavement,—there is this demand for the formation of Andhra Desa. Somebody said that the whole of Andhra backed Swami Sitaram. I do not find that Swami Sitaram is even known in some places in Rayalaseema and in fact there is an emphatic protest by the Rayalaseemites. By all means, have a Vishal Andhra Desa—a Greater Andhra Desa—with the capital at Hyderabad.

An Hon. Member: And give it to you.

Dr. Gangadhara Siva: Under these circumstances, I protest against the formation of Andhra Desa so long as there is a protest by those in Rayalaseema.

Mr. Deputy-Speaker: There does not seem to be any immediate prospect.

Dr. Gangadhara Siva: Coming to the Scheduled Caste Members in the Opposition, let me tell them to see what we were like during the time when our great, great grandfathers were rulers of India. And then compare it with what we were like when the Moghul Emperors ruled us. We danced before the Moghul Emperors. During the British regime, we were asked to serve in their houses as butlers, boys and what not. They wanted us never to catch up with others, so that we might always work in their houses as butlers and boys. These are our

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sufferings from time immemorial. Even Shankaracharya, the great saint, was not able to redeem us from our untouchability. Only Mahatma Gandhi did it. To him we pray every day, "Oh, Father of the Nation, Give us our daily food; clothing and shelter. Lead us not into the temptations of other parties." That is our fervent prayer. You cannot expect any Government to implement the Constitution overnight. I have persistently pleaded for the welfare of the Scheduled Castes and the Government is doing its level best. But it cannot do all in one day. Therefore, I do not like this criticism in season and out of season in order to get what we want.

Mahatma Gandhi fasted unto death for our sake when the question of the communal award came up. It is that that is saving us today. I shall read to you from the *Hindu* of September 17, 1932:

"MAHATMAJI'S DECISION

A WARNING TO ADVOCATES OF SEPARATE ELECTORATES

DR. M. V. GANGADHARA SIVA ON
GANDHIJI'S RESOLVE.

(From our own correspondent)

Dr. M. V. Gangadhara Siva, President of the Ceded Districts Depressed Class Association, interviewed by me, on Mahatmaji's announcement, said:

'I have expressed my opinion already with regard to the communal award, namely, joint electorates with reservation of seats for the depressed classes.

'Now that Mahatma Gandhi has made his resolve to fast unto death unless separate electorates for the depressed classes are given up, the responsibility of the Hindu community particularly the depressed classes to save his life is very great. Nobody can question the sincerity of purpose which actuated Mahatma Gandhi to make this supreme sacrifice of life. His whole life is a clear indication that he has been the undoubted champion of interests of the lowly and down-trodden. And we the depressed classes cannot afford to lose him.

PREMIER'S AWARD UNSATISFACTORY

'Considering purely from the point of view of safeguarding the interests of the depressed classes,

'I am undoubtedly of the opinion that the Prime Minister's Award is most unsatisfactory.'

And Ramsay MacDonald was then the Premier and Sir Samuel Hoare was then the Secretary of State.

'First of all the number of seats that are allotted to the depressed classes are much below their population, strength and are absolutely inadequate to effectively influence the opinion in the Councils in their favour. In order to safeguard the fear of the Prime Minister and those who advocate separate electorates for the depressed classes that in a joint electorate the representatives that are returned won't be the real representatives.

.....I would urge the attention of leaders like Dr. Ambedkar and others who are in favour of separate electorates the grave danger of contributing on their part to the loss of life of Mahatma Gandhi if they insist upon separate electorates for the depressed classes which I have already shown is of no advantage to the community except to incur the great displeasure of the caste Hindu community amongst whom we have to live amicably and peaceably. I believe the Government would rise to the occasion and gather public opinion on the burning topic of the day and promptly act up to the wishes of the people of this sacred land. In doing so, they would save the life of the great leader who is loved and honoured not only by millions of people in his country but commands esteem and admiration of the world at large.'

Had it not been for the sacrifices made by Mahatma Gandhi, we would not be represented here in such large numbers.

26 Shri B. R. Bhagat (Patna cum Shahabad): Sir, I was listening to the debates for the last two days with great attention and interest and if I were to summarise the points made they were these. Members opposite have said that there is nothing in this Budget for the common man; it lacks a human touch; it is the product of muddled thinking; it does not solve the problem of unemployment and poverty; it imposes an undue burden on the poor by the withdrawal of subsidies; and Government by its policy

has brought about a slump in the country which has adversely affected production and created unemployment; and Government in their Five Year Plan have, in the opinion of the critics, tried to take us only to the 1939 level of consumption and no more. In these respects Members opposite have tried to pick holes and ridicule the policy of Government. I propose to cover some of these points generally, because it is next to impossible to go into all the details within the present time-limit.

If we treat the Budget as an instrument of economic policy and if we go into the background of this policy, then we find that an answer is provided to most of these criticisms and charges, and much of the muddled thinking that is alleged also becomes clear. The Budget as an instrument of economic policy is the product of the economic situation and is a dynamic concept and is adjusted to the needs of the situation which is changing. It is also static in the sense that it represents a continuity of policy. Every Finance Minister's Budget is a balance of these two forces. In the present case the abiding aim of the Government is the economic development and reconstruction of the country and hence the successful implementation of the Five Year programme provides the *summum bonum* of the Budget. This is the philosophy of the Budget from A to Z.

Secondly, during the last few years that the present Government took office the country was badly afflicted with the scourge of an inflationary spiral. The deficit financing in the early years of independence gave fillip to it, which together with the inflation imported from outside assumed a dangerous proportion in the post-Korean war period. It fell to the lot of the present Finance Minister not only to curb the inflationary spiral and the demon of rising prices which threatened to throw our whole economy completely out of gear, but also to stabilise the prices. It goes to his credit that he did it with a reasonable measure of success. He balanced the Budget, provided revenue surplus, financed the capital Budgets from the General Revenue, raised the bank rates and controlled the credit policy of the Scheduled and other banks. In short, through his positive price policy he not only brought confidence in the country but set the country's economic structure on a stable footing. The importance of this fact should be appreciated because without any stability in the economic structure it is diffi-

cult to embark upon a programme of planned economic development.

It has been emphasised times without number in the House that our whole programme of reconstruction was completely frustrated due to the inflationary spiral and the targets fixed, whether it be on the agricultural side or the industrial side, were completely frustrated due to the scourge of inflation. So, the main consideration in the budgetary policy during these two years has been to evolve not only a positive price policy but also to stabilise the prices at a lower level. As a result of the policy pursued by the Finance Minister and the Government and also as a result of the slowing down of the stock-piling and the release of international pressure, prices have come down.

The structure of the present Budget is a culmination of this policy. The Budget is perfectly balanced; there is a nominal revenue surplus of over Rs. three crores. The overall budgetary deficit of Rs. 75 crores is an indication of deficit financing and hence inflationary in the orthodox sense. It has been mentioned today by my hon. friend Shrimati Sucheta Kripalani that the deficit of Rs. 75 crores is an indication of inflationary forces. In one sense—in the orthodox sense—it is correct. But if she compares it with the balance of payment deficit, which has been described by the Finance Minister as a planned deficit, she will find that it more or less counter-balances the deficit in the overall budgetary position.

The latest report of the Reserve Bank has calculated the deficit in the balance of payment as about Rs. 56 crores. This figure almost cancels out the extra money created by the deficit in the capital Budget. I justify this policy on other grounds as well. The Finance Minister as a wise man has tried to read the indications of the times, that is, the falling down of prices. He has been careful not to anticipate things rather too liberally. Deficit financing would be a good measure for any Finance Minister in a period of slump. But if things shape differently, if the international situation, the clouds of which have not yet cleared, were to worsen and there is going to be stock-piling and rearmament, he has cushioned it by making a planned deficit in the balance of payment.

The Finance Minister has rightly described it as a "wait and see" Budget. In the present uncertainty of

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the economic situation, both internal and external, it is difficult to lay down a permanent budgetary policy. A point has been made that there is scope of deficit financing at this stage, but the international situation is again threatening to worsen in Korea and the South-East Asia and the forces of greater armament and stock-piling may be intensified resulting in greater prices. So at this stage it is difficult to lay out a permanent and stable budgetary policy. The Finance Minister has acted with foresight and wisdom in leaving ample scope of adjusting the Budget to the needs of the final picture that may emerge in a few months or in a year.

Sir, while giving the background of the positive price policy that has been pursued by the Finance Minister, allow me to quote certain figures to supplement my point that as a result of the policy pursued by the Finance Minister, the prices have continuously fallen and they are likely to stabilise at a lower point. The recent report of the Reserve Bank gives the prices of selected commodities. In mid-April 1951 the price index of food articles was 414.3. In March 1952 they came down to 339. In the case of industrial raw materials the prices came down from mid-April 1951 when it was 698.8 to 447. In the case of semi-manufactures the prices came down from 390 to 340. In the case of manufactures the prices came down from 413 to 382. In the case of all commodities the prices came down from 462 to 378. The percentage of decrease in prices in respect of food articles was 8.7 per cent. and in industrial raw materials it was 11.6 per cent.

So we find that the Finance Minister's policy of reducing prices and stabilising them at a lower level has been successful and now we have come to a position in our economy in which we can embark upon any programme of reconstruction. This is no mean achievement on the part of Government.

Coming to the capital Budget, we see that the financial Budget of the Five Year Plan has been drawn to meet the demands of food, clothing and shelter within the resources available in the country. It has been said by hon. Members opposite day before yesterday that the Five Year Plan is a bogus Plan, and one of the Members quoted some report and said that it does not even meet the basic needs of the people, that is, food, clothing

and shelter. But if we go into the details of the Plan, the priorities established and so on, we will come to this decision that the whole Plan has been drawn up to meet the demands of food, clothing and shelter within the resources available in the country. It is true no utopian picture has been drawn or no big promises have been made. And we do not fight shy of it. The whole Plan has been conceived in a practical form and the facts of the situation have been kept in view. But there is no doubt on the point that after the five years not only the three basic needs of the masses will be met with a measurable amount of success, but the whole economy will be put on such a footing that in subsequent stages of the Plan economic progress will be attained in a much higher measure and at a much more rapid rate. In short, during the next five years the foundations for eradicating poverty and want from this country will be laid and the promises made to the people will be fulfilled.

