

NOTIFICATIONS UNDER THE ESSENTIAL  
COMMODITIES ACT, 1955

The Deputy Minister in the Ministry of Food and Agriculture (Shri A. M. Thomas): Sir, I beg to lay on the Table a copy each of the following Notifications under sub-section (6) of section 3 of the Essential Commodities Act, 1955:—

- (i) The Rice (Punjab) Price Control (Amendment) Order, 1963 published in Notification No. G.S.R. 318 dated the 23rd February, 1963.
- (ii) The Wheat Roller Flour Mills (Licensing and Control) Amendment Order, 1963 published in Notification No. G.S.R. 354 dated the 2nd March, 1963.
- (iii) The Rice (Madhya Pradesh) Price Control (Amendment) Order, 1963 published in Notification No. G.S.R. 360 dated the 25th February, 1963.
- (iv) The Rice (Punjab) Price Control (Second Amendment) Order, 1963 published in Notification No. G.S.R. 361 dated the 25th February, 1963.
- (v) The Rice (Eastern Zone) Movement Control (Amendment) Order, 1963 published in Notification No. G.S.R. 397 dated the 2nd March, 1963.

[Placed in Library, See No. LT-930/63].

12.03 hrs.

COMMITTEE ON THE CONDUCT OF  
CERTAIN MEMBERS DURING PRE-  
SIDENT'S ADDRESS

PRESENTATION OF REPORT

Shri Krishnamoorthy Rao (Shimoga): Sir, I beg to present the Report of the Committee on the con-

duct of certain Members during President's Address.

12.03½ hrs.

APPROPRIATION (RAILWAYS) NO.  
2 BILL\*, 1963

The Deputy Minister in the Ministry of Railways (Shri Shahnawaz Khan): Sir, on behalf of Sardar Swaran Singh, I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1963-64 for the purposes of Railways.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1963-64 for the purposes of Railways."

The motion was adopted.

Shri Shahnawaz Khan: Sir, I introduce the Bill.

12.04 hrs.

DEMANDS FOR SUPPLEMENTARY  
GRANTS (GENERAL), 1962-63

Mr. Speaker: The House will now take up discussion and voting on the Supplementary Demands for Grants in respect of the Budget (General) for 1962-63 for which two hours have been allotted. Hon. Members desirous of moving their cut motions printed in lists Nos. 1 and 2 may send slips to the Table within 15 minutes indicating which of the cut motions they would like to move.

DEMAND NO. 1—MINISTRY OF COM-  
MERCE AND INDUSTRY

Mr. Speaker: Motion moved:

"That a supplementary sum not

\*Published in the Gazette of India Extraordinary Part II—Section 2, dated 12-3-63.

†Introduced with the recommendation of the President.

exceeding Rs. 3,53,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Ministry of Commerce and Industry'."

**DEMAND NO. 8—MINISTRY OF DEFENCE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 2,25,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Ministry of Defence'."

**DEMAND NO. 9—DEFENCE SERVICES,  
EFFECTIVE-ARMY**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 37,10,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Defence Services Effective-Army'."

**DEMAND NO. 10—DEFENCE SERVICES,  
EFFECTIVE-NAVY**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 40,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Defence Services Effective-Navy'."

**DEMAND NO. 16—TRIBAL AREAS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 1,25,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending

the 31st day of March, 1963, in respect of 'Tribal Areas'."

**DEMAND NO. 21—GOA, DAMAN AND DIU**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 50,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Goa, Daman and Diu'."

**DEMAND NO. 29—CURRENCY AND  
COINAGE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 80,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Currency and Coinage'."

**DEMAND NO. 30A—KOLAR GOLD MINES**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 1,98,06,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Kolar Gold Mines'."

**DEMAND NO. 31—PENSIONS AND OTHER  
RETIREMENT BENEFITS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 35,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Pensions and other Retirement Benefits'."

**DEMAND NO. 34—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF FINANCE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 18,20,00,000 be grant-

ed to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Other Revenue Expenditure of the Ministry of Finance'."

**DEMAND NO. 37—MISCELLANEOUS ADJUSTMENTS BETWEEN THE CENTRAL AND STATE GOVERNMENTS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 1,11,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Miscellaneous Adjustments between the Central and State Governments'."

**DEMAND NO. 44—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF FOOD AND AGRICULTURE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 95,54,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Other Revenue Expenditure of the Ministry of Food and Agriculture'."

**DEMAND NO. 48—MINISTRY OF HOME AFFAIRS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 20,15,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Ministry of Home Affairs'."

**DEMAND NO. 49—CABINET**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 3,15,000 be granted to the President to defray the

charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Cabinet'."

**DEMAND NO. 50—ZONAL COUNCILS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 6,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Zonal Councils'."

**DEMAND NO. 52—POLICE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 4,66,48,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Police'."

**DEMAND NO. 53—CENSUS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 64,64,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Census'."

**DEMAND NO. 55—PRIVY PURSES OF INDIAN RULERS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 23,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Privy Purses of Indian Rulers'."

**DEMAND NO. 56—DELHI**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 55,27,000 be granted to the President to defray the

charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Delhi'."

**DEMAND No. 63—MINISTRY OF INFORMATION & BROADCASTING**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 75,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Ministry of Information and Broadcasting'."

**DEMAND No. 66—MINISTRY OF IRRIGATION AND POWER**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 1,19,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Ministry of Irrigation and Power'."

**DEMAND No. 67—MULTIPURPOSE RIVER SCHEMES**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 11,27,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Multipurpose River Schemes'."

**DEMAND No. 72—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF LABOUR AND EMPLOYMENT**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 16,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in

respect of 'Other Revenue Expenditure of the Ministry of Labour and Employment'."

**DEMAND No. 86—MINISTRY OF STEEL AND HEAVY INDUSTRIES**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 4,92,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Ministry of Steel and Heavy Industries'."

**DEMAND No. 87—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF STEEL AND HEAVY INDUSTRIES**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 14,51,16,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Other Revenue Expenditure of the Ministry of Steel and Heavy Industries'."

**DEMAND No. 91—COMMUNICATIONS (INCLUDING NATIONAL HIGHWAYS)**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 25,89,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Communications (including National Highways)'."

**DEMAND No. 92—MERCANTILE MARINE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 7,65,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Mercantile Marine'."

**DEMAND No. 97—INDIAN POSTS AND TELEGRAPHS DEPARTMENT**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 3,44,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Indian Posts and Telegraphs Department'."

**DEMAND No. 99—MINISTRY OF WORKS, HOUSING AND SUPPLY**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 85,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Ministry of Works, Housing and Supply'."

**DEMAND No. 101—PUBLIC WORKS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 82,59,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Public Works'."

**DEMAND No. 102—STATIONERY AND PRINTING**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 85,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Stationery and Printing'."

**DEMAND No. 110—RAJYA SABHA**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 2,65,000 be granted to the President to defray the

charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Rajya Sabha'."

**DEMAND No. 116—CAPITAL OUTLAY OF THE MINISTRY OF EXTERNAL AFFAIRS**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 18,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Capital Outlay of the Ministry of External Affairs'."

**DEMAND No. 118—CAPITAL OUTLAY ON CURRENCY AND COINAGE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 5,64,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Capital Outlay on Currency and Coinage'."

**DEMAND No. 119-A—CAPITAL OUTLAY ON KOLAR GOLD MINES**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 35,21,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Capital Outlay on Kolar Gold Mines'."

**DEMAND No. 121—OTHER CAPITAL OUTLAY OF THE MINISTRY OF FINANCE**

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 20,27,40,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Other capital outlay of the Ministry of Finance'."

DEMAND No. 123—LOANS AND ADVANCES

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 10,92,76,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Loans and Advances'."

DEMAND No. 125—PURCHASE OF FOOD-GRAINS

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 23,48,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Purchase of Food-grains'."

DEMAND No. 133—CAPITAL OUTLAY OF THE MINISTRY OF MINES AND FUEL

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 1,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Capital Outlay of the Ministry of Mines and Fuel'."

DEMAND No. 135—CAPITAL OUTLAY OF THE MINISTRY OF STEEL AND HEAVY INDUSTRIES

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 9,08,45,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Capital Outlay of the Ministry of Steel and Heavy Industries'."

DEMAND No. 144—CAPITAL OUTLAY OF THE DEPARTMENT OF ATOMIC ENERGY

**Mr. Speaker:** Motion moved:

"That a supplementary sum not exceeding Rs. 2,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of 'Capital Outlay of the Department of Atomic Energy'."

The Demands are now before the House.

**Shri Daji (Indore):** Sir, this is the third supplementary demand placed before the House, and we must thank the Finance Minister for having stated that this is the last. But this raises, Sir, against, a point which has been touched upon by the Public Accounts Committee regarding the mode of our budgeting. It is not a happy position when three Supplementary Demands have to be placed before the House. And, if we study many of the items, surely we find that most of the items could have been foreseen. This has let the Public Accounts Committee itself to remark that better budgeting should be aimed at. I leave it there for the present, because I want to deal with some other important points raised in this supplementary budget.

One word about the steel retention prices. I may say that we wholeheartedly welcome and support the reduction in the retention price declared by the Ministry. We not only support, we welcome the bold courage with which he stood up to the pressures of the private sector for increase in the retention price. I think that the retention price, even as allowed, leaves them sufficient margin. So, all the hullabaloo created by them for the increased retention price is absolutely unjustified.

Coming to the general steel programme, the development that has been sought is certainly welcome, but

one is constrained to remark that the pace is not as it ought to be and we are lagging behind, despite the best efforts of the hon. Minister. The nation will have to pay very heavily for this lag. I have roughly worked out that our imports are likely to reach 5.8 million tons, as against the target of 2 million tons, and the nation will have to pay very heavily in terms of foreign exchange for these increased imports. The cost of foreign exchange will go up from Rs. 238 crores to Rs. 715 crores as a result of this lag.

In this context, I want to point out that the private sector has not been playing fair. It is paying for us as a nation to pause and assess the work that the private sector has done. No doubt, some of them have been enterprising but, by and large, if one considers their performance during the last two years, one finds their performance most disappointing. When there is allocation, the private sector fights for more allocation. It wants steel alloys in the private sector, it wants fertilizers in the private sector, ball-bearing in the private sector, in fact, every industry that it could possibly imagine. But I can make bold to say that in the last two years not one important basic industry allotted to the private sector has been started by the private sector. Though licences have been granted to them, those licences are lying idle with them; may be it is their incompetence, may be it is their conspiracy, both of which are dangerous enough. So, we must take a drastic step of boldly cancelling those licences; not only cancelling those licences but making it a point that those firms, those concerns, those business houses which take licences and are unable to utilise them and keep them idle are not given any licences in the future so that they will not be allowed a sort of veto on our industrial development.

Then, we are making huge credits or loans. Loans are necessary, but one thing is very disconcerting. When

we take huge loans, the question of servicing those loans weighs very heavily on us. For example, in the Third Plan period we will have to set apart hundreds of crores of rupees for servicing the loans alone. Therefore we should take great care in understanding and examining for what purpose we are taking loans.

For example, there is a new item that in Rourkela for training 235 technicians we are getting a loan of 31 million Deutschemark. This loan of 31 million Deutschemark is merely for paying the Germans for training 235 technicians and for that we shall have to pay for many long years to come. Therefore, the question of loans should be scrutinised in greater detail. If we take loans for utilisation in sectors where there is an immediate return, it will not be a drag on us. But if we have to incur heavy loans, which run into millions, just for services on technicians, it is a drag on industry.

While on the question of loans, I cannot but deal with the imports under PL 480. The imports guaranteed to us under PL 480, instead of being a welcome addition to our food resources have become a permanent drag on them. I am forced to remark that the credit that we get from PL 480 imports have become the opium to the Agriculture Ministry. Basking under the guaranteed imports under PL 480, much less is being done to augment our food production than we ought to do. We have always been falling behind targets. The Planning Commission is worried about it and the Planning Minister is worried about it, but whenever we put a question in the House, the Food Minister presents a picture, an ideal picture, of complacency par excellence. What hurts me is not the failure; failure itself is bad enough; but complacency in the face of failure is something really calamitous. Because, if there is complacency on top of failure, all avenues of improvement are shut up. That is what we are witnessing. Depending on these PL

[Shri Daji]

480 grants, the Minister of Agriculture is always making bold to say, I can flood the market, I can open as many fair price shops as we want. We do not want fair price shops, we do not want imports. We want to know how far we are nearer our goal of food self-sufficiency by 1965-66. If we are not, I want to know why not. We cannot always blame the vagaries of nature. Vagaries of nature could have been foreseen when we set the targets for the Third Plan. The P.L. 480 grants are becoming a great drag and ultimately are going to prove a great hindrance and dead weight on our foreign exchange position.

One word more about P.L. 480. A question was raised in the session before the last, by way of a question. The hon. Finance Minister not only parried it, but he became excited over it. We welcome P.L. 480 grants because some wheat is coming. Let the Ministry take the House into confidence as to why there is a change in the contract that the surplus money left after the agreement entered under P.L. 480 can be used in India at the discretion of the American Embassy without giving any account of it to the Government of India. This clause is most derogatory to our sovereignty. It is an insult to our sovereignty. I would like to know, is there any free nation in the world which will enter into such a contract. The hon. Finance Minister got angry and said, it is their money, they can do what they like with it. I would like to ask him, through you, I would like to ask the Government, would this be allowed to any other Embassy in India. Is it allowed to any other Embassy in any other sovereign independent country—to leave large sums in their hands, crores of rupees in their hands, to be used without accounting to the Government of India, to be used as they like? For what purpose? Is it for creating an American lobby in India? Is it for creating American public opinion in India? Or is it for using that money to vilify some of the policies of the

Government? I want to know that, because it seriously impinges upon our sovereignty.

