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because there are certain difficulties which any officer or any Minister cannot change overnight. The change is being brought about as I have already stated.

I have already expressed that there was an unintended delay in submitting the Tariff Commission's Report and in placing the same before the House. I must say here that the Tariff Commission was asked to make it upto-date. Because three years have elapsed already in submission of the report, the data on the basis of which the recommendations of the Commission are made may be out of date. We have asked the Tariff Commission to do that quickly. They said that they cannot do it quickly. Since this is a scientific thing, they said that this has to be done accurately and precisely. Anyway we have done our best. Several other factors have also to be borne in mind. For example, a part of the yarn has to be given to the exporter at a low price, lower than the cost of production even. I should say here that the synthetic yarn's price in this country is lower than the price prevailing in the international market. So, our goods should be competitive enough so that we may earn the foreign exchange. Therefore, we have to sell a part of our production at a very low rate, lower than the cost of production even. The Tariff Commission price has been fixed on an identical basis on the entire production. Because a part of it has to be given at the lower price, lower than the cost of production, we have to see that a part of our total production is set apart and sold at the market price so that it can compensate the losses incurred on that score. I can only say this much. (Interruptions)

SHRI K. LAKKAPPA: But they are selling it in black market.

PROF. D. P. CHATTOPADHYAYA: You will kindly bear with me for a minute that though I entirely agree with what you have said, still certain factors have got to be borne in mind.

As regards the part of the yarn to be sold to the exporter, we shall see that that part is taken care of by us. If the voluntary agreement has not worked as I have admitted, the alternative arrangements that we are making will be more satisfactory. But as you will kindly appreciate, there are some legal questions because some writ petitions are already before the High Court. So, the way the distribution control and other sort of control is enforced and in what way it is to be enforced has to be carefully formulated, so that it does not invite any objection from the law court. Therefore, we are looking into the matter.

As regards distribution, as you have yourself seen, hon. Members themselves are not unanimous whether it should be distributed through the association or through the State Governments. So, both views have to be taken into account before we take a final decision, but the decision will be taken very early.

SHRI DHAMANKAR: What about the cooperative sector?

PROF. D. P. CHATTOPADHYAYA: The cooperative sector will be given due preference.

SHRI DHAMANKAR: Is the Textile Commissioner's office going to be a silent spectator?

PROF. D. P. CHATTOPADHYAYA: No, it is not a silent spectator, and it will not be a silent spectator.

13.006 hrs.

STATEMENT RE. AGREEMENT BETWEEN INDIA AND SRI LANKA ON BOUNDARY IN HISTORIC WATERS BETWEEN THE TWO COUNTRIES AND RELATED MATTERS.

MR. SPEAKER: Now, Shri Swaran Singh will make a statement...

SHRI MADHU LIMAYE (Banka): On a point of order. I had already given you notice.

SHRI K. MANOHARAN (Madras North): Each Member must be given a proper opportunity to express his views.

SHRI SEZHIYAN (Kumbakonam): Before the hon. Minister makes his statement, I want to submit that we should have been consulted and the House should have been taken into confidence before they entered into this unholy agreement for the surrender of territory by India. While we are anxious that friendly and cordial relations should be maintained with Sri Lanka, the legal and constitutional proprieties involved have to be taken into account. This agreement goes against the interests of the country since it amounts to pure surrender of our territory without going through any of the norms. This is an unholy and disgraceful act of statesmanship unworthy of any government. Therefore, we do not want to associate ourselves with the statement that is going to be made by the hon. Minister, and we want to disassociate ourselves by walking out of the House.

SHRI K. MANOHARAN: Please allow one Member from each party to express his views. We have decided to stage a walk-out, and, therefore, before we walk out we want to tell you the reasons which have prompted us to walk out.

The agreement entered into between Sri Lanka Government and the Government of India is anti-national and unpatriotic, it is the worst agreement ever signed by any civilised country of the world. I do not like to insult or hurt the feelings of either the people of Sri Lanka or the Prime Minister of Sri Lanka....

MR. SPEAKER: Hon Members are going to have a debate on foreign affairs when they can raise all these points.