If we look to the capital Budget, we see that in the current year Rs. 78 crores have been provided for long-term loans to the different States and Rs. 77 crores as capital outlay by the Centre. For the river valley schemes, originally Rs. 29 crores was put but now it has been increased to Rs. 36 crores. In the next year's Budget provision for a greater amount has been made: Rs. 68 crores for capital outlay and Rs. 82 crores for loans to State Governments. This includes Rs. 15 crores on railways, Rs. 9.8 crores on industrial development, Rs. 14 crores on rehabilitation and Rs. 40 crores on river valley schemes. If you compare it with the financial Budget of the whole Five Year Plan you will find that it comes in proportion to what has been drawn up in the Plan. The amount to be spent in five years is Rs. 1,493 crores, and also Rs. 300 crores if foreign assistance available. This Rs. 1,493 crores has been divided into Rs. 192 crores on agriculture and rural development, Rs. 450 crores on irrigation and power schemes, Rs. 388 crores on the development of transport and communications. Together with this Rs. 50 crores has been provided for housing. The plan proposes to set up a housing fund in which Rs. 15 crores will be met by the employers, Rs. 15 crores by the workers, and Rs. 20 crores by the Central and the State Governments. This is only for industrial housing, and in five years 1,25,000 houses will be built for labour. Be-

sides that the Plan also has in mind better way of living in the rural areas and there is a scheme for rural housing as well under the community projects, and in the 55 development projects that we are going to undertake we will have a well laid out scheme for rural housing. So, if we see the Plan, the priorities and the targets in the agricultural and the industrial sectors we come to the conclusion that the Plan envisages to meet these three basic needs of food, clothing and shelter. In regard to food, the per capita consumption will be increased to 14 oz. at the end of the Plan, and the per capita consumption of cloth will be 16 yds. As regards housing, Rs. 50 crores has been provided for industrial housing out of which Rs. 20 crores will come from the Central and State Governments, and no less a person than the Prime Minister himself is keen on eradicating the slums completely.

Coming to one last point, that is the Grow More Food campaign and the production in the country, a point has been made by Mr. A. K. Gopalan who by quoting certain figures from the Commerce and Industry bulletin gave the impression that the production has fallen. And he cited the Commerce and Industry bulletin as the source. He quoted from the April 1952 issue of the bulletin, I have the May 1952 issue. I am surprised how a person of Mr. A. K. Gopalan's intelligence gave out that the production has fallen. If we see the figures quoted in the May 1952 issue of the bulletin of Commerce and Industry we see that the general production has not only increased in all cases but that there is an increase in the production of almost all the selective industries. In 1951 the general index is 117.4, taking 1946 as the basic figure. In January 1952 it is 122, in February it is 128, in March it is 124...

Shrimati Renu Chakravarty (Basirhat): After March?

Shri B. R. Bhagat: We have the figures only up to March. He quoted the figures till February. I am giving the additional figures of March 1952.

Shri Velayudhan (Quilon cum Mavelikkara—Reserved—Sch. Castes): See the figures after that.

Shri B. R. Bhagat: Only today's morning papers have said that there has been an overall increase in the production of textile industries. And in answer to questions put in the House Government gave the figure

that there has been a continuous increase in the production. There is, therefore, absolutely no ground in the charge that the production has gone down.

Shrimati Renu Chakravarty: Then why are there less working hours in the jute industry?

Shri B. R. Bhagat: It is not a question of less working hours or more working hours. It is a quantitative figure.

The Minister of State for Finance (Shri Tyagi): Because they produce more.

Shri B. R. Bhagat: It means that our workers have become more efficient. I do not want to take the time of the House by giving the figures for all the industries. But there are about fifty items and on the basis of these figures I say that the figures quoted by Mr. Gopalan are not only incorrect but misleading, as in almost all the selective industries there has been an increase in production.

This is the economic picture of the country and I think all credit should go to the Finance Minister for he has tried not only to make the best out of the worst bargain but has brought the country out of the scourge of the inflationary spiral and has put the whole economy on even keel. With these words I support the Budget.

Dr. Jaisooriya: Sir, watching the unequal contest in this House between the insignificant minority and the gigantic majority, I am reminded of a story I read in my boyhood about 45 years ago, something about a young boy called David fighting the big giant Goliath and the story goes on that David with just one stone killed the heavily armed Goliath. Historical research, I am unrelially given to understand, has definitely proved that Goliath lost because he did not enjoy the backing of a parliamentary majority, as the Congress have in India.

Coming to the subject itself, there is the preliminary hurdle; namely, we have to agree in any serious discussion on an intricate and vital problem like economics, and especially finance which affects the lives of millions, the premises we must agree to, the technique of analysis we must agree to and to a great extent the conclusions also must be agreed to. Unfortunately there is not one single view on economics but there are several. I am limiting myself to the Keynesian technique, because if I use the

[Dr. Jaisoorya]

Marxian technique, there will be a howl from my hon. friends from the opposite side...

Shri R. K. Chaudhury (Gauhati): Is it parliamentary to say 'howl'?

Dr. Jaisoorya: I will say 'shout of protest'.

Kumari Annie Mascarene (Trivandrum): Is the word 'howl' unparliamentary?

Mr. Deputy-Speaker: He has used it. He has not withdrawn it.

Dr. Jaisoorya: In the Pickwickian sense. Therefore, I will just analyse very, very succinctly the Budget. The Finance Minister must give me the credit that I have refused to make any statement the day that he made his speech because I thought that a man of his calibre deserves every consideration. The first impression I got was like that of the balance sheet that is being placed before the shareholders of a Joint Stock Company. It begins somewhat like this: "Your directors have great pleasure in placing the balance sheet before the hon. shareholders. Unfortunately, the world economic situation has vitally affected your company's working, which would otherwise have given very good dividends. Throughout the year the money market was very tight—and so were your directors almost every Saturday night."

Giving a very short analysis as coming from an impartial person, what is the first impression? The chief feature we notice is a great uncertainty throughout. Suddenly Rs. 90 crores have come from somewhere unexpectedly. That is to the good, no doubt. A surplus of Rs. 70 crores has been whittled down to Rs. three crores. There is no change over last year but there is Rs. 67 crores deficit in exports over imports. I am giving the figures telegraphically. There is a fall of Rs. 18 crores in income-tax and corporation tax. Direct taxation has fallen from 36 per cent. of the total to 25.8 per cent. That means that the direct taxes which affect the rich have been brought down, maybe because the rich have become poorer, I do not know; and the poor have been taxed higher by indirect taxation, because they have become richer I do not know. Defence takes 49.5 per cent. i.e., Rs. 197 crores out of 404 crores. Such a Budget cannot be an instrument of economic progress. Industries get only Rs. ten crores out

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of Rs. 192 crores. The Government calls itself a welfare State. It gives the poor Education Minister and the poor Health Minister Rs. six crores compared to Rs. seven crores last year. i.e., 1.5 per cent. of the total is both for Education and Health. Then I come to food subsidies. Mr. Deshmukh said that the rise in wheat prices would be about three per cent. The new International Wheat Conference may raise it to 15-60 per cent. Per capita consumption of cloth was 16 yards in 1939, 15 yards in 1948, 13 in 1949, 9 in 1950, 11.5 in 1951 and hon. Mr. Bhagat assures us that it will again be 16 yards later on. The overall deficit in the Budget is Rs. 76 crores. I am computing that the actual deficit is Rs. 98 crores if foreign aid is not forthcoming. Last year it was Rs. four crores. A deficit Budget by itself is not bad. I have lived through the worst periods of inflation in Germany where we brought bread in terms of astronomical figures—milliards, and yet it was an ordinary bank clerk and not an I.C.S. officer—Hjalmar Schacht—who again stabilized the German finances because he did not follow what we call 'sound finance'. The word 'sound finance' is a religion with our classical economists. The first primary duty of sound finance is to produce an annual Budget which is balanced, and that means that you cannot have full employment. People may say: How can we give full employment? But one thing that our classical economists and our professors of economics at the Universities are not able to explain is the chronic tendency in private capitalism to remove or even to explain the periodic depression which comes on cyclically. Hayek has tried to explain it and he says that is an "unexplained residue". This "unexplained residue" is exactly what we are seeing today, namely, a period of depression. Mr. Deshmukh says: No. This is not a recession and it is temporary. It is an optimistic slump, an unexplained residue. When you see the graph curves from 1951 you will find that it is a falling curve and the phase is in formation and the end not yet in sight. There are some more fallacies of sound finance which we have followed. The old theory says that the State is like an individual; it is like a private corporation and it must compete with other corporations in order to make money. Therefore, the logical corollary is that whatever is good from the point of view of the individual is also good from the point of view of the State. Therefore, the State has to imitate the way of private

finance. This is called "sound finance." The old theory says that the State and the individual are in competition. That is not correct. They can co-operate. Schwartz has defined what the function of a Budget is and what the function of a financier is. He says that the individual is the bread-winner and the State is the housewife. So, even if you give more than what the housewife needs for household needs, even if you give the whole income, it should not matter. But, if the housewife is so extravagant that the moment I give her the money, she goes to Nanubhai and Sons and buys diamond bracelets and buys a Rolls Royce when she ought to buy a Morris Minor, and invites her lady friends to Volga when she should go to the India Coffee House, then mild as I am and lovable as I am, especially towards women, I shall be fully justified in giving her a sound thrashing and throwing her out of the second floor window.

