

various under-served States. Mysore, Madras, Andhra and Kerala have also been given licences for a capacity of 15,000 tons each. I hope this will be implemented without much difficulty.

In this context, I would refer to the heavy machine building projects. Without these our industrial base will not be complete or strengthened, and we will not be able to reach the position of take off or achieve the results of a self-sustaining or self-generating economy. We must be able to manufacture the designs of our plants and make plants also and install them and work them with our own technicians. That is the position which we should achieve. This heavy engineering plant which is being set up at Ranchi will enable us to reach that position where we will be able to build heavy machine building projects. It will enable us to produce machines to the tune of 45,000 tons in the first stage and 80,000 tons in the second stage. It is estimated to cost Rs. 40 crores. The foundry forge plant is to cost Rs. 96 crores and the Heavy Machine Tools project is to cost about Rs. 25 crores. They would certainly strengthen our economy and make us strong in this position. I must also refer to the Hindustan Machine Tools Ltd., Bangalore. The first and second projects manufactured machines numbering 1120 valued at Rs. 4 crores from 1st April to 31st April, 1962. It is expected to build two more machine tool factories, one in Punjab and another in Kerala.

**Mr. Chairman:** The hon. Member may continue on Monday if he likes.

**Shri T. Subramanyam:** I will continue on Monday.

15.31 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

NINETEENTH REPORT

**Mr. Chairman:** We shall now take up Private Members' Business.

**Shri Ansar Harvani (Bisauli):**  
Madam Chairman, I beg to move:

"That this House agrees with the Nineteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 10th of April, 1963."

**Mr. Chairman:** I shall put it to the vote of the House.

**Shri S. M. Banerjee (Kanpur):** I feel that the second Resolution about the nationalisation of banks is very important....

**Mr. Chairman:** We shall come to it later. The question is:

"That this House agrees with the Nineteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 10th of April, 1963."

*The motion was adopted.*

15.32 hrs.

RESOLUTION RE: REGIONAL  
DISPARITY—contd.

**Mr. Chairman:** We shall now take up further discussion of the Resolution moved by His Highness Maharaja Pratap Keshari Deo on the 15th March, 1963:

"This House calls upon the Government to appoint a Committee consisting of Members of both Houses of Parliament to go into the question of disparity in the development of various regions in the country and to suggest ways and means to lessen such growing disparity."

**Shri Harish Chandra Mathur (Jalore):** Madam Chairman, I was on

[Shri Harish Chandra Mathur]

my legs last time. May I submit that the discussion was deferred last time because we were short of time and it was felt that more time should be allotted to this Resolution. May I suggest that this resolution may be given one additional hour?

**Mr. Chairman:** The time allotted for the discussion of this Resolution was one hour and the time taken is 29 minutes. 31 minutes remain.

**Shri Harish Chandra Mathur:** I suggest that one more hour may be allotted.

**Shri Sivamurthi Swamy:** I oppose this. At least one minute should be given to me to move my Resolution which is also very important.

**Mr. Chairman:** All right. Let Shri Mathur move the motion.

**Shri Harish Chandra Mathur:** I beg to move:

"That the time allotted for this resolution be extended by one hour."

**Shri S. M. Banerjee (Kanpur):** As I pointed out earlier, the other Resolution is also important. I have a feeling that since we are discussing the subject of planning, regional disparities, etc. can be taken up at that time. So, the time allotted should be extended by half an hour for this resolution and more time should be given to the other Resolution... (Interruptions).

**Shri Sivamurthi Swamy (Koppal):** May I know whether there will be an opportunity given to me to move my Resolution?

**Mr. Chairman:** After the discussion is over, let us see.

**Shri Harish Chandra Mathur:** Madam Chairman, it was the sense of the House the other day and the Speaker also agreed. Otherwise, we would have concluded the discussion

on that very day. Now, I have to say something and the Minister has to reply.

**The Deputy Minister in the Ministry of Labour and Employment and Planning (Shri C. R. Pattabhi Raman):** If I may supplement what has fallen from the hon. Member, I would require about 25-30 minutes to reply.

**Shri Prabhat Kar (Hooghly):** The point raised by the hon. Member is correct. If the time for this Resolution is extended, he may not get an opportunity of moving his resolution because the time for the next resolution is two hours.

**Shri Sivamurthi Swamy:** In that case, I may be permitted now itself to move my resolution. I shall take only one minute. If the Chair allows me to move my resolution, now, I shall move my resolution. That is enough. The Resolution will be in possession of the House and the time may be extended as he wants.

**Shri Rameshwar Rao (Gadwal):** Is this in order? Only one resolution can be moved at a time. Can resolutions be taken up in advance like this?

**Shri A. N. Vidyalankar (Hoshiarpur):** If he is allowed, then the fourth one can be taken up and allowed to be moved also.

**Mr. Chairman:** The first resolution should be disposed of before the second one is taken up. I shall now put Shri Mathur's motion to vote. The question is:

"That the time allotted for this resolution be extended by one hour."

*The motion was adopted.*

**Shri Harish Chandra Mathur:** Madam Chairman, I shall go straight to the subject. There is very little

time. This problem has been discussed in this House more than once. But the plain fact is that it has defied all solutions and I have no doubt that it will continue to do so. This is not a problem which will yield to timid approaches as have been made so far. I would like to ask the hon. Minister to state what positive steps have been taken in this particular direction to lessen regional disparities and what is the result of those positive steps? Can they give us facts and figures and convince this House that disparities have diminished to any extent. My submission is that they have not only not diminished but they have been accentuated. We have not been able to take up courage to tackle this problem and unless we do so the problem will defy these solutions for all times. I will give you facts and figures which will convince the House that the disparities instead of being narrowed down have grown deeper. Those areas which were depressed are weaker. Those areas which were progressive had developed and have gone further. It does not mean that we grudge any development of any particular areas. But my submission is that the basic policy itself is wrong; whether you take the case of Orissa, or Assam or Rajasthan, you will find the same position. I will illustrate my viewpoint by taking the case of Rajasthan simply because I am in possession of all the facts in the case of Rajasthan.

The first thing which I would like to impress upon the House is that a particular area or a State which is backward must be asked to do its very best so far as the question of raising the resources is concerned. The House will be a little surprised to know that so far as Rajasthan is concerned, the *per capita* income of Rajasthan is lower than the average *per capita* income of the country as a whole. But the *per capita* tax burden in Rajasthan is higher than the average *per capita* tax burden in the country, which means that Rajasthan has done all that it could possi-

bly have been asked to do. The outstanding fact is that the *per capita* income is less than the average, and the *per capita* tax burden is larger in Rajasthan than the average of the country.

In the second Five Year Plan Rajasthan was asked to raise resources to the extent of Rs. 8 crores. But in their anxiety to go ahead they raised not only Rs. 8 crores but Rs. 14 crores. What is the position today in the third Plan? You will find that in Rajasthan, take first electricity or power generation, which is most important, and which is a measure of progress of the country. In the matter of power, Rajasthan had hardly by the end of the second Five Year Plan electrified 150 towns and villages; take Madras; it has electrified more than 10,000 villages. The number of villages in Rajasthan is larger than those in Madras or Punjab. The question is not that of allocation for Punjab or Madras. I only want to impress upon the House whether we are doing anything to narrow down the disparities or not. The number of villages already electrified in Madras is probably over 10,000. It is 3,000 and more in Punjab. In Rajasthan it is only 150. What are we doing to bridge this gulf in the third Plan? In the third Plan, even if the programme is carried out, about which I have serious doubt, Rajasthan is supposed to electrify 75 towns and villages per year as against 1,000 to be electrified in Madras per year and more than 300 to 400 to be electrified per year in Punjab. How is this scheme of things going to narrow down the disparities?

Take the roads. You will be surprised to know that in the matter of roads Rajasthan has kept only about Rs. 13 crores for the entire third Five Year Plan. In the first two years of the third Five Year Plan, they have not been able to find resources even to the extent of Rs. 3 crores. The most surprising part of it is that in the third year they have reduced it, and

[Shri Harish Chandra Mathur]

it is comparatively less than what it was for the second year. It is only Rs. 1.3 crores. Even the Minister of Planning was aghast when he was told that the total outlay which we in Rajasthan are going to spend in the third year of the third Plan is less than what it was in the second year of the third Plan. This is very surprising; instead of the tempo rising, as it is, in all other States, in Rajasthan we are going in the reverse gear. This quite clearly indicates that our Plan is basically defective and there is nothing in it which gives strength to those depressed areas to go forward and bridge or narrow down the disparities. Instead of the disparities being narrowed down we are going ahead in a manner that the disparities will grow wider and wider. I have given you facts and figures. It is alarming to us in Rajasthan that we are not even able to keep up our Plan target; we are not even going ahead even to this limited extent, and our plan outlays are diminishing from year to year whereas it should be the other way round.