SHRI K. MANOHARAN: I must be permitted to speak now. Through

this unholy agreement, the Sri Lanka Prime Minister has emerged as victor and the Prime Minister of India as a pathetic vanquished. It is an assault on the integrity of the country. In view of this, we have decided to stage a walk out and we are walking out.

श्री मधु लिम्बये : अध्यक्ष महोदय, मेरा व्यवस्था का प्रश्न है। मैंने आप को लिख कर दिया है।

MR. SPEAKER: He has a right to make a statement in the House.

श्री अटल बिहारी वाजपेयी (ग्वालियर) : अध्यक्ष महोदय, मेरा व्यवस्था का प्रश्न है। आप विदेश मंत्री को इजाजत देने जा रहे हैं कि वह श्रीलंका के साथ हुए समझौते के बारे में एक वक्तव्य दें। यह समझौता 22 जून को हुआ था, लेकिन मेरा आरोप है कि जब जनवरी में श्रीमती इंदिरा गांधी और श्रीलंका के प्रधान मंत्री की बातचीत हुई थी, उसी समय अनौपचारिक रूप से कच्चातिलु और श्रीलंका को सीपने का फैसला कर लिया गया था। उम के बाद जब यह मामला सदन में उठाया गया, तो कहा गया कि हमने कोई समझौता नहीं किया है। सदन को धोरे में रखा गया। देश की पीठ के पीछे भारत की भूमि को विदेश को देने का निर्णय कर दिया गया। अध्यक्ष महोदय, आप समझौते को देखें। यह समझौता नहीं है, यह समबंध है। समझौते में कहा गया है कि हम मित्रता के नाम पर समझौता कर रहे हैं। मित्रता का यह अर्थ नहीं है कि किसी देश को अपनी जमीन दे दी जाये। अगर जमीन देने से मित्रता होती, तो हमें किसी पड़ोसी देश के साथ लड़ाई करने की जरूरत नहीं थी। और जमीन देने के बाद भी संबंध बिगड़ सकते हैं। हम चाहते हैं कि श्रीलंका के साथ दोस्ती हो, लेकिन दोस्ती का अर्थ यह नहीं है कि उस को अपनी जमीन दे दी जाये।

historic waters (St.)

अध्यक्ष महोदय, कच्चतिवु प्राचीन काल से भारत का भाग है। इस का पुराना नाम बाली-दीप है जहा राम और रावण दोनों से लड़ने वाला बानी लडाई की तैयारी करता था। 1880 में रामनाड के राजा की जानी का यह एक हिस्सा था। (अव्यवधान)....

अध्यक्ष महोदय हम पर बहम होगी।...

श्री अटल बिहारी वाजपेयी : आप यह व्यवस्था दें कि क्या सरकार बिना सविधान में संशोधन किए भारत का कोई भाग किसी दूसरे देश को सौंप सकती है ? हम ने जिस सविधान की यह शपथ ली है वह सविधान हमारी सीमाओं की प्रारंभिक भौगोलिक अखण्डता की परिभाषा करता है। कच्चतिवु तामिलनाडु का एक हिस्सा है और भारत का भाग है। सविधान में बिना संशोधन किए क्या यह काम हो सकता है ? क्या राज्य विधान सभाओं की इस के बारे में राय नहीं ली जानी चाहिए ? हम इस समझौते के खिलाफ हैं। यह शर्मनाक समझौता है। यह राष्ट्रीय हित के खिलाफ है और मंत्री मंडल में आप कहें कि वह इसे समाप्त करने पर तैयार हैं।

MR. SPEAKER: The Minister has the right to make a statement.