What is the function of a Budget? Is it to obtain a balance at all costs? Or, is the Budget an effective instrument for the maintenance of full employment? It is true, under the existing capitalistic circumstances, you cannot give full employment. But the other idea, of creating a favourable balance at all costs, is more applicable to a grocery store and not to a State. If we recognise that it is the duty, even the primary duty to ensure the maintenance of full employment, and, if sound finance is against it, then, we shall have to think in terms of functional finance. What is functional finance? Lerner describes it as "the principle of disregarding all traditional conceptions of what is sound in finance and judging fiscal measures only by their effect or the way they function in society". Again, a question arises. People say that we should not have a deficit Budget. That is not true. A deficit Budget is not harmful as long as the debts are internal. You are a debtor only to your own people. The old concept is that interest on internally owned national debt is a burden on the nation. This is no longer correct. The notion that a country will go bankrupt because it has a great internal debt can be only explained as the result of private capitalists building up the conception of the State in their own image and impressing this capitalistic mythology on other members of capitalistic society. Only the repayment of an external debt will be like individual debt and would impoverish the country since it would involve the creation of an export surplus which automatically would

leave a smaller volume of goods for home consumption. But, our Budget hopes to push up the export of raw materials which is always a loss to the country.

Another fallacy of sound finance is the notion that Government borrowing is inflationary and private borrowing is not. This will take too long to explain. Another fallacy is the general refusal of classical economists that they refuse to recognise the fact that, even in a slump, the Government expenditure will fail to stimulate employment. I am not a classical economist. Joan Robinson says:

"It is necessary to recognise the chronic tendency towards depression which is a peculiar feature of capitalism. It is therefore essential not only to accept deficit budgeting as a temporary expedient, but also, if necessary, as a permanent feature. To have a deficit in the slump is right and proper, but the boom in which it would be right and proper to have a surplus would never come."

Deficit finance is a policy of reform as opposed to revolution.

I spoke about the extravagant housewife. We have a public sector and the private sector, which our Prime Minister calls mixed economy, a very mixed up economy, because we do not know where the public sector starts and where the private sector stops. The funny part is that only three months ago, in February, the Finance Minister, addressing the House on the White Paper on the Budget, 1952 said:

"Looking back on the year which is drawing to a close, I feel that there is justification for sober satisfaction."

All of a sudden our reserves have dropped to 81 crores. You are now going to spend vast sums of money in the public sector. I do not care how much money you spend. The question is, is it spent properly? Are there no wastages, leakages, seepages, stupidity and inefficiency in the men who are conducting it? I am quoting from the Gorwala Committee's report.

Can I speak for five minutes more, Sir?

Mr. Deputy-Speaker: I am ringing the bell a couple of minutes before time.

Dr. Jaisoorya: I want to know how many minutes more I can speak.

Mr. Deputy-Speaker: Two minutes.

Dr. Jaisoorya: The report says (on page 33 regarding the Damodar Valley Corporation):

"For thirty months after beginning operations, a Corporation charged with most immediate engineering and important works, was without a Chief Engineer."

Here is another thing which very few people will know. You will see the remarkable picture given by the Ministry of Transport regarding the Delhi Transport Authority. In 1950-51 they had 276 vehicles; 50 per cent. or 142 vehicles are off the road. In 1951-52 they had 305 vehicles; 150 were off the road. That is called efficiency. The total staff in 1950-51 was 1360; in 1951 it was 1385, that is eight people per bus; because there are only 150 buses on the road it comes to 16 people per bus, to look after each bus. Since I have 15 or 16 years experience in this transport problem, I may tell you that if properly carried out, you require only four men per bus. In 1950-51 the Budget estimate was plus 7.83 lakhs. It turned into a deficit of minus 7.1 lakhs and the revised estimate for 1951-52 is 10.15 lakhs. (*An Hon. Member:* Minus?) Yes; minus. That is the progress, efficiency.

Similarly, take the Delhi Tramway. A plus has become a minus. We have to await the next report in order to wipe it out. Let us see what the capitalists say? They are quoting from your report in the Estimates Committee. So I need not say anything more.

Mr. Deputy-Speaker: Is it considered a capitalistic report?

Dr. Jaisoorya: Not at all. They are quoting you. There is a great deal of difficulty and loss because you are not strong enough to root out corruption and inefficiency.

One more point. Sir, and I have finished. I refer to the Rajadhyaksha report on the fertiliser scandal. Three people are now committed for trial. There is a corollary to this. The High Commissioner in London has been questioned about it. But there is no report. Similarly, there was the Prime Minister's Committee which was examining the deals in anti-tank grenades and jeeps. Now, I want to know whether we have got the right or not to ask at least if these investigations are recorded. I am not asking them to publish it. There seems to be a double barrelled morality. The

small man is caught and punished, up to the I.C.S. The higher people escape. This is what is creating lack of confidence in the public. There is a feeling that invidious distinctions are made and that friendships and personal loyalties come in where principles should be observed.

One more point. I want the facts to be laid on the Table. A contract with a British firm for telephones was signed in Switzerland. It is strange that it was not signed in Delhi or in London, but there is a corollary to this, and my information is—I am giving it in all good faith because I have full faith in my information—there is a very large sum of money, one and a half million Swiss Francs in the name of an Indian national who is connected with this deal. That came to light when that person died, and the bank asked: "Here in the name of a certain person is a large sum of money; what should be done?" Two points arise out of that: one is that that person, without informing the Government, had a large *valuta*, and in a hard currency area, which was not declared—in that case it is evasion of income-tax. I want to ask—I may be wrong, but the people have the right to know, because as they say, Caesar's wife must be above suspicion. Unfortunately, historically, Caesar's wife was not above suspicion; she had committed adultery. But we can only infuse enthusiasm and faith in the people if from the highest to the lowest we have the feeling that the wealth of the people, the money of the people, shall be protected in every way. That is the biggest problem in India. I do not care if we are going bankrupt, but the bankruptcy of the people losing their confidence in the Government, this is bigger. You restore the confidence in the people, and they will not care for their miseries; they will tighten their belt, they will follow you, they have hungered for centuries. To hunger for five years more does not matter. The people live in faith. When a nation has lost faith in its own destiny, in its own inherent strength, that nation is doomed to destruction.

One word more. It is said there is no invasion of American capital. To my information there is already 240 million dollars invested by Americans here. If you bring the other investments that are coming with the petroleum and other things, it will be another 140 million dollars. The days of the old East India Company are coming again in another form, no longer by conquest because you can-

not conquer a people, but you can reduce them to economic slavery, as Great Britain which once owned America is a colony today, is the 49th State of America. Do not let India become the 50th State of America.

Dr. S. N. Sinha (Saran East): Sir, I would like to make one or two observations about the economic and political aspects of our present debate. The present economic situation of our country reminds me of Ukraine, where I worked in 1933 as an interpreter. The Soviets were building at that time a big hydro-electric plant there, and I used to work there as an interpreter. We were considered to be fortunate ones. But every day we had to stand in a line of about 500 people, very patiently for 400 grams of black bread. There were many unfortunates in Ukraine who starved, literally starved, and deaths due to starvation were not very unusual phenomena. When these matters reached the ears of Stalin, he said: "We can live without bread, we can live without butter, but we cannot live without bren-guns and bullets: we can live without candies, but we cannot live without cannons". And Stalin was right. He saved the Soviet Union no doubt.

At this moment we cannot expect from our present Finance Minister that he will prepare our Budget on the lines of Stalin or on the line of Marx. I am speaking about Marx because he was the person who gave a wonderful technique of analysing the demands of the common man on scientific lines. There has been a good deal of talk about the common man, but the speakers were carried away by sentimental reasoning and by propaganda technique. Nobody was objective. If we look objectively into the point, we will find that the present question of our food problem has very little to do with the functions of our exchequer. It is a problem which has very deep roots. It has been created by a constant fight, which is still going on, between the industrial and the agricultural world. The agricultural world must be defeated, and as the fate is of defeated people, so it is ours.

Shri Velayudhan: Is it our fate?

Dr. S. N. Sinha: Under these circumstances, I see that the present Budget has been prepared on scientific lines.

I remember the last few years I spent in Central Europe. I had many occasions to study the post-war international affairs and the new military preparations of the great powers. They

were special subjects of my study. While going through certain documents in the Berlin Archives of the former German Foreign office, I came across a wonderful document. I have got a copy and I will read from it. One clause of this draft secret protocol which was signed between Stalin and Hitler reads:

"The Soviet Union declares that the centre of gravity of its territorial aspirations lies in the south of the State territory of the Soviet Union in the direction of the Indian Ocean".

Subsequently, I came in contact with some people in Central Europe from whom I gathered information about a certain bureau for the study of modern warfare which has been put directly under the Chief of General Staff of a certain country.

Shri Velayudhan: Which country?

Dr. S. N. Sinha: I will tell you. You will see what country it is. And they have included India in their very serious calculations. Unless we have an organisation in our country to study how other people see us, what are their intentions and what is happening on the other side of the Hill, we are not in a position to see what dangers lie before our country.

Now, I will come to the point of the hon. member. During the last few years, perhaps for the last 20 years, I have been closely observing the technique of an organisation which is to-day called the 'cominform'. It was formerly called the 'comintern'. I have been a student of that organisation, and I know the technique, the people, and the way that organisation functions.

Shri Velayudhan: You are a bad student.

Dr. S. N. Sinha: There are several schools to-day in Central Europe which are run by this cominform organisation. Many of our comrades go there to study politics and to learn the wonderful technique of military espionage. It is there that our comrades learn a technique which is called in Communist terminology 'insurrection'. On completion of their training, their work in India is to weaken the country's defences. There were many students in those schools, I shall name you a few. (*Interruption*).