I would like to raise a few more questions. There is a Demand for privy purse. The Finance Minister has blessed big business houses time and again with what are known as tax holidays. I would like to ask, during the emergency, is it not time to have a privy purse holiday? Can we not ask the Princes to have a privy purse holiday for five years? Can we not give them bonds? We are asking the under-fed starved clerks and kisans, to pay a compulsory saving deposit. Can we not say, for the period of the emergency, we freeze the privy purse and we give them bonds for five years? They will get 4 per cent interest; I do not mind. I think, during the emergency, it is time. While an under-paid clerk or kisan at the level of Rs. 125 per month, by his saving, will certainly forego one of his important wants, no prince in India, if he is not given privy purse for five years, it going starve: I am quite sure of that. This is something jarring. The Government cries for the emergency. Every Minister says that the emergency is going to continue for a long time. All right; it may continue for a long time. In his action, there is no urgency. You do not give a token of the urgency. You do not give a token that you are feeling the emergency. Therefore this aspect requires to be examined.

There is a Demand of the Ministry of Works and Housing. We are all alarmed, not only alarmed, but I may say, in fact, we are all ashamed at what came in the papers a few days back. An immense amount of electricity and water is being consumed by so many Ministers. One of the Ministers, the Home Minister very touchy—we know his past reputation; over an accident, he resigned—in keeping with his traditions, he said, for six months, he is going to pay the bills himself. Very good. We



would like to know, after all, what the Ministers do with so much of electricity and water. Water, we can understand; they may be creating swimming pools. Electricity: do they take shocks? Do they take ultra-violet ray treatment? What do they do with so much of electricity? I am reminded of the observations of the Auditor General previously, Shri Chanda, that with the perquisites that a Minister enjoys, his total emoluments are more than the emoluments of a Viceroy's Executive Councillor. I want only to pause for a minute and through you I would like the House to imagine what an under-fed clerk will feel when he reads that the bill for electricity and water of a Minister is double his entire salary, his entire family budget? Double that amount is spent for water and electricity by each and every Minister of the Union. When he reads this in the newspaper, how will he be enthused over the national cause? How will he be enthused in depositing his hard-earned money in compulsory savings? Therefore, at least during this emergency, shall we presume that there will be a little less of watering of their gardens, that there will be a little less of electric shocks to Ministers and their relatives, a little less of electric shocks to so many big persons who come to their houses, a little less of ultra-violet ray treatment, and a little less of heaters and a little less of air-conditioning in their houses?

I am told that the Finance Minister is so punctilious about it that he has ordered in his own office all the air-conditioning plants to be disconnected. So, excepting the secretary, all the clerks go on sweating in the heat of Delhi. But each Minister has got more than one air-conditioning set in his house, and if it goes on at this rate, than it will be like what is spoken of in Hindi as काजी जी कहने वाले हैं, करने वाले नहीं हैं. If the Ministers continue in this way, then you will not be able to enthuse the common people to work for the national cause and to work for the emergency.

Then, I would say a word more about the Demand for Grants under the control of the Finance Ministry. We shall take up in greater detail the working of the Finance Ministry when we come to the discussion of the General Budget or when we come to the Demands for Grants under the control of the Finance Ministry, because the Public Accounts Committee has this time at least given us some window into the working of the Finance Ministry, some little idea as to what goes on behind the pompous show of efficiency presented by the Finance Minister. That is there in the Public Accounts Committee's report itself.

But I would like to know one thing now. Much has been spoken already about the activities of big business. There is a Demand under the Commerce and Industry Ministry and there is also a Demand under the Finance Ministry. Therefore, I would like to refer to this. Much has been said in the Parliament and in the press about it. There is a scandal going on about the Dalmia-Jain concerns. And we are awaiting the discussion on that report. But I would like to know why repeatedly in this House and in the other House, the Finance Minister has been avoiding the answer to the question about what has been done to the report on the Ruby Insurance Co. and the Asiatic Insurance Co. The report had been given to him during the year 1959 or 1960. In a reply to a question in the Lok Sabha, the Finance Minister was pleased to state in the year 1961 that the report was under consideration. Do I take it that with the efficiency of our great and efficient Finance Minister it takes him more than two years to study two small reports on the Ruby Insurance Co. and the Asiatic Insurance Co.? We find that even though the Dalmia-Jain concerns report runs into more than 400 pages, and the Asiatic and the Ruby Insurance Co. reports run into 140 or 169 pages, the report on the Dalmia-Jain concerns could be examined much earlier than the reports on the Asiatic and the Ruby

[Shri Daji]

Insurance Companies. Is it because the Ruby and the Asiatic Insurance Companies are owned by some persons with whom Government wants to be soft? It may be that Government does not want to be soft, but the impression that is left is this.

Therefore, I would expect a pointed reply from the Finance Minister, while replying to this debate, as to what is being done with the report? I am also told that Government have had to appoint their own directors on these two companies. That means that the report has been studied by Government and the report has been found to be correct. And the report is very alarming. If the Finance Minister is unable to give a definite reply, I shall make bold to say in the course of my speech on the General Budget that I have in my possession a summary of that report and I shall lay it on the Table of the House for the benefit of the Members so that all the Members can read it, and the Finance Minister's game of suppressing the report shall not succeed, because we have got the report or a good summary of the report in our hands.

Lastly, I would say one thing and then I shall conclude. I want to say this, and through you, I want my voice to reach the Prime Minister, that one of the persons connected with the Dalmia-Jain concerns is the president of the august body called the Federation of the Indian Chambers of Commerce and Industry. But two important and big business persons of Bombay have today come out with the statement that they are dissociating themselves from the Federation because that man is still the president. On the 16th March he has invited the Prime Minister to inaugurate the Federation meeting. Two big business persons, namely Mafatlal and Tata have said that they are dissociating themselves from the Federation because that man has not resigned. It will be a humiliation and shame to

the entire nation if our Prime Minister goes and inaugurates the Federation meeting under his presidentship. I would submit that Government should show their sheer contempt and say that they dissociate themselves from such shady business persons. It may be that they may be in high positions as president of the Federation of the Indian Chambers of Commerce and Industry, that man has had the cheeks to invite the Prime Minister and the other Ministers for an 'At Home'. I would request the Prime Minister to boycott the 'At Home'; I would request the entire House to boycott the 'At Home' or the reception and to show by our contempt that we do not even connive, and we are not even prepared to connive at such shady persons who bring ignominy on the entire nation, and who play with the money that is entrusted to them, the hard-earned money of the poor people, and who are guilty of all those shady deals which have been brought out in the report on the Dalmia-Jain concerns.

**Shri P. K. Deo (Kalahandi):** The supplementary Demands for Grants are necessary evils, and they should have been brought before this House only in exceptional circumstances. This is the third time that the supplementary Demands are being brought forward. The first series of supplementary Demands for Grants was brought forward a few months back, and we were asked to vote for about Rs. 8.42 crores on those Demands; and on the second occasion, we were asked to vote for a sum of Rs. 100.40 crores.

We fully try to appreciate the emergency created by the Chinese invasion. Probably there was a fit case to ask for more funds for our defence requirements. But I cannot appreciate that expenditure in other items could not have been foreseen at the time of preparation of the budget. Here I would like to draw attention to

some aspects of the increase in non-plan civil expenditure. Even though the Finance Minister has been harping time and again on the need to observe austerity, nothing has been done so far as the administrative expenditure side of the civil departments is concerned.

In this connection, I would like to draw attention to the Seventh Report of the Estimates Committee of the Third Lok Sabha. This deals with the action taken by Government in regard to the growth of civil expenditure. I would also invite attention to the Ninety-second Report which points out the various discrepancies and the unnecessary increase in civil expenditure on the administrative side. It is pointed out that as much as Rs. 99 crores were spent in the last five years on increase in civil expenditure. Even though instructions were given for an intensified effort by the various Ministries to effect savings in this regard, even though the Finance Minister in his reply to the debate on the Finance Bill in 1960 had pointedly stated that he was taking action in that regard, nothing has been done. The Seventh Report of the Estimates Committee reveals that in 1961-62 and 1962-63, there has been an increase of Rs. 58.90 crores in this regard. If you look into the budget papers, you will see that there would be a substantial increase in this item in the coming year also. So, taking into consideration all these aspects, I would like to know what serious steps have been taken to effect savings in these departments.

It will not be out of place here to refer to some recommendations of the Estimates Committee in their Seventh Report. They have pointed out that the various tiers in the Government, instead of solving the problem of quick disposal of papers, create various hurdles and impediments and raise new obstacles. They have recommended that these tiers in the supervisory staff should be reduced, but in spite of these recommendations, nothing has been done. Rather, there has been a multiplicity of additional

Secretaries, Deputy Secretaries and so on.

Under Demand No. 16 we are expected to vote a sum of Rs. 125 lakhs under Tribals. This expenditure includes the expenditure on relief measures and supply dropping operations in the NEFA area. The supply dropping operations in the NEFA area have been a source of big scandal. Time and again it has been pointed out that certain high dignitaries belonging to the party in power have been associated with this, and that there have been cases of these supplies which are supposed to have been dropped in the NEFA area being sold in the black market in Calcutta. We would like to know what action has been taken, if any enquiry has been conducted, and if so the result. This has become a source of great worry to all of us, and I request that sufficient steps should be taken so that no pilferage takes place in future.

Coming to Demand No. 44, I would like to point out that Government is selling sugar abroad at Rs. 370 per ton, against the internal price of Rs. 800, thus incurring a loss of Rs. 430 per ton in the shape of the subsidy. This comes to Rs. 14.7 crores every year. When we are going to tighten our belts and trying to implement austerity in every department, I would like to know if this money could not have been saved and better utilised for some other purpose.

Regarding Kolar Gold Fields, I would like to point out that even though the price of international gold is at Rs. 70, the cost of production in the Kolar Gold Fields is much higher. Why should it be so high? A thorough probe into this is essential.

So far as the various loans and advances to the State Government are concerned, I would like to point out that the Finance Minister in his Budget Speech has said:

"While agreeing to clear their overdrafts, I had to stipulate that

[Shri P. K. Oeo]

the States must impose tight financial discipline, raise additional resources, keep their expenditure within their means. I trust the States will ensure a similar situation is not allowed to arise in future."

This overdraft on the part of the States has become a source of a big headache to the Centre, and to regularise these overdrafts, time and again they have been advancing loans and subsidies. There should be a stop to this. This report says that six or seven States are the culprits. We would like to know which are the States which are responsible for draining the resources of the Centre. As a measure of financial control, no future latitude should be allowed to the States, so that they would be able to control their spending and try to raise resources from their own States.

Coming to the privy purses of Rulers, I may refer to the remarks of Shri Daji from the Communist Party. I am surprised that a party which owes extraterritorial loyalty should come out and give patriotic sermons to the various Rulers. I do not hold any brief for the Rulers as such, but I would like to point out that at the beck and call of the nation they have always come out with sacrifices. You may remember the famous speech of Sardar Patel in the Constituent Assembly when he said that these meagre privy purses given to the Rulers, . . . .

**Shri Daji:** Very meagre!

**Shri P. K. Deo:** . . . . were nothing in comparison to the sacrifice that they had made for the unification of this country and for building up a more prosperous and stronger India. So, to bring up that question here is absolutely meaningless. There is absolutely no case for reviewing this question because it has found a place in the Constitution in the form of a

solemn promise of the nation, and promises are not like pie crust to be broken at convenience. So, I refrain from making any further remarks in this regard. With these words, I conclude my remarks on Supplementary Demands for grants.