श्री मधु सिन्घे . अध्यक्ष महोदय, आप एक एक को मुन लीजिए। ... (अव्यवधान) .. मेरे पहले सूचना देने के बाद भी आप नहीं मुन रहे हैं। प्वाइंट ऑफ ऑर्डर उठाने का मेरा अधिकार है। आप उस के ऊपर अपनी रुचि दे सकते हैं। (अव्यवधान) आप एक एक को बुलाएं।

SHRI P. K. M. THEVAR (Ramanathapuram): Kachativu forms part of my constituency. You are acting like a dictator. You are speaking like a democrat, but at the same time you are acting like a dictator. The whole

life of thousands of fishermen..... Today the Ceylon Government has moved their forces, their military, towards that island. Thousands of mechanised boats were stopped; movements were restricted. Their lives are in danger. You have simply betrayed. You have no sympathy and courtesy to consult those people. You are thinking of it as a part of Tamil Nadu. Do not think it as part of Tamil Nadu. It is going to be the base for a future war. It is going to be the base and challenge the life of the nation. I have to warn all these things because in the past it has been the tradition of our Government to give *bhoodan* of the northern borders. (Interruptions).

MR. SPEAKER: Kindly sit down.

SHRI P. K. M. THEVAR: The division of India has cost the life of Mahatma Gandhi. It is not a part of Tamil Nadu but it is a part of the holy land of India. You are betraying. On behalf of the constituency and on behalf of the Forward Block, I walk out.

SHRI MUHAMMED SHERIFF (Periakulam): Even on the 1st April 1968, I produced sufficient records in this House to show that Kachativu belongs to the Raja of Ramnad. Government has failed to go through those records I was the elected representative of that constituency here previously. It is a shame on the part of the Government that they have not consulted the people of the place and the Chief Minister of the State. We condemn this action of Government and along with my friends, I also walk out in protest.

(Shri P. K. M. Thevar and Shri Muhammed Sheriff then left the House).

श्री मधु सिन्घे : अध्यक्ष महोदय, पांच साल पहले मैं ने राज की थी कि कच्चतिवु के बारे में जो सारे सबूत हैं उनके ऊपर एक बड़ा पत्र प्रकाशित किया जाय। आज

[श्री मधु लिमये]

तक इन्होंने, जिस सबूत की बात की है, व सबूत सदन के सामने नहीं आये हैं। पाच साल पहले विदेश मंत्री ने इसी सदन में कहा कि "कच्चा-तिबू को जहाँ तक अपना मानने का सवाल है यह बिलकुल स्पष्ट है कि हम उसको अपना मानते हैं।" यह श्री दिनेश सिंह ने, उस समय वह विदेश मंत्री थे, मेरे ही एक प्रश्न के उत्तर में इस सदन में कहा था। तो जब आप उसको अपना मानते हैं तो क्या एग्जीक्यूटिव ऐग्रीमेंट से आप भारत की धरती को सीलोन को दे सकते हैं? जब बेल्जारी के बारे में सवाल आया था उस समय भी बेल्जारी के संबंध में भारत की सरकार कहनी थी कि बेल्जारी हमारा है, पश्चिमी बंगाल का एक हिस्सा है। पाकिस्तान की सरकार कहनी थी कि बेल्जारी का अधिकार हिस्सा हमारा है। यह मामला सुप्रीम कोर्ट के सामने गया और सुप्रीम कोर्ट के सामने जा कर सरकार यह कहा कि नहीं, नहीं, बेल्जारी हमारा नहीं था, हमारे एडवोकेट पेशेशन में था, हमारे इन्वीगल पेशेशन में था और इस ऐग्रीमेंट के जरिने हम लोगों ने सीमा निर्धारण, बोर्डर डिमार्केशन, का काम किया है और इस ऐग्रीमेंट के तहत हम बेल्जारी का प्राप्ता हिस्सा पूर्व बंगाल को, पाकिस्तान को ट्रांसफर कर रहे हैं।

उस समय सुप्रीम कोर्ट ने कहा था कि जो भारत की भूमि है उस भूमि को बिना सविधान में परिवर्तन किये किसी भी हालत में ट्रांसफर नहीं किया जा सकता है। हर एक चीज को बोर्डर डिमार्केशन के नाम पर, सीमा का विवाद मान कर चलेंगे और हम तरह तरह भारत की धरती को ट्रांसफर करने की आप इजाजत देंगे तो यह मामला कहा तक जायगा मेरी समझ में नहीं आता। अब तक जितने पड़ोसियों के साथ हमारे करार हुए हैं, क्या एक भी करार आप ऐसा बता सकते हैं जिसमें पड़ोसियों ने एक इंच भी भूमि हमें दी हो। हर करार में हमारी भूमि धीरे-धीरे

