

[Sh. Sriballav Panigrahi]

with that and they had a Minister exclusively for the affairs of Jammu & Kashmir. But the net result was that there was a lot confusion and things deteriorated. Any way, we need not go into all those things of past. It is time to start our efforts for a negotiated settlement. There can only be a negotiated settlement which should of course be within the framework of our Constitution. Therefore, efforts should be started afresh.

I now come to the local administration. Only yesterday, our hon. Home Minister has stated in this House that he would be visiting Jammu & Kashmir shortly. His visit should be followed by a visit of leaders of all parties to interact with the representatives from all walks of life, such as the Bar Association, trade and commerce, social and cultural organisations, political people and last but not least, the common men of Jammu & Kashmir. They should stay there for some time to assure the people of Jammu & Kashmir. The need of the hour is to inspire confidence among the people of Jammu & Kashmir and to create an atmosphere of goodwill and also to tell them clearly that this Government means something good and they are going to attempt very seriously to solve this problem. This process should start immediately.

I do not like to take more time of the House. As you know Sir, Kashmir is very dear to all of us. It must come back to normalcy as early as possible. But nobody has disputed the fact that the first basis for holding elections is that there should be free and fair elections. Neither at that time when the ordinance was promulgated nor at the present juncture, conditions are conducive to conduct free and fair elections in the State of Jammu & Kashmir. Sir, how long can we postpone elections in some parts of the country?

16.00 hrs

With these words, I support the Bill but, as I said earlier, not with pleasure but with compulsion. We all hope that such an unpleasant situation will not exist for long in Kashmir.

392-412

16.01 hrs. *Natural Calamity*

DISCUSSION UNDER RULE 193

Flood and drought situation in the country (Dur 193)

[English]

MR. CHAIRMAN: Dr. Laxminarayan Pandey is absent. Shri Satya Narayan Jatiya is also absent. Then S/Shri V. S. Rao and Ram Vilas Paswan are also not here. The next man is Shri Chandra Jeet Yadav.

[Translation] 392

SHRI CHANDRA JEET YADAV (Azamgarh): Sir, today we are having a discussion on the flood and draught situation in a large part of the country. This is for the first time in the last 4-5 years that a majority of farmers in the country have been affected either by flood or draught. This House has expressed its grave concern several times over this situation. If the State Governments and the Central Government do not take joint action immediately, the current economic crisis in the country could become worse. This is because agriculture still contributes a major share to the country's economic development. Agriculture is the major source of livelihood for a majority of the country's population. Agriculture also contributes to ameliorate the lot of crores countrymen.

In reply to the concern expressed in this House the hon. Agriculture Minister made a statement on the flood and drought situation in the country on August 1. The statement is quite comprehensive in itself. The seriousness of the situation can

be gauged from that statement. In his statement the hon. Minister has accepted that barring 1987, such a serious drought situation has not arisen since 1986. Further the hon. Minister has conceded that rainfall in a large part of the country has been only 47% of the expected level. The hon. Minister has himself admitted that the States which should have come in the category of normal rainfall have been able to come in it only one month after the monsoon and the States which are said to have received normal rainfall are Madhya Pradesh, Orissa and Gujarat. He has also admitted that Bihar, U.P., Himachal Pradesh, Delhi, Haryana and Western Rajasthan have received rainfall below average. He has also said that:

[English]

“As percentage of normal rainfall, the precipitation as on 24th July was only 36 in hills and West Uttar Pradesh varied from 50 to 59 in Bihar plateau and plains of East Uttar Pradesh, plains of West Uttar Pradesh, Himachal Pradesh and from 60 to 69 in Haryana, Chandigarh and Delhi, East and West Rajasthan.”