**श्री बड़े (खारगोन) :** माननीय अध्यक्ष महोदय, ये जो सन्सोमेंटरी डिमांड्स पेज को गई है इस में डिमांड नम्बर ५२ असम सरकार को पाकिस्तानियों को आम में आने से रोकने के लिये स्टॉक रबड़ों के लिए ६-३७ लाख बांधा दिया गया है। हाल में ए. फिदाव निदान है उभने पता चलता है कि पाकिस्तानियों को आम से बाहर निकालने के लिए शासना ने बराबर काम नहीं उठाया है। इन के अतिरेक जो फार सरकार ने दिए हैं और जो ए. फुलन फार हैं उन में अमार है। इस बात को असम के ए० ए० ए० ने अना सरकार के सामने रखा है। इन लिए मैं समझता हूँ जो ६ ३७ लाख पचा खर्च किया गया है या किया खर्च किया गया है। अना को कट में को जहाँ इन लोगों को बाहर निकालने में सरकार ने कई काम नहीं किया है। जो पैसा स्टेट्स को नानास्टेटों के लिए दिया जाता है उन को पाकिस्तानियों को बाहर निकालने में खर्च नहीं किया जाता लेकिन उन का उपयोग अ. डिजायरे/बिन परमन्स को लिस्ट रखने में और उनपर निगरानी रखने में किया जाता है और यह लोग नान-कॉन्ग्रामेन या विरोधी पार्टों के लोग होते हैं। उन को खास खास नम्बर दिया जाता है और उन के बारे में पुलिस इनका देती है फायर नम्बर ए० पी० आ रहा है। शायद मेरा नम्बर २३ है - ए० पी० लोगों के रिश्तेदारों को बुलाकर उन का फायदा मांगा जाता है। मैं ने मध्य प्रदेश के आइ० जी० पी० से इस बारे में शिकायत का कि जो पैसा सौथोस्टेटों के लिए पुलिस को दिया जाता उससे ए० पी० लोगों और ए० ए० ए० को अनडिजायरेबिल

लोगों की लिस्ट में रखने और उन की निगरानी पर खर्च किया जाता है पर जो लोग पाकिस्तान से आते हैं उन को रोकने पर खर्च नहीं किया जाता ।

**अध्यक्ष महोदय :** फोटो खिंचवाना तो लोगों को अच्छा मानूम देता है ।

**श्री बड़े :** लेकिन वे तो दूसरे काम के लिए फोटो लेने हैं ।

**श्री बी० चं० शर्मा (गुरदासपुर) :** पुलिस फोटो तो हमारा भी रखती है ।

**श्री बड़े :** आपका फोटो वह दर्शन करने के वारते रखती होगी जिस से उस का फायदा हो । हमारा फोटो दूसरे कारण से रखा जाता है ।

**श्री बाजी :** माननीय मिनिस्टर श्री टी० टी० कृष्णमाचारी का टेलफोन टैप किया जाता है ।

**श्री बी० चं० शर्मा :** आप को श्री कृष्णमाचारी से क्या से मुहब्बत हो गयी ।

**श्री बड़े :** डिमांड नम्बर ५६ में पेज ४८ पर दिया हुआ है :

"Certain land owners whose land had been acquired for the establishment of an Agricultural Farm for multiplication of improved seeds, not being satisfied with the compensation assessed by the Land Acquisition Authority filed a suit in the Court. The latter decreed compensation at enhanced rate in six cases involving a payment of Rs. 44,949.33 nP."

इम्प्रूव्ड सीड फार्म की स्कीम की सेंटर ने भेजी है और वह राज्यों में लागू की गयी है और उन के लिए फार्म बनाए गए हैं जिन को उन्नत बीज उत्पादन कृषि योजना का नाम दिया गया है । इस योजना के

लिए मध्य प्रदेश में जो अच्छे अच्छे काश्तकार हैं उनके सौ सौ एकड़ के खेतों के लेकर ग्राम बनाए गए हैं और उन को कम्पेन्सेशन नहीं दिया गया है । इस का परिणाम यह है कि जो लोग कमी मजदूरी नहीं करते वे उन को औरतों को मजदूरी करने पड़ती है । इस काम के लिए अच्छे अच्छे खेत ही लिए जाते हैं और कम्पेन्सेशन नहीं लिया जाता । खेतों को फल खंडों हूँते हुए भी उस जमीन पर कब्जा कर दिया जाता है । हम ने प्रांतीय सरकार को भी लिखा लेकिन कोई ध्यान नहीं दिया गया । इस विषय में काश्तकारों को बड़ा असंतोष है क्योंकि शासन उन के पूर्वजों को खेतों को उन से ले रहा है । इस बारे में इन्वीर में कोर्ट में रिट दाखिल किए गए हैं । बाद में कोर्ट ने कम्पेन्सेशन दिलाया है । एक बंगाली ने तो ट्रेडर के सामने माया फंडा और कहा कि मेरा खेतो ले लो है और मुने कुछ पैसा नहीं मिला । उससे कहा गया कि खेतो तेरो खानिरे के नाम में है। तू पहले सरकेशन सरटिफिकेट ले आ तब तुझे पैसा मिल सकेगा । इस प्रकार जनता को कष्ट होता है और इस काम में ४४,९४९ रुपया खर्च हुआ । आज शासन की यह नीति है कि जो अच्छी खेतों होते है उस को एक्सपैरोमेंट के लिए ले लेता है और उस पर उन्नत बीज कृषि उत्पादन के फार्म बनाते है । आप का तो खेत होता है और हमारी जान जाती है । एक बार कुछ लड़के तालाब में पत्थर फेंक रहे थे । उस में मेंढक रहते थे । तो उन में से एक मेंढक ने बच्चों से कहा कि तुम्हारा तो खेल होता है और हमारी जान जाती है। यही अवस्था आज हमारे यहां काश्तकारों की हो रही है । आप तो खेल करते हैं , एक्सपैरोमेंट करते हैं लेकिन इस में काश्तकारों की जान जाती है । इस योजना में लाम आ रहा है । इस लिए मैं मंत्री महोदय से आर्थिक कर्लंगा कि इस योजना को जो फेल हो रहा है खत्म करें । और अगर इस काम के लि

[श्री बड़े]

जमीन लेनी है तो जंगल की अच्छी जमीन लें। काश्तकारों की जमीन न लें जो कि पूर्वजों के समय से उन के पास चली आ रही है।

पी० एल० ४८० के अन्तर्गत जो गेहूं आता है वह ऐसा खराब होता है कि उस को डोर भी नहीं खाते। वह गेहूं हमारे यहां मध्य प्रदेश में जनता के लिए दिया जाता है। वह गेहूं बहुत निम्न श्रेणी का होता है और मुझे शंका है कि उस का जो सा आता है वह आदिवासियों में काम करने वालों मिशनरियों को दिया जाता है जो कि उसे उन लोगों का धर्म परिवर्तन करने में खर्च करते हैं। हम देखते हैं कि जहां हम को चन्दा आदि करने पर भी हन्या ज्यादा नहीं मिलता, ये मिशनरी अच्छे ढंग से रहते हैं और अपने काम पर काफी खर्च करते हैं। इस तरफ में सरकार का ध्यान दिलाना चाहता हूं।

इस के बाद साइंटिफिक रिसर्च के अन्तर्गत जो नेशनल फिजिकल लिबेरेटरीज हैं उनके काम में बड़ी गड़बड़ी है। डेढ़ साल उन को बने हो गया है पर अभी तक उन का डाइरेक्टर नियुक्त नहीं हुआ है। इन लिए वहां गड़बड़ी हो रही है। मैं चाहता हूं कि वहां डाइरेक्टर नियुक्त कर दिया जाये जिस से वहां का काम ठीक ठीक हो जावे।

इन शब्दों के साथ मैं फिर से यह कहता हूं कि उन्नत बोज उत्पादन योजना के बारे में जो मैं ने कहा है उस पर शासन विशेष रूप से ध्यान दे।

**Mr. Speaker:** According to intimation since received, from Members, cut motions Nos. 1 to 7 are desired to be moved to Demands for Supplementary Grants (General). Hon. Members may move them subject to their being otherwise admissible.

**Shri Hem Barua:** I beg to move:

That the demand for a Supplementary Grant of a sum not

exceeding Rs. 1,25,00,000 in respect of Tribal Areas be reduced by Rs. 100.

[Supply droppink operations in NEFA (1).]

**Shri Hem Barua:** I beg to move:

That the demand for a Supplementary Grant of a sum not exceeding Rs. 3,15,000 in respect of Cabinet be reduced by Rs. 100.

[Need to effect economy in the Cabinet (2).]

**Shri S. M. Banerjee:** I beg to move:

That the demand for a Supplementary Grant of a sum not exceeding Rs. 37,10,00,000 in respect of Defence Services, Effective—Army be reduced by Rs. 100.

[Working of manufacturing and Research establishments (3).]

**Shri S. M. Banerjee:** I beg to move:

That the demand for a supplementary grant of a sum not exceeding Rs. 50,00,000 in respect of Goa, Daman and Diu be reduced by Rs. 100.

[Expansion of industries in Goa (4).]

**Shri S. M. Banerjee:** I beg to move:

That the demand for a supplementary grant of a sum not exceeding Rs. 35,00,000 in respect of Pensions and other Retirement Benefits be reduced by Rs. 100.

[Need to revise rules of pension and other retirement benefits(5)]

**Shri S. M. Banerjee:** I beg to move:

That the demand for a supplementary grant of a sum not exceeding Rs. 95,54,000 in respect of Other Revenue Expenditure of the Ministry of Food and Agriculture be reduced by Rs. 100.

[Need to revise the price structure of sugar to boost up export (6)]

**Shri S. M. Banerjee:** I beg to move:

That the demand for a supplementary grant of a sum not exceeding Rs. 23,000 in respect of Privy Purses and Allowances of Indian Rulers be reduced by Rs. 100.

[Need to stop payment of allowances to Rulers in view of emergency(7)].

**Mr. Speaker:** These cut motions are now before the House.

**Shri Hem Barua (Gauhati):** Sir, I speak on Demand No. 16—air dropping operations in NEFA. These operations were so long entrusted to the Indian Airlines Corporation but for reasons best known to Government, they are now entrusted to a private company called the Kalinga Airlines Private Ltd. This company is engaged in dropping of food in the strategic area of NEFA and Nagaland since May 1, 1960. But the thing is, there was no tender.....(Interruptions).

**Mr. Speaker:** Order, order. The Member who is speaking must be assured a peaceful surrounding.

**Shri Hem Barua:** There was no tender. The tender was never invited and it was by a personal negotiation with this company, called, the Kalinga Airlines Ltd. that they were entrusted with the work of air-dropping of food in the strategic areas like NEFA and Nagaland.

Now, Sir, may I invite the attention of the Government to the Audit Report, which is a confidential document so far, where it says:

"The tender notice, tenders, comparative statements, etc. could not be produced to Audit."

Besides,

"no information whether any notice was issued, and if so, by

whom and wherefrom the agreement was originated could not be furnished to Audit."

This is a shady deal entered into with a favoured company by the Government and my objection is that the Government do not have the moral right to waste the Indian taxpayers' money like this.

Sir, in reply to a question put by Mr. S. N. Dwivedy, the Prime Minister had said that the Government have so far offered to the tune of about Rs. 2 crores to this private company. And then what is this Kalinga Airlines (P) Ltd? Is it not the Indianised name of an air company called 'Indamar' that was being blacklisted? I would request the Government to find out how far this fact is true. This company phoenix-like, the Kalinga Airlines (P) was born out of the ashes of the Indamar Company.

Then, there are serious accusations against this company. What are the serious accusations? Even a man of the stature of the Secretary of the Congress Parliamentary Party made serious allegations against this company that blankets that were meant for jawans in NEFA were being sold in the Calcutta markets and there are allegations made against this company of selling a part of the commodities that it has to drop in NEFA in the markets. If you analyse that air-dropping list, there you will come across one column and that column is 'target missed'. They very often miss the target. That means they mis-drop the food, mis-drop the commodities. But, as a matter of fact, they never mis-drop or mis-deliver these commodities. These commodities find their way to the market at Jorhat and when I say like this, the Government might say, "Give us concrete instances" and I would tell them back, "I am not your policeman to do that; you have your Intelligence Department" and the Intelligence Department has to. . .

**Mr. Speaker:** The Hon. Member should address me.

**Shri Hem Barua:** Through you, Sir, I tell them, "I am not a policeman". These are the allegations; these are the accusations. It is for them to enquire into.

**Mr. Speaker:** There is one thing that I must tell the Hon. Members. If the Hon. Member, any Hon. Member—I am not talking of Mr. Hem Barua alone—takes a step on this ground that he is not a policeman, he must be responsible making the allegations that he does in this House. He must make some enquiry and be sure of his ground because here we are protected—any Member can say anything against any other which may cause great harm to the company or to the individual. I am not talking of this particular case. It has come so many times here before this House. The Hon. Members are required to make enquiries before they make any allegations. So far as the Secretary of the Party was also concerned, so far as I remember, I think some notice was served on the Secretary also. I do not know whether he has withdrawn them or he is still persisting in that. If some Hon. Members make such allegations outside, probably the company might have some recourse to the courts. But, here, inside the House, these allegations are protected because the Speaker exercises that check. I would request the Hon. Members to be careful when they make these allegations.

**Shri Hari Vishnu Kamath (Hoshangabad):** Sir, may I submit that very often reports appear in the newspapers—very well-established newspapers—and there are even editorial comments with regard to those reports. Are we precluded from referring to those reports in this House?

**Mr. Speaker:** The Hon. Members can only refer to those reports and say that such allegations are being made in the press and that the Gov-

ernment should make enquiries and come out with the result of that enquiry. That should be the attitude.

**Shri Hem Barua:** I made these allegations, because I am convinced of these facts. That is why I have made these allegations. When I said, "I am not a policeman", I said so because of the fact that it so happens that the Government would say, "You catch hold of a particular case and bring it before us". It is difficult for us to do that and it is on that plea that I said, "I am not a policeman".

Now, it is a very fine thing that the Government have assured an enquiry into it. I am often reminded of a cynical remark made by Disraeli: "Whenever you want to shelve a matter, just appoint an enquiry committee". I want this enquiry committee to go into the serious allegations against this company and the report should be placed on the table of the House.

Now, Sir, if you examine the terms of agreement entered into with this company—the Kalinga Airlines—and the Government, you will see how this company is being favoured. Generally, you enter into an agreement with a company like this for a shorter period. But in the case of this company, according to clause 1(a), the Government has entered into an agreement with the Kalinga Airlines for three years and according to clause 1(b) the Government has the option to renew that contract for another two years. Thus this company enjoys a longer tenure of so-called service to the country? But this was not done in the case of the Indian Airlines Corporation. I do not understand that.