विदेशों के हाथ में चनी जा रही है। कल पौर्णमीय लोग कहेंगे कि बम्बई का एक बड़ा भाग हमारा हिस्सा है तो आप उसको विवादास्पद बना दीजिए और बोर्डर डिमार्केशन के नाम पर उस को भी किसी की दे दीजिए।

तो इनका जो वक्तव्य है हमें हमारे बारे में मेरा यह आशय है कि एग्जीक्यूटिव ऐग्रीमेंट से, सरकारी कारनामा के आधार पर, भारत की धरती ट्रांसफर नहीं की जा सकती है। इसलिए आप इनको यह वक्तव्य सभा पटल पर रखने की इजाजत मत दीजिए और इनको प्रादेश दीजिए। कृपि स्वयं विदेश मंत्री ने यह कहा था कि यह अपना इलाका है और सविधान की मर्यादा का पालन करने की अध्यक्ष महोदय, आप ने कसम खाई है, सविधान की मर्यादा का आपका पालन करवाना है, इसलिए मेरा आप से बिनध्य निवेदन है कि आप विदेश मंत्री से कहिए कि वे यह वक्तव्य सभा पटल पर न रखें। इसके बावजूद यदि वह वक्तव्य देने का प्रयास करेंगे तो हम अपने साधियों के साथ मदत का त्याग करेंगे।

SHRI P K DEO (Kalahandi): On a point of order, S.r. The statement that the Foreign Minister is going to make deals with cession of Indian territory. In this regard, two important issues are involved. The first is the constitutional issue. Article 1 of the Constitutions says:

"The territory of India shall comprise—

(a) the territories of the States;

(b) the Union Territories specified in the First Schedule; and

(c) such other territories as may be acquired."

So, further acquisition of territory can be accepted, but nowhere does the Constitution provide for cession of

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even an inch of Indian territory. The Kachchativu controversy was raised only a few years ago by the Ceylonese Government when the Bandaranaike Ministr came into power. All the revenue records of the Madras Government corroborate that Kachchativu was a part of the former Ramnad zamindari and an integral part of this country. So, under no circumstances the Government has got any power under the Constitution to cede even an inch of our country. Sir, they cannot consider this country as the zamindari of the Congress Party. A few days back, the Coco Island, which is part of the Andaman group of islands, was ceded to Burma. The question of Beru Bari was raised by the previous speaker. Now has come the question of Kachchativu. If we go on ceding our territory like this, what will be left of this country?

Secondly, it is utter contempt and disrespect shown to this House by not taking the House into confidence and facing us with a fait accompli. The shutting out of the views of the opposition parties in this manner is most anti-democratic. So, I would say that the statement which is going to be laid on the Table of the Lok Sabha is not worth the paper on which it has been typed. Therefore, I would submit that the External Affairs Minister should consider these matters and should not lay the statement on the Table of the House. Otherwise, we will be forced to take the extreme step of walking out.

श्री अटल बिहारी वाजपेयी : अध्यक्ष जी,
हम ये बातें आप की क्या कहेंगे ?

MR SPEAKER: My ruling is that the Minister has a right to make a statement. When the Government enters into an agreement with another Government, that must come before this House. The Members must be informed of what is taking place.

SHRI SEZHIYAN: But the agreement is unconstitutional.

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MR. SPEAKER: How can we know it?

SHRI ATAL BIHARI VAJPAYEE: It is published in newspapers.

MR. SPEAKER: How can the House be seized of the matter unless the Minister makes a statement?

SHRI ATAL BIHARI VAJPAYEE: Can they violate the Constitution?

MR SPEAKER: I have given the ruling. Now, the Minister.

श्री अटल बिहारी वाजपेयी : अध्यक्ष जी,
हम आप की हलिंग से सहमत नहीं हैं
हम वाक-घाउट करते हैं।

श्री: हुकम खन्व कछुवाय (मोरेना)
यह है-आप के मंत्र: महोदय का बयान-

(At this stage Shri Kachwai tore up some papers and threw them away).