Mr. Deputy-Speaker: Order, order. Hon. Members should not shout like

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this. We should observe decorum here. Many things may be said on one side, which are unpalatable to the other side. It is not as if what has been said on this side of the House is also sweet. Hon. Members must bear with it, unless there are personal attacks. If an hon. Member says that he is personally attacked on the floor of the House, I shall see that such attacks are not allowed. But generally what kind of technique is being used either by the one side or the other, I have been hearing. Hon. Members must give and also take.

Shri H. N. Mukerjee (Calcutta North-East): On a point of order, Sir. Is the hon. Member entitled to refer by name to a particular individual, who is not present here, and to make accusations against him or her as an agent of a foreign country, who has come back to this country with certain specific objectives which are treasonable in character? Is the hon. Member in order in making aspersions of this nature in this House, and besides, is the hon. Member in order in shouting at us if an hon. Member of this House asks you for a ruling on a point of order which is going to be raised?

Mr. Deputy-Speaker: So far as the shouting is concerned, the less said the better. I would like hon. Members from both sides of the House to speak with greater effect, and more slowly and calmly.

So far as referring to particular persons is concerned, it is better to avoid references to individuals, because it may lead to a number of complications. Moreover, they are not also here. Attacking a policy and a group of persons is quite different from attacking individuals. I hope hon. Members will observe this practice in future.

Shri B. R. Bhagat: For your information, Sir, I may recall that the hon. Member gave names, only when some hon. Members from the other side demanded names.

Shri Gadgil (Poona Central): I want to understand the implications of your ruling, Sir. If an hon. Member is speaking something, which according to him, is a fact,—no matter whether it concerns a person who is present here in the House or not,—is it on that account unparliamentary to refer to it?

Mr. Deputy-Speaker: That is not unparliamentary. All that I would say is reference to the conduct of any member who is a citizen of this

country, who has not an opportunity to show that the allegations or accusations made against him are not right, need not be allowed in the House.

Shri Gadgil: May I only submit, Sir, in that case it will be impossible to attack any doctrine that may be expounded by persons who are not Indian citizens and who are not available in this country? What really is the force in the ruling then? It is only relevant to the case when a person who has no opportunity to reply to the allegations happens to be a Government servant.

Shri H. N. Mukerjee: Is the hon. Member discussing the ruling of the Chair?

Mr. Deputy-Speaker: Order, order. The hon. Member evidently wants further clarification regarding my ruling. The hon. Member has been here sufficiently long, and would not question the ruling of the Chair. (*Interruption*). Let there be no concurrent arguments or discussions.

So far as this matter is concerned, I am not called upon to give any ruling on a hypothetical issue. So far as this particular point of order is concerned, I have given my ruling, and it stands.

Shri Joachim Alva (Kanara): May I take one minute, Sir? May I point out that hon. Members cannot and should not make statements in this House, which if they made outside would lend themselves to civil or criminal liability of the Courts?

Dr. S. N. Sinha: I was telling you about the cominform. The schools are run in Prague and in Leipzig. I have enough material in my hand to show that in the insurrection which was going on in Telengana, they had direct radio communications with their headquarters in Central Europe. They had learnt the technique of insurrection. (*Interruption*).

Mr. Deputy-Speaker: Order, order. Hon. Members who are new to the House will kindly bear in mind that it is only for purposes of regulating the debate,—so that there might be order,—that when the Chair gets up, all hon. Members must take their seats. One after another may speak. I have got two ears; I hear not only this side, but also the other side. Let the Members speak one after the other, and speak in a moderate voice, so that we may catch what the hon. Member speaks.

Shrimati Tarkeshwari Sinha (Patna East): May I know, Sir, whether it is diplomatic in our remarks to draw in countries with whom we are maintaining friendly relations, even though the countries' ideologies and ideas may be different in their economic set up...

Mr. Deputy-Speaker: I have heard the hon. Member sufficiently. If any point is referred to by a Member while speaking, other hon. Members ought not to interrupt and start a discussion or debate there and then. The hon. Member was referring to the cominform, and then to Nalagonda. I suppose there are no hon. Members here from Nalagonda or Telengana.

Some Hon. Members: We are here.

Mr. Deputy-Speaker: It is unfortunate that if the cap fits, then he has to wear it. There is no harm in that. I do not see anything unparliamentary, if it is said that in the guise of helping this country, some persons making contacts with an outside organisation. Then the conduct of particular individuals or their motives can be looked into here and this principle should be accepted by the House. That is exactly what the hon. Member was saying. I shall give an opportunity to the other side also. First, let us hear this side, the points for and against, in a calm atmosphere. Nothing is lost after all.

Dr. S. N. Sinha: Sir, I was discussing about these schools, because our country today is directly concerned with fighting the technique of cominform. Today we have to face certain difficulties, due to that organisation. Here in India we have got a branch of that organisation, which is in contact with their headquarters. Everything that an hon. Member from the Communist Opposition writes or says has already been chalked out in that Leipzig school. I have got a copy of the cominform instructions, and if the Chair would permit me, I am prepared to lay it on the Table of the House. A certain cominform leader has chalked out the whole plan about their activities in Parliament and the country.

What I wanted to say is this. It is in the interests of our country to study the cominform organisation, which has branches everywhere and which is weakening our defences. That is why I am interested in this question. I have maps and many other documents in my possession. Sir, if you will see all those documents, then only you will realise what difficulties our country has to face now and in the near future.

With this background, I may also remind you that the intention of the cominform is just to start insurrections in every part of the country. When we are in difficulty, more insurrections will be started by them, and much energy of our Government will be diverted in that direction. It has been the intention of the cominform organisation to create famine condition in India favourable for the Telengana type of insurrections.

If there was no Telengana, Sir, there would not have been a Rayalaseema. Our Government would have very easily succeeded in giving relief to the people there, if all that money could have been saved which our Government had to spend in order to bring under control the Telengana area. Again if any human factor is responsible for the present miseries of our country, it is the branch of the cominform in India. They have the face to say that they are revolutionaries? They have never been, Sir, (*Interruptions*).

Mr. Deputy-Speaker: Order, order. Hon. members cannot go on interrupting like this. Let the hon. Member go on. If any other hon. Member has to say anything, he can reserve it for his own speech.

Dr. S. N. Sinha: Sir, it is now being proved in this House as well that the hon. comrades opposite belong to a branch of the cominform. Otherwise they would not have created such a fuss about facts. I have not told you many things because they are State Secrets and perhaps they may be useful to our State (*Interruptions*).

Shri Velayudhan: On a point of information, Sir.....

Mr. Deputy-Speaker: Order, order. One other thing that has to be observed by hon. Members is that it is open to an hon. Member to ask for some information while another hon. Member is speaking. But it is always open to the hon. Member who is on his legs not to give away. That applies to this side and that side. If an hon. Member is speaking and another hon. Member gets up and wants some information, unless the hon. Member who is speaking yields I will not allow him to put that question. Let this be observed on both sides.

Dr. S. N. Sinha: On another occasion, if time permits I will put before you, Sir, interesting material. Today I was concentrating on the fact that our country has no bureau to study the techniques of modern warfare, and that

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is why we do not realise what is happening on the other side of the Hill. Our present Budget—is a poor man's Budget, no doubt. We have put a very small sum for our defence. But we have a great deal to do and to cope with. We must have up-to-date armoured divisions in our country to meet the coming dangers. If not for an attack from a foreign country, then at least for maintaining our internal peace we need them today. We did not need them five or ten years ago, but we need them today, because there are certain elements in our country who have learnt modern techniques of warfare, and have been schooled in Central Europe, and are being schooled even today there. They infiltrate in our country in various departments of our Secretariat including Defence. From there they steal our documents and transmit them by wireless abroad. All this work is being done on such a mean level. Unfortunately, Sir, our country..... (Interruptions).

An Hon. Member: Does this not demean the nature of the debate?

Mr. Deputy-Speaker: Order, order. About the nature of the debate, there is nothing unparliamentary about referring to documents being stolen by persons here who enter the Secretariat under some kind of disguise and sending them away.

An Hon. Member: Is the House entitled to a secret session when he can bring all his material?

Several Hon. Members: Lay it on the Table.

Mr. Deputy-Speaker: Order order. If any hon. Member refers to any particular document, I will ask him to place it on the Table. If he only says, 'I have got documents to prove', it is open to him to produce it or not. I cannot compel any hon. Member when he does not refer to a particular document to place it on the Table of the House. I have seen that unfortunately this speech is being interrupted many times. He has got his own facts, he has got his own experience. Let him be allowed to state them and then let other hon. Members also have their say. So far, we have been orderly, and I do not see why there should be any kind of disorderliness now. The hon. Member may go on.

Dr. S. N. Sinha: Sir, it is very unfortunate, indeed. I have lived under

various circumstances and in a number of countries, and very advanced countries too. I have seen how such problems as I have narrated to you are tackled by every citizen, because it is the responsibility of every citizen to defend his country. If his country is being exploited by a foreign country, it is the duty of every citizen to inform his Government or to bring to the notice of the appropriate authorities, that such things are happening. Sir, in India, our organisations are very lax. Our Government, I must say, needs some cleaning up. In order to achieve this, the Parliament must show the way. Unfortunately, many in our country believe in non-violence. In any other country, Sir, for all the crimes which I have just mentioned to you, the punishment would be the guillotine.

It is considered high treason, Sir. In every civilised country, if any body acts against the interests of the country; that is high treason, and he gets no other punishment than the guillotine. Unfortunately, in our country it is not like that.

Putting myself in the position of our Finance Minister, I find myself in the same situation as I did a few years back in Arctic waters. There was a storm. But a very small storm it was compared to what our country is going to face in the near future. But I am sure of our coming victory, because I have faith in historical forces. I have a blind faith in them. Sir in the background of the historical forces which are driving us forward, there can not be a greater reactionary force than the agents of the cominform in our country. But in spite of their subversive activities the historical forces, are today driving us towards a great future. Our work is only to hear the voice of those historical forces. Forward, March Forward, Always Forward.