[Translation]

Sir, the entire U.P., two-thirds area of Bihar and the entire Delhi, a large part of Haryana and Rajasthan have been affected by drought. The statement of the hon. Agriculture Minister, however, sheds light on the entire situation but it does not reveal the true picture. The reality is that the entire kharif crop in parts of Bihar, U.P., Delhi, Haryana and Rajasthan has been destroyed and as admitted by the hon. Minister only 35% of the paddy crop in Bihar and only 40% of the paddy crop in U.P. could be harvested. The bajra and jowar crop is almost completely destroyed. The stock of seeds with the farmers has been sown. There was some rainfall in the beginning but then there was no rainfall for a month. This year the monsoon arrived five weeks

late and these are the five weeks in which kharif crop is sown. This crop is the main source of livelihood for the poor.

Sir, yesterday I was talking to Shri Suraj Mandal and some of his friends. Those people live in adivasi area of Bihar. They said that a family grows 25 kg of jowar and bajra on an average and that is barely enough for them to live on for a year and that has also been destroyed. The drought situation is also serious in several districts of eastern Uttar Pradesh, the area I belong to, like Azamgarh, Gazipur, Ballia, Jaunpur, Mirzapur, Gorakhpur, Basti, Deoria and Bahraich. Such a severe drought situation has arisen for the first time in the last 5-7 years.

Today I was talking to some farmers. They told me that the biggest problem they faced was lack of cattle fodder. Secondly whatever foodgrains they had have with them, has been sown as seed and now they have nothing to eat. In these conditions, they have to pay taxes, pay fee for their school-going children and arrange fodder for their cattle. This situation is causing a lot of hardship to the 13-14 crore people of U.P. and 6-7 crore people of Bihar. A total of 25 crore people in the country have been affected. Sadly, the State Governments are incapable of doing anything in this matter. I am referring to U.P. in particular. The U.P. Government has not come to terms with the seriousness of the situation so far. Some 10 days back I read in the newspapers that the U.P. Chief Minister has said that Rs. 300 crore would be spent to combat the drought but the very basic steps that needed to be taken such as waiving of taxes and school fee have not been taken. Other steps such as repair of tube-wells and canals have also not been taken. Today, more than half of the Government tube-wells in U.P. and Bihar are not in working condition. There is no water supply to the canals. The Central Government or the State Governments are not aware of this serious

[Sh. Chandra Jeet Yadav]
situation. This lack of understanding on the part of the authorities has added to the woes of the farmers.

Sir, the Government of Bihar is not able to do what it intends to do because of resource constraint. Royalty which the Government of Bihar used to get from coal has been stopped following a Supreme Court verdict. The matter has repeatedly been raised by us in the august House. When the State is facing a critical situation and farmers are experiencing acute hardship due to drought the Central Government should have taken immediate steps in Bihar also what it normally takes under difficult situations in other States. The hon. Minister of Agriculture in a statement has stated that half of the money from the Central Special Assistance Fund has already been allocated to State Governments. When the country is facing an economic crisis, only half of the money, what I feel, should not have been given to State Governments, thus allowing the situation to deteriorate further. The contribution of farmers and agricultural sector in the national output and national income should not be allowed to recede further. In fact, the entire amount available in the special assistance fund should have been allocated to States. Even now, I would like to urge the hon. Minister of Agriculture to raise the amount of special assistance fund. The balance half of the fund lying with Central Government should be allocated to States in view of the prevailing difficult situation in them. Please ascertain from the States as to what is their urgency. Till date not a single meeting has been held by the Centre and the States to find out some way out for tackling the situation of drought. Despite the prevailing difficult situation, 5-6 weeks have since passed, but no steps have been taken to tackle it. The hon. Minister of Agriculture may please let us know the extent of damage that was caused by the recent drought and flood to agricultural production in the country.

In view of the prevailing critical situation, first of all, I would like to

urge the centre to issue directions to the States to stop revenue collection from the farmers. In order to ensure that poor children in the drought affected areas do not give up their studies, they should be granted full fee concession. Thirdly, assistance may also be given to affected States so that they could set right the tubewells and repair the canals to meet their irrigation requirements.