(Some hon. Members left the House at this stage).

SHRI K. LAKKAPPA: Sir the tearing of papers by an hon. Member is contempt of the House. I want your ruling on this.

MR SPEAKER: My ruling is that tearing of papers is not in keeping with the decorum or dignity of the House.

THE MINISTER OF EXTERNAL AFFAIRS (SHRI SWARAN SINGH): Over the years, since our independence, there have been a number of questions and discussions in the House regarding the Island of Kachchativu. Government have of course fully shared this interest and concern for arriving at an early and amicable solution of this long-outstanding matter; and I am happy to say that an agreement was signed between the two Prime Ministers on 28th June, a copy of which I am laying on the table of the House.

[Shri Swaran Singh]

The Island of Kachchativu, about 3/4 of a square mile in extent, is situated in the Palk Bay; it is about 10½ miles from the nearest landfall in Sri Lanka and about 12½ miles from the nearest Indian shore. The Palk Bay, which constitutes historic waters of India and Sri Lanka, is some 18 miles wide at its entrance through the Palk Straits, and has an average width of some 28 miles.

The issue of deciding Indian and Sri Lanka claims to Kachchativu was closely connected with determining the boundary line between India and Sri Lanka in the waters of the Palk Bay. The entire question of the maritime boundary in the historic waters of the Palk Bay required urgently to be settled, keeping in view the claims of the two sides, historical evidence, legal practice and precedent and in the broader context of our growing friendly relations with Sri Lanka.

Kachchativu has always been an uninhabited island. Neither Sri Lanka nor India has had any permanent presence there. During the long colonial period the question whether Kachchativu was part of India or part of Ceylon was frequently discussed, with the Governments of the day putting forward claims and counter claims. In recent years, both countries had agreed that there should be no unilateral action which would seek to change the undetermined status of Kachchativu, pending a final solution to be reached through amicable bilateral efforts.

I would particularly like to draw the attention of Honourable Members to the fact that when two sides have a good arguable case on a particular issue, and the problem cannot be resolved expeditiously through bilateral negotiations, there is inevitably an attempt to seek outside intervention by appeal either to the International Court of Justice or to third party arbitration. For our part, we have

always been firmly of the view that in any differences with our neighbouring countries, we should seek to resolve them through bilateral discussions without outside interference, on the basis of equality and goodwill. It is a matter of satisfaction to us that our Prime Minister's resolve to settle this issue through direct bilateral talks met with an equally warm response from the Prime Minister of Sri Lanka, and the agreement could be reached in an atmosphere of friendship and mutual understanding.

Exhaustive research of historical and other records was made by our experts on Kachchativu and every available piece of evidence collected from various record offices in India, such as in Tamil Nadu, Goa and Bombay, as well as abroad in British and Dutch archives. An intensive examination of evidence and exchange of views took place, specially during the past year, between senior officials of the two Governments. This question of Kachchativu, for the reasons I have just explained, had necessarily to be dealt with as part of the broader question of the boundary in the Palk Bay so as to eliminate the possibility of any further disputes on similar matters in these historic waters.

On the basis of a dispassionate examination of the historical records and other evidence, and keeping in mind the legal principles and also keeping in mind our policy and principle of peaceful settlement of disputes, I feel confident that the Agreement demarcating the maritime boundary in the Palk Bay, will be considered as fair, just and equitable to both countries. At the same time, I wish to remind the Hon'ble Members that in concluding this Agreement the rights of fishing, pilgrimage and navigation, which both sides have enjoyed in the past, have been fully safeguarded for the future.

It would be wrong to see this Agreement as a victory for one side or the other. Both countries have gained as a result of the agreement, which is a

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India & Sri Lanka historic waters (St.)

victory of mature statesmanship, a victory in the cause of friendship and cooperation in the area. A potential major irritant in relations between the two countries, which had remained unresolved over the years, has now been removed, and both countries can now concentrate on the exploitation of economic and other resources in these, now well-defined, waters and generally on intensifying cooperation between themselves in various fields. The Agreement marks an important step in further strengthening the close ties that bind India and Sri Lanka.