Then, according to clause 3 of the agreement, the aircraft will be based at Mohanabari (Dibrugarh) and when these empty aircraft fly from Mohanabari to Jorhat, they will be paying at the rate of Rs. 3.75 nP per statute mile for "position flights" of aircrafts. But do you know, Sir, when there



was an agreement with the Indian Airlines Corporation, they were paid only Rs. 3.50 nP per statute mile of flight from Mohamabari to Jorhat and vice versa? In this case also, both the ways are paid for. But this company enjoys a benefit of 25 nP per statute mile extra, whereas the Indian Airlines Corporation got only Rs. 3.50 nP per statute mile for flying down those empty aircraft from Mohanbari to Jorhat. Here is a company which is . . . (Interruptions)

**Shri Hem Barua:** I have my sources. You cannot challenge my sources.

**Shri D. C. Sharma:** Why are you so much against it?

**Shri Hari Vishnu Kamath:** It is in the public interest; it is in the national interest.

**Shri Hem Barua:** Because I find people bleeding through their nose; because the Government wants to favour a certain company. There are reasons for that.

Then I come to clause 5. This is for the night stops. For the night, these aircraft can be stationed at Jorhat and according to clause 5 of the agreement the contractor, meaning the Kalinga Airlines, would arrange for the transport, lodging and food of the pilot, co-pilot, engineering staff, ejection crew, etc. and the Government will pay for that. What is the rate? The Government will pay for pilots, co-pilots, radio officers and engineers at the rate of Rs. 7.50 nP per 24 hours and they are four in number. There is one mechanic and he would be paid Rs. 6.25 nP per 24 hours. Then there are five ejection crew and they would be paid Re. 1.00 per 24 hours. But it is not clear what the Government mean by 24 hours. Will there be any corresponding decline in the rates of payment when the aircraft is stationed at Jorhat not for 24 hours? The Government is vague about that. At that rate, if you calculate, you would find that the

company makes an additional profit of Rs. 1650 annually.

Then, Sir, according to clause 5(b), the empty aircraft that would be flying from Mohanabari to Jorhat can have loads, either way. They might have loads and for these loads, there would be payments, round trip payments, as they get for dropping of food or dropping of commodities in NEFA. This clause in the agreement gives them an additional advantage. When the empty aircraft fly down they get a statute payment and at the same time when they get load, they get payment for the load at the original rate. This is an additional advantage.

According to clause 4 of the agreement, the IAC was permitted only to employ crews of Indian nationality and with Indian licences, but here is a company which is permitted to employ crew possessing Indian licences. That means this company can appoint foreigners and allow foreigners to fly our aircraft to strategic areas like NEFA and Nagaland which are dangerous. This company enjoys this benefit.

What about pay-load? According to the terms of the agreement, in the case of this company, for pay-load to NEFA, each aircraft would carry 6,500 lb only. For that, it would get Rs. 750 per flying hour. "Flying hour" means the hour between take-off and touch-down stage. But in the case of this company, four minutes extra taxing time are allowed for dropping the sorties and eight minutes for loading of sorties. What about the contract with the IAC? With the IAC, it is only Rs. 725 per flying hour. At the same time, the load they were asked to carry was much higher than this. They were asked to carry, 6,800 lb per flight. But here is a company that carries less load, than what the IAC was carrying. The IAC was carrying 6,800 lb and this company carries 6,500 lb only. But the IAC used to get only Rs. 725 per

[Shri Hem Barua]

flying hour, whereas here is a company that gets Rs. 750 per flying hour plus the advantage of four plus eight minutes.

**Mr. Speaker:** Did the IAC refuse to go on with the contract?

**Shri Hem Barua:** No, Sir. They were deprived of this contract, because the Government wanted to pamper some of its own children.

Then there is another nice thing about this company! It can carry passengers also, if it likes. And if it carries passengers, then the total seat deduction, as they call it, will be 700 lb. When there is a 700 lb deduction, they get the flying hour rate all right even then. Supposing they carry one passenger, multiply 700 by 750 and divide that by 6,500. They make an additional profit of Rs. 80 per flying hour. These are all advantageous terms given to this company.

Then there is another term or clause in the agreement and that is about the diverted flights. When the flights are diverted, they are entitled to the entire money covering the time that is needed for diverting the flight. That means the plane can shoot up and again divert its way, in anyway it likes, and they can always say they had to do it "because of bad weather, and so we have been romping and roaming about in the sky." They can roam and romp in the sky on the plea of "bad weather" and yet get the entire money. This was not so in the case of the IAC. Here is a company that is favoured with all these conditions. I have found out so many things, and shall say why it is so.

**Mr. Speaker:** The hon. Member's time is up.

**Shri Hem Barua:** I have so many things.

**Mr. Speaker:** He has spent the whole of his time on the Kalinga Airlines.

**Shri Hem Barua:** The trouble was that much of my time was taken up by interruptions.

**Shri Joachim Alva (Kanara):** There has been no interruption at all.

**Shri Hem Barua:** Whatever that might be, here is a company that enjoys so many advantages and so many benefits. Is it because of the fact that the Chief Minister of a certain state is interested in the Kalinga Airlines? We have to examine that particular aspect. If you provide that Chief Minister with a suite of rooms in the External Affairs Ministry we do not bother; if you send him to Washington on a doubtful mission we do not bother; kick him up as high as possible; sky-rocket him; we do not bother. But we are very much bothered when we find that the taxpayers' money is being squandered in order to pamper a blue-boy of the Prime Minister. I request the Prime Minister—he is not here—to read the Audit Report which is a confidential document as I have said and I am not ready to part with it. Call for the audit report and see it and then he will make a rediscovery of India in the context of the revelations made in this audit report.

There is another charge against this favoured company. It is that it contributes money to a certain news magazine in Delhi with a circulation of 4,000 and with an asset of Rs. 72 lakhs. That may be another reason for pampering this company. I would say that the Prime Minister has all virtues. He has unequal intellectual gifts; his patriotism cannot be questioned; his love of the country cannot be questioned. But he suffers from a vice, the vice of extending patronage and protection to undeserving people, and the case of the Kalinga Airlines exposes this very nakedly, as to how this company has been favoured. May I continue, Sir?

**Mr. Speaker:** I would not like that; I would request him to stop.

**Shri Hem Barua:** I would not say any more about that. I would only say a few words about the Tusker project in NEFA now in one minute. Did not the Government know about the activities of the Tusker projects? They knew about it. I have those papers with me. A certain employee of the Tusker project who suffered from moral conscience informed the Controller-General of Defence Accounts and then the Secretary of the Finance Ministry, and after that, on the 13th June, 1962, he wrote a letter to the President. I have a copy of the letter detailing the fraudulent expenditure and irregular methods adopted in the Tusker project. On the 10th January, he wrote a letter to the Prime Minister, but then the elephantine body of the administration would not move. What has happened? The Tusker project was sent there to NEFA to build roads, but instead of that, they started minting money. That is what has happened. An enquiry is now being made into the activities of the Tusker project. The enquiry should be completed as early as possible and a copy of it should be placed on the Table of the House.

वाता हैं, लेकिन पहले का रुपया रक्खा हुआ होता है वह पूरी तरह खर्च नहीं होता है। इस बात के अनेक उदाहरण हैं कि किसी विभाग के अन्तर्गत ७०-८० लाख रुपये की पूरक मांगें रक्खी गईं, लेकिन जब ३१ मार्च को उसका खाता बन्द किया जाता है तो अक्सर कभी कभी १ करोड़ रुपये की, या उससे भी अधिक की बचत दिखालाई जाती है, अर्थात् उससे भी अधिक पूरक मांग की जाती है। इसलिए मैं माननीय वित्त मन्त्री से निवेदन करना चाहता हूँ कि वे इस पर गम्भीरता से विचार करने की कृपा करें कि आया कोई ऐसी प्रणाली निकाली जा सकती है कि हर महीने, हर तीसरे महीने या हर छठे महीने, प्रत्येक विभाग में कितना खर्च हो रहा है, इसका बारीकी से अध्ययन किया जाय, जितने रुपये की बचत हो सकती है और उसका किस प्रकार से उसी विभाग की और मर्दों में सदुपयोग किया जा सकता है, तो इस प्रकार को पूरक मांगें लाने का आवश्यकता नहीं होगी।

12.59 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

**श्री भवत दर्शन (गढ़वाल) :** अध्यक्ष महोदय, विरोधी दलों के सदस्यों द्वारा इन पूरक मांगों के सम्बन्ध में जो कटौती प्रस्ताव रक्खे गये हैं, उनका आमतौर से विरोध करते हुए भी मुझे कुछ गुआव देने हैं। सबसे पहली बात तो मुझे यह कहनी है कि हर वर्ष हम लोग यह देखते हैं कि करोड़ों रुपये की मांगें, पूरक मांगों के रूप में यहाँ सदन के सामने आती हैं। इस समय ही २७१.५५ करोड़ का नई मांगें रक्खी गई हैं। इनमें से अधिकांश मांगें देश की प्रतिरक्षा के सम्बन्ध में हैं। इसलिए इनके बारे में किसी को आपत्ति नहीं हो सकती, न तो सैद्धान्तिक दृष्टि से और न ही धनराशियों के सम्बन्ध में। लेकिन एक बात जो मुझे कहनी है वह यह है कि पिछले अनेक वर्षों से हम लोग यह देख रहे हैं कि अरवरी और मार्च में पूरक मांगें रक्खी

श्रीमन्, दूसरी बात इस सम्बन्ध में जो सरमान्म तीर से मुझे कहनी है वह यह है कि जब से कि संकट को घोषणा हुई है, इमरजेंसी प्रारम्भ हुई है तब से हमारा सरकार ने देश को यह नारा दिया है कि मितव्ययिता पर अमल किया जाय। यह बहुत सुन्दर नारा है। इस पर कुछ हद तक अमल भी हुआ है। लेकिन व्यवहारिक रूप से मैं यह देख रहा हूँ कि चौथी श्रेणी की या चपडसियों की कुछ पोस्ट्स तो कम कर दी गई हैं। लेकिन इया पूरक बजट में प्रायः प्रत्येक मांग के अन्तर्गत नई स्टाफ़ कारों के लिए, गजेटड पोस्ट्स और नान गजेटड पोस्ट्स के लिए जबरदस्त भरती की जा रही है। मेरी समझ में नहीं आता है कि ये परस्पर-विरोधी बात क्यों की जा रही हैं। हमारे विच मंत्री

## [श्री भक्त दर्शन]

महोदय प्रशासन में पवित्रता के लिए और अनो कट्टरता के लिए भी प्रसिद्ध रहे हैं और इसलिए उन से तथा उनके सहयोगी उपायों की जो से मैं आशा रख सकता हूँ और अनुरोध कर सकता हूँ कि वे इस पर कड़ाई से नज़र रखें। यह आवश्यक भी प्रतीत होता है। मितव्ययता की अपील तो की गई है, लेकिन उसका पालन भी होता है या नहीं इसको भी तो देखा जाना चाहिये। अतः इन अनुदानों की मांगों को स्वीकार तो अवश्य कर लिया जाना चाहिये; लेकिन वित्त मंत्रालय को इस तरह के आदेश विभिन्न मंत्रालयों को दे देने चाहियें, कि जहाँ तक हो सके, वर्तमान स्टाफ से ही वे काम चलायें और जो नई भरती स्टाफ की या स्टाफ कार्यों की करनी है, वह थोड़ी देर के लिए अवश्य रोक दें।

13 hrs.

दूसरी बात मुझे अनुदान संख्या ५२ के बारे में कहनी है। मुझे यह देख कर बड़ी प्रसन्नता हुई कि इंडो-तिब्बत बोर्डर पुलिस फोर्स के लिये एक नई रकम इस में रखी गई है। मैं उन सदस्यों में से हूँ जोकि वर्षों से इस बात की मांग करते रहे हैं कि हम अपनी उत्तरी सीमा की ओर और सतर्कता से काम लें। हम लोगों की अपीलों पर शुरू शुरू में, ध्यान नहीं दिया गया, इस का मुझे खेद है। लेकिन अब कम से कम सरकार इस ओर सतर्क हुई है, इसलिए मुझे कुछ संतोष है। पर इंडो-तिब्बत बोर्डर पुलिस फोर्स जो रखी गई है, उसके सम्बन्ध में मैं एक व्यावहारिक सुझाव देना चाहता हूँ। मैं समझता हूँ कि इस में नौसिखिये लोगों से काम नहीं हो सकता है। जिन कठिन परिस्थितियों में इन लोगों को वहाँ काम करना पड़ता है और जिन कठिनाइयों का उनको वहाँ सामना करना पड़ता है, उनको भी हमें ध्यान में रखना होगा। जो लोग वहाँ रह चुके हैं, जो लोग वहाँ जीवन बिता चुके हैं वे ही वहाँ पर अच्छी तरह से

कार्य कर सकते हैं। सेला निफा में हमारी सेनाओं को जो पराजय का सामना करना पड़ा है, उसका कारण यह नहीं था कि उन में किसी प्रकार की वीरता की कमी थी, बल्कि उसका कारण यह था कि उन्हें परिस्थितियों के अनुकूल नहीं किया जा सका था। मैदानों से एक दम आप चौदह हजार फीट की चोटी पर चले जायें, कितने ही बहादुर और स्वस्थ आदमी को भेज दें, उसको कई हफ्तों तक तो होश भी नहीं आ सकता है, चारों ओर वह देख भी नहीं सकता है, कार्य करना तो अलग की बात रही। इसलिए मैं कहूँगा कि यह जो पुलिस फोर्स गृह मंत्रालय के अन्तर्गत संगठित की जा रही है, इसके अन्दर अधिकांशतः उन लोगों को रखा जाये, जिन को वहाँ रहने का अभ्यास है और उनको ही इस मामले में प्राथमिकता दी जाये।