Fourthly, cattle are the worst sufferers in drought. As a matter of fact, warehousing facilities are available in the country to store foodgrains to meet any emergency. When a crisis arises, foodgrains are rushed. Similarly employment is also generated on a warfooting to protect human lives. But no such warehousing facilities, especially in the Central Sector, are available to store fodder, on a large scale, for the cattle. Therefore, the subject of providing warehousing facilities for storing fodder should be brought under Central List. Suppose that some parts of the country experience drought. Let me cite, for an example, the case of Rajasthan, Kerala or Andhra Pradesh. How can they effectively tackle the drought situation if no suitable arrangement is made at the national level to meet such a situation. Therefore, I demand provision of warehousing facilities at the national level. Just as warehouses are being constructed to store foodgrains, warehouses should also be constructed for storing fodder so as to prevent loss of cattle at the time of drought.

Lastly, I would like to submit that it is a drawback in our system. As and when drought strikes and people's suffering increases, then only steps to tackle the situation are being contemplated. This issue has never been taken seriously. The time has, now, come to think over it seriously. Ours is a vast country with a huge population. When drought strikes, about 30-40 crore people come under its grip and at the time of floods also 10-15 crore people are affected. It is no less important an issue, because during these eventualities relief

operations will have to be undertaken on a massive scale. It is a established fact all over the world that drought is caused when 1/3 of the land area in a country is not brought under forest cover. Afforestation should be undertaken, as over the years, the land area under forest cover has been reduced to 10 per cent. It is a serious matter. Every year forests are being denuded and in the last 7 years forests on 107 million hectares of land have been denuded. It is a matter of concern for all of us that forests are being denuded on such a large scale but afforestation is being undertaken just as a matter of routine only, on these areas. In every state, the forest department undertakes afforestation work. It just grows some thorny shrubs and finish its work. In fact, fruitbearing trees which could be used for various other purposes should be grown by them. Sampling of shady trees and trees capable for making the environment pollutionfree should only be grown. But growing of such trees has almost been stopped. So this issue merits consideration by all of us.

Lack of facilities for storing rain water is yet another problem in the country. First of all, the dams that have already been constructed fall short of requirement to store rain water in the country. Earlier, the people in the villages used to dig ponds to store rain water for irrigation purposes. But now, with the construction of canals, big dams and installation of tubewells, the practice of storing water in ponds has totally been abandoned. Now these ponds are being used for agriculture purposes. I feel that the Government should issue directions to all the Gram Sabhas that they should protect the village ponds. Funds should also be provided for undertaking repair works of these ponds. At the same time these ponds should also be properly looked after so that at the time of need water can be drawn from them.

Our experts say that considerable land areas in our country fall under the category of "drought prone areas". Areas where possibility of drought is comparatively high are called drought

prone areas. It is estimated that about 328 million hectares of land area is drought prone. When 127 million hectares out of the above 328 million hectares land experience drought, then it is a matter of great concern. But necessary steps to combat the above crisis have not yet been taken in the country.

We treat both drought and floods like emergency. What the practice in vogue is that when drought occurs some relief work is being undertaken and maximum funds are being spent to combat the same every year but no permanent solution is being found out. I would like to urge the hon. Minister of Agriculture who is well acquainted with the problems of farmers and also has a soft corner towards them to prepare a master plan at the national level for this purpose because in a vast country like India 1/3 of its total land area is drought prone and drought and floods occur after every 4th year. The country suffers widespread losses due to all this. Plan needs to be drawn with the consent of the State Governments and taking advice of experts. After making all the preparations, it should be implemented as a big national endeavour.

The work being undertaken by the Washington based "World Watch Institute of Washington" which conducts weather study, ascertains position of water and areas likely to be affected by drought, must have caught the attention of the hon. Minister of Agriculture.