Agreement

The Government of the Republic of India and the Government of the Republic of Sri Lanka,

Desiring to determine the boundary line in the historic waters between India and Sri Lanka and to settle the related matters in a manner which is fair and equitable to both sides,

Having examined the entire question from all angles and taken into account the historical and other evidence and legal aspects thereof,

Have agreed as follows:

Article 1

The boundary between India and Sri Lanka in the waters from Adam's Bridge to Palk Strait shall be arcs of Great Circles between the following positions, in the sequence given below, defined by latitude and longitude:

- Position 1 : 10° 05' North, 80° 03' East
Position 2 : 09° 57' North, 79° 35' East
Position 3 : 09° 30' 15" North, 79° 22' 60" East.
Position 4 : 09° 21' 30" North, 79° 30' 70" East.
Position 5 : 09° 13' North, 79° 32' East
Position 6 : 09° 08' North, 79° 32' East

Article 2

The coordinates of the positions specified in Article 1 are geographical coordinates and the straight lines connecting them are indicated in the chart annexed hereto which has been signed by the surveyors authorised by the two Governments, respectively.

Article 3

The actual location of the aforementioned positions at sea and on the seabed shall be determined by a method to be mutually agreed upon by the surveyors authorized for the purpose by the two Governments, respectively.

Article 4

Each country shall have sovereignty and exclusive jurisdiction and control over the waters, the islands, the continental shelf and the subsoil thereof, falling on its own side of the aforesaid boundary.

Article 5

Subject to the foregoing, Indian fishermen and pilgrims will enjoy access to visit Kachchativu as hitherto, and will not be required by Sri Lanka to obtain travel documents or visas for these purposes.

Article 6

The vessels of India and Sri Lanka will enjoy in each other's waters such rights as they have traditionally enjoyed therein.

Article 7

If any single geological petroleum or natural gas structure or field, or any single geological structure or field of any other mineral deposit, including sand or gravel, extends across the boundary referred to in Article 1 and the part of such structure or field which is situated on one side of the boundary is exploited, in whole or in part, from the other side of the boundary, the two countries shall seek to

[Shri Swaran Singh]

reach agreement as to the manner in which the structure or field shall be most effectively exploited and the manner in which the proceeds deriving therefrom shall be apportioned.

Article 8

This Agreement shall be subject to ratification. It shall enter into force on the date of exchange of the instruments of ratification which will take place as soon as possible.

**FOR THE GOVERNMENT
OF THE REPUBLIC OF
INDIA**

Sd/-Indira Gandhi

New Delhi: 26.6.74

**FOR THE GOVERNMENT
OF THE REPUBLIC OF
SRI LANKA**

Sd/-Sirimavo R. D. Bandaranaike
Colombo: 26.6.74

SHRI M. KALYANASUNDARAM (Tiruchirapalli): Sir, while my party welcomes the Agreements reached between Sri Lanka and India, there are problems to come up during the implementation of the Agreement. So far, our fishermen had a right to go even beyond Kachchativu, fish and come back. The hon. Minister says that these rights are fully protected. But there are problems which we would like our Government to take up with Sri Lanka and seek their solution. For that reason, I submit, there should be a discussion on this statement. I have given notice of a motion. I would request you to allow a discussion on that.

MR. SPEAKER: The general debate on foreign affairs is coming up next week.

SHRI DINEN BHATTACHARYYA (Serampore): I want to seek one cla-

ri-
fication. In the statement he has mentioned that Kachchativu has always been an uninhabited island. But an hon. Member had said that it was within his constituency. If that is so, I do not know how it could be said that it has not been inhabited by any human being. How could it then be a part of his constituency?

SHRI M. KALYANASUNDARAM: The Tamil Nadu Government has a grievance that it has not been consulted properly. May I know what is the actual fact in regard to that? I also want to know the details about the protection given with regard to fishing rights.