Shri N. C. Chatterjee (Hooghly): Let us now come to the Budget after these lively speeches we have heard. It seems that a good Budget produces bad speeches and a bad Budget produces some lively and good speeches. Sir, the Finance Minister's presentation was very lucid but we cannot congratulate him on the Budget because he was really propounding a policy of triple negative. Now what did the country demand of him? Industrialists were facing a period of depression. Therefore, they wanted some relief from taxation. But the Finance Minister has said: "No.

there shall be no change in the taxation structure." The common man demanded the restoration of the food subsidy. The Finance Minister again says: "No, there shall be no restoration of food subsidy." Thirdly, the country was expecting some reduction in the colossal defence estimates. Unfortunately they are disappointed. You know the figures. It is 197.98 crores and the Minister says: "There shall be no reduction on that score." Therefore, everywhere there has been a negative answer by the Finance Minister and the Defence Minister. People are wondering what is the difference between this Budget which is presented on behalf of the national Government to the House of the People and the old bureaucratic Budgets which were presented to the old Legislature under imperialist regime. Sir, you know the common man for whom everybody is shedding tears here. Hon. Members, Hon. Ministers including Hon. ex-Ministers, they are all shedding their tears for the common man. But what is the common man demanding? He is demanding the restoration of food subsidy and on a very cogent ground. You know, Sir, the Hon. the Finance Minister has said in his Budget speech that the general index number of wholesale prices shows a steady drop. But I think Dr. Krishnaswami was quite correct when he said that the price index and the cost of living index do not match together. There are various factors that go to make up the wholesale price index, namely, the commodities of international trade, and they do not fit in with the cost of living index.

After the abolition of food subsidy what is the effect? What is the patent fact that faces the people? You find that food prices have shot up. Quite true. Organised labour and trade unions can put forward their demand. They know their ways. They know the magic of realising their demands. We know, Sir, and you also know it, that dearness allowances are being realised by organised labour. And industrial tribunals are making awards in favour of the trade unions. But what about the unorganised labour? What about the lower middle classes, the poor classes? They cannot fight. They cannot put their demands in the same way as organised trade unions are doing for their just dues and they are slowly but steadily being wiped out of the country. Therefore, it is proper for the Finance Minister to ponder before he finally says 'no' to the demand for the restoration of the food subsidy.

Then there is one other factor and which is very important and that has also been adverted by some hon. Members. I shall now ask "what is this kind of Budget which has been presented before this House?" The interim Budget estimate which was presented before the House of the People in the month of February estimated a total revenue of 424.98 crores and today in three months' time they are coming forward and saying "we are sorry our estimate was wrong. It is now 404.98 crores". Now I am afraid there is something wrong in the Minister's way of dealing with these things. Why should there be such an over-estimate in the month of February? The Minister has said that there has been reduction in customs duty. But you know, Sir, and anybody who has got anything to do with this matter knows that the stockpiling has gone down. What do you find, Sir? In the Budget Estimate of 1951-52 the revenue figure was 401 crores whereas the revised estimates show 497 crores. What is all this? That shows that our revenues were shown at a lower figure by 96 crores. I am sorry to say that with this kind of improper estimates our Parliamentary control becomes absolutely illusory. Parliament is the custodian of the national funds. If you put forward a Budget like this and if you have improper estimates of revenue and expenditure, there would be no effective check on the finances of the country and Parliamentary control will be absolutely illusory. When you bring forward the Supplementary Budget after the money has been spent, Parliament would have no other alternative left but to put a seal on the amount that has already been spent.

One other important point that I wanted to mention and on which there has been a lot of discussion, is about the Defence Budget. I am sorry that the Minister says: "I cannot show any possible reduction in expenditure." But I find that in his speech on the Interim Budget on the 29th of February the Minister had said that he was trying to secure some retrenchment on that ground. I am not one of those who think it is practical to reduce our army or reduce the size of our defence forces. It is not politic. My friend Mr. Gopalan has said that democracies love peace. But these democracies are arming themselves at a terrific speed. We know that they are going on ahead with their armament programme. Therefore, the Defence Minister will be guilty of treason to the country and also the Finance Minister will be guilty of positive disservice to India if in the

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present context of things they actually weaken the Indian army or the Indian defence forces. But at the same time I feel that there is a possibility of a good bit of retrenchment. One great statesman had said: "Believe in God, have your faith in God but keep your powder dry". I say you also ought to have the same feeling. Have faith in democracy but keep your resources intact. Keep your powder dry. (Interruption). I say not 'face powder' but the real powder which will deter any aggressor who has got an evils eye on India. Face facts. Face realities. We have got a long and meandering boundary. Even today, in spite of all your love for your neighbours, a good bit of Indian territory in Kashmir is under the illegal occupation of Pakistani troops, and, therefore, it is absolutely urgent that we should not weaken our defences in any way. We do not know what is going to happen. Therefore, we must be ready for all eventualities.

But, Sir, the point is this. Rightly the note has been struck: what return are we getting for all the money that we spend in Kashmir? We have spent about Rs. 150 crores. This has come out of the Indian tax-payer who has been bled white. He is asking: "What is the return for all this?" You maintain a standing army and you have got to spend for that. And what about the additional flow which is going into Kashmir? And we hear that there ought to be a Republic within the Republic; that this Parliament will have no jurisdiction over Kashmir. As a result of spending over Rs. 150 crores and a yearly commitment of Rs. 40 or Rs. 50 crores over Kashmir, this is the return we are going to get.

In the month of February, the Minister stated that he was trying to secure some retrenchment in the defence estimates. I am rather perplexed to find that nothing has been done. If you look at the defence services estimates, you will find that the net expenditure for the Army for 1950-51 was Rs. 131.72 crores. In the present budget the net expenditure for the Army is Rs. 148.69 crores. I would like to have some explanation. The House is entitled to some explanation as to why this additional amount of Rs. 17 crores is being taken for the Army. We had a fairly good Army in 1950-51. I have said that I am not in favour of weakening the Army. Why are you taking additional Rs. 17 crores? I find the net expenditure for the Defence services in 1950-51 was Rs. 164.12 crores; I find in this budget the net expenditure for

the same is Rs. 197.94 crores. Surely the Defence Minister ought to give us some explanation as to why he is adding Rs. 33 crores and 82 lakhs to the net expenditure. We ought to have some idea as to why this very large expenditure is being added to the already high expenditure of Rs. 164 crores.

Sir, I plead for the development of the different defence industries. I think it would be better in the interests of discipline and in the interests of economy that there should be greater vigilance, and some kind of Defence Council should be set up where members of the Government and members of the Opposition could meet to discuss general matters of policy. You know that England was saved by Lord Haldane's scheme of a Defence Council, and I ask the Defence Minister to consider such a scheme. We have been very much perturbed by the disclosure made by a great Indian whose patriotism is beyond question. He has referred to the anti-tank grenade purchase, and he has said that it is something like the jeep scandal. We on the floor of this House ought to know something from the Minister. Has he really taken steps with regard to the jeep scandal? What investigation has he made with regard to the matter of the grenades to be used against tanks? Is there any scandal? Has he satisfied himself? Has he made any inquiry? Has he made any investigation? It is no use simply saying we have lost a substantial amount of money from the Indian exchequer over the jeep scandal. What steps has the Government taken for the purpose of punishing those people, whosoever they may be, concerned in this jeep scandal? Unless drastic steps are taken and condign punishment is meted out, neither corruption nor extravagance will be rooted out, and that is absolutely essential for a poor country like ours.

12 Noon

Sardar Majithia (Tarn Taran): Sir, most of what I wanted to say was said by my hon. friend who preceded me, but still there are a couple of points which I should like to bring out. I have been listening with quite a lot of attention to what the Opposition had to say about this Budget. This Budget, which is a poor man's Budget, is a Budget based on sound common sense; it is a Budget which is realistic; it is a Budget which has a plan. Unfortunately my friends in the Opposition who possibly have seen it through some

coloured spectacles, can only say that it is callous, that it has got no plan, and that therefore it is worthless. I can only say that this Congress Government has been able to achieve in this short space of five years what the British took a couple of centuries, and even the great country of Soviet Russia took about 17 years. I am referring to the Constitution which is acclaimed by all the great people, who know about the Constitution, as the best that the world has produced so far. We have given equality to all, and it is as a result of that equality and that right that we find today a number of Members sitting in this House who had absolutely no right in the previous regime. It is the common man who has come into his own through this great Constitution of ours.

It has been said that we have not been able to do anything. If keeping law and order during these troublous times is not doing anything, well, possibly I will agree with my hon. friend. If tackling the problem of the refugees, of our unfortunate brothers who came from across the border, is no work at all, possibly I would agree with him. If not letting a single man die of starvation when the weather has been against us means that we have not done anything for the common man and the poor man, well, possibly he is correct. It is a fact that not a single man in India has lost his life due to starvation.

I was listening to our great Comrade Gopalan, an hon. Member of this House. He suggested that we should deforest our country and give that land to the common man. I do not know whether he was suggesting this in all seriousness, because deforestation is a problem in itself. This country is already short of trees. Perhaps they do not know that there is a phenomenon known as transpiration and it is as a result of this phenomenon that rain is caused. In case we denude our country of the trees, all that we are asking for is less rain, and less rain will have in its train less food production, more starvation and more chaos. I could only refer my friend to what is happening in Hoshiarpur in the Punjab. There due to this deforestation the water level of the District is going down by about a foot every year. It is due to this deforestation that you have these hill torrents which wash away fertile lands and our crops along with them. There is another point which incidentally crops up. Forests produce fuel and if we have not enough wood we naturally have to go back to cow-dung which is a very good manure and easily available in India. In other words, we would be losing that

very great national asset, the cow-dung manure, if we deforest this country. I would seriously suggest that instead of going in that direction we should have, as we have already got, a plan to put in more trees as contemplated under the Five Year Plan.