They have warned that various parts of the world may be hit by drought between 1990 to 2000. The countries they have identified as drought prone include India, in particular. Therefore, the Government should keep that situation in view and take measures right from now. The drought situation cannot be checked by taking immediate measures at the last moment. The Government is also aware that if the economy of the country is affected by drought for one year, the

[Sh. Chandra Jeet Yadav]
farmer suffers, at least, for two years. He is totally undone and is burdened with debt. His children give up their studies and his cattle either perish or are sold. Drought puts its effect on the farmer at least, for two years. Besides, the economy of the country is also greatly affected by it. (*Interruptions*) All right, Kalahandi has been an example where people died in large numbers and the destruction that took place there drew the attention of not only our own country, but also that of the whole of the world. (*Interruptions*) It is not the question whether it is the responsibility of the State Government or the Central Government, but the fact remains that it is the people who become the victims. Yes, first it is the duty of the State Government. But they are experiencing acute resource constraints due to prevailing economic crises all over the country. With inadequate resources they cannot meet these crises and take up any major work.

Sir, I, very seriously, would like to draw the attention of the House and the especially attention of the hon. Minister of Agriculture to this grave problem, and I am hopeful that while giving reply he would make categorical announcements in regard to these few points. The kharif crops have been destroyed completely. The farmers have suffered heavy losses. Rabi crops are no exception. I cannot say now whether there would be normal rainfall in the coming months. Meteorologists may make a forecast that the rainfall would be normal in these areas but there is no guarantee of it. If, unfortunately, the rainfall is not normal in the coming months, the Rabi crops would also be affected. Therefore the hon. Minister of Agriculture should make it clear as to what measures would be taken to help the farmers who suffered losses. Will their land revenue be waived as I have been demanding? Also their children should get full fee concession. I would like to suggest that the Government should ensure that all the tubewells are repaired at least, two months before the advent of rainy season. When 50 per cent tubewells do not work

either due to non-availability of electricity or due to some defect in any of the parts, it causes heavy losses. The tubewells must be repaired at least two months before the rainy season sets in. What they do is that they start the repair work when drought hits the area and waste two-three weeks in this way.

Similarly the farmers approach us to do something for them when their crops are hit by drought and there is no water in canals. Officials are not that responsive and dutiful to take precautionary measures. When drought hits the crops, the farmers run from pillar to post to ensure flow of water in the canals and save their crops. Why action is not taken in advance? Officials should be warned that they should keep themselves ready to meet such a situation well before time.

Centres have been set up both at the centre and states to meet an emergency. I think that the centre which works at district level is very weak for, it works under a person who is not a senior officer. I feel that a standing committee with the involvement of a senior officer and public representatives should be set up at the district level which should ensure that there is regular power supply and the tubewells are functioning properly. It would also oversee the measures being taken in this regard.

In states like Uttar Pradesh, B'har and Orissa the public distribution system is not good and fair price shops are very inadequate. Why measures are not being taken so as to ensure that a fair-price shop for at least every two thousand population is opened and essential commodities are made available to people regularly. The Government should do something in this regard.

Today, I heard from radionews that the Minister of Agriculture has convened a meeting, especially to discuss the position of fertilisers subsidy. When the Government is rethinking to

restore fertiliser subsidy to farmers, I would like to know whether this was appropriate time to withdraw subsidy from fertilizer. The farmer has been ruined due to drought situation on the one hand and floods on the other. His debt burden has increased and he is forced to buy everything at a higher rate, His crops are getting destroyed before his own eyes. The Government resorted to withdrawal of subsidy at this crucial time. What has been its fallout? I am talking of today. Some farmers of my constituency had come to me and they told that the price of fertilizer has increased by Rs. 50/- to Rs. 60/- per bag. This is the time when he requires help and is under burden. But the steps taken by the Government are proving disadvantageous to him. There is no proper co-ordination between various measures being taken by the Government. There is no nodal agency which could co-ordinate the efforts of various agencies. As a result of this the country is suffering heavy losses. I would not like to take much time of the House because several other Members want to participate in it. My submission is that the Central Government should chalk out a master plan in consultation with the State Governments and a part of the plan should concentrate on afforestation on a large scale. Provision for additional funds should be made for areas which are mostly hit by drought and steps should be taken to protect from floods and store water for them to combat drought.