This sad story does not end here, because I want to drive home the point that it is not the State which should be a unit for bridging the regional disparities. It would be an entirely wrong thing; in Rajasthan we are doing very little so far as industries are concerned. We are concentrating very much on irrigation and we are concentrating on agriculture now. Even in respect of agriculture and irrigation, what happens is that about three-fourth of the Plan outlays will be spent in only two districts: Ganganagar district and Kota district, because there we have got the Rajasthan Canal and the Chambal project respectively. The other 24 districts are going to be starved, and starved to death. Is this our concept of bringing up all the regions? It is not a complaint against any other State. Even within a State itself, this occurs, and there, when we are left with scanty resources, what has been

done is not because of the needs of a particular area, not according to the very basic principle of the Plan, but it is only owing to political pressure. If a particular Minister comes from a particular State, he will have a little more! This is our criterion in distributing these things.

I am not speaking in the context of Rajasthan alone. The Chief Minister of Punjab said that now that Rohtak area is with him the Rohtak area will get all its development schemes going ahead. This is the sort of Plan that we have got. I have stated the position, and now I would like to give certain concrete suggestions. First, the Planning Minister has got to revise their entire approach to the problem. The first thing which I would like to stress upon them is this. I would remind the Minister of what Shri T. T. Krishnamachari said when he was Finance Minister. When we are in a welfare State, if the States have been doing all the tasks which have been assigned to them for raising the resources, then the question of resources by the States and the Centre pales into insignificance. It is not the question of the resources that only particular States can raise, but it is one of pooled resources, and we must see that according to the needs of society and of the area the Plan is fulfilled and that the States are not told, "you have not been able to raise the resources". If you do not follow this basic principle, we will never be able to get away from the wretched position in which we find ourselves, and the areas which are depressed will continue to be depressed because, in the first instance, in spite of the fact that there are very great potentialities, the only thing is that you have to give a helping hand to Rajasthan. After the two Plans, I have got the least doubt that Rajasthan would need no assistance whatsoever from the Centre.

Mr. Chairman: The hon. Member's time is up.

**Shri Harish Chandra Mathur:** I shall finish in two minutes. I have two suggestions to make. What I have so far said is Part I. You must accept this principle. The second principle which I wish to enunciate is that when we consider the regional disparities, let us forget the State boundaries. What Shri T. T. Krishnamachari said the other day while addressing the meeting of the Central Board of Irrigation and Power—though it was said in his own offensive manner and with a sting of his own—had a lot of wisdom and truth in it. We must forget and obliterate the boundaries of States. When we are thinking of national projects, when we are thinking of major projects, we must only go by economic considerations. Having said that, and having done that, the regional disparities could be reduced only by small irrigation schemes, by small industries, by power and roads. Let these major projects be according to the economic considerations, but for regional development, where you have depressed areas, you must give them small irrigation and roads and small scale industries and power. The more depressed an area is, the greater is the resource which must be made available to it. If we accept these three principles, we can go ahead. First, the pooling of resources, in which case the capacity of a particular area pales into insignificance. Secondly, all large projects on a national basis should be according to economic considerations, absolutely forgetting the State boundaries. We must see that they give the best return to the country. The third is, to raise the depressed areas, you must support them. We do not obstruct the areas which are already developed. They can go ahead with their own resources. But the depressed areas must be fully supported by both the States and the Centre. Until and unless we have a dynamic and strong programme and revise our entire approach, I am sure this problem will continue to defy any solution.

**Shri P. Venkatasubbaiah (Adoni):** Mr. Chairman, when this resolution about disparity and regional imbalance in our country is being discussed, I want to say something about the way in which my State is being treated so far as industrialisation is concerned. The third Plan has stressed the close inter-dependence of and the need for balance between national and regional development. It has further explained that,

“Whatever the present shortcomings, the aim must be that over a reasonable period, all regions in the country should realise their potential for economic development and should attain levels of living not far removed from those of the nation as a whole.”

We have set this example before us and it should be the endeavour of all in this country to see that every part of the country has a development of its own, both industrially and agriculturally.

I am very happy when I see the Madras State. There has been all-round development there. Whenever we think of the south, we think only of Madras. I am not complaining against my friends from Madras; they are very good, dynamic and enterprising people and intelligent. In that context of things, I would only impress upon my friends that south does not comprise of Madras alone; there are other States like Andhra, Kerala and Mysore, which need more attention from the Central Government. When I see the Central Cabinet, I find that our friends from Madras have had a very good dispersal. In all the important portfolios, we find our friends from Madras. We do not grudge it. I only want that it should be reflected in the development of other regions also.

[Shri P. Venkatasubbaiah]

My State is a predominantly agricultural State. For centuries together, we have been pursuing agriculture. 90 per cent of our population pursue agriculture in this country. Several friends have been very envious about the agricultural development that is being carried on in our State. They say, hundreds of crores have been spent and much of the land has been brought under irrigation and again we say that our State has been neglected. But I would point out that centuries back British administrators like Henry Cotton constructed anicuts across the Godavari and Krishna and we have been pursuing agriculture. After the advent of independence, the only important project we have got is the Nagarjunasagar project. Even before the Nagarjunasagar project has been conceived and sanctioned by this Government, so far as Andhra is concerned, it has been self-sufficient in regard to food production. So, we wanted that our State should also develop industrially.

For industrial development, electricity is very necessary and for that, we have been fighting all these days. We have been trying to adjust ourselves with our good neighbours Mysore and Maharashtra and come to some agreement, so that without affecting the interests of any other State, we may co-exist. With the help of our friends, we want to have hydro-electricity in the State. Whenever we come forward either before this House or when we approach the State Government, we are told that nearly Rs. 140 crores have been spent on Nagarjunasagar project. As Mr. Mathur has been telling just now, for the development of the State, only certain areas have got natural advantages and we must spend there, so that we may exploit the national wealth. Though Andhra Pradesh is rich in mineral resources with vast potentials for industrialisation, nothing has been done so far. Whenever we come forward before this House, we are told that enough has been given to us.

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

**Shri P. Venkatasubbaiah:** Not even enough time is being given.

**Mr. Chairman:** There are many Members who want to participate and the time has to be distributed.

**Shri P. Venkatasubbaiah:** If the country is to have all-round development, every part of the country should have equal treatment.

The other day I was hearing Mr. Alva speaking that every industry is being concentrated in Bangalore alone. I was very much surprised to hear an hon. Member from Mysore speaking like that and saying that no industry has been started in Kolar, though the Commerce and Industry Minister hails from Kolar. So, there should be a new appraisal of the needs and requirements of the country as a whole and it should be seen that every State gets its due share, both industrially and agriculturally. Every State should develop, so that there would not be any black spots and there will be all-round development in all fields of activity.

**Shri Warior (Trichur):** Mr. Chairman, I want to join my hon. friend Mr. Venkatasubbaiah in the cry for eliminating this disparity. It has become a perennial question here. We have been discussing it several times on several occasions through several media. The question is, even in some of our committees doubts have been raised as to what is meant by regional disparity and backwardness of regions.

15.59 hrs.

[MR. DEPUTY-SPEAKER in the Chair.]

The main criterion should be what is the per capita income of each State and what is the per capita investment in each State. The second criterion

can be, what are the potential resources available in each State, not only financial or raw material resources, but also other resources like educated man-power or technical man-power. All these data should be collected and then only we can set up a system by which these disparities can be eliminated.

To us in Kerala that question comes only next now. We have been clamouring for industrialisation, for development of our hydro-electric potential and so many other things. But now the clamour is just going backward, namely, as to how to protect the industries already there. For instance, 10 lakhs of people have been depending on the coir industry. Now that industry has completely collapsed, not because there are no demands from outsiders. The main output has been mats and mattresses, which had been exported to Europe. Even now there is a potential market there, but actually the whole system is run in such a way that the profits of the industry are being swallowed by the continental manufacturers and we are left in the lurch. I do not know how we can modernise it and what steps have to be taken in order to revitalise the whole industry, which would give sustenance to 10 lakhs of people.

16 hrs.