हमारे पहाड़ों के और इन सीमावर्ती क्षेत्रों के बहुत से लोग, बहुत से पुलिस मैन राजस्थान में, मध्य प्रदेश में, पश्चिमी बंगाल में, बिहार में तथा दूसरे राज्यों में भी पहले से काम कर रहे हैं, व वहाँ की सशस्त्र पुलिस में व कार्य कर रहे हैं। अगर इस पुलिस फोर्स को एक दम प्रारम्भ करना है और इस में देरी की कोई गुंज इस भी नहीं होनी चाहिये, तो अच्छा होगा कि उन लोगों को उन राज्य सरकारों से सेवायें हासिल कर ली जायें और तुरन्त इनको कार्य करने के लिए भेज दिया जाये। इससे काम एक दम शुरू हो सकता है। मान लीजिये कि पांच, दस या बीस हजार आदमी हम अपनी उत्तरी सीमा की सुरक्षा के लिए नियुक्त करते हैं। अब नये आदमियों को ट्रेनिंग देने में बहुत समय लगेगा। ये लोग विभिन्न प्रान्तों में हैं, जैसे राजस्थान में मुझे मालूम है कि वहाँ कम से कम ढाई तीन हजार आदमी अकेले मेरे निर्वाचन क्षेत्र के गढ़वाली काम कर रहे हैं, वे पहाड़ों के रहने वाले हैं, वे उस इलाके के जलवायु के अभ्यस्त हैं उनको अगर वहाँ भेज दिया जाये तो वे

अपनी जवांमर्दी का परिचय वहां भी दे सकते हैं और अपने पहले के अनुभव के आधार पर सुगमता से वहां कार्य भी कर सकते हैं। उन्होंने बहुत गर्मी के मौसम में भी काम कर लिया है राजस्थान के रेगिस्तान में भी काम कर लिया है, और यह अनुभव भी उनके लिए उपयोगी सिद्ध हो सकता है।

अब मैं डाक तार विभाग के सम्बन्ध में एक बात कहना चाहता हूं। इस बार तीन करोड़ चवालीस लाख रुपये की अतिरिक्त मांगें रखी गई हैं। इन में से केवल दूसरी के बारे में ही मुझे कुछ निवेदन करना है। पी० एंड टी० फार्मस एंड स्टेशनरी के लिए कुछ रुपया खर्च किया जा रहा है। इस सदन में पहले भी कई बार जब जब इस अनुदान की मांग पर बहस हुई है, तब कहा गया है कि कोई भी समय ऐसा नहीं रहा जब इस बात की शिकायत न की गई हो कि डाकखानों में फार्मस नहीं मिलते हैं। हमारे यहां का जो संसद्-भवन का डाकखाना है, अब भी अगर आप वहां जा कर देखें तो बहुत से फार्मस आप को नहीं मिलेंगे। मेरी समझ में नहीं आता है कि जब हम इतनी तेजी से डाक तार की सुविधाओं का विस्तार कर रहे हैं और इतना रुपया फार्मस एंड स्टेशनरी पर खर्च कर रहे हैं, तो ये फार्मस उपलब्ध क्यों नहीं होते हैं ?

इन फार्मस के सम्बन्ध में एक दूसरी बड़ी शिकायत भी की जा रही है। वह यह है कि हम द्विभाषिता, वाइ-लिंगुप्रलिज्म के युग से गुजर रहे हैं और इसलिये हर एक फीर्म में से कम से कम अंग्रेजी और हिन्दी का समान रूप से उपयोग होना चाहिये। ताकि उनका अंग्रेजी तथा हिन्दी व दूसरी भाषाओं जानने वाले भी उपयोग कर सकें। इस बात का सब पार्टियों व दलों ने समर्थन किया है। लेकिन उस पर अभी तक पूरी तरह से अमल नहीं किया गया है। मैं चाहता हूं कि इस ओर भी आपका ध्यान जाए।

इसके अन्तर्गत यह भी बताया गया है नम्बर ३ में

“Additional staff to cope with the increased traffic on account of emergency and for opening of new post offices.”

जो कि बहुत अच्छा है। इसके लिए दस लाख रुपये रखे जा रहे हैं। लेकिन मुझे सूचना मिली है कि सीमावर्ती क्षेत्रों में जो डाकखाने खोले गए हैं, वहां अभी तक न तो मनी आर्डर के रुपये पूरी तरह से पट्टुच रहे हैं और न वहां स्टाफ पूरी तरह से पट्टुच पाया है। इसका कारण भी जैसा मैंने पुलिस के सम्बन्ध में कहा है और मुझे उपाध्यक्ष महोदय, क्षमा किया जाए, अगर मैं उसको दोहराऊं। और ऐसा करते हुए मैं किसी की आलोचना नहीं करना चाहता, कि जो नीचे गर्मियों के अभ्यस्त होते हैं, वे एक दम अगर ऊपर भेज दिये जाते हैं, तो या तो वे छूट्टी ले लेते हैं या ड्यूटी ही जवाबन नहीं करते हैं। आप उमका सौ परसेंट अधिक बोर्डर एलाउंस देते हैं, लेकिन फिर भी वे जाने के लिए तैयार नहीं होते हैं। इसलिए मैं डाक तार विभाग से अनुरोध करना चाहता हूं कि ये जो सीमावर्ती इलाके हैं, इनके अन्दर जो डाकखाने खोले गए हैं और डाक तार की सुविधाओं का विस्तार किया जा रहा है, उनका इन शिकायतों का और भी वह ध्यान दे। दूसरे मैं यह भी अनुरोध करना चाहता हूं कि वहां के लोगों को, जो वहां की परिस्थितियों के अनुकूल हैं, जो उन परिस्थितियों के अभ्यस्त हैं, उन्हें ही नियुक्त करने का प्रयत्न किया जाए।

उपाध्यक्ष महोदय, इन शब्दों के साथ मैं इन अनुदानों की मांगों का समर्थन करता हूं और आपको धन्यवाद देता हूं।

**Shri S. M. Banerjee (Kanpur):** Mr. Deputy-Speaker, Sir, I wish to speak on cut motions Nos. 3, 4, 5, 6 and 7, Demand No. 9 deals with Defence Services. I would like to take this

[Shri S. M. Banerjee]

opportunity to congratulate the ordnance factory workers who have produced the maximum during the emergency. I have seen the workers working in the various ordnance factories manufacturing automatic weapons and other weapons required for the army. While congratulating the ordnance factory workers and the Defence Ministry on this achievement within a very small period, I would like to mention two or three things.

My attention was drawn to various news items and I also put a question in the Parliament whether it is a fact that some of the private sector industries are likely to manufacture certain arms and ammunition. I got a vague answer from the Minister. I would like to know from him, when we are having new ordnance factories, when the present ordnance factories have been expanded and when the production has increased nearly cent per cent, why should we think of giving orders to the private sector? In our country, it has never been the practice to give orders to the private sector for the manufacture of arms and ammunition. Our defence industries are based on the English model and in England in the royal ordnance factories the practice is the same. In America and certain other countries, it may be that the private sector also manufactures arms and ammunition.

I would request the Minister to kindly let me know what is the truth in it. I do not mind if things of lesser importance like garments, blankets, etc. are given to the private sector. Even parachutes have been given to the private sector and I do not mind that. But if there is any truth in the report that arms and ammunition are going to be manufactured in the private sector, I seriously resent it, because that will mean divulging the secrecy maintained in defence establishments and that is against the accepted policy of the Government of India and especially the Defence Ministry, where so many things have been

concealed even from Members of the House.

Then, we were told in this House in reply to many questions that a special alloy steel plant is likely to be established in Kanpur. But the Chief Minister of U.P. told in reply to a question in the Assembly recently that it was unfortunate that this plant was not likely to be established in Kanpur. I would like to know from the Minister whether it is a fact that this plant which was likely to be established in Kanpur for the manufacture of special alloy steel is at all being established there or whether it is being shifted to somewhere else, and if so, for what reasons. I was told previously that there was some difficulty about getting electricity. I took up this matter with the State Chief Minister and I was assured by him that there would be no dearth of electricity in Kanpur if this plant was to be established in Kanpur. I would like to know what has happened to this plant.

Coming to Demand No. 30-A about Kolar gold-fields, I am extremely happy that the Central Government have taken full control of the gold-fields. Unless the Central Government controls the entire thing, the gold control order was considered to be useless by us.

But, Sir, while supporting this move I would like to mention the sad plight of certain goldsmiths also. I tabled an adjournment motion today which the hon. Speaker in his wisdom disallowed—probably, rightly so—on the recent suicide cases in the country of goldsmiths. In today's *Statesman* there was a report about a suicide case in Kanpur. This is the second suicide. One Kiddar Nath Dutta has committed suicide by taking poison because he found no employment today. On the 21st February, 1963, one lady, Shrimati Bitola, wife of Ram-Chander, another goldsmith, committed suicide. Actually, Sir, she went to the Kotwali and told the Station Officer: 'I have nothing to eat because

my husband is unemployed after the promulgation of this Gold Control Order. You take me to the District Magistrate." She was rebuked by the Station Officer with the result that she came home and committed suicide. It is a very sad affair. I fully support the hon. Finance Minister in his policy of gold control. I wish him all success. I was one Member who was very much impressed by the eloquent speech, based on his conviction and courage, that he made in this House the other day. But I would like to mention these cases and request the hon. Finance Minister to tell us what specific arrangements have been made to see that the goldsmiths are provided with alternative employment.

Coming to Demand No. 44, which is about sugar export subsidy has been given and is being given to the Indian Sugar Mills Association. We have to boost up our exports and earn foreign exchange. But what is said here is something very strange. It is clearly written that Government did not anticipate or cannot possibly anticipate, what should be the losses to be Indian Sugar Mills Association as subsidy. This is really surprising. The Government should know the anticipated losses. All the mills under the Indian Sugar Mills Association are making fabulous profits. Nobody can deny this truth that today the sugar mills are making fabulous profits, whereas they are not paying adequate wages even to their workers. Therefore, while supporting this Demand—we want to export and we want to earn foreign exchange at this hour when we are facing a foreign exchange crisis—I would like to know whether any step is being taken to revise the price structure, because I feel the price of sugar has gone up in many States. In the south, Sir, especially, sugar is being sold at Rs. 1.75 nP. per seer. I would like to know what steps have been taken to see that the price of sugar for internal consumption also comes down.

Coming to Demand No. 55, Sir, it is about privy purses and allowances  
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of Indian rulers. Now, who is being given a privy purse? Under this Demand it is said:

"Provision for meeting the Privy purses of Indian Rulers and the Allowances of their relations is made in this Grant on the basis of scales fixed from time to time as well as trends necessitated by the payment of arrears of the allowance to the former Ruler of Bastar . . ."

Sir, it is for payment to the Ruler of Bastar who almost revolted against this Government, who was the cause for the loss of six lives in the heavy firing that took place in Bastar. We are still paying for his Privy Purse. My hon. friend Shri Deo attacked Shri Daji telling that he is a Member of the Communist Party which has extra-territorial loyalty. Sir, taking full advantage of my territorial loyalty I say that the Privy Purse should be stopped. If the refugees from East Pakistan or West Pakistan could be rehabilitated . . .

**Mr. Deputy-Speaker:** The hon. Member should try to conclude now.

**Shri S. M. Banerjee:** Sir, give me five more minutes.

**Mr. Deputy-Speaker:** Three minutes are to intervene and we have to close this discussion by two o'clock. He may take one or two minutes more.

**Shri S. M. Banerjee:** That is why we wanted more time for this discussion.

**Mr. Deputy-Speaker:** The discussion on the Budget is coming up and he will have ample time there.

**Shri S. M. Banerjee:** Sir, I have actually moved a cut motion which I am going to press for a division, that the privy purse should be stopped. We have no basis to pay this privy purse for nothing. This is for the former rulers. Sir, the common man in India today is being sandwiched between the former rulers for whom he pays for the privy purse and the present rulers for whom he pays for the electricity and water charges. I do not know what is going to be the fate of the common people.

Then I come to the Demand relating to Rajya Sabha. Sir, the time has come when we should not have this luxury of having a Rajya Sabha in this country. This should be abolished. I know my hon. friends in the different Houses who would be affected, but I still say that Rajya Sabha and the councils in different States must be done away with.

Lastly, I want to say a word about the finances. I fully support my hon. friend Shri Daji when he said, while speaking on the Demands for Grants, that at least our Prime Minister should not inaugurate the conference of the Chamber which is being presided over by one who has been termed by the Vivian Bose Commission as the greatest fraud in the country, as the greatest cheat in the country. If he remains the President, the Mafatlal Group and the Tata Group I have no support for them—are ceasing to be members of the Chamber unless the Chairman is removed. I, therefore, humbly request the hon. Prime Minister, for whom I have the greatest regard, at least to dissociate himself from going and inaugurating their conference presided over by those who are swindling the country and taking the country to ransom.

**Shri Joachim Alva:** Sir, while supporting the Supplementary Demands for Grants, may I make a few obser-

vations on about 13 Demands in passing?

In regard to Demand No. 9—Defence Services, Effective—Army, I would strongly urge that research be the spear-head of our defence establishment. Even industrial concerns spend enormous sums of money on marketing research. Messrs. Lever Brothers, which is known to be the largest trading concern in the world, has a large portion of money assigned for doing marketing research. It is time that the Defence Ministry and the Defence Research Section took a trip around the industrial sectors, whether British, American or Russian, and try to spend the money profitably on research so that not only our armies but all kinds of sections of our military and our military equipment may improve.