Sir, electricity generation in areas which have been hit by drought has reduced to less than 50 per cent. In this regard I would like to make a suggestion to the centre that it should issue instructions to all concerned to impose 15 to 25 per cent power cut in industrial units at the time of sowing of crops and that electricity should be provided to the farmers so that atleast for one month at the time of sowing kharif and Rabi crops they could get power supply suiting to their needs. Similarly water shortage should not cause obstruction in the sowing process. I feel that a scheme

should definitely be evolved to overcome all these problems.

Before I conclude I would like to submit that the Government should chalk out a national programme in order to meet the drought and flood situation in future. I am hopeful that the hon. Minister of Agriculture would take immediate measures in this regard. A permanent solution should be found out for this problem so that we are capable of facing the challenge of drought for all time to come.

One more thing calls for attention is that of underground water. A survey was conducted according to which only 37 per cent of the total underground water available all the country over is being utilized. It means that tubewells have still not been installed in the major part of the country. Is there no such arrangement in major parts of the country to take out the ground-water and utilise the same in drought affected areas. The Government should see whether it is possible to prepare a national programme or make a reservoir to store water by connecting various canals etc. As a big endeavour main canals in the country could be connected with one another so that whenever any part of the country is in crisis that water could be made available to the affected areas. All these factors could be taken into consideration only when the Government takes steps in this direction at the national level. At the moment the State Governments require money and assistance and the Central Government should provide this assistance to them.

With these words, I hope that the Minister of Agriculture would take immediate measures in this regard.

[English]

402
 SHRI ARJUN CHARAN SETHI (Bhadrak): Sir, it is a paradox in our system that when one part of our country is being affected by drought, the other part is affected by floods.

[Sh. Arjun Charan Sethi]

Since my time is very limited, I would like to raise a few points for the consideration of the hon. Minister of Agriculture.

In Orissa we had heavy rainfall during the last week of July. There was 14 inches of rainfall during 12 hours which caused excessive damage to the lives and properties of Balasore District, Kaiahanu, Cuttack, Sundargarh, Keonijhar, Sambalpur, Ganjam and Puri. I would like to remind the hon. Minister as well as the House that last year we had a severe kind of flood in Ganjam and this year we are expecting that there will be no flood but there will be drought. That is why, I am told, the State administration has taken steps to meet the drought situation arising in different parts of the State, especially the western parts. But suddenly due to heavy rainfall that occurred during twelve hours, some sort of flash floods have taken place and the standing crops have been affected by these floods. I would like to point out that in my constituency that is, Bhadrak, which is chronically affected by floods all these years, this time although Balasore has not yet been affected. What is affected in my constituency are six Blocks. The rainfall was so severe and so much that suddenly all the rivers like Vaitarni, which is a major river in my constituency, and other rivulets like Kochila, Genguti and Kansbans got flooded. About 299 villages of these six blocks, involving 1.5 lakh people and 18.6 thousand hectares of crop area, have been affected. This is not a new phenomenon that has occurred this year only, it has been in the common knowledge and it has been our experience since long that my State and my constituency has always been affected by floods. The reason for this, I must narrate, is siltation of the river beds especially in big rivers and also insufficient drainage system when heavy rainfall is there. It is because of these that whenever there are sudden floods, submerging of crop areas takes place.

One major project we have been demanding for years together is the Bhimkund Dam Project and that has not yet been considered by the Central Water Commission.

16.39 hrs.

[SHRIMATI MALINI BHATTACHARYA *in the Chair.*]

I am told, the State Government submitted the report earlier but it has not been under the consideration of the Central Water Commission because the clarification sought by this Commission has not been complied with by the State Government. If it is a fact, then I must say that the Centre must ask for the clarification from the State Government of Orissa. I must tell the House that unless this Project is taken up, unless the drainage system that is there, especially in Cuttack, Balasore, Ganjam and Bhadrak, is attended to, there will be floods and there will be every kind of natural calamity which will affect the lives of millions of people there. I am sure, the hon. Minister will take steps. The State Government has taken steps. These are all temporary ones. Unless permanent measures are taken to solve the problem, specially the siltation of the river mouth and drainage of river beds, every time there will be floods. There will be the problem of the natural calamities.