The tile and brick industry there also has collapsed. There is no demand at all from outsiders. It is one of the major industries at one time started by foreign companies like the Basel Mission and Commonwealth companies. Kerala had a very great market even outside India. But at present that industry has collapsed. The raw material is simply the earth. That is available in plenty. It is also not a very highly mechanised industry. Many people were engaged in it. But now that industry has gone down.

So also, Sir, there are other industries which could have been saved. Just like the textiles, there is the

handloom weaving industry. So many other industries are also finding it very difficult to carry on. It is very pitiable that thousands of workers are now unemployed. We have raised this question many times here. Every time we raise this question, the Ministry concerned has been offering us many promises.

The biggest promise now offered is the ship-building yard which may give employment to about 6000 to 10,000 people. I am very sorry to remark that the biggest *kamadhenu* which has been offered is now looking at us, but that *kamadhenu* remains a barren cow now and not a milch cow. I do not know how long it will remain like that.

There are certain other aspects also. I take this opportunity to request the Minister of Planning to either return the land already acquired by the Government to its original occupants or to sell it in an auction so that at least the interests on the amounts so invested can be saved. A Government Press, which is a very vital organisation of the Government, was planned in the First Five Year Plan. The Second Five Year Plan is already over and we are half way through the Third Five Year Plan. Even now the Press has not been established. Land for this purpose has been acquired and lakhs of rupees have been invested on it. It is not fetching any interest at all. It has become a veritable den of jackals and jackals are now howling in that land. Therefore, I would suggest to the Government that instead of promising very many big things it is better that they protect the existing things. Whatever new industries could be given, according to the resources available and the demands of the people, may be given and may be established in Kerala.

[Shri Warior]

**Sir, I have many more things to say.** In the matter of irrigation, power, flood control and other things I have much to say. I do not want to touch them because all those things are neglected and are completely ignored as far as Kerala is concerned. The geography of India stops with Madras, as Shri Venkatasubbaiah put it, but I would say that beyond that there is Kerala and the Government should pay its attention to that part of the land also.

**Shri Rameshwar Rao:** Mr. Deputy-Speaker, Sir, it has been said very often by the Prime Minister, by the Planning Minister, by economists not only here but elsewhere in the world, that in the last few decades developed countries are becoming more developed, richer countries are becoming more rich, and the countries which are undeveloped, the countries which are poor are remaining comparatively at the same stage of development. What applies to countries, I would submit to you, Sir, also applies to regions within a country.

The whole purpose of planning, if I may submit, is to prevent this kind of imbalanced development. The whole purpose of planning is to strike a balance between the agricultural sector of development and the industrial sector of development, between the heavy industrial sector and the light industrial sector, between the rural sector and the urban sector, between the developed areas of the country and the undeveloped areas of the country. Mr. Deputy-Speaker, I will give one example. After 15 years of planning in this country—and this is the accusation which I level against the Planning Commission—take the per capita consumption of power. Compare Maharashtra and Madras on the one side with Andhra and Assam on the other.

**Shri Harish Chandra Mathur:** Including Rajasthan.

**Shri Rameshwar Rao:** I am just taking examples at random. I am not speaking from any regional point of view. The whole purpose of planning is to avoid this imbalance. Have we done it? Six years ago, speaking in this hon. House, I submitted that before the Third Plan is visualised and developed we must keep this in view. But it has not happened. The Third Plan as it is proceeding is allowing these disparities to grow. Areas which are backward like Madhya Pradesh remain backward and areas which are developed like Maharashtra or Bengal and Bihar which have already certain industrial base are growing. Punjab is the only exception, for in the last 15 years it has been able to cover a kind of development take-off, as it is were.

It is very necessary, Mr. Deputy-Speaker, that this imbalance should be avoided; otherwise, what happened in the United States of America is bound to happen in this country. In the United States of America, for hundreds of years the south remained backward while the north not only developed but it made America one of the powerful countries in the world, one of the most economically developed countries in the world, one of the richest countries in the world. Even so, there were large areas in the south which were undeveloped and backward. In the words of Mr. Rostow, one of the greatest economists that country has produced—he was speaking the other day at the Institute of Economic Growth—"The American South is just on the point of take-off". That is the disparity between the two. Are we going to allow this country to develop in this manner? Then, why have planning?

The members of the Planning Commission and the Ministry of Planning say that, naturally, in the earlier periods of development wherever raw



material is available or wherever communications are good or wherever it is possible to rapidly develop a certain industry, we would locate that industry or power project there so that we will get full advantage from our investment for development. But that is what the private sector does. Why should the public sector follow the same lead? Surely the whole idea of planning, the whole idea of the public sector is to counteract this natural imbalance in the growth of economic development in a country. This is very important, Mr. Deputy-Speaker, and because there is no point in crying over spilt milk, crying over the First, Second and Third Plans, we should now bend our thoughts to the Fourth Plan. The idea or the conception of the Fourth Plan is now emerging—not the detailed Plan but the guide lines. But as it is emerging, I think in the detailed planning some thought should be given to this process of correcting regional imbalance and overcoming the natural deficiencies of an area that the entire country can grow in a certain balanced manner. Otherwise, Sir, what will happen is that the metropolitan areas like Bombay-Maharashtra sector or the Bengal-Bihar sector or the Madras sector—I agree that part of U.P. or parts of Bihar may be very backward—certain parts of Madras also tend to become metropolitan areas—will grow and the rest of the country, the under-developed areas, will become, as it were, a colonial hinterland. This is what we must avoid, because it sets in motion certain stresses and strains in the political and economic development of the country which can even lead, as it did in the United States, to civil war. That is the extreme example I am citing of this imbalance, but we should not allow those stresses and strains to grow in the socio-economic policy of this country.

I have nothing more to say, Mr. Deputy-Speaker, except to pointedly emphasise that we must avoid this

imbalance in the planning at least in the Fourth Plan. I hope at the end of Fourth Plan we will be able to compliment the Planning Commission and say that many of the imbalances in the economy, in the development of the country, have been overcome or at least the process has been initiated which will avoid this further growth in imbalance.

**Shri Maheswar Naik** (Mayurbhanj): Mr. Deputy-Speaker, Sir, I would very much like to welcome....

**Mr. Deputy-Speaker:** Hon. Members may have 3 to 4 minutes each.

**Shri Maheswar Naik:** In 4 minutes we cannot say anything.

**Mr. Deputy-Speaker:** What can I do. Then hon. Minister wants 30 minutes.

**Shri Maheswar Naik:** Sir, I would very much like to welcome the resolution which has been moved by my hon. friend Maharaja P. K. Deo. But I cannot possibly agree with him when he demands that a parliamentary committee be set up for going into the question of disparity in the development of regions. The enquiry which he envisages in the Resolution will be just another organisation which will make an enquiry, the results of which will again go waste. In that connection, I would like to suggest that the Planning Commission should have a cell of its own so that it will be looking after prospective plans. It should go over the entire country and see for itself which are the regions which require to be developed in the context of the modern industrial growth.

I hope I will not be accused of being regional-minded, because so many of my friends have said so much of their own region only. As Shri Mathur has pointed out, even in the States political pressure rather than considerations of healthy development weigh heavily in finalising the industries to be set up in the various regions. Taking my own district of

[Shri Maheswar Naik]

Mayurbhanj, though it is an agricultural area, it has rich mineral resources and other materials which can be utilised for making it a prosperous industrial district. Whenever we demand for the setting up of some industries or some plants, the immediate excuse given is the absence of a railway system or communication system because of which it is very difficult to develop the mineral resources or other resources which can be utilised for industrial growth. But when we approach the Transport Ministry or Railway Ministry they put forth the plea that because there is no industry or any development plan under execution it is not possible to connect that place with the railway or road transport system. This is the difficulty which we are facing.

The disparity or imbalance should be looked into by the Planning Commission by establishing a cell of its own so that it can go into the various cases of imbalance. For example, take my own State. In spite of the rich mineral resources of that area, not a single industry has been set up there for the last 15 or 16 years after independence. Rather, when that area was under the administration of the ruler there were several industries like a spinning and weaving mill, glass factory, pottery, a vanadium factory for manufacture of special alloy steel and so on. Now those industries have also become defunct. That is why I would very much like the Ministry to go into the question of availability of resources, proximity of raw materials and the means of communication and develop the backward areas.

It will not be out of place to mention here that the Transport and Communications Ministry have developed Kandla as a free port so that imports can be had free of customs duty and the concerned industries may be developed in that area. I would very much like the same facility to be ex-

tended to Paradip port also so that the potentialities of that area in the form of mineral and other resources may be made available for export through this port from the hinterland.