Sir, our young scientists tap at foreign doors for jobs. Some of them have settled down in America or Europe and they refuse to come back to their motherland because they are started here only on Rs. 300. Sir, Rs. 300 is not enough for a single man for meeting his requirements according to the western standard. We can have extensive research, profitable research and research which will strengthen our defence forces in such a way that we need not look out for a needle on a dark night. In times of emergency our research scientists will be ready enough for the task as they were during the war. Radar was invented under the stress of the Great War in Great Britain by a batch of scientists. Unfortunately, even in England, today, their young scientists are going to America because they themselves are not getting sufficient recognition. Our young scientists who come out of the universities are also going over to other places. We have to guard ourselves against this and keep our scientists in our defence section so that we may be able to make our defence services strong.



In regard to Demand No. 10—Defence Services, Effective—Navy—they say that a civilian officer was dismissed, a case is pending and a sum of about Rs. 77,000 has to be deposited. Sir, I am not an accountant; I am a layman. I do not know whether the Ministry has anything like a suspense account. They could have foreseen this expenditure. The case had been filed. They knew that good lawyers on large amount of fees had to be engaged. Why should they come and spend the time of the Parliament on a Demand like this. They give ample information on a small item like this, but they give no information on essential things. They make too much of a mouse and sometimes elephants are hidden from our gaze. Why is that so? This is a simple item of money on legal charges being deposited in the court. This is an item which could have been easily incurred.

Then I come to Demand No. 16 relating to Tribal Areas. My hon. friend, Shri Hem Barua made some complaints. I think he interrupted the Prime Minister fifty times when he was on his legs, though we listened to his speech with great patience, and he is not here now to hear the reply. I hold no brief for anyone. I think he was mentioning the hon. Chief Minister of Orissa. He forget to give him credit for the fact that he flew one of the liberators of South East Asia on his plane and took him to safety. Secondly, since he is the Chief Minister of a State,—whatever those things may be; I am not concerned with them—I wish he had not come out by mentioning the name like that.

Now, in regard to the flying that is done there, he refused to say what his complaint was, though he made a long speech and his entire speech was devoted to this subject. The task of flying in NEFA is a very hazardous one. I met only this morning the father of only one son, who has been

flying for 15 long years. I told him that since he had been flying for 15 years, he can be pressed for national service in NEFA. He explained that his experience is not sufficient for work in NEFA and, therefore, even though he will be given quite a lot of money, he is not willing to go. Because, money does not count in such matters. I know that the fellows of the IAC are offered treble or four times their salary to serve in the NEFA area. If I am given a lakh of rupees and asked to go and take a seat in a plane just for a joy ride over the NEFA I will refuse it unhesitatingly, and when I say "I" I mean everybody. Flying in that area is a hazardous duty. Only the other day, a gentleman wrote to me that his two sons crashed their plants in NEFA, and for many years no compensation was paid. My hon. friend does not talk about compensation for the pilots who are the be-all and end-all of our existence in NEFA. It is only because of the feat of IAF during the emergency that we are safe today. Even though we have also got cliques, factions and fights and rivalries between the different forces like in England and America, in India the army and the navy have acknowledged the services of the Indian Air Force. What does it mean? It means that they have performed great tasks.

Here I would like to say that it would have been better if the IAF had done the entire job. Or else they could have asked the IAC to undertake this hazardous job of making supplies to our troops in the NEFA area. If the IAC also cannot do the job, why not we ask half a dozen operators to do job so that there can be fair competition and all this bitterness can be avoided?

He was pleased to make some charges against the pilots. But nobody seems to worry about the condition of the pilots. Acharya Kripalani raised a hue and cry about the expenditure on our defence forces and

[Shri Joachim Alva]

said that their condition is far from satisfactory. I wish he had raised the living conditions of the pilots who are living in rooms smaller than those of the servants' quarters of the Minister's house. Why do you not ask for quarters for these fine young men who are living in all sorts of messes with their wives and children? Why do you not raise your voice in favour of them? My hon. friend, Shri Hem Barua, raised one point and off he has gone. I wish he had remained so that he could hear the answer.

My third point is about Goa, Daman and Diu. A sum is asked for the development of Goa in Demand No. 21. I find that we are tapping the Koyna for electric power in Goa, and that is why this sum is demanded. There is the Jog falls, which is not very far, a mighty waterfall of India, one of the largest in the world. There is the Dudsagar water Centre in Goa and immediately after the military administration took over Goa I was told by the then Chief Administrator that it was enable of giving power for six textile mills. If Goa can have six textile mills, all the sons and daughters of Goa who serve in India—I do not mean any disrespect to them, because they are first class material—on very low kinds of jobs as cooks, butlers and tailors can get good occupation in their own home towns. Therefore, I hope they will take up this project soon.

**Mr. Deputy-Speaker:** The hon. Member should conclude.

**Shri Joachim Alva:** Sir, you cannot reduce my time, because I am going to cover points which have not been raised by any one.

**Mr. Deputy-Speaker:** This is only supplementary Demand.

**Shri Joachim Alva:** I know it. If you want me to resume my seat, I will take your tip.

**Mr. Deputy-Speaker:** Three Ministers have to intervene and we have got only 35 minutes.

**Shri Joachim Alva:** Then I come to the Kolar Gold Mines. There are 30,000 labourers there and 20,000 are working down under the mines. There is not one single other industry in Kolar except the gold mines. Since the Government of India has taken over the gold mines, I wish the Commerce Minister of the Government of India will request any industrialist who wants to live in the salubrious climate of Bangalore to go down to Kolar and open up some industries. Then the labourers will get some alternative jobs. Now they have to depend on the mines alone, where accidents do happen quite frequently. I have gone down many mines, including this one, and I know the conditions of service of the labour force. If Government give some assistance for the starting of small-scale industries, it would be a good thing. The land is very cheap, only one rupee per acre, and there is adequate supply of electricity. Therefore, if some small-scale industries are started there, a portion of the labour population, 30,000 strong, may be drafted to the small-scale industries. I would like the Deputy Minister of Finance, who is in charge of Kolar Gold fields to remember this point. If some small-scale industries are started there, a portion of the labour force can be employed there; otherwise, we will perhaps lose even the gold fields one day.

Then, under the Ministry of Home Affairs, there is a demand under the head Intelligence. What kind of intelligence are we doing?

**Mr. Deputy-Speaker:** The hon. Member should conclude now.

**Shri Joachim Alva:** Sir, I am asking you to give me only that much

time as is given to other speakers. I do not want more time. I want to cover many points, because I will not get an opportunity afterwards.

**Mr. Deputy-Speaker:** I want to give ten minutes to each member. He can also take 10 minutes; not more.

**Shri Joachim Alva:** During the British days, only a handful of fine men carried on the intelligence of this country. They managed Imphal, they managed the whole of Burma with four or five men. We have got any number of men, who have got either the intelligence nor the cleverness to do this kind of job. They will go and tap a phone which should never be tapped and which with real intelligence will never touch with a pair of tongs. They will trail, spy or follow people who should never be followed and open letters which are not worth opening. They have to examine a man from head to foot before deciding whether it is worthwhile pursuing him. Lord Mountbatten, I saw, was being guarded by one man and, when Mahatma Gandhi was murdered, I drew attention to it through my paper. Lord Mountbatten was guarded by one single man, and I had the pleasure of seeing him. He is no more; he died of cancer. He was only son of the Private Secretary to the late King George and the father he was very happy to know somebody from India enquired about his son who was no more.

**Mr. Deputy-Speaker:** I do not know what all these things have to do with these Demands.

**Shri Joachim Alva:** I am coming to the point. We have got superfluous staff in the intelligence service and we are not utilising them fully.

**Mr. Deputy-Speaker:** The hon. Member should conclude now. This is the third time that I am ringing the bell.

**Shri Joachim Alva:** I will sit down, if you will ask me, though I have many vital points.

**Mr. Deputy-Speaker:** know that. But every member cannot be given the time he wants.

**Shri Joachim Alva:** In regard to the intelligence staff I only want to say that we have to build up a very effective and useful intelligence force which will have a pride of place in our country.

**श्री गौरी शंकर कक्कड़ (फतेहपुर) :**  
उपाध्यक्ष महोदय, पूरक मांगों के बारे में मुझे एक बात यह कहनी है कि बजट बनाने में जो आंकड़े प्रकाशित किए जाते हैं, जब से हमारी राष्ट्रीय सरकार आयी है उसके बाद से तो हम बराबर यह देखते हैं कि बजट के बनाने में एक जादूगरी सी की जाती है और उसमें खास तौर से जो आमदनी होनी है वह तो कम दिखायी जाती है और खर्चा अधिक दिखाया जाता है और यह चीज राज्यों में और केन्द्र में दोनों जगह पायी जाती है। अगर इस जादूगरी को हटा करके सही मानों में जो हमारी आमदनी होनी है और जो खर्च होना है उन आंकड़ों का लिहाज रखा जाए तो फिर पूरक मांगों का प्रश्न ही न उठे।

श्रीमान्, मुझे यह कहते हुए बड़ा दुःख होता है कि हमारी राष्ट्रीय सरकार जिसमें समाजवादी आर्थिक व्यवस्था का संकल्प किया है, आजादी पाने के इतने सालों बाद भी उस दिशा में सही तौर पर कदम नहीं उठा रही है। जब चीन से युद्ध छिड़ गया तो हम मसझते थे कि सरकार का कदम तेजी से उठेगा, लेकिन यह देख कर बड़ा दुःख होता है कि आज भी करोड़ों की संख्या में कर्गदाताओं की और करों का बकाया पड़ा है और वसूल नहीं किया जा रहा। उस तरफ कोई ध्यान ही नहीं दिया जा रहा है। मैं तो देखता हूँ कि जिस प्रकार इस इमरजेंसी से पहले राज्यों का और केन्द्र का शासन चलता था उभी तरह आज भी चल रहा है, उसमें कोई तेजी नहीं आयी है।

### [श्री योटी शंकर कक्कड़]

आज टैक्स बढ़ाए जा रहे हैं। इसके साथ साथ मैं चाहता हूँ कि इस इमरजेंसी के जमाने में उन मुट्ठी भर सरमाएदारों की तरफ भी ध्यान रखा जाए जिनकी मदद से सरकार खेल रही है और जिनको नाजायज फायदा दे रही है।

जहाँ तक सप्लोमेंटरी डिमांड्स का प्रश्न है, मुझे प्रिवी पर्स के बारे में एक शब्द जरूर कहना है। अभी हमारे फाइनेंस मिनिस्टर साहब ने कम्पलसरी सेविंस बिल इंट्रोड्यूस किया जिसके अन्तर्गत एक गरीब काश्तकार भी सालाना मालगुजदारी का ५० प्रतिशत अनिवार्य रूप से जमा करने के लिए बाध्य कर दिया गया है। श्रीमन्, अगर प्रिवी पर्स बंद करने या उनमें कटौती करने के लिए कोई कानूनो दिक्कत पड़ रही है तो कम से कम यह चोख तो अवश्य होना चाहिए कि जो प्रिवी पर्स दो जा रही हैं, उनको पांच वर्ष के लिए कम्पलसरी डिपॉजिट के लिए उनको बाध्य कर दिया जाय और उस पर उन को भी सुद दिया जाय। मेरी समझ में नहीं आया कि एक खरीब काश्तकार को तो बाध्य किया जा रहा है कि वह अनिवार्य बचत करे, १२५ रुपया मासिक पाने वाले सरकारी तौर को अनिवार्य बचत करने के लिए बाध्य किया जा रहा है परन्तु राजा लोग जिनको कि यह प्रिवी पर्स दी जा रही है उनको इस अनिवार्य बचत के करने के लिए क्यों बाध्य नहीं किया जा सकता? अगर ५ साल तक उनका प्रिवी पर्स का रुपया डिमांड्ड हुआ कर उनको इंटरैस्ट दिया जाय तो श्रीमन्, मुझे विश्वास है कि कोई हानि नहीं पहुंचेगी।

जहाँ तक हाउसिंग की डिमांड्स का सवाल है मुझे यह कहना है कि अभी पिछले बीस दिनों के दिनों में इस बात का उल्लेख सभी अखबारों में आया और मिनिस्टर साहबान के अलग अलग जो पानी और बिजली का खर्चा है उसके

बारे में जो आंकड़ आये, उनसे आंख खुल जाती है। वास्तव में यह चीज समझ में नहीं आती कि आजकल भी जबकि संकट काल चल रहा है और राष्ट्र से भितव्ययता की अपील की जाती है, तब स और कोई ध्यान न दिया जाय। मैं तो इस माने में अपने गृह मंत्री जी को बधाई दूंगा कि वह एक मंत्री हैं जिन्होंने रेल की दुर्घटना होने पर त्यागपत्र देकर एक आदर्श उपस्थित कर दिया है। उन्होंने एक वक्तव्य निकाल कर कह दिया कि अगर मैं अपने परिवार में बिजली और पानी के खर्च को कम नहीं कर सका तो मैं अपनी जेब से उसका खर्चा गा और वह बड़ा हुआ खर्चा सरकार द्वारा नहीं दिया जायगा। अब अगर एक मंत्री इस प्रकार कर सकता है तो क्या अन्य माननीय मंत्रियों की माली हालत उनके मुकाबले में इतनी खराब है कि वे इस संकट काल के समय में इस बात को करने के लिए तैयार नहीं हो सकते?