That takes me to what my friend from Ludhiana has said. He mentioned that the situation so far as law and order is concerned has deteriorated in the country to such an extent that crime today is ten times more in the Punjab than what it was before. I do not know from where he got the figures but if he must have the figures I could also give him some. In April, 1951, speaking of the Punjab, the number of murders in the Punjab was 53 while in March, 1952 they dropped down to 49 which shows a decrease. The number of dacoities were six in April, five in March, 1952, which also shows a decrease. Burglaries were 465 in April, 1951, 365—a reduction of over 100—in the month of March, 1952. Robberies were 41, now 27; thefts 541, reduced to 494; rioting 21, reduced to 17; culpable homicide 65, reduced to 61; kidnapping 24, reduced to 19. This clearly shows that the crime situation is improving and not deteriorating as my friend suggests.

An Hon. Member: What about pre-partition period?

Sardar Majithia: Well, those figures too can be checked up and I am quite sure that they will have the same story to tell. My friend said that he was travelling and was stopped by the police. Well, I too have travelled quite a bit in that part at all times and there, has not been a single instance where I have come across any trouble on the roads. My friend possibly will say that I have been lucky. Possibly it is true but I would say that we on this side, that is the Congress, never gave any false promises to our electorate and the very fact that we are here in this House in such a great majority shows the confidence that the masses have in us. It is not that we say something, give them promises, and do another thing. That is also borne out by the fact that in this Budget of ours we have tried to implement the Five Year Plan. We went to the electorate with this Five Year Plan. We asked for their votes, we got them, and it is only right that we should implement what we promised to our constituents.

I shall not take very long, Sir, because you were very kind to give me this opportunity, but there are one or two points which I must make regarding our Defence Services. These De-

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fence Services are the best in Asia and they are a national asset. I could say that we cannot afford even to retrench a single person—every one of them is needed. What we do require is that we should have a reorientation. We should know what the role of our Defence Forces is going to be and for that I would suggest to our hon. Minister of Defence that he should appoint a high-powered Commission which should go into these details of what the role of the Defence Services is going to be, what are we going to be prepared for, and what are our problems, and then we can work on them. But I can say this that although we are spending this amount the other countries are spending ten times this amount or possibly even more on one part of their Defence Services and that is the Air Force alone. I have to point out that no Defence Services in any country can stand up unless they are backed up by the industry, and on that score too our Government has started up on the plans to have the Hindustan Aircraft Factory working. It was only the other day that our Defence Minister said that it is producing jets as well. Well, that is a step in the right direction. We should also encourage the other industries, for instance, producing motor engines. We require engines for our tanks, we require guns, and we require cannons. There are so many things which we require and which the industry must produce in order to keep our defence forces going. If we have to import them from outside, and depend upon another power for our essential requirements, we shall have to spend more money because that other power will give us those things at its own rates. Thus, I would seriously suggest to the Government that they should give a fillip to this part of the programme.

Apart from this, much has been said about the industrialists growing rich. That is not a fact. If you want an example, I can give you the example of the power alcohol industry, which is just starting. It is laid in the red book of the Government that the manufacturer has not only to produce; he has not only to give a certain amount ex-factory, but he has to deliver that same amount possibly a thousand miles away. Not only that; in case there is any shortage at the destination he has to pay a penalty of Rs. 100 per gallon of shortage. In other words, a producer sending a thousand gallons of power alcohol, say from the north of India to the south of India as it does happen, has to pay, if there is a shortage of ten gallons, Rs. 1,000 penalty whereas the amount he gets is only 13

to 14 annas per gallon. In other words, the whole money that he gets goes to the Government. This certainly is not a help to the industry.

Mr. Deputy-Speaker: He has already taken seventeen minutes. Hon. Members must make up their minds to finish within thirteen minutes and then if necessary they can have two minutes more. As it is, if Members take two or three minutes more after fifteen minutes are over, it becomes impossible for me to accommodate the other Members whose names I have got with me.

Sardar Majithia: Thank you, Sir. I was just mentioning or rather was going to mention something about the paintings that our Government has acquired from the famous artists of our country. It is really painful to see them deteriorating and not being properly looked after after spending all that money. I would suggest to the Ministry to look into the matter.

I support this Budget which, in the end, I may say is a good and honest Budget.

Shri N. S. Nair (Quilon cum Mavelikara): Sir, I do not belong to that group which one hon. friend from the other side described as the "agents of the cominform." Nor do I belong to that group which is rightly called the "agents of the Anglo-American powers." I claim myself to be a Marxist. I have been putting in fifteen to twenty hours a day in the service of the country in its freedom struggle for the last so many years and as a nationalist I feel that the Budget which has been presented is a war Budget. I call it so firstly because 49.3 per cent. of the total revenue is spent on our defence forces. Secondly, it is really a declaration of war on the poor masses of India by the Congress party in power. If you cursorily glance through the Budget, you will find that the defence expenditure has gone up by Rs. 35.9 crores within two years. I do not wish to have a dig at our Armed Forces. But as a representative of the workers and peasants of this country I have to demand that our military expenditure must be cut down. Government should shift the emphasis from quantity to quality and the Defence Department must be freed from the scandals and corruption that have become a very deplorable aspect of our public life. I would also call upon the Government to give compulsory military training to all young men and women of this country. I hold that a nation in arms is much better than having a thousand

standing armies. Of course, in the existing circumstances Government may not be anxious to arm our people. But if the people are armed we would be able to protect ourselves much better against the border raids, about which questions have been raised in this House. I, therefore, suggest that our young men and women should be given military training so that they may be able to hold their backbones erect.

Another aspect of the Budget to which I wish to draw attention is the chaotic and fluctuating character of the Budget. In 1951-52 the revenue surplus was estimated at Rs. 26.1 crores and in the revised estimates it was given as Rs. 92.61 crores, an increase of Rs. 66.51 crores. Again, in 1951-52, there is what the Finance Minister terms: "a shortfall of Rs. 50 crores from the Public Borrowings and a contraction of Rs. 30 crores in the Floating Debts." In the 1952-53 Budget, there is an actual deficit of Rs. 15 crores between the estimates of February and March. I submit that only in this unfortunate land of ours can we find such fluctuations between the estimates and the actuals. I was surprised to hear the Finance Minister claiming some amount of responsibility for these fluctuations. He seems to have anticipated these things and he claims that these are to a certain extent brought about by him. To say the least, this is irresponsibility, if not shamelessness.

The other aspect of the Budget is the abnormal fall in our revenues. From Rs. 497.67 crores in 1951-52 they have fallen to Rs. 404.98 crores, a drop of nearly Rs. 93 crores, representing 19 per cent. of the income of the previous year. The main items of course are customs and income-tax. The Government was taken unawares by the sudden economic crisis and in a panicky mood they have struck violently at the export duty. The duty on hessian has been cut down from Rs. 1,500 to Rs. 175. The duty on raw cotton and cotton waste has been reduced. The duties on oilseeds, groundnut oil and wool have been abolished. May I ask the Government whether in lifting the duty on the consumer goods the Government are not prejudicing the interests of the consumers, i.e. the common people?

Shri Tyagi: No. We did it to solve the unemployment question. If the mills were to stop, there would be unemployment.

Shri N. S. Nair: Yes, you will say that you did it to solve the unemployment question.

Shri Velayudhan: What about the five lakhs of people retrenched? How did that happen?

Shri N. S. Nair: You are trying to save landlords and capitalists who are supporting the Government.

Shri Tyagi: Labourers.

Shri N. S. Nair: You talk in terms of the labourers, but the help goes to the capitalists. This is natural.

I am no economist, but I understand the wants and woes of the common folk. I heard the Finance Minister calling upon the people to tighten their belts and adjust their budgets. He is speaking as if the common man, the man in the street, of India today has got ministerial income to readjust his budget. I say, Sir, it is very harsh, it is inhuman to ask the poor man of India, after five years of this Congress Raj to put up with any more hardships. As one who has never felt the throbbings of the heart of the common man of India, I can understand the Finance Minister saying that. But I cannot understand the great leaders of the Congress who were once with us in serving the common people, who have understood their woes, asking them to put up with all these woes and sufferings. I wish to make it quite plain that we are not prepared to live a living death and allow a few people to go away with the plum. We have decided to live in the present; we have decided to fight for our rights, because we have courage in our hearts. You call upon us to cut short our budget. We have only very few items in our budget. If you ask us to cut short even that, we are not prepared to do it. We will fight for our rights and if you cannot give us work and food shoot us down as you did in Gorakhpur and Pasumala. There is no compromise—take it from me there is no compromise.

Now, I come to the next question—the question of food subsidy. You have withdrawn the food subsidy and you have at the same time increased the freight charges of foodstuffs and other necessities of life. You have by this action of yours snatched away the last crumbs of bread from the poor man's mouth. And yet you say—put up with it. I know the Churchill Government in England has introduced a cut in the food subsidy. Their Indian proto-types are introducing a cut in the Indian food subsidy. But are you aware of the fact that the poor man in Great Britain has been amply protected and compensated by increase in wages, allowances,

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pensions, etc.? But it is an unfortunate fact that we have all along learned only to copy the negative aspects of the British way of life and never learned to copy their progressive ways. I would ask the Government to face courageously a deficit Budget rather than lower the already too low living standards of the Indian masses. I ask the Government: are the masses responsible for the rise in the prices of foodstuffs imported from abroad? Are they responsible for all the corruption, all the irregularities and quixotic policies adopted in the Grow More Food campaign? Are they responsible for the corruption, inefficiency and nepotism that is raging supreme in all branches of Government? I say: No. Then, why ask the common man to put up with the additional taxes, indirect taxes—a tax on his bread?