With these words, I support the intention of my hon. friend, the mover of this resolution.

**Dr. M. S. Aney** (Nagpur): The main idea of the resolution is to go into the question of disparity in the development of various regions in the country and to suggest ways and means to lessen such growing disparities. The word used is "region". I think it is deliberately used here. It has been agreed in principle that our development should be such that it should be shared equally by all in the country; that is the idea of socialist development. But, whenever they sit themselves for planning, or take up the various schemes for development the main thing before them is the division of the country into several States—so much for this State, so much for that State and so on. If this thing is to be properly carried out in this way the country has to be divided into developed portion and undeveloped portion and attention should be paid to see how to bridge the gulf, how to give a proper quota to the undeveloped portion with a view to bring it to the level of the developed portion as early as possible. Unless that principle is accepted, it would not be possible to bring in real social development, which expects equality of distribution of wealth or equality of opportunity as the essential principles for its prosperity and growth. My hon. friend, Shri Mathur, has laid great emphasis on this principle and, in my opinion, he has pin-pointed the right principle.

Take, for example, the State of Maharashtra, which consists of four parts—Maharashtra proper, Marathwada, Vidharba and Konkan. The whole State is supposed to be a prosperous State with a higher degree of

progress and so on. But, inside that State, though the State as such is called a progressive State, Marathwada and Vidharba have not progressed to the level of the other areas. I do not say it has been done deliberately, but unconsciously and instinctively the development of one area has been at the cost of neglect or want of development of another area, namely, Marathwada and Vidharba.

The Planning Commission must see to it that this kind of neglect is put an end to. That can be done only if it takes on its own hand the question of planning even within the State of all the resources and various schemes. Planning for the whole of India, including within the State, must be done by the Planning Commission; instead of depending entirely upon the views submitted by the States to the Planning Commission, it should make a proper division inside the State of developed and undeveloped portions and each unit should be separately considered. If schemes are prepared in that way, there is a possibility of making some approach at least towards the ideal of establishing a real socialist State. As the time at my disposal is very short—I am told only three or four minutes—it is impossible for me to develop this point further.

I will take only one example. The other day, there has been a great deal of controversy over the Krishna-Godavari waters. The waters of Godavari are supplied by tributaries that come through Vidharba, namely, Parnitha, Vainganga and Wardha. When it is a question of distribution of that water, not even one particle of that water could be diverted to the use of Vidharba, with the result that it goes without irrigation, without any facilities which adequate supply of water can provide. Even though it is necessary to supply water to those States which need it, it should not be at the expense of the area through which it flows. Before diverting the water that enters into Godavari to Krishna, we mean by the word 'region'? Does he

which are just on the bank of Godavari. They should also be taken care of.

**Dr. K. L. Rao (Vijayawada):** In Vidharba they can have full utilisation of Godavari waters. Nobody should object to it; nobody could object to it.

**Dr. M. S. Aney:** Secondly, there was a big scheme for the irrigation of Vainganga in Vidharba area. We do not know the reason for it, but it was scrapped. Those engineers who had prepared it were never consulted. The State which prepared it was no longer in existence and the other State did not care for it.

All these things take place. Therefore, if we really have to proceed on the basis of equal social status being given, the Planning Commission itself must take it in its hand, try to distribute it all over India and not think in terms of States but in terms of the developed and undeveloped portions of States. If we proceed in that way, there is a possibility of this question being considered fairly and to the satisfaction of the people in the undeveloped regions of India.

**श्री विश्वाम प्रसाद (लालगंज) :** उपाध्यक्ष महोदय, प्लानिंग कमीशन की रिपोर्ट है कि जब से देश को स्वतन्त्रता मिली है तब से हमारे देश की नेशनल इनकम बढ़ गयी है।

आज डिसकशन रीजनल डिसपैरिटीज पर हो रहा है। इस समय कोई मद्रास की बात करता है, कोई केरल की, कोई मैसूर की बात करता है। मगर मैं आपको उस प्रदेश की बात बताऊंगा जो आज भी नंगा और भूखा है। वह पूर्वी उत्तर प्रदेश है। उत्तर प्रदेश में १२-१४ जिले ऐसे हैं जो अब भी बहुत गरीब हैं और जहाँ के लोग एक वक्त या आधा पेट भोजन करके जिन्दा रहते हैं। अभी हाल में जब भूख भूख से मुक्ति सप्ताह मनाया गया तो राष्ट्रपति ने भी कहा था कि

[श्री विश्राम प्रसाद]

हमारे देश में १० से १५ प्रतिशत लोग ऐसे हैं जो एक वक्त या आधा पेट खाकर रह रहे हैं। जबकि देश की नेशनल इनकम ३२७.३ रुपया पर हैड बतायी जाती है, वहां अब भी ऐसे लोग हैं जिनकी आमदनी पांच आना रोज पड़ती है, और ऐसे आदमी हैं जिनको दो आने ही मजदूरी मिलती है और कहीं-कहीं उस दो आने में एक आना नकद मिलता है और एक आने के बजाए एक लोटा शरबत पीने को मिलता है। हलवाई के लिए तीन पाव सांवा दिया जाता है। और ये लोग जिनको एक वक्त भोजन मिलता है ये शीरा महुआ या आमकी गुठली या बरगद खाकर जिन्दा रह रहे हैं। इस इलाके की आबादी पर स्ववायर मील ११०० से अधिक है। जमीन इतनी कम है कि वे खेतिहर भी नहीं हैं। हमारे आजमगढ़ जिले में २५ लाख आबादी में से आठ लाख लोग ऐसे हैं जो भूमिहीन मजदूर हैं। उन को मजदूरी भी नहीं मिलती। अगर आप फानपुर या कलकता या बम्बई में जायें तो आप को इस इलाके के लोग मजदूरी करते, कारखानों में काम करते और रिकशा खींचते मिलेंगे। खेती के लिए सिंचाई की व्यवस्था पर्याप्त नहीं है। ट्यूब वेल हैं तो उन को सिंचाई की दर बहुत ज्यादा है। साढ़े तीन आना पर यूनिट उस का चार्ज है जबकि और जगहों पर उस का १४ नये पैसे ही चार्ज है। मेरी प्रार्थना है कि जो डिसपैरिटी एक राज्य के भिन्न भिन्न भागों में है उस की ओर प्लानिंग कमोशन को ध्यान देना आवश्यक है। इस इलाके के गरीब लोग १५ वर्ष स्वतंत्रता मिलने के बाद भी आज नंगे भूखे रह रहे हैं, उन के पास मकान नहीं, पहनने को कपड़ा नहीं, पैर में जूता नहीं। वे लोग यह महसूस नहीं कर सकते कि हम भी एक स्वतंत्र देश के नागरिक हैं और हमें भी जिन्दा रहने का हक है।

वहां खेती इंटेन्सिव होती है मगर लोगों में गरीबी इतनी है कि वे फरटीलाइजर नहीं

खरीद सकते। सिंचाई की रेट्स इतनी ज्यादा है कि वे उसे नहीं दे सकते। इसलिए मेरी प्रार्थना है कि प्लानिंग कमोशन इस ओर ध्यान दे कि वहां सस्ते से सस्ती सिंचाई की सुविधाएं उपलब्ध हों, खाद सबसोडाइज्ड बेसिस पर मिले और समर पर पानी मिले।

वहां बाढ़ की भी समस्या है। कई जिले हर साल बाढ़ से डूब जाते हैं। उन को बाढ़ से बचाना आवश्यक है।

रेहन्द डैम से उतर प्रदेश के पूर्वी जिलों को बिजली मिलने वाली थी। लेकिन उस में से ५३ हजार किलोवाट दे दी एल्यूमीनियम कारखाने को, ४० हजार किलोवाट दे दी रेलवे को, १२ हजार किलोवाट दे दी सोमेट फ़ैक्टरी को। लेकिन किसानों को अपनी खेती को इंडस्ट्रियलाइज करने के लिए और छोटे मोटे उद्योगों के लिए बिजली नहीं दी गयी। मेरी प्रार्थना है कि उन को सस्ती बिजली उपलब्ध की जानी चाहिए।

दूसरा सवाल स्माल स्केल इंडस्ट्रीज का है। प्रधान मंत्री ने कहा है कि बड़े उद्योगों से देश में मुधार नहीं हो सकता। इसलिए छोटी इंडस्ट्रीज पर ज्यादा ध्यान देना चाहिए। मेरी प्रार्थना है कि इस तरफ ध्यान दिया जाय।

एक बात और है। वह सड़कों और रेलवे के बारे में है। इन जिलों के अन्दर इतनी सड़कें नहीं हैं कि हर जगह पहुंचा जा सके और रेल का . . . . .