श्रीमन्, मुझे एक बात और कहनी है। इन सप्लोमेंटरी डिमांड्स में विशेष तौर पर कृषि के लिए जो उल्लेख किया गया है उनके बारे में अगर यह कहूं कि जो आंकड़े, जो फैंट एंड फीगर्स कृषि उत्पादन के सम्बन्ध में दिये जाते हैं, वह आंकड़े बिल्कुल गलत हैं तो यह गलत नहीं होगा। उन आंकड़ों का आबार लेखपाल के रजिस्ट्रारों में वह इंदिराज रहता है जो कि वह ठीके अपने घर में बैठ कर लिया करते हैं। उसका नतीजा यह होता है कि कभी किसी साल तो यह आ जाता है कि जो हमारा लक्ष्य निर्धारित था उत्पादन का, वह पूरा हुआ परन्तु उसके आगामी साल में फिर उस लक्ष्य में कमी हो जाती है। इसलिए मैं यह निवेदन करूंगा कि कृषि के सम्बन्ध में जो फैंटस एंड फीगर्स इकट्ठे किये जा रहे हैं,

उन पर ध्यान न देते हुए, विशेष तौर पर यह कोशिश सरकार की ओर से होनी चाहिए कि ग्रेजुएट्स जो पढ़ाये जाते हैं, उनका सीधा कृषक से सम्बन्ध रहे और यह कागज के आंकड़ों पर, फरजी आंकड़ों के ऊपर न जाकर सही आंकड़ों के आधार पर इस बात की कोशिश होनी चाहिए कि हमारे देश में इतना गल्ला उत्पादन किया जाय कि उससे हमारे देशवासियों की बाहर से गल्ला मंगाने की आवश्यकता न हो।

अन्त में आपके रा फाइनेंस मिनिस्टर साहब से यह प्रार्थना करना चाहता हूँ कि वह यह जगलरी और जादूगरी जोकि बजट बनाने के आंकड़ों में होती है, उनको कम से कम इस इमरजेंसी प्रियड में समाप्त कर जो वास्तविक फीगत है उनके आधार पर बजट बनाया जाये ताकि इस प्रकार की सप्लीमेंटरी डिमांड्स की आवश्यकता न हो।

**The Deputy Minister in the Ministry of External Affairs (Shri Dinesh Singh):** Mr. Deputy-Speaker, Sir, several hon. Members have made some allegations and referred to the supply dropping operations in the N.E.F.A. The hon. Member Shri Hem Barua made pointed attacks not only at us, but also made allegations against a certain Chief Minister and some other people who are not here to defend themselves I wish he had done me the courtesy of staying behind to listen to what I had to say. I suppose he had got an idea beforehand and went away.

The main misunderstanding seems to have arisen because there is a feeling that this supply dropping operation is linked with the purchase that goes beforehand. That is not true. The Kalinga Airlines as IAC and the Air Force before them, are responsible only for dropping these supplies that are procured by the N.E.F.A. Administration and kept

ready for them at the air port and loaded on to the planes. Therefore, their responsibility is limited only to dropping these supplies that are put in the planes, at the place that they are supposed to drop them.

Reference was made by the Member about an enquiry to be conducted into the leakage of these goods which, according to him, were being sold in Calcutta and other places. I might mention here that preliminary enquiries were made in this regard and we have not found any instance that can be substantiated. If I might draw your attention to several statements made in this House before, at one stage,—this was on the 21st of March, 1960—the Airlines Corporation, which were then responsible for air-dropping in this zone, informed us that they were not in a position to carry on with this air-dropping any more. We were put in a very serious difficulty, because, against a target of roughly 6000 tons that had to be dropped in that period, the droppings had been only to the extent of 3249 tons. Therefore, we had to make arrangements to drop the rest of the supply immediately and also to make arrangements for future droppings. Tenders were invited in six prominent newspapers and also a notification was issued in the Assam Gazette for people to tender for air-dropping. The only specific tender we received was from the Kalinga Airlines. I.A.C. which, according to my friend, the hon. Member Shri Hem Barua, were forced out of this air-dropping did not tender. His allegation is not true at all. They, on their own, said that they could not continue with these air-droppings. We appointed a Board to go into the contract of the Kalinga Airlines. On the Board, we had the Financial Adviser and the Legal Adviser of N.E.F.A. Administration and we also had a representative of the Director General of Civil Aviation and some other people, and they scrutinised in great detail the contract that was to be accorded to the Kalinga Airlines. They

[Shri Dinesh Singh]

came to the conclusion that this contract that we were giving to the Kalingas was the most favourable one for us. About that time the I.A.C. also came forward with a tender—not at the time that we had advertised but much later when we were finalising the Kalingas contract. That was subject to many conditions and also help from the Indian Air Force, which was not in a position to continue with this air-dropping because of its commitments elsewhere. Even then, I might mention that the rate suggested by the Indian Airlines Corporation was Rs. 775 as against Rs. 750 that was asked by the Kalingas. In any case, the Board went into all the details and finalised it.

Reference was also made to the length of the contract. It is very difficult to assess the supply for short periods, because of this we ourselves were rather anxious that this programme should be a long term programme. The I.A.C., in the tender that they had submitted, had also asked for a long term contract. It was nothing unusual or special done for the Kailnga Airlines. You will see that, as such, no special favour had been done to this Airlines and no consideration given to any individual that might or might not be associated with this Airlines.

Reference was also made to losses in dropping. Shri Hem Barua referred to several clauses of the contract. But, I am afraid he failed to refer to a clause that deals with losses of supply. It is clearly mentioned that any loss of more than 4 per cent would be made up by the Airlines themselves. This is calculated not by the Airlines. It is accounted by us. We have an account of what is being put on the plane. Then, the Political officers and their staff let us know how much they have received at the other end. If the difference is more than 4 per cent, the Airlines is responsible to make good the moneys.

Shri Hem Barua also referred to some secret Audit report that he had managed to get with which we have not been favoured so far. Therefore, it is very difficult for me to say anything in that respect. But if he was referring to a certain note sent to us by the Accountant-General of Assam, I might mention here that we have fully answered it and there has been no further reply in that respect.

He also mentioned about the connection between the former airline company dropping in that area, the Indamers and the Kalingas. We are not aware of any collaboration that he was referring to. But it is possible that the Kalingas may have bought some of the assets that they left behind them, but the Kalingas are an entirely different company and are not connected with the Indamers to the best of our knowledge.

Then, some hon. Members referred to Goa and the need for small-scale industries in Goa. I might mention that I have already made a detailed statement in this House earlier and I wish the hon. Member had borne that in mind. We have already accepted 140 applications for the establishment of small-scale industries. In addition, we are also giving financial assistance in the form of loans to needy entrepreneurs. We are also giving help to a co-operative which is planning to bring in about 1500 acres of land under salt pans in Diu. The Third Five Year Plan for the Union Territories has also been prepared, and we have already set up a planning board in Goa and also a Department of Industries, and as such, this aspect of Goa is being fully looked into.

I would only like to repeat in conclusion that the allegations made by my hon. friend Shri Hem Barua were very unfortunate, and I wish that he had taken the trouble of either discussing this matter with us or of listening to what I had to say so that

this misunderstanding could be removed for ever.

**The Deputy Minister in the Ministry of Food and Agriculture (Shri A. M. Thomas):** The Supplementary Demands refer also to two items relating to my Ministry. One is the import of foodgrains and the other is the export of sugar.

With regard to the Supplementary Demand on the import of foodgrains, I am surprised that Shri Daji has taken advantage of this occasion to speak in such disparaging terms about the PL-480 imports. The advantages of the PL-480 imports have been stated more than once on the floor of this House in reply to the criticism offered on the main Demands for Grants relating to the Ministry, and also on occasions when questions have been asked relating to the PL-480 imports.

The broad pattern of payment for imports under the PL-480 is well known to this House. It is only 15 per cent of the proceeds of the imports, which is set apart for use by the United States Government within the country towards expenses of their Embassy and other expenses at their discretion. Only 15 per cent is set apart for that purpose, and this expenditure is at their discretion, because it is their money. If they bring money into this country and spend it, as the House knows, we could have no control over the disposal of those amounts.

With regard to the balance, 50 per cent is by way of grant and 50 per cent is by way of loan to be payable within 40 years with a small rate of interest. And everybody knows the great help that these PL-480 imports have rendered in the matter of stabilisation of foodgrain prices and also for keeping a reasonable level of prices as a whole. Instead of being appreciative of the PL-480 imports, I am sorry that my hon. friend has taken advantage of his American-phobia to

criticise the Government of India in the matter of these imports.

Some criticism was also levelled against the quality of wheat that has been imported, saying that it is inferior and so on. That was the criticism made by some other Member. I am glad that at least as far as the quality of the imported grain is concerned, Shri Daji has no complaint. It is good quality wheat and it is distributed through fair price shops and supplied to the flour mills.

**Shri Daji:** I asked for how long we are to be dependent on the imports from America.

**Shri A. M. Thomas:** As to how long it I would say this. Under the 1960 agreement, the quantity that has been agreed to be imported is 16 million tons of wheat, out of which we have already imported about 5½ million tons, so that about 10½ million tons still remain out of the wheat contracted for. With regard to rice, the quantity of rice that was agreed to be imported under the agreement of 1960 is 1 million tons, out of which we have already imported about 4.3 lakhs tons so that we have still got about 5.7 lakhs tons to be imported out of the rice contracted for.

My hon. friend was complaining that it was because of these imports that we had been having complacency with regard to food production. It is an absolutely baseless argument. These imports are mainly for the purpose of building up buffer stocks to maintain the price level. We have got a target of building up these buffer stocks or central reserves to the extent of 5 million tons, so that these imports will be devoted partly for current consumption and partly for building up these reserves. In spite of these large-scale imports that we have planned we have put the target of foodgrains production in the Third Plan at 100 million tons, so that we are not showing any complacency in the matter of efforts in the direction of foodgrains production.

[Shri A. M. Thomas]

Then, Shri S. M. Banerjee and some other Members also had referred to the question of sugar exports. Shri S. M. Banerjee was asking whether we could not anticipate correctly the losses on exports. It is not possible, because the losses on exports depend on the international price of sugar, which varies considerably from day to day and month to month.

When this demand was originally framed, we asked for Rs. 5½ crores. Subsequently, when we found that the export would be much more than originally envisaged, we applied for a Supplementary Demand of another Rs. 8 crores, so that Rs. 13.5 crores are available now as the budget stands at present. The additional amount now sought for is only Rs. 95.94 lakhs. That too became necessary because the original quantity that we thought that we would be in a position to export in the year 1962 was only 3.5 lakhs metric tons, but now it seems that we would be in a position to export 3.94 lakhs metric tons, so that because of the increase in quantity of these exports, the losses also became high.

Shri S. M. Banerjee suggested that the sugar mills were taking advantage of the exports to meet their other losses. That is not correct. The industry is supplying us sugar for exports on a no-profits-no-loss basis. During 1962-63, the year to which the Supplementary Demand relates, the industry was to supply for exports all qualities of sugar at a price which on ex-factory basis works out to Rs. 36.37 per maund—Everybody knows that the level of prices is much more—for export sales up to 30th April, 1962, and Rs. 36.62 per maund for sales made thereafter, as against Rs. 37.85 per maund, the erstwhile controlled price up to the end of September, 1961, so that the prices were a little lower than the ex-factory prices fixed when the control was in vogue.

**Shri S. M. Banerjee:** What is the foreign exchange that we have earned so far?

**Shri A. M. Thomas:** With regard to the foreign exchange, in 1961, we earned a foreign exchange of about Rs. 13.27 crores; in 1962, we have earned foreign exchange of Rs. 14.44, 41,000. The quantity was also increased. In 1961 we exported 2,67,869 tons, while in 1962, we have exported 3,73,365 tons. International prices are also showing up. With regard to the export we are now making, it is linked with the London price so that we would be taking advantage also of the higher price. But having regard to the shortage of production this year, we are now holding our hands with regard to further exports of sugar except exports which we have already agreed to, that is, a little over 4 lakh tons for the year 1963-64.

**The Deputy Minister in the Ministry of Finance (Shri B. R. Bhagat):** Mr. Deputy-Speaker, Shri Daji spoke about two or three points from a particular angle. He was more guided by some prejudice than by any sense of enlightened criticism of a particular aspect. For example, he asked about Rourkela as to why that concern was being burdened with training of personnel by the German experts and said it was an unnecessary burden. He may think so. But it is very necessary that the top personnel or medium personnel must be up to date in their expert knowledge and training because it helps to promote the efficiency of Rourkela. Rourkela is coming up as a result of this. The alternative, which he misses, would have been to send them out to Germany for more expert training. That would have meant expenditure of more foreign exchange. So it is more economical to import or bring in the German experts here, arrange a training programme and incur whatever expenses are there in terms of rupees than to incur expenditure in D-Marks or any other



foreign exchange. So I do not think it is unnecessary; rather it is very necessary, also it is economical and saves foreign exchange. So I think this objection is very much misconceived.