Sir, the hon. Minister in his statement has mentioned that there is the Calamity Relief Fund to meet the urgent needs of the people affected by floods or drought. But I would like to draw his attention to one incident. Last year we had severe floods and I must say that it is an unprecedented one. When Shri Chandra Shekhar was the Prime Minister, he had visited the area and apart from him many Union Ministers have visited the area. A Central team has also visited the area. But, I am told, till now no money has been granted from the Centre. Whatever is at the disposal of the State Government in the Calamity Relief Fund, that has already been spent and exhausted. That is why the State Go-

vernment has been requesting the Centre to sanction more funds. But all these months nothing has been done.

I would like to mention about the Bheemkund irrigation project. The Agriculture Minister alone is in the House. The Minister for Water Resources is not here. I request the Minister of Agriculture to convey to the Minister of Water Resources that he should look into this project. Otherwise the money spent every year on drought and flood relief measures will go waste. There will be no end to the problems. Therefore, I once again ask the Government to see that these major river projects are taken up immediately and solve the drainage problem which is causing problems every year.

So many rivulets are there in the State. In case of excessive rainfall, these rivulets and small rivers do not discharge the water. As a result of this, vast areas are submerged. This is so in my constituency, Bhadrak in Balasore district. Not much of money is needed for these projects. Unless a master plan for these projects is prepared there will be no end to this problem. That is why I urge upon the Government to immediately take up these projects.

The hon. Member from Puri constituency has mentioned that there is not enough stock of rice at the disposal of the State Government to meet the emergency needs. There is not enough stock of rice. The Minister of Food as well as the Minister of Agriculture must look into this problem and must release enough stocks of rice to meet the demands of the people of the State. The State Government is already taking necessary steps.

With these words I once again urge upon the Government that the long term measures should be taken up in the State to solve these problems. Special efforts should be made with regard to the coastal area of the State.

The western part of the State is affected every year either by drought or sometime even floods. But the coastal area is always affected by floods. When there is cyclone in the Bay of Bengal, vast areas are affected. Saline inundation takes place and vast areas of crop and land are submerged. As a result the cultivable land remains unused for years together.

In order to decrease the salinity of the soil the State Government has to spend enormous money. Therefore, I request the hon. Minister as well as the Government to see that the drainage system as well as, what I mentioned, the Bhimakund project is taken up so that the problems of my area as well as the State are minimised and whatever the Government spends on this temporary work, that should serve the purpose for all times to come.

406

SHRI ANANTHA VENKATA REDDY (Anantapur): Madam Chairman, I hail from Anantapur District, which is the most backward and famine area in Andhra Pradesh.

On a perusal of the statement made by the hon. Minister for Agriculture on 1st August 1991, regarding the drought situation in the country. I was very much pained to know that not even a single mention was made about the chronically affected areas in Rayalaseema in general and Anantapur District in particular, in Andhra Pradesh. In para 8 it is stated that the sowing of oilseeds is progressing well in Andhra Pradesh, Karnataka etc. But I differ with the statement and say that even now the sowing of oilseeds or any other crop has not taken place and the entire Rayalaseema in general and Anantapur District in particular is fallow. Anantapur did not receive even a single spell of rainfall for sowing operations. The tanks, irrigation and drinking water wells and borewells have gone dry and people and cattle there are suffering for want of drinking water. Anantapur District has been a victim

[Sh. Anantha Venkata Reddy]

of famines and drought for the last 30 years. This district has been suffering because of the vagaries of monsoon. The suffering was mainly for want of rain and drinking water, that is to say, the rainfall is erratic and unpredictable there. Neither the State Government nor the Central Government has taken any proper measures to save the chronically drought affected areas. The survey of Anantapur District by geologists has shown that Anantapur District is prone to become a desert in a very short time unless the Government evinces keen interest in arresting the said drought and famines. To save the Anantapur District from becoming a desert, I request the State and Central Government to constitute the Anantapur District Drought Prone Area Authority with necessary funds.

With these words, I thank you very much for giving me the opportunity to speak.