Of course the Finance Minister makes a claim that he has diverted Rs. three crores from the amount allotted for food subsidy to the community development project schemes. Here again may I ask the Government why the community development scheme is based on area and not on population? Is it not with a view to favour States like Uttar Pradesh as against States like Travancore-Cochin that you base it on area and not on population? I ask the Government to think about it. Is there not some truth in what Dr. Mookerjee said the other day: India means Uttar Pradesh. If that is going to be your attitude, it is going to be very bad for all of us.

Another aspect of the community development project which I would like to bring to the notice of the House is that more than 50 per cent. of the expenditure on the community development projects is being taken away in the form of wages, allowances etc. to be paid to American experts who come here. What then is the good of their giving us money for these community development projects? They not only take away whatever they give but also take away a good portion of what we contribute.

Then I come to the Five Year Plan. Rs. 1,453 crores are going to be expended on this Plan. But how much of it has been earmarked for the development of our industries? The Plan envisages an expenditure of Rs. 101 crores for this of which only Rs. ten crores have been allotted this year. At this rate how are we going to complete the Plan? Again by spending Rs. 101 crores are we going to industrialise our

country to such a limit as to supply all the needs of our people in the matter of technicians, in the matter of heavy industries, in the matter of machine-making plants etc.? No. How then can you compare this with the Revolutionary 5-Year Plans of Russia?

I now come to the affairs in my own State. I come from Travancore-Cochin State. My hon. friend Kumari Annie Mascarene brought to the notice of this House the sad plight of 150,000 handloom weavers. For 1949, the Central Government allotted about Rs. 19 lakhs for them, but never spent anything. Is this not humbugging? You have integrated our public services; but what have you done with the employees? Those people who have got educational standards, and who have put in several years of service have been given lower grades, as compared with other States. You integrated the services in 1950, but you have given them the new scales of pay only in 1951. Is this not misappropriating a portion of the salaries of these public servants?

Shri Tyagi: Does my hon. friend mean to say that in his State the services which have been integrated are not getting the same scales of pay as the Government of India services are getting?

Shri N. S. Nair: Yes, Sir. I am saying that they have not been given their due status and promotion which they deserve. Secondly, though the services were integrated in 1950 their increments were given only in 1951.

The last point I wish to bring to the notice of the House is that you are trampling under your feet our language and culture. You want to drive your language down our throat. We are going to resist it. You allow our *Kathakali* and folk art to die out. You want to bring us under article 371 of the Constitution and enslave us. We are not going to allow it. I come from a place where Veluthampi first hoisted the flag of revolution against the British imperialists. We cannot tolerate any sort of totalitarianism or any sort of slavery. During the fourteen years of our struggle for liberation we have consistently carried on the revolutionary torch of freedom. We have removed Sir C. P. Ramaswami Ayyar from our State without any help from Congress leaders or outside. And we have driven him out of our State with the imprint of our manhood branded

on his ivory face. So we are not going to allow article 371 to be applied to our State. We are not going to allow anybody to enslave us. I warn you, you are playing with fire.

Shri Joachim Alva: I rise to support the Budget proposals of the hon. the Finance Minister. Our proposals have been born of unparalleled difficulties, difficulties before 1947, after Mahatma Gandhi started the Quit India movement of 1942. And from 1947 up to this day we have had a mass movement of refugees, unknown in the history of the world. We are having today about eight million refugees, a number of which is more than the population of Australia and slightly less than that of Canada, two countries where white imperialism has enthralled all the benefits of nature. Our vast country was cut into two parts and refugees came from East and West Pakistan, and all these troubles had to be shouldered by our Government.

An Hon. Member: But who was responsible for it?

Shri Joachim Alva: Facts are unpleasant, public memories are short. May I remind my hon. friend that there were three parties responsible for the cutting up of India, this land of ours. Firstly, the British. And the British are paying heavy moral dividends for their secret, indirect and conscious support for the division of this country. Iran is answer to British mischief in India. Britain which was the first power has to play a subsidiary role to America. Secondly, the Muslim League which carried on a raging and tearing campaign in this respect by which the best values of national life were thrown into dust. And the third party was...

Some Hon. Members: The Congress.

Mr. Deputy-Speaker: Why are hon. Members so impatient? Let the hon. Member proceed.

Shri Joachim Alva: Sir, I say this in all humility. I say it in no spirit of ill-will, for I have many friends on the other side. With some of the front rank Communist leaders I have lived in jail. I am not caddish enough to speak ill of them, I admire many among them for their character, guts and ability. In his speech the other day my hon. friend Mr. Hiren Mukerjee said "We love every blade of grass in our land". If every Indian Communist were actuated by the same ideal and had the interests of his country at heart, there would be no trouble in this land. Why did all the trouble start and there was partition of the land? The Communists

waged a raging and tearing campaign for a people's war, when the most cherished leaders of Indian nationalism were in prison. When on grounds of self-preservation, of minority culture, when Muslim Leaguers wanted to have a separate nation, they, the Indian Communists gave them moral voice. Thus gifted men and women, all enthused by great ideals, gave away and sold their country and cut it into two parts. Who can deny these facts of history? I am not saying it in a spirit of bravado or ill-will. I still admire many of their men and women, for their character, guts, patriotism and self-sacrifice. We should not be ungenerous to acknowledge the virtues on the other side. But these are facts of history. The British, the Muslim League and the Communist Party of India together produced Pakistan.

So we had to face this problem of eight million refugees in North India, a figure, as I said, bigger than the population of Australia and slightly lesser than that of Canada. These people had to be found food and shelter. We did it without asking any pie of help from foreign lands or foreign agencies. And may I remind hon. Members that seventeen years after the Dandi march (in which movement my hon. friend Mr. Gopalan joined and unfortunately left subsequently) the British were driven out of this country? And if the Americans want to be inside this country, may I say that even seven days are enough for the anger of a nation to drive them away like the East-India Britishers? It is because you have no faith in our nationalism because you have no faith in our inner patriotism and our guts.....

Mr. Deputy-Speaker: Will the hon. Member address the Chair?

Shri Joachim Alva: As long as we lack patriotism and the guts we may feel that we have no faith in our power to resist the enemy.

May I say that this Budget has been well conceived? It has come out of so many difficulties. We had the other blow in 1946 levelled against Indian economy by Mr. Liaquat Ali Khan's Budget. We have forgotten it now. But it was a great blow to our economy and shattered our economy to pieces. His malicious aim was to cut down all Hindu Capitalists. The provisions made by him in respect of Business Profits Tax, Capital Gains Tax and Income-tax Investigation Committee were made with such a malicious thought as to inflict a heavy damage to Indian economy, from which we have still not recovered. **Though Mr.**

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Shanmukham Chetty and Dr. Matthai tried to assuage those difficulties we have not yet completely gone out of the wood, and it will perhaps take some time more.

I said in my Budget speech in 1950 that the man who solves the land problem will be the master of the land, whether it be the Congress or the Communists. It is open to any one to do it. We have got in the country only two and a half crores of industrial workers. When we have got a preponderating number on the land, all attention must be directed to these problems. For this, in the coming five years we have got to have a will and a skill. If we have no will, we perish as a nation. And if we have no skill, we shall not be equal to the task. It is open to both sides to exemplify themselves in the matter of the will to build out of chaos. And we shall have men skilled, competent and trained who will consider the interests of the country uppermost and build up this land.

I want to refer to one point about defence. I for one hold the view that we perhaps might have to proclaim a deliberate policy of peace. It is rather a difficult thing. We may also have short memories. Some time back we had an unidentified plane over our skies. You perhaps know that Britain has a secret and an open list of supplies of arms to India and Pakistan. What it gives by the right hand, it can hold by the left! It can give something to one side and not give it to the other. When that unidentified plane went over skies in Delhi, you know how the whole of India was stirred. We cannot let these things pass. We have to keep our defence expenditure for some time, though I strongly advocate that we shall have a deliberate policy of peace by which we shall be able to stretch across the hand of friendship to our neighbour. And fortunately the signs are good. The Chief Minister of West Punjab, Mr. Daulatana called Chief Minister Mr. Sachar for a tea party at which he said "Let us see how our troops and defence forces and police of both Provinces behave." So these are good signs. Perhaps in this way we may be able to forge unity and friendship.

There is another point. We have been out to increase our national income and are looking for other sources. I represent Karwar, which is next to Goa where with secret American help the Portuguese are arming their aerodromes pointing a pistol at Indian nationalism. We have to take care and

guard one of the wealthiest portions of India, Karwar, which invoked the admiration of Tagore. Napoleon cast his eyes on Karwar and Goa but he could not land there. Today I make an earnest appeal to the other side, to their sense of patriotism and nationalism. The Government of the Union of India is absorbed in a number of difficulties. If the talents and energies of our Communist friends on the opposite could be directed in ejecting the Portuguese from Goa and the French from Pondicherry, they would be earning the undying gratitude of Indian nationalism. The offer is open. The Congress dealt a deadly blow at British imperialism. It has come to the seat of power but has not been able so far to eject these foreigners from these places. It is open to my friends, who have the patriotism, the ability, the guts and, may I say, all kinds of devices at their disposal to see that the Portuguese are ejected from Goa and that the French are ejected from Pondicherry.

I want to mention one important thing and that is about harbours and ports. I am sorry to say that they are completely neglected. We have hardly half a dozen great ports through which our goods could go out to various parts of the world! Britain is a small country and in spite of that fact it has got 25 ports and has built up such great wealth. We have at least 30 potential ports and these could be built up. Very little money has been given according to the Planning Commission. I need not read out the figures in this connection. The total comes to Rs. one crore, for a long period of five years by which these harbours and ports will be developed. Today we are looking for sources for building up our national income. Today we find that our hands are tied up. There is gold beneath our feet. In my part of the country of Karnatak, near Karwar, whenever the train passes that area, on a certain, long track, you often hear a metallic sound, which you will not hear anywhere else and this indicates that gold is there below it. Unfortunately there is no national mineral policy, no national policy in respect of harbours and ports. Our land of Karnatak, which should be a separate State, remains untouched and untapped and at least in one portion of the Karra'ak from where I come and which I represent in this House, you easily have all the nature's abundance. If engineers and experts tap the resources and build up something new, it will come in very useful. Unless we do that, we cannot develop all the wealth of the hinterland.