Then he asked why it is that in regard to the expenditure of the PL 480 funds we are not being consulted. Here too he is not aware of the full facts about the arrangements in regard to rupee finance. We have said it so many times in the House in reply to questions or otherwise that 80 per cent of the rupee resources forms part of what we call Indian uses; the Government of India not only make use of it but they decide how it would be allocated. Of the 20 per cent, 5 per cent is for what is called Cooley amendment projects, according to which it can be spent only in joint Indo-American projects which may be beneficial to the country concerned. When specific projects under the Cooley amendment arrangements come, certainly our consent is taken because it is either for research or for developmental or for industrial or any other purposes. It has to subserve the national interest. As for the rest 15 per cent, although in specific cases they need not come to us for our consent—the Finance Minister sometime ago said in the House that it is not incumbent on the US Government to consult us—in fact what actually happens is that they are in terms of certain approved purposes and in regard to those approved purposes, there is certainly some sort of mutual consultation, and it is open to us to agree in certain respects, whether for those particular purposes we would allow it or not. So so far as the general purpose is concerned, we have some say in it, but in regard to specific projects in those approved purposes, they do not consult us and need not consult us. So it is not as if we have no say.

**Shri Daji:** Is this facility available to any other Embassies? Shall we do likewise in regard to other Embassies?

**Shri A. M. Thomas:** It is their money.

**Shri Daji:** Shall we allow other Embassies to bring in their money and spend it as they like?

**Shri B. R. Bhagat:** PL 480 is only with regard to the American Embassy.

**Shri Daji:** I was asking whether this privilege could be extended to others also without damage to our sovereignty.

**Shri B. R. Bhagat:** It is a hypothetical question. If there are such accumulations of rupee counterpart funds under any other arrangement, certainly in similar situations, where we come to the same arrangement, we would do it. But the question is hypothetical.

**Shri Heda (Nizamabad):** What is the proportion of the amount that is being allowed out of the PL 480 funds?

**Shri Harish Chandra Mathur (Jalore):** With regard to our dealings with countries on rupee basis, what is the position?

**Shri A. C. Guha (Barasat):** Do they require any previous sanction from the Central Government or not?

**Shri B. R. Bhagat:** It is absolutely not comparable. The PL 480 funds represent the sale proceeds of the wheat loan here and it is in a different category. It is governed by the terms of trade or it forms a separate account. It goes to a separate fund which they operate independently. They do not consult us and they need not. It is like accumulation on account of trade. So the wheat loan or the PL 480 are entirely different.

**Shri A. C. Guha:** I think the position is not so very different. With the East European countries also, we have our rupee payment arrangements. That money must have been credited

[Shri A. C. Guha]  
to the Embassies here. I do not think they require any previous sanction of the Central Government to spend it.

Similarly a portion of the PL 480 funds goes to the American Embassy here. Why should they require any previous sanction from Government to spend it as the East European countries also do not require any previous permission?

**Shri B. R. Bhagat:** Both of us agree on the conclusions because they do not require any approval. But I still maintain that the situation is entirely not comparable because that is the proceeds of trade.

**Shri A. C. Guha:** The other is also made up of proceeds of trade.

**Shri B. R. Bhagat:** It is not from trade proceeds. In regard to the wheat loan, we do not pay it in the way we pay in rupees. We use 80 per cent of it for our purposes.

**Shri Heda:** It is exactly the same.

**Shri A. C. Guha:** The only difference is that you do not pay the full amount; you pay only 15 or 20 per cent.

**Mr. Deputy-Speaker:** Please wait for the discussion on the Budget which is coming.

**Shri Harish Chandra Mathur:** This has nothing to do with the Budget. But it creates a false impression as if we are giving any preferential treatment to the Americans, while I say the position is exactly the same. If it is not so, let him clarify.

**Mr. Deputy-Speaker:** The agreement is governed by its own clauses.

**Shri B. R. Bhagat:** There is no question of giving any false impression. We are not giving any false impression. As I said, we agree on the conclusion. We do not regulate the way they spend the amount. But certainly I still maintain that PL 480 is different from the other arrange-

ment. They are different in their nature. That is why they have been specially enacted under a different law.

Then the hon. Member mentioned about the Ruby Insurance Company and the New Asiatic Insurance Company and asked why an inquiry was made into the affairs of these companies. He said we are not going into it because we have certain partiality for certain persons. I think this way of attributing motives and making insinuations is something very difficult to appreciate and the less it is indulged in the better. The matter was raised in this House earlier—there was a discussion on it. When the general question of nationalisation of general insurance was raised in the discussion on a Private Member's resolution, this question was raised. We have answered about this matter in reply to various questions and we have said—the Finance Minister has said and I have also said—that this matter was gone into. The two auditors who were appointed submitted their reports to the Controller of Insurance.

**Shri S. M. Banerjee:** It was never laid on the Table.  
14 hrs.

**Shri B. R. Bhagat:** I do not want to be interrupted. If he has any question, let it be put later on.

The Controller of Insurance also has given reports. All these matters were sent to the Law Ministry for legal opinion. Everything was examined, and we came to the conclusion that we could not proceed further in this matter, and we made a statement in the House. Now the demand comes: why not the report of the auditors be laid before the House? This is a very extraordinary demand.

**Shri Daji:** Why extraordinary demand?

**Shri B. R. Bhagat:** It is not like the Audit Report of the Government

or the various departments. We appointed special auditors to look into the various affairs of the company, and such reports are never laid on the Table. Usually they are not laid.

**Shri Daji:** What is the objection to laying it?

**Shri B. R. Bhagat:** The point is that this was disposed of earlier. It is not as if we gave preference to one commission's report and not this. This matter was disposed of earlier than the Vivian Bose Commission.

**Shri Daji:** Why do you not take it up now?

**Shri B. R. Bhagat:** It is a short point that I am answering now. About the merits of the matter, this is not the time or occasion to go into it.

Then it was asked why it is that we are making cuts in the Class IV employees, restricting their recruitment, while increasing the supervisory and gazetted staff and the expenditure on staff cars etc. All these matters are very carefully gone into. There is firstly the general aspect of economy. After the start of the emergency, a limit was put that there should be a ten per cent cut in the staff. Then, we have tried to keep the establishment expenditure at last year's level, and various other norms and standards have been set up, so that the expenditure on establishment should not go up. The new posts of Additional Secretaries or Joint Secretaries are very thoroughly gone into at the highest level, to see whether they are needed or not, and only when it is felt that such a post is needed in the interests of work and efficiency, that it is agreed to. Similarly, in respect of staff cars, no case is agreed to unless a very strong case is made out.

Shri Alva asked why in respect of decrees by courts we are not able to make provision, though the case may be going on. We do make some provision when we know from past experience that we can anticipate the results of the decisions of the courts,

but there are many cases in which it is impossible to anticipate the decisions of the court. The sum involved in the case he mentioned was quite big, about Rs. 76,000. The decision in this case could not be anticipated. Therefore, in such cases we have to come to the House for supplementary funds. It cannot be helped. In this case, we have gone to the High Court. The earlier decision was by the City Civil Court.

Then Shri Bhakta Darshan raised the point that we come for Supplementary Grants, but that in respect of the same Demands later on we surrender large amounts, and he asked why it was so. The conclusion drawn by him is not correct. Only in very rare cases are there surrenders in respect of the Supplementary Demands, because when we come for Supplementary Grants we see whether the anticipated savings are enough, and we try to make adjustments through reappropriations. Only when that is not possible, we come for Supplementary Grants. It is not as if the two practices of coming for supplementary funds and making large surrenders occur together. They occur very rarely.

Shri Alva said that the Kolar Gold Fields carry the largest number of employees, and added that if they were closed down, it would be difficult to employ them elsewhere. He asked what Government was thinking about it. Firstly, we are trying to find out if the mines can be worked in a more economic manner. At present it is a very costly enterprise, and the cost of gold mine there is double the world price. At this rate we cannot go on. We are trying to find out if we can find more gold reefs and work them at economic costs so that we can keep the employment at the present rate. Alternatively, the Finance Minister is very keen that some new industries, in the defence or other sector, should be set up so that the local talents, skill and methods might be utilised and the workers given alternative employment. We are exploring it, and this

[Shri B. R. Bhagat]

matter is very much in the mind of the Government.

Then, the question of the privy purses was raised, and it was asked why the principle of compulsory deposit could not be applied to them as in the case of salaried employees, or why they could not be stopped in the emergency. This again follows the attitude of those who are totally opposed to privy purses. It is more a political approach, than a case on merits. But, as the House is aware, these privy purses are the result of special covenants and agreements and whatever may be the situation so far as the Government is concerned, we cannot be a party to dishonouring or breaking them. In certain cases like the Rulers of Audh, Nandgaon and Qatar, we did stop the privy purses, because there were no suitable descendants. In certain other cases like Bhopal, Bastar and Indore, although the entitlements to the successors were large, we did reduce the privy purses. It is also true that quite a number of the Princes are having voluntary cuts of ten per cent; they are contributing to the National Defence Fund, they have contributed. So, so far as voluntary persuasion is concerned, we are trying to see that they should also be in line with the present emergency, but to say that the privy purses should be stopped or that we should impose a compulsory cut on them is going behind the spirit of the agreements and the nature of such privy purses, and the balance of advantage will not be in the interests of the country.

**Mr. Deputy-Speaker:** Shall I put all the cut motions together?

**Shri S. M. Banerjee:** No. 7 may be put separately.

**Mr. Deputy-Speaker:** Others you withdraw?

**Shri S. M. Banerjee:** No. They may be put to voice vote.

**Mr. Deputy-Speaker:** The question is:

"That the demand for a supplementary grant of a sum not exceeding Rs. 23,000 in respect of Privy Purses and Allowances of Indian Rulers be reduced by Rs. 100

[Need to stop payment of allowances to Rulers in view of emergency (7)]

Those in favour will say "Aye".

**Some Hon. Members:** Aye.

**Mr. Deputy-Speaker:** Those against will say "No".

**Some Hon. Members:** "No".

**Mr. Deputy-Speaker:** The "Noes" have it.

**Shri S. M. Banerjee:** The "Ayes" have it.

**Mr. Deputy-Speaker:** Those in favour will please stand up. Seven. Those against will please stand up.

**Shrimati Renu Chakravartty (Barrackpore):** All those who want privy purses, stand up.

**Mr. Deputy-Speaker:** An overwhelming majority.

**Shri Daji:** For privy purses.

**Mr. Deputy-Speaker:** It is lost.

*The cut motion was negatived.*

**Mr. Deputy-Speaker:** Now I put the other cut motions to the House.

*Cut Motion Nos. 1, 2, 3, 4, 5 and 6 were put and negatived.*

**Mr. Deputy-Speaker:** The question is:

"That the respective Supplementary sums not exceeding the rupee and up amount shown in column of the order paper be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of the following demands entered in the second column thereof—

Demands Nos. 1, 8, 9, 10, 16,  
21, 29, 30-A, 31, 34, 37, 44, 48,

49, 50, 52, 53, 55, 56, 63, 66, 67, 72, 86, 87, 91, 92, 97, 99, 101, 102, 110, 116, 118, 119-A, 121, 123, 125, 133, 135 and 144."

*The motion was adopted.*

14:10 hrs.

### GENERAL BUDGET—GENERAL DISCUSSION

**Mr. Deputy-Speaker:** We will now go to the Budget Discussion.

**Shrimati Renu Chakravarty** (Barrackpore): Mr. Deputy Speaker, Sir, we are about to debate one of the most crucial Budgets undertaken to face a critical period in our country's history. Within thirteen years of our Independence, when our economy was struggling to overcome its economic backwardness of a century and more, when we were preparing for planned development and when we had hoped that we would be able to continue with our policy of peaceful co-existence and friendship with all countries, it was at such a time that our country was called upon to strengthen its national defence. While doing so, we know that we must also go forward with our economic development. Therefore, defence and development are the correct orientations in the Budget.

But we have to avoid falling into the trap of using the patriotism of our people while talking of defence and acting in a way to further depress the living standard of our people. Keeping always before us the millions of our people at starvation level and the need to raise their standard, we have to look at the Budget. Especially I am reminded of the speech made by the Prime Minister on February 25th in the Rajya Sabha that in the ultimate analysis it was the people's morale that would win the battle and therefore, the goal of socialist pattern of society has to be pursued with vigour.

If we accept the fact that we have to go forward with a budget for defence and development, then we, at least the communists, will not quarrel with the Finance Minister on the bigness of his budget. The National Development Council in fact wanted a bigger figure than Rs. 867 crores for defence and Rs. 1226 crores for development. The communists also have been in favour of a big plan because we are clear in our minds that there are huge and enormous resources in our country. They are hidden away in private-profit making institutions, in the wealth of the princes, industrial magnates, landlords, contractors and profiteers who though numerically small in contrast with the millions at the lowest levels, are economically big, powerful and affluent. Our big question is: will this Government touch these people and make them their wealth, or will they take to the old pattern of making the bulk of the money for development come from those who can hardly bear it.

I feel that this Budget in spite of certain departures from the past is going to bring about a big burden on the lowest rungs of the salaried classes because their income is very obvious and straightforward and cannot be hidden. The small peasantry are asked to compulsorily deposit fifty per cent of their land revenue. So also the small trader. Such people can hardly eke out an existence in the context of growing monopolistic trends in the economy. These are the people who are going to be hit worst. In addition to this there are the indirect taxes on kerosene, tobacco, and other things. Transport cost also will go up because of the tax on diesel and petroleum. Naturally these are going to weigh heavily on the poorer sections and the middle classes. But our biggest caveat is that not only will the poor people suffer but also the Government has completely failed to control prices. We see that as soon as the Budget has been placed in this House and read in this House, the prices have gone up—prices of not only those that are taxed but of