[Translation]

SHRI R. M. GHANGARE (Wardha): Mr. Chairman, Sir, those who spoke before me also cited several examples in regard to problems arising out of drought and floods in the country. In India, floods occur wherever heavy rains take place and drought occurs in the areas where the rainfall is scanty. Sir, I would like to draw the attention of the House to the areas which suffered heavy damages due to heavy rains and floods. In last July when heavy rains took place, about 100 skilled and unskilled workers of the Indravathi Hydel Project in the Kalahandi district of Orissa were trapped in a tunnel and some of them reportedly lost their lives. About 200 Jhuggi dwellers living near the Muktagarh Power Project were washed away during the rains. There are also reports that many people lost their lives as a result of floods in the Krishna, Cauvery and Tungbhadra rivers of Karnataka.

Mr. Chairman, Sir, the most tragic incident took place in Maharashtra. As a result of heavy rains flood occurred in Wardha river. Its catchment areas start from Betul district of Madhya Pradesh. These areas also experienced a heavy downpour. There was also 20 inches rainfall in the Narkhed tehsil of Nagpur District in Maharashtra. When the Wardha river got flooded, thousands of people living in about 20 villages including Mowad, Jalah Khera, Mirzapur, Tharipavni were killed and a still larger number of people were washed away by the flood waters. Those people are still reported to be missing. About fifty thousand to one lakh acres of land was submerged and all standing crops were destroyed. The fury of flood caused unprecedented havoc in ten villages of the Varud Tehsil of Amravati District. Though a large number of people were killed, the official casualty figures are very low. In Mowad village alone more than 500 people were killed and more than 1,000 were washed away by flood waters.

Mr. Chairman, Sir, I shall give you several heart rendering instances of the havoc that was caused by these floods. I visited the area alongwith some friends on August 4 and met the Collector, S.D.O. and the D.S.P. We came to know that the hon. Minister of Defence, Shri Sharad Pawar and the hon. Minister of State in the Ministry of Finance, Shri Shantaram Potdukhe had also visited the area for an on the spot assessment. The State Chief Minister had also accompanied them. Despite the visit of these V.I.Ps, even six days after the devastating event, the debris of houses were lying as such. The Mowad village where a municipality had been set up during the British times 125 years ago and which had a population of 10,000 was completely ruined. Houses in 13 out of a total of 15 wards were washed away and the entire village looked like a graveyard. Women and children in groups of 200 to 300 had taken shelter in cemented houses. These house

were totally washed away along with the women and children. In this way a large number of people were killed and thousands of cattle perished by flood waters. The debris still lie there as a mute testimony to the disastrous mishap. Even today, corpses of both human beings and animals are lying under the debris. When one walks through that village, it won't be surprising if he stumbles over dead bodies. Even on the seventh day, when I was there, work had not commenced there to remove the debris. Only some water taps were installed and the Maharashtra State Electricity Board (M.S.E.B.) had provided some electric poles, as most of the poles had been washed away. Some officials were present there. Ministers were coming and going. The relief work that was being carried out there was a mere eye wash. The victims were paid a very meagre amount @ Rs. 250 per head. On the other hand the voluntary agencies and people in the adjoining areas were doing a great service. Food was being prepared and served to people round the clock. They also distributed clothes, blankets and utensils but the Government gave a meagre assistance @ Rs. 250 only. That too all people did not get this help. The Government should pay full attention to this matter and rush all possible aid to the victims. It should also remove the debris. There are also apprehensions that various types of diseases may spread as a result of the stench arising out of the dead bodies lying under the debris. One has to cover his nostrils while passing through the village. Such is the condition there. Nobody is prepared to accept it as a natural calamity. Everybody says that it was a criminal negligence and nothing else. An inquiry should be conducted to find out the lapses on the part of administration in the mishap.