**उपाध्यक्ष महोदय :** रेलवे पर डिसकशन हो चुका और प्लानिंग कमोशन पर हो रहा है। अब आप समाप्त कीजिए।

**Shri C. K. Bhattacharyya (Raiganj):** Mr. Deputy-Speaker, Sir, the object of the Resolution is good; I support it. But the Resolution is vague. What does the hon. Member mean by the word 'region'? Does he

mean regions as contemplated by the Home Ministry, that is, the eastern region, southern region and so on?

Shri P. K. Deo (Kalahandi): No, no; it may be anything.

Shri C. K. Bhattacharyya: If it is his idea that we should proceed region-wise, then why this dispute between Maharashtra and Mysore, between Kerala and Mysore? The entire area should be looked at from the point of view of the region and not from the point of view of States. Hon. Members who have spoken have all referred to their own States. That is the difficulty and that is the vagueness of the Resolution. That ought to have been cleared up; otherwise, even the acceptance of the Resolution would be of no good to the people.

The question of removing the disparity, of course, does not require to be disputed in any way. But in the process of removing the disparities we should see that we proceed rationally and are not influenced by extraneous considerations. What happens if we proceed from extraneous considerations is given by the latest report of the Estimates Committee dealing with the oil refineries. In 1956 the Government of India appointed a Location of Refinery Committee. That committee suggested three names in order of preference, namely, Calcutta, Barauni and Gauhati. The third in the order of preference came first and the Report says about that:—

“The first refinery was set up at Nunmati in Assam because of the insistence of the Government of Assam.”

Here was a case of extraneous considerations due to which the recommendation of an expert committee was ignored. And what is the result? This is what the Estimates Committee says:—

“the Managing Director informed the Committee that the setting up of the refinery inland at Nunmati as opposed to a coastal location like Calcutta has

involved an extra expenditure of about Rs. 60 lakhs in the movement of materials from Calcutta to Nunmati. Besides a national loss of about Rs. 90 lakhs annually was also anticipated....”

This is what happens if an attempt is made influenced by extraneous considerations. Of course, we know that Calcutta had been given the first place. We did not demur the refinery being taken away from Calcutta and given to Assam and Bihar. We did not utter a single word, but what does the Estimates Committee say now?

Then, the third site became first, then came the second and the first preference was ignored altogether. I do not mind Calcutta being ignored. That is the way now-a-days. But what happened when it was put in Barauni? The present estimate had to be revised and the expenditure on redesigning would be of the order of Rs. 20 lakhs. Not only that, they say:—

“The Managing Director also stated that the location of the refinery at the present site had added about Rs. 2.17 crores extra to the cost of the refinery made up as follows:—

So, Rs. 2.17 crores of extra cost was required because a refinery had to be there at Barauni.

Dealing with all these things the Committee recommends:—

“The Committee feel that while the area or the region where a particular unit should be located may be broadly indicated after a consideration of the various factors, the actual selection of the site should be decided entirely on technical grounds.”

This is what I suggest to the hon. Mover of the Resolution.

**Shri Heda (Nizamabad):** Mr. Deputy-Speaker, Sir, if one looks at the trend that has been there during the First Five Year Plan period and the Second Five Year Plan period, one would easily come to the conclusion that the backward regions are becoming more and more backward because development that could have taken place has not taken place. I would just quote an instance of my own State. During 1956 to 1961 the national *per capita* income had risen by about 22 per cent, while in the case of Andhra Pradesh, it was only 15 per cent. Similarly, during the Second Plan period, as against the national *per capita* income increase of 30.67 per cent for all-India, in Andhra Pradesh it was only 24.70 per cent. Thus, you will find, year after year, Plan after Plan, the backward regions are getting less and less.

If you just look at the industrial production, you will find that in the Second Five Year Plan period, the all-India percentage increase was 34.94, while in Andhra Pradesh it was 7.47, that is, 1.5th only. So, it is a very serious matter and the Government and the Planning Commission should look into the matter. If the people were lethargic and there were no mineral wealth, if other facilities were not there, then it would have been a different matter. But the industrial climate is there and the people are very energetic and in spite of that this is happening. If you take a single project, you will find that the people and the Government were very alert and they pursued the matter again and again but with no result. I would like to quote only one instance:

"In April, 1956, the Chief Minister, Andhra Pradesh, wrote to the Union Minister for Commerce and Industries urging on him to keep in view the case of Visakhapatnam while deciding on the location of the three large foundries, forges and structural

workshop proposed to be taken up by the National Industrial Development Corporation. The Union Minister for Production then wrote to the Chief Minister that the establishment of a steel fabrication plant at Visakhapatnam was very much in his mind and that he would speak to the Union Minister for Iron and Steel. The Union Minister for Commerce and Industry wrote saying that it would not be possible to put up a steel fabrication plant in Visakhapatnam because it would not be near an iron and steel plant....

But, then where is it? It went far further.

"The Government of India were then informed that Visakhapatnam was in proximity to steel plants existing; that the Bhilai steel plant was only 350 miles from Visakhapatnam. The Government of India were also informed that from the point of view of power, transport and raw materials, Visakhapatnam was ideally suited for locating the steel fabrication plant. The Government of India replied that they were not planning any steel fabrication plant as independent units, that provision for structural engineering works was being made in the public sector as an adjunct to steel plants."

Thus, you will find that the backward regions are getting more and more backward.

I would like to give two other examples of two different regions. Take the cases of Malnad in Mysore and Kinnar in Himachal Pradesh. You will find that these places have got a great potentiality of development. But they are not being developed properly. If you develop either Malnad or Kinnar, you will save enough foreign exchange. Take the production of dry fruit. If you develop the production of dry fruit in Kinnar, you will not only develop

that area but you will save an amount of Rs. 2 crores which we are spending every year for the import of dry fruit and because of Pakistan it has become difficult to import dry fruit from Afghanistan. It would mean a saving of so much. While we pay lip service to the high principles, when the detailed planning comes, when the execution of these things come, we find that not much progress is made and unless one has got some pull, it becomes very difficult to go ahead. Therefore, I do hope that in the new climate, under the new leadership of these Ministers, the backward regions, as I have mentioned, will get a better deal.

**Shri C. R. Pattabhi Raman:** Mr. Deputy-Speaker, Sir, I shall endeavour to gallop over the points in view of the instructions that I have received from you that there is restricted time available at my disposal. I shall try to cover the various points raised by the hon. Members. Both the Houses of Parliament have a continuing interest in the policy balanced regional development in the country. This is reflected in the question put before both Houses of Parliament and in the Private Members' Bills and Resolutions. The Planning Commission accepted the policy on the subject. Successive Plans have also accepted the policy and given effect to the implementation of this policy through various measures.

I shall endeavour now to indicate the factual position regarding the levels of development among the regions identified with the zones mentioned in the States Re-organisation Act,—Dr. Aney referred to the zones—1956, in different sectors of development.

The Planning Commission's approach to the subject has been adumbrated in the letter issued by the Planning Commission on August, 4th, 1962, to the Planning departments of the various States. Several indicators have been selected on the

basis of which the State Governments have to furnish information and identify the backward areas within the bounds of the State territories after considering the levels of development indicated in the data with reference to the selected indicators. The State Governments were requested to collect information on account of certain indicators for different districts. Unless the State Governments identify the backward areas and indicate the measures they themselves have taken to lift the backward pockets within the State boundaries by accelerated development through the State plans, it is not possible for the Centre and, for that matter, the Planning Commission, to intervene. The state of information which has been received from the State Governments does not provide any reliable basis to compare the levels of development among the States. The information which has now come after a lot of correspondence is being further discussed with the State Governments to organise the information on a more reliable basis. Nine States have not identified the backward areas.

**Shri Harish Chandra Mathur:** Nine States? It is not your fault. It is the States' fault. Nine States have not even identified the backward areas. Naturally, nothing has been done.

**Shri C. R. Pattabhi Raman:** It is not so. The hon. Member is an old Member and a most respected Member. If he will kindly bear with me, I shall point out precisely what we have done in spite of the States' silence. I am not saying this as an excuse. I will be failing in my duty if I did not say that we are in correspondence. We are calling for information. If the information does not come, we still get them.