SHRI SWARAN SINGH: The hon. Member would no doubt be aware that in the year 1921 when both Sri Lanka and India were under British rule, fishery line had been decided by the British Government because they had control over both Sri Lanka as well as India. I am sure that the hon. Member know that the 1921 fishery line was a line which was about three or three and a half miles west of the Kachchativu. That is, to the western side of the fishery line was the exclusive fishery right of the Indian citizens and to the east of that was the right of Sri Lanka fishermen. But in spite of that division, the fishermen generally were free to fish even round about Kachchativu and they also used the Kachchativu island for drying their nets. As would be known to the House there is no fresh water available there. Mostly they used it for spreading their nets and trying to dry the nets, etc.

About the traditional rights, if the hon. Member goes through the terms of the Agreement, a copy of which has been placed on the Table of the House, he will get the answer because it is mentioned there that, although Sri Lanka's claim to sovereignty over Kachchativu has been recognised, the traditional rights of Indian fishermen and pilgrims to visit that island will remain unaffected. Similarly, the tra-

ditional navigation rights exercised by India and Sri Lanka in each other's water will remain unaffected. (Interruptions)

MR. SPEAKER: Later on we may have a debate on this, but not now I am not allowing any more.

Mr. Kureel.

PUBLIC FINANCIAL INSTITUTIONS LAWS (AMENDMENT) BILL

EXTENSION OF TIME FOR PRESENTATION OF REPORT OF JOINT COMMITTEE.

SHRI B. N. KUREEL: (Ramsanehighat): I beg to move:

"That this House do extend upto the last day of the first week of the next Budget Session (1975) the time for the presentation of the Report of the Joint Committee on the Bill further to amend the Industrial Development Bank of India Act, 1934, the Reserve Bank of India Act, 1934 the Industrial Finance Corporation Act, 1948 the State Financial Corporations Act, 1951, the Life Insurance Corporation Act, 1956 and the Unit Trust of India Act, 1963."

MR. SPEAKER: The question is:

"That this House do extend upto the last day of the first week of the next Budget Session (1975) the time for the presentation of the Report of the Joint Committee on the Bill further to amend the Industrial Development Bank of India Act,

1964, the Reserve Bank of India Act, 1934 the Industrial Finance Corporation Act, 1948, the State Financial Corporations Act, 1951, the Life Insurance Corporation Act, 1956 and the Unit Trust of India Act, 1963."

The motion was adopted.

MR. SPEAKER: We shall take up the next business after lunch. We adjourn to reassemble at 2.30 p.m.

13.35 hrs.

*The original speech was delivered in

The Lok Sabha adjourned for Lunch till thirty minutes past Fourteen of the Clock.

The Lok Sabha re-assembled after Lunch at Thirty Minutes past Fourteen of the Clock.

[MR. DEPUTY SPEAKER in the Chair]
Demands for Grants (Gujarat),
1974-75—Contd.

MR. DEPUTY SPEAKER: Now, we resume further discussion on the Gujarat Budget.

SHRI J. MATHA GOWDER,

*SHRI J. MATHA GOWDER (Nilgiris): Mr. Deputy Speaker, Sir, while speaking yesterday on the Budget of Gujarat State, I was referring how the Government of India have failed to take effective measures to curb the growing corruption, malpractices, black-marketing etc. in the State. Instead, the ruling party at the Centre has been trying to perpetuate its hold on the State. As an example, I would refer to the leakage of provisions of the Ordinance promulgated by the President on 6th July, 1974 regarding dividends. I do not know whether any Minister is responsible for this leakage or whether any highly placed bureaucrat is responsible for this. But the leakage of the provisions of this Ordinance has greatly helped a few monopoly firms in the State of Gujarat. I wonder how only a few big monopoly industrial firms in Gujarat were able to get prior intimation regarding the provisions of this Ordinance. The Atul Products Company, Gujarat Fertilisers, Baroda Rayon Company and Century Mills were able to disgorge their shares in the market much in advance of the promulgation of this Ordinance and they were able to make a profit of more than Rs. 50 lakhs before the Ordinance was issued. I am constrained to remark that the ruling Congress Party at the Centre would naturally take advantage of the unexpected windfall for these industrialists of Gujarat. These industrialists also must be beholden to the Tamil.