There is an embankment in Mowad. The village is located below the water level of the river flowing nearby. The embankment is three kilometres long, 36 feet wide and 12 feet high. It was constructed about 100 years ago. No

one knows as to who had built it. Obviously, the people of that time had built it. This embankment had prevented many floods in the past. The area was affected by floods in 1961, 67, 72, 84 and 88 when there were heavy rains. The floods that occurred in 1961 had caused widespread damage. Following that, the Government constituted the Joglekar Committee to go into the causes of flood. That committee recommended that the people of the village should be evacuated and rehabilitated at a safer place as the chances of the entire village being washed away could not be ruled out. Unfortunately, no one bothered to go through these recommendations. It was left as such. Only two or three years back it was decided that the embankment should be strengthened with cement and plaster. Funds were duly sanctioned by the Government, but the work was not undertaken. With deep regret, I would like to mention here that when there was a heavy downpour on 15 July, the District Collector instructed the Chief Engineer to strengthen the embankment. The Chief Engineer got the trees and grass surrounding the area removed. As a result of that the soil became more porous. This mishap took place on July 30. If the administration really wanted to strengthen the embankment, why did they decide to take up the work when the rainy season had already advanced. It is indeed a matter of shame that thousands of people lost their lives due to criminal negligence. In 1961, it was recommended that the village may be rehabilitated since it involved 10,000 precious lives. But no attention was paid to it. We saw many people who had lost their mental balance. They were not in a position to remove the debris. I would like to cite one example.

17.00 hrs.

There is a person Bandu Gupta by name. His entire family including his parents, three sisters, wife and daughter was washed away by the flood waters. He had taken shelter in some

[Sh. R.M. Ghangare]

other house at the time of the mishap and thus was saved. Similarly, one Head Constable too lost all his family members. You can find many such people there. Most of the survivors have lost their mental balance as the tragedy was unbearable for them. Such is the situation there. What I want is an inquiry into the causes leading to this unprecedented calamity. A committee should be constituted to inquire into it. No effort should be spared to provide maximum relief including medical treatment to the victims. Further, the villagers should be taken to a safer place and rehabilitated there. All possible assistance should be provided and adequate compensation paid to those whose crops have been destroyed. This work should not be entrusted to bureaucrats. I have come to know that the hon. Prime Minister is visiting the area on 9th instant to personally study the situation. It is my humble request to him that he should keep all these points in mind and provide liberal assistance to the victims. The Union Government should also issue necessary instructions to the State Government in this regard. With this request, I conclude.

[English]

MR. CHAIRMAN: Shri Manmohan Singh to make a statement regarding the affairs of the Bank of Credit and Commerce International Limited, Bombay Branch.

[Translation]

SHRI RAM VILAS PASWAN (Rosera): Why copies of the statement have not been circulated to us. When it was already decided that the hon. Finance Minister would be making a statement, copies should have been made available to all the hon. Members.

[English]

SHRI BASU DEB ACHARIA: It should be made available.

MR. CHAIRMAN: As soon as the statement is over, it will be made available.

17.04 hrs.

[MR. SPEAKER in the Chair.]

STATEMENT BY MINISTER

Affairs of Bank of Credit and Commerce International (Overseas) Limited
Bombay branch (BCCI) (SE)

THE MINISTER OF FINANCE
(SHRI MANMOHAN SINGH):

The Bank of Credit and Commerce International (Overseas) Limited (incorporated in Grand Cayman), a wholly owned subsidiary of Bank of Credit and Commerce International Holdings (Luxembourg) submitted an application to Reserve Bank of India (RBI) in April, 1977 for opening two branches in India. However, BCCI was permitted by Reserve Bank of India to open only a representative office in June, 1977. Representative Offices are not permitted to do any banking business but function only as a liaison office.

BCCI, however, pursued its request for establishment of branches in India. Reserve Bank of India issued a licence in February, 1983 for opening one branch in Bombay. The branch commenced its operation with effect from 31st March, 1983.

BCCI was involved in controversy in 1986 when investigations by Enforcement Directorate revealed that the bank was releasing foreign exchange against the Foreign Travel Scheme to travel agents without verifying the signatures of the actual travellers, with the result that a substantial amount of foreign exchange was released on the strength of the