

six Kannada speaking taluqs, mentioned previously should form part of the Mysore State. In regard to Bellary taluq, Government propose to consider the matter further and come to a decision later.

One part of the Tungabhadra Project is situated in Hospet North taluq. The other part of it is in Hyderabad State. That part of the project in Hospet North taluq will thus be in Mysore State after the establishment of the Andhra State. This great project will feed not only those areas which go to the Mysore State but also some areas in Andhra State. Both these States will be especially interested in this scheme. Special arrangements should, therefore, be made for the joint control and supervision of the project by the State concerned in cooperation with the Central Government. The Ministry of Irrigation and Power will, in consultation with the Ministry of Finance, the Planning Commission and the States concerned, work out the necessary financial and other arrangements and prepare a scheme for the purpose. Till the date of inauguration of the new State, the Madras Government will continue the work on the Tungabhadra Project, as before. From the 1st October, the States concerned will manage it with the assistance of the Central Government, in accordance with the scheme drawn up herefor. It is desirable that the work on the project should be continued under the present set-up till it is completed.

A Boundary Commission or Commissions will be appointed some time after the establishment of the Andhra State to determine the exact boundaries of that State and to recommend such adjustments as may be considered necessary in regard to the boundaries of that State with the residuary State of Madras and the Mysore State.

The question of services and the financial implications of the formation of the Andhra State will be considered separately later. As far as possible, the officers now serving in the Andhra area should continue. A committee of senior officers of the present Madras Government should, in consultation with an officer appointed by the Central Government, consider the adjustments that might be necessary between the Andhra State and the residuary State of Madras in respect of the services.

Legislation to give effect to the decision to form an Andhra State will be undertaken during the next session of

Parliament. Before the introduction of such legislation, the views of the State Legislatures concerned will be obtained, as required under article 3 of the Constitution.

Government earnestly trust that the creation of this new State, so long desired by the people of Andhra, will take place in a spirit of friendly co-operation between all the people concerned, so that the State might start under the most favourable auspices and lead to the progress and happiness of its people. The formation of the new State should not and will not come in the way of the cultural life of the City of Madras in which the people of Andhra have had such a great share. Full assurances have already been given, by those in a position to give them, that educational, hospital and other facilities will continue to be open to the Andhras in Madras City.

I earnestly hope that the controversy, which has accompanied this issue of the formation of the Andhra State, will now end and our united efforts will be directed to the successful establishment and working of this State.

**Shri Raghuramaiah (Tenali):** May I ask for clarification on certain points, Sir?

**Mr. Deputy-Speaker:** No questions are allowed.

#### SIXTH REPORT OF PUBLIC ACCOUNTS COMMITTEE

**Shri B. Das (Jajpur-Keonjhar):** I beg to present the Sixth Report of the Public Accounts Committee on the Hirakud Dam Project. [Placed in Library. See No. IV.O.O.(60).]

#### PAPERS LAID ON THE TABLE

DEVELOPMENT COUNCILS (PROCEDURAL) RULES; TARIFF COMMISSION REPORT RE METAL AMINOPHENO-AND GOVERNMENT RESOLUTION THEREON

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** I beg to lay on the Table, under subsection (4) of section 30 of the Industries (Development and Regulation) Act, 1951, a copy of the Development Councils (Procedural, Rules, 1952, published in the Ministry of Commerce and Industry Notification No. S.R.O. 359, dated the 19th

[Shri T. T. Krishnamachari]

February, 1953. [Placed in Library. See No. S-15/53.]

I also beg to lay on the Table, a copy of each of the following papers, under sub-section (2) of section 16 of the Tariff Commission Act, 1951:

(i) Report of the Tariff Commission on the Reduction of Import Duty on Meta-Aminophenol used in the manufacture of Para-Aminosalicylic Acid; and

(ii) Ministry of Commerce and Industry, Resolution No. 2(1)-T.B./52, dated the 14th March, 1953.

[Placed in Library. See No. IV.R.11a (24).]

#### REPORT OF DAMODAR VALLEY CORPORATION

The Deputy Minister of Irrigation and Power (Shri Hathi): I beg to lay on the Table a copy of the Annual Report of the Damodar Valley Corporation, Part II, for 1950-51, under sub-section (5) of section 45 of the Damodar Valley Corporation Act, 1948. [Placed in Library. See No. IV.M.4 (8).]

#### PEPSU BUDGET

The Minister of Finance (Shri C. D. Deshmukh): I rise to present a statement of the estimated receipts and expenditure of the Patiala and East Punjab States Union for the year 1953-54. [Placed in Library. See No. IV. O. 1(7a)]

This House is aware of the circumstances in which this Budget has to be presented to Parliament instead of to the State Legislature. The basis on which the estimates have been framed is explained in detail in the White Paper which was circulated with the Budget documents. The Budget has been framed on the existing basis of taxation and expenditure. It is difficult to say at this stage when the General Election in that State would be held and a Ministry start functioning. The Budget now presented will ensure the carrying on of the administration of the State till then. As the time available before the commencement of the new financial year is very short, I propose to invite the House to approve a Vote on Account to cover the expenditure for the first four months of the year and to pass the corresponding Appropriation Bill. As the Budget and the Demands for Grants will come up for detailed consideration of the House

at a later stage I do not propose to make a detailed speech while presenting these estimates.

#### SUPPLEMENTARY DEMANDS FOR GRANTS FOR 1952-53—PEPSU

The Minister of Finance (Shri C. D. Deshmukh): I present a statement showing Supplementary Demands for Grants for expenditure of the Patiala and East Punjab States Union for the year 1952-53. [Placed in Library. See No. IV. O. 1(79e).]

#### SUPPLEMENTARY DEMANDS FOR GRANTS FOR 1952-53

The Minister of Finance (Shri C. D. Deshmukh): I present a Supplementary Statement of Expenditure of the Central Government (excluding Railways) for the year 1952-53. [Placed in Library. See No. IV. O. 1 (72f).]

#### DEMANDS FOR GRANTS

DEMAND NO. 11—Ministry of Defence

DEMAND NO. 12—Defence Services, Effective—Army

DEMAND NO. 13—Defence Services, Effective—Navy

DEMAND NO. 14—Defence Services, Effective—Air Force

DEMAND NO. 15—Defence Services, Non-Effective Charges

DEMAND NO. 16—Miscellaneous Expenditure under the Ministry of Defence

DEMAND NO. 114—Defence Capital Outlay

Mr. Deputy-Speaker: The House will now proceed with the further discussion and voting on Demands Nos. 11, 12, 13, 14, 15, 16 and 114 for Grants under the control of the Ministry of Defence, moved on the 24th March, 1953.

Shri Frank Anthony (Nominated—Anglo-Indians): May I make a request to the Leader of the House? We have got just half an hour for the Defence discussion. It is rather an important subject. Would he therefore consider keeping over his reply till tomorrow? There is only half an hour left, because many things have been squeezed in today.