**Shri Vishram Prasad:** Which are the States?

**Shri C. R. Pattabhi Raman:** It will take a lot of time. I can easily give; but it will take a lot of time. This is rather important. Even the replies

[Shri C. R. Pattabhi Raman]

from Six States which have identified the backward areas, are not precise enough. We have further given them a date and indicators. What is required is a set of reliable data for assessing broadly the levels of development of the States *inter se* and the identification of backward regions within the State territories, as Dr. Aney has been pointing out with regard to Marathwada and Vidharba. No useful purpose will, therefore, be served by the appointment of a Committee. After all, what is the Resolution of the hon. Member opposite? He wants a Committee to be appointed. No useful purpose, I would submit, would be served by any Committee being appointed. It cannot be said that the Planning Commission has not taken steps to facilitate the necessary action for removing regional disparity in development.

On 25th February, 1963, I answered a question on the work which is being done by the Joint study team on development of four eastern districts of the U. P. as a type study—a question was put to me—for accelerating economic and social development in the backward areas of U. P. The report is expected to be completed by September this year. This document will provide an approach and a method for, what may be called, comprehensive and coordinated effort for removal of regional backwardness in development within the State boundaries and also among the States. By lifting the levels of development in the backward areas within a State, the level of development of the State as a whole will be lifted, as has been pointed out by many hon. Members.

Since the commencement of planned economic development in 1950-51, the Planning Commission and the Government of India have taken adequate steps within the resources available and the various considerations they have kept in view for development of the country's resources according to priorities, for re-

moval of regional disparities. I shall quote, at this stage, from the publication of the Planning Commission entitled *Economic Development in Different regions in India*. Para 21 of the publication says:

"The Third Plan provides for development in education, health and other social services in all parts of the country, so as to bring them up as far as possible to about the same level. Thus, the provision of facilities for universal education for the age-group 6-11, availability of clean drinking water in all villages, the establishment of primary health centres in all development blocks, the provision of extension services at the block and village level and the development of village and small industries and of industrial estates are national rather than regional or State objectives, although they may for convenience be provided for in the plans of States.

It is no doubt true that the State Plans refer to them. But they are approached from a national point of view.

"Indeed over a wide range of activities, the pattern of development through State plans at the district, block and village level based on common national goal carries with it the prospect not only of development that is evenly spread but, eventually and in combination with other plans, also of raising the levels of living, income and productivity in different parts of the country in more or less similar terms."

I shall now refer to the general approach. Balanced development of different parts of the country, extension of the benefits of economic progress to the less developed areas and widespread diffusion of industry are among the major aims of planned development. I do not wish to quote



from the reports of the Planning Commission. Successive Five Year Plans seek to realise these aims in a larger measure. Expansion of the economy and more rapid growth increase progressively the capacity to achieve a better balance between national and regional development. That has been the aim. In striving for such a balance, certain inherent difficulties have to be met especially in the early phases of economic development. As those resources are limited, frequently, advantage lies in concentrating them at those points within the economy at which the returns are likely to be favourable. As development proceeds, investments are undertaken over a wider area and resources can be applied at a number of points thereby resulting in greater spread of benefits in the interest of development itself, the maximum increase in national income should be achieved and resources obtained for further investment. Once the minimum in terms of national income and growth in different sections is achieved without affecting the progress of the country as a whole; it becomes possible to provide in many directions for a larger scale of development for less developed areas.

I am glad that my hon. friend Shri Rameshwar Rao has quoted Mr. Rostow and referred to the American example. Certain States in the southern portion of the USA itself which claims to be the richest country in the world are still in the taking-off stage.

The two aims of increased national income and more balanced development of different parts of the country are thus related to one another, and step by step it becomes possible to create conditions in which resources in each region are fully utilised. Though it is recognised that the growth potential of different regions should be fully developed, the precise manner in which this is actually achieved and stages of growth will not be identical. For instance, all the regions do not offer equally favour-

able conditions for the development of large-scale industries, especially basic and heavy industries. Apart from these industries, there are other industries with possibilities of export. Each region should endeavour to identify; plan for and promote industries which are specially suited to its conditions and for which it can provide relatively greater facilities.

So far as the Second Five Year Plan is concerned, the steps taken to implement the general approach stated above during the Second Plan are indicated above. Under the State Plans, basic facilities and services are provided to people in different regions through agricultural production, community development, development of irrigation facilities and all that. There I shall stop. My hon. friend from Andhra Pradesh wanted to know this. A substantial part of the expenditure under the States' Second Plans related to irrigation and power projects, including such river valley projects as the Bhakra-Nangal, Kosi, Chambal, Rihand, Koyna, Nagarjunasagar, etc. It may be noted that the expenditure on these big projects has developed not only the production potential in various vast regions of the country, but also benefited areas of their location which may be regarded as backward areas suffering from scarcity conditions.

The special measures to which reference has to be made are these. A programme for permanent improvement in the scarcity areas costing Rs. 40 crores was undertaken in particular regions.

I am sorry I have to gallop at this rate, but I have to give all the facts. There are certain charts which I am going to circulate, and I hope hon. Members will accept them.

**Shri P. Venkatasubbalah:** What is the amount allotted for the scarcity areas? The States have been told that they should spend from their own Plan outlay. No Central assistance has been given.

**Shri C. R. Pattabhi Raman:** I am giving both the pictures. I am going to give both the pictures, of Central assistance, matched assistance and expenditure by the States for the development of these areas from their own resources.

**Shri P. Venkatasubbaiah:** What is the amount given specially to the scarcity areas?

**Shri C. R. Pattabhi Raman:** I have the answer to my hon. friend's question. But I am sorry I have to hurry, because I have been asked to conclude my speech by about 5 p.m.

**Shrimati Yashoda Reddi:** The hon. Minister may proceed and take as much time as he likes.

**Shri C. R. Pattabhi Raman:** Really, I thought that in such a subject like this I would get more time. (*Inter-ruptions*).

**Mr. Deputy-Speaker:** Order, order. Let us hear the hon. Minister now.

**Shri C. R. Pattabhi Raman:** For less developed areas situated in different States, such as Vidarbha, Marathwada, the eastern districts and other backward areas in UP and the hill areas in Punjab and in UP, special allocations were made under the Plans of the States concerned.

The Ministry of Food and Agriculture undertook a study of the problem of the inaccessible areas. Steps were undertaken to secure more dispersed development of industry.

In the location of public sector projects to which reference was made by some hon. Members, obviously, the essential technical and economic criteria have been kept in view. But the two steel plants in Rourkela and Bhilai and the Heavy Electricals plant in Bhopal were situated in areas which were hitherto industrially backward. The schemes for the development of certain natural resources such as the lignite deposits in South Arcot (Neyveli), iron ore in Orissa, bauxite

deposits in Salem, and lead and zinc deposits in Rajasthan would benefit relatively less developed areas. It is, however, possible to stimulate a wide dispersal of a range of consumer goods and processing industries, as, for example, cotton textiles, sugar, light and engineering industries. Textile units were established in Rajasthan, Orissa, Assam and Punjab, sugar factories and distilleries in Andhra Pradesh, Madras, Mysore and Maharashtra, steel re-rolling mills in Assam, Madhya Pradesh, Kerala, and North Bihar, and tyre and tube factory and electric lamps factory in Kerala.

**Shri Rameshwar Rao:** Surely, a factory like the machine-tools factory could be located all over.

**Shri C. R. Pattabhi Raman:** I can understand the anxiety of hon. Members. I have got the whole list with me here.

**An Hon. Member:** The hon. Minister may take some more time.

**Shrimati Savitri Nigam (Banda):** On a point of information. May I know whether any indicators have been laid down by the Planning Commission to make it clear which areas are backward and which areas are not backward?

**Shri C. R. Pattabhi Raman:** The hon. Member, unfortunately, was not here; I was talking only about indicators. I am sure if she were here, with her acumen, she would even have helped me.

In the case of light engineering industries, the decision to sell steel at a uniform price at all rail heads helped to promote wider dispersal. Rajasthan is a case in example with regard to steel prices.

The net investment in the private sector during the Second Plan which is estimated at Rs. 700 crores, was spread over a number of industries—metallurgical industries Rs. 153 crores,

engineering industries 125 crores, chemical industries Rs. 58 crores, sugar Rs. 56 crores, cement Rs. 58 crores, cotton, jute and woollen textiles Rs. 50 crores, paper and paper board Rs. 40 crores, rayon and staple fibre Rs. 34 crores, petroleum refining Rs. 22 crores and industries Rs. 104 crores. In the nature of things, many of the new industries have gone to new areas.