We can straightway build up two or three ports, Malbe, Karwar and Bhatkal. Perhaps they make up the best and richest territory on our West Coast. There is lot of fish therein under the sea, but we follow the most primitive methods in catching fish. If this industry is developed, we could get better yields than what Canada or Britain, Norway or Japan or any country of the world is able to obtain.

There is a great controversy about Kashmir. There are misunderstandings. As a matter of fact, I must frankly say that on the last occasion when my hon. friend, Sheikh Abdullah made a speech, I rushed out of the House and implored an exalted Minister: Please come in. He is making a great speech. Well, thereafter we have heard other speeches from Sheikhsab which perhaps do not show the same cordiality, to which we always looked out from him. I for one do not see why fundamental rights should not be granted to everyone in Kashmir, and why the question of fundamental rights should not be referred to the Supreme Court of India. I cannot see why Kashmir cannot yield that amount of independence to the Supreme Court of India, so that any aggrieved individual in the Kashmir State may come to the Supreme Court of India and establish his rights and get justice.

Then I come to the subject of the Press Commission to which the President referred to. No grant has been made in the Budget. I believe that in the supplementary grants a provision will be made for the Press Commission. We had our journals which were the backbone of our fight for nationalism. There were 4,000 journals in England when the Royal Press Commission was set up. They came to the conclusion that the owners or the people who invested the money in them did not interfere with the policy of the journals. However in India, we have foreigners dictating the policies of journals directly or indirectly; they belong to the Anglo-Saxon democracies. We cannot get along unless advertisement comes in and advertising is being dictated by the Anglo-Saxon democracies. Besides the interests of the working journalists should not be ignored. All these points should receive the serious consideration at the hands of the Press Commission. On the whole, I welcome the announcement made by the President in his speech. We have about 6,539 journals in India out of which 578 are dailies and these have to be tended with care so that no foreign influence be allowed to exert itself on our journals. The

forthcoming Press Commission should reflect the correct barometer of our Press.

Then I come to the film industry. This industry, I am sorry to say, has copied the methods followed in other lands—I may mention America. Our film industry is full of sex, crime and murder, of the pattern of the American films. During the next five years the whole film industry will have to be nationalised and made a powerful vehicle of propaganda so that there should be no sex or crime in it. Our youth is vulgarized by indecent ideas and we have to build our nation on the purest ideas, clean morals and no perverted sex.

Finally, I find that our Constitution was devised by our great leaders—I mean no disrespect to anybody—they were great lawyers and some of them were earning as much as Rs. 2,000 a day but they did not think of people who earned Rs. 20 a month. I here refer to article 19 where all freedoms are given, to freedom of speech and expression, to assemble peaceably and without arms, to form associations or unions, to move freely throughout the territory of India, to reside and settle in any part of the territory of India to acquire, hold and dispose of property and to practise any profession, or to carry on any occupation, trade or business, but nothing is mentioned about employment. The directives mention about employment; not the fundamental rights of the Constitution. We shall have to set our goal firmly. This lacuna has been made up by clause (a) of the Planning Commission's directive, namely that the citizens—men and women—have a right to an adequate means of livelihood. We shall have to provide full employment for all the people in the land. Then we shall have accomplished our great tasks.

I must take this opportunity to convey the gratitude of some of us who have been elected to this House. I would be failing in my duty if I do not include my Muslim friends and my Sikh friends—and my Parsi friends. We cannot erase these facts from our memory—of 23 Muslims in the House of the People, of 23 Muslims in the Council of States, of 13 Christians in the House of the People, of six Christians in the Council of States including four women—the better halves are perhaps thereof the Sikh community seven in the House of the People and ten in the Council of States, of one Parsee in the House of the People and three in the Council of States. These are very eloquent figures

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of secular ideals of our State. We have been elected on the goodwill of the majority of the Hindu faith, who had displayed real fraternity and great tolerance—Hindus who followed the ideal: Love your neighbour better than yourself. That means sacrifice of even one's own interests. When I went to Karwar nobody had seen or heard me a year ago. Yet I must pay my humble tribute to the ideals of Mahatma Gandhi which are enthroned by Pandit Jawaharlal Nehru and honoured as Congress ideals. I was elected against a very powerful socialist candidate. Like me, many others have been elected, but all this is due to the goodwill of the majority which has always displayed the best ideals of tolerance, the philosophy of non-resistance, and loving a neighbour as thyself,—things which are preached in the West but never practised. We need not have any fear of the future.

Shri S. S. More (Sholapur): Sir, I rise practically at the closing of our hours, but I take the opportunity of getting on my legs. Before I proceed to discuss the Budget proper, I deem it my duty not only to myself but even to some of the Members of the House to refer at the very outset to some of the accusations which have been levelled against me by the hon. Member representing Nasik. His first accusation was with reference to what I quoted from the speech of Pandit Motilaljee in February 1925 about the Railway Budget and he gave the House his own view. My hon. friend asked: Where was the hon. Member who is now so profusely quoting Motilal Nehru when the latter was fighting for the cause of freedom against the British? The hon. Member was in the camp of the henchmen of the British at that time. I did rise to explain my own position, but then you said that I could offer the necessary explanation when I got the opportunity to speak on my own behalf. I very stoutly repudiate the allegation made by the hon. Member. I say that in February 1925 I was not in active politics. Then I was a college student reading for my law examination and as such there was no possibility of my working for the Britisher.

Shri Tyagi: Then you must be young enough.

Shri S. S. More: As a matter of fact, I was studying politics, but I did not participate actively in politics. Further it may be possible that he had referred not to me personally but to the non-

Brahmin party of those days. I belonged for some time to the non-Brahmin movement. I need not dilate on it, because if I dilate on that movement, as to why it came into existence and why it thrived, I would have to open many sores which have already healed and if I do so, then not only the country but Maharashtra in particular will suffer. So I will not direct my comments to the origin, the objects and aims of the non-Brahmin movement. I will content myself by saying that Mahatma Gandhi, when he was discussing the non-Brahmin movement in Maharashtra and in South India, said that the non-Brahmin movement was perfectly justified, that the non-Brahmins were fighting their cause against the monstrosity of triple domination: economic domination, religious domination and political domination; and that the non-Brahmins had every right to resist that sort of domination. But, when Mahatma Gandhi came on the political scene and we were convinced that the Congress in Maharashtra was not being dominated by a section of religious nationalism, a section which was reactionary, in the words of Pandit Nehru, when we were convinced that here was a leader in the frail frame of Mahatma Gandhi who was competent enough to espouse vigorously and unflinchingly the interests of the peasantry and the many millions of workers, the non-Brahmin movement veered towards the Congress and eventually, it is a historic fact, it faded into the Congress movement itself. Sardar Patel had some correspondence with me and he himself admitted in one of his personal letters to me that the Congress movement in Maharashtra has been built up by the non-Brahmins and nobody else. That much is quite enough for that point.

Then, my hon. friend said that I was siding with the Britisher. Even supposing it to be true, I would ask—is that a sin? I would refer my hon. friend...

Shri S. V. Ramaswamy (Salem): On a point of order, Sir, is this House the forum for un-reeling one's auto-biography?

Shri Tyagi: My friend seems to be a Brahmin.

Mr. Deputy-Speaker: He is trying to reply. The hon. Member may go on.

Shri S. S. More: If we study the lives of stalwarts of the Congress, we find that there was a phase in the life of every one of them during which they collaborated with the Britisher. They

bona fide believed in the good intentions of the Britisher and fondly hoped that out of collaboration with the Britisher, something good may result. I might mention Dadabhai Naoroji; I might mention G. K. Gokhale, who was charged by some reactionaries as the agent of the Britisher. Particularly, I might mention Pandit Moti Lal Nehru who was collaborating with the British for some time. I quote from page 24 of Pandit Jawaharlal Nehru's *Autobiography*:

"Having cast his lot with the Moderates, father took an aggressive line. Most of the Extremists, apart from a few leaders in Bengal and Poona, were young men and it irritated him to find that these youngsters dared to go their own way. Impatient and intolerant of opposition, and not suffering people whom he considered fools, gladly, he pitched into them and hit out whenever he could. I remember. I think it was after I left Cambridge, reading an article of his which annoyed me greatly. I wrote him rather an impertinent letter in which I suggested that no doubt the British Government was greatly pleased with his political activities."

We are here Members of the Opposition. We have been sent to this House by a large number of voters and it is our duty to criticise the Congress wherever we feel that the Congress is going wrong. When we criticise,

imputations are made, and motives are attributed. My hon. friend from Nasik said that in 1946 I applied for the Congress ticket and because it was rejected, I am criticising the Congress, out of spite and out of malice. I refute this suggestion. I did apply in 1946 for getting official candidature of the Congress. My hon. friend had never a dominant position in the Maharashtra Provincial Congress Committee. I would refer this House to the hon. Mr. Gadgil, who happens to be.....

Mr. Deputy-Speaker: May I intervene? I find there is too much of a personal element in this matter. I only wish to say that we are far away from the main topic. The hon. Member has got his own justification. Many of the suggestions may not be accurate. He has referred to them in the earlier portion of his speech. I hope he will come to the topic on hand as early as possible.

Shri S. S. More: I accept your order. I only say that that suggestion was absolutely unjust and unfair to me.

Now, I will come to the Budget.

Some Hon. Members: He may continue tomorrow.

Mr. Deputy-Speaker: The hon. Member may continue tomorrow. The House is now adjourned till 8.15 A.M. tomorrow.

The House then adjourned till a Quarter Past Eight of the Clock on Wednesday, the 4th June, 1952.