**Third Five Year Plan:** With the development on a scale larger and more comprehensive than in the recent past, the Third Plan provides extensive opportunities for the development of different parts of the country.

As far as possible, an attempt has been made to consider both national and State priorities, and taken as a whole, the size and pattern of outlays in the States under the Third Plan are calculated to reduce disparities of development between different States, although in the nature of things, this is a process which will take time.

In a few State plans, specific programmes have been worked out for the less developed areas in the States concerned, e.g., eastern districts and hill areas in UP, hill areas in Punjab, Marathwada, Konkan and Vidarbha in Maharashtra and Ladakh in Jammu and Kashmir.

Location of basic industries would continue to be determined during the Third Plan generally by technical and economic considerations and the location of new and additional capacity would be guided by the need to secure economy of scale and to increase the capacity to compete successfully in foreign markets. Subject to these considerations, the needs of areas having potential for industrial development will be kept in view in the selection of sites for industrial projects both in the public and private sectors.

From the decisions with regard to location of projects in the public sector which have been reached so far, it would be observed that the various

regions would have a fair measure of the industrial development contemplated during the Third Plan period. The following is the region-wise distribution of 52 large and medium industrial projects contemplated to be undertaken in the public sector in the Third Plan—Dr. Aney was asking about regions. The regions are according to the reorganisation of the areas by the States Reorganisation Commission.

Northern region will have 2 new projects, the Central region will have 10, Eastern region 18, Western 6, Southern (including Mysore) 16. In the original demarcation, Mysore belonged to Bombay area, the western area, but for this purpose it has been classified in the Southern area.

In the licensing of industrial projects in the private sector, particular effort has been made to keep the claims of under-developed regions in view. During the Third Plan, textile units were set up in Rajasthan, Orissa, Assam and Punjab. To further encourage the dispersal of this industry during the Second Plan period, a careful study was made of the various aspects of dispersal in the industrial units on a State-wise basis giving due weight to such relevant factors as population, current production of yarn and cloth, existing distribution of spindleage, concentration of handlooms and the overall needs of the decentralised sector. It has been decided that 2 million spindles should be licensed State-wise in the following manner:

	State	Allocation ('000 spindles)
Category I	Andhra Pradesh	225
	Bihar	225
	Uttar Pradesh	225
Category II.	Assam	150
	Madhya Pradesh	150
	Kerala	150
	Orissa	150
	Punjab	150
	Rajasthan	150

[Shri C. R. Pattabhi Raman]

Category III.	Mysore	100	} Because they are already having so many mils.
	West Bengal	100	
Category IV.	Gujarat	75	
	Maharashtra	75	}
	Madras	5	
Category V.	Manipur and Tripura.	50	

up these projects with an overall area or regional development plans. The region wise distribution is as follows: Northern region 6; Central region 8; Eastern region 11; Western region 6; Southern region 10; Union Territories 5; total 46.

Important projects contemplated in the public sector are expected to benefit the less developed areas, as for example, aluminium plant and cellulose acetate factory in Uttar Pradesh, fertiliser factory, nylon factory, caustic soda, PVC factory and zinc smelter in Rajasthan—I request the attention of Shri Mathur—synthetic rubber, polythylene and carbonyl black projects and paper pulp factory in Assam, and automobile rubber tyre factory and expansion of several existing plants in Kerala.

**Shri Warrior:** But the major portion of our raw rubber is taken to Madras and is not in Kerala.

**Shri C. R. Pattabhi Raman:** At a time when we are thinking of the nation as a whole, I am surprised to hear from my good friend Shri Warrior such an objection.

**Shri Warrior:** That does not mean that we are employed there in the Madras factory.

**Shri C. R. Pattabhi Raman:** I hope to devote some time at the end if possible for the queries raised by Shri Warrior.

We are not only concentrating on industrial towns and urban areas. In order to bring about a co-operative agro-industrial economy contributing towards the solution of the rural employment problem, 46 rural industrial projects costing Rs. 9 crores have been sanctioned. These projects are directed to industries which can be developed in rural areas and activities ancillary to them. In order to secure adequate results, the object is to link

With regard to rural works, a programme has been sanctioned to supplement the normal Plan programmes, specially in respect of areas which have a high incidence of unemployment and under-employment. The rural Works Programme forms part of the comprehensive efforts embodied in the Five Year Plans to create a viable rural economy over a period of years and to provide adequate employment opportunities for all those who offer for work. In this sense, the programme of Rural Works is particularly important in the matter of promotion of accelerated development of low income areas. A statement is enclosed—I propose to circulate it, I do not want to read it, and it will be available to Members indicating the number of pilot projects by individual States sanctioned under series 1, 2 and 3. The region-wise distribution is: Northern region 84; Central region 155; Eastern region 176; Western region 101; Southern region 188; Union Territories 24; total 728.

In the location of the rural works projects, areas suffering from high density of population and unemployment and under-employment have been primarily selected, e.g., out of 102 projects sanctioned for Uttar Pradesh, 91 have been located in the eastern districts of Uttar Pradesh which are relatively backward areas in the State. I request the attention of Shrimati Savitri Nigam. She was referring to the eastern districts.

**Shrimati Savitri Nigam:** I am more interested in the southern Bundelkhand area.

**Shri C. R. Pattabhi Raman:** Then I come to the main conclusions. At the

commencement of the planned economic development, the different regions had varying levels of development. The following statement will show that the different regions in a few key sectors of development were differently placed at the end of the First Plan. I do not want to read the entire figures here as I will be taking more time, but having regard to the position

of different regions at the commencement of planned economic development, it would be observed that during the successive Five Year Plans the different regions have progressed in such a manner that disparity in development in key sectors is tending to be minimised.

I will give one or two examples.

	Regions				
	Northern	Central	Eastern	Western	Southern
(a) Irrigated area as% of cultivated area (gross)	24	16	19	6	23
(b) Installed generating capacity (MW)	236	465	1147	808	636

(The modern method is to calculate in Megawatts; you can imagine how much it would be in kilowatts.)

(c) Road-mileage (surfaced):					
Total per 100 sq. miles	10754	22657	16494	18417	44076

Quite a few figures of agricultural production have been given by the Ministry of Food and Agriculture and I do not want to narrate them again. But I may say that the irrigated area is expected to rise from 55.4 million acres in 1950-51 to 104.4 million acres in 1965-66. The following statement indicates the increase in different regions: From 11.3 million acres in 1950-51 in the northern region, it is expected to increase to 19.7 million in 1965-66 for the Northern Region. The respective figures for the Central region are 15.1 and 25.4; for Eastern Region, 11.9 and 24.5; for Western Region 3.1 and 9.0; for the Southern Region, 14.00 and 25.8.

The installed generating capacity in power will increase from 257 MW in 1950-51 to 12,718 MW in 1965-66. We are not likely to fall short in this: we may even exceed that target. The

percentage distribution of the total capacity in 1965-66 by different regions is very interesting. For Northern region it is 1104 MW, 8.68 per cent of the total, for Central, 1844, that is, 14.50 per cent of the total, for the Eastern, 3254, that is 25.58 per cent; for the western region 2214, which is 17.41 per cent of the total, for the southern, 2856, that is, 22.46 per cent of the total and for self-generating units, 1446 which is 11.37 per cent of the total. From the above statement it will be observed that while the eastern region will have the highest percentage of the total installed capacity in the country, the southern region comes quite close second.

**Shri Harish Chandra Mathur:** You should try to dispose of the figures that we have given.

**Shri C. R. Pattabhi Raman:** For Rajasthan, Orissa and for Kerala I have got the figures. But I will be failing in my duty if I just concentrate upon the points raised by some Members who had the chance to speak from these regions. I shall give the overall figures first.

**Shri Rameshwar Rao:** The hon. Minister can give two indicators—individual per capita consumption of power Statewise and per capita development investment Statewise. If these two indicators are given, that is enough.

**Shri C. K. Bhattacharyya:** The resolution proceeds on the basis of regions. How can they be given for the different States.... (*Interruptions*).

**Shri C. R. Pattabhi Raman:** I shall straightaway deal with States. For instance, in regard to electricity consumption in Assam, it was 3 M.W. in 1950-51.... (*Interruptions*). I can only point out to the hon. Members what the position in 1950-51 was and what it is going to be in 1965-66.

**Shri Rameshwar Rao:** We are not finding fault with the Minister.

**Shri C. R. Pattabhi Raman:** I am afraid, Sir, that they have forgotten the Resolution. What is the Resolution? I was saying that in respect of Andhra Pradesh it has gone from 21 to 587, an increase of 27 times. For Rajasthan it has gone from 24 to 394, an increase of 16 times. I have got all the figures and I can give them all.

**Dr. K. L. Rao:** All these are far below the average of India. That is our point.... (*Interruptions*).

**Shri Harish Chandra Mathur:** The point made was entirely different. We have passed through three Plans and something has been done.

**Mr. Deputy-Speaker:** Order, order. This is not a general discussion on planning.

**Shri Harish Chandra Mathur:** Therefore, the points raised by us should be answered.

**Shri C. R. Pattabhi Raman:** My hon. friend is entering into a general discussion. I wish to restrict myself to the point about the disparities.... (*Interruptions*).

**Mr. Deputy-Speaker:** Order, order. We have to close this discussion at 5.10. Four hours have been allotted for planning.

17 hrs.

**Shri C. R. Pattabhi Raman:** I shall straightaway say what so far as Rajasthan concerned, is the per capita outlay. In the first Plan, the per capita outlay of Rajasthan was Rs. 42, against Rs. 40 for the country as a whole. For all the three Plans, it is Rs. 215 against Rs. 181 for the country as a whole. So far as the second Plan is concerned, it was Rs. 56 for Rajasthan, while it was Rs. 52 for the country as a whole. For the first Plan, it is Rs. 117 for Rajasthan; it is Rs. 89 for the country as a whole. The per capita outlay in all the Plans is greater for Rajasthan than for the whole country. My hon. friend said that it was only for Ganganagar and Kota districts and that all the remaining 24 districts of Rajasthan had nothing. I have answered that point in the very beginning. I do not know whether I can go on citing figures for Rajasthan, in which case I am afraid I will not be doing justice to Shri Warior or Shri Deo in respect of their States. I have got the figures for Orissa. I think the House would be interested to know more about the general situation so far as planning is concerned.

**Mr. Deputy-Speaker:** Reserve the general situation for the discussion on Planning, which is coming later. Four hours have been allotted to it. We shall have to close this discussion at 5.10.

**Shri C. R. Pattabhi Raman:** In fact, I have not deliberately referred to the figures in respect of roads, railways, agriculture, irrigated areas and so on, because I have no time.

**Shri P. K. Deo (Kalahandi):** All these figures and compilations which

have been worked out should be laid on the Table of the House.

**Shri C. R. Pattabhi Raman:** So far as the points raised by hon. Members from Kerala are concerned,—reference was made to literacy....

**Shri Warrior:** That is not development; that is for the Planning Commission. That is an old one.

**Shri C. R. Pattabhi Raman:** The old one refers to Travancore-Cochin. But now it includes the whole area, that is, Kerala. I have got the figures for the areas of the old British Malabar also. Shri Koya was raising certain points with regard to Kerala. So far as the Central Government industrial projects included in the Third Plan are concerned, the following are to be located in Kerala: second shipyard with an outlay of Rs. 20 crores; expansion of FACT—Rs. 8 crores; phyto-chemical plant—Rs. 6.3 crores and the precision instrument factory—Rs. 6 crores. The total comes to Rs. 40.3 crores. Shri Koya referred to these points in regard to Kerala.

In the case of the shipyard, the biggest of the four projects in Kerala, a beginning has already been made and 60 acres of land have been acquired. The preliminary work is going on. There is no doubt that cashew and coir industries, to which Shri Warrior referred, have a very important place in the economy of Kerala. However, in the matter of sectoral employment of the working force, Kerala seems to be better placed when compared to the All-India employment pattern of the working force. In the primary sector, the percentage of Kerala is 54.9, as against 71.8 for all India. In the secondary sector, it is 19.3 for Kerala as against 9.4 for all India. In the tertiary sector, it is 25.8 for Kerala, compared to 18.8 for all India.

Shri Deo referred to the per capita outlay for Orissa. The per capita outlay under the first Plan in Orissa was 58 as compared to 40 for the country as a whole. It was higher than that

of all the States except Punjab and West Bengal. I want the hon. Member to make a note of it. The per capita outlay in Orissa State under the three Plans taken together is 201 as compared to 181 for the country as a whole. It is higher than that of as many as eight States including Uttar Pradesh, Madras and West Bengal.

**Shri Harish Chandra Mathur:** This includes the steel plant.

**Shri P. K. Deo:** Yes.

**Shri C. R. Pattabhi Raman:** I shall let the House know of other new facts about Orissa. The gain to Orissa under the third Finance Commission's award has been Rs. 12.24 crores per year, which is Rs. 50 crores over the Third Plan period. For the Third Plan period, Orissa has gained the highest amount under this award. As this amount has not been adjusted and will be in addition to the Third Plan outlay, the per capita outlay under the Third Plan would increase by Rs. 30.

Then, it may be of interest for the House that so far as irrigation is concerned, the increase in the irrigated area during the 15 year period, 1951-66, will be 88 per cent in Orissa which is also the same as for the country as a whole. So, it is not bad at all as far as Orissa is concerned.

So far as power is concerned it was only 5 MW in the beginning in Orissa. It has increased to 264 MW in 1960-61 and it is expected to reach 558 MW in 1965-66. This is a very sharp increase which is unique for Orissa, compared to the whole country.

So far as roads are concerned, the road mileage per thousand of population in Orissa in 1959 was 0.23. I have got all these figures with me. I do not propose to detain the House by citing other figures, such as those for education, industries, etc.

**Mr. Deputy-Speaker:** We have to close this discussion at 5:10.

**Shri C. R. Pattabhi Raman:** There are five minutes more, Sir.

**Mr. Deputy-Speaker:** I have to give some time to Mr. Deo also to reply.

**Shri C. R. Pattabhi Raman:** I wanted to say something about Paradip Port, Kiruburu iron ore mines, etc.

**Mr. Deputy-Speaker:** The discussion on planning is coming up later on; four hours have been allotted for this. He may refer to all these points then, which are remaining.

**Shri C. R. Pattabhi Raman:** I am entirely in your hands. I wanted to end with a quotation. It is just likely that the House would like to know what Prof. John R. Howard, President, Lewis and Clark College, who came here recently has said. He has referred to our progress. This is hardly the time to go into that, but he has also referred to the regional development in India.

So, it is not as if we are not aware of it. We are all the time aware of it. We are all the time collecting data. It is not as if I am seeking to defend the Planning Commission. They are continuously writing to the State Governments, asking for data. It is true that some of them have not replied, but they are gathering the necessary data. That is the position, Sir.

**Shri P. K. Deo:** Sir, I express my sincere thanks to my hon. friends who have supported this resolution. All the speakers have unaimously supported this resolution and they have highlighted the imbalance and the regional disparity in the development of this country. Even though we have completed a decade of planning, nothing has been done in this regard. As the Minister himself has admitted, it was only on the 4th August, 1962 that a circular has been sent to the various States to define the regions and areas which they consider to be backward. Even though, it is belated, I express

my thanks to the Ministry that they have at least taken some steps in this direction. Since the very purpose of bringing this important subject to limelight is served, I think I would better ask the leave of the House to withdraw my resolution.

**Mr. Deputy-Speaker:** I shall now put Mr. Koya's amendment to the vote of the House.

*The amendment was put and negatived.*

**Mr. Deputy-Speaker:** Does the hon. Member, Mr. Deo, have the leave of the House to withdraw his resolution?

**Some Hon. Members:** Yes.

*The resolution was, by leave, withdrawn.*

17.08 hrs.

RESOLUTION RE: NATIONALISATION OF BANKS—Contd.

**Mr. Deputy-Speaker:** The House will now take up further consideration of the resolution regarding nationalisation of banks. 1 hour and 59 minutes are left. Shrimati Subhadra Joshi may continue her speech.

**Shri Sivamurthi Swamy (Koppal):** I want to move that further discussion on this resolution may be...

**Mr. Deputy-Speaker:** Unless she finishes her speech, he cannot move it.

**Shrimati Yashoda Reddy (Kurnool):** When she is already in possession of the House, how can he move it?

**Mr. Deputy-Speaker:** Shrimati Subhadra Joshi may continue her speech.

**श्रीमती सुभद्रा जोशी (बलरामपुर) :**  
उपाध्यक्ष महोदय, पिछली बार आप की इजाजत से मैं ने हाउस में प्रस्ताव पेश किया था कि इस इमरजेंसी के समय में हमारा