

## LIST OF AGENTS FOR ASSAM GOVT. PUBLICATIONS

1. Oxford Book and Stationery Co.,  
Scindia House,  
New Delhi-1.
2. M/S R. C. Brothers,  
4140, Arya Pura,  
Sabzi Mandi,  
Delhi.
3. Jayna Book Depot,  
Chhapparwala Kuan,  
Karol Bagh,  
New Delhi-5.
4. Firma K. L. Mukhopadhyay,  
6/1-A, Banchharam Akrur  
Lane, Calcutta-12.
5. Law Book Society,  
4-A, Wellington Square,  
Calcutta-13.
6. M/S R. Cambray & Co. (P) Ltd.,  
"Kent House",  
P-33, Mission Row Extension,  
Calcutta-13.
7. Law Book Co.,  
Post Box No.4,  
Sardar Patel Marg.,  
Allahabad.
8. Swastic Industrial Works,  
59, Holi Street,  
Meerut City (U.P.).
9. M/S B. S. Jain & Co.,  
71, Abupura,  
Muzaffarnagar (U.P.).
10. Oxford Book Centre,  
Floral House,  
Kucheru Road,  
Post Box No.25,  
Ajmere.
11. Chapala Book Stall,  
Shillong.
12. Assam Book Agency,  
Shillong.
13. Mokshada Pustakalaya,  
Gauhati, Assam.
14. The Popular Stores & Khaddar  
Bhandar, Dhubri.
15. Chakravarty Bros.,  
P.O. Mangaldai (Darrang).
16. Janata Book Stall,  
Tezpur.
17. Navin Pustak Bhandar,  
Golaghat, Assam.
18. Progoti Puthi Bhoral,  
New Market,  
Dibrugarh.
19. Bhattacharyya Agency,  
Dibrugarh.
20. Bani Mandir,  
Dibrugarh.
21. Jyoti Mandir,  
Rungagora Road,  
Tinsukia.



# Assam Legislative Assembly Debates

## OFFICIAL REPORT

FOURTH SESSION OF THE ASSAM LEGISLATIVE  
ASSEMBLY ASSEMBLED AFTER THE THIRD  
GENERAL ELECTION UNDER THE  
SOVEREIGN DEMOCRATIC  
REPUBLICAN CONSTITUTION  
OF INDIA

## BUDGET SESSION

VOL. I

No. 12

The 18th March, 1963



सत्यमेव जयते

1964  
PRINTED AT THE ASSAM GOVERNMENT PRESS  
SHILLONG

Price 62 nP.

No. 12

THE 1881 REPORT



**Proceedings of the Fourth Session of the Assam Legislative  
Assembly assembled after the Third General Election  
under the Sovereign Democratic Republican  
Constitution of India**

— — —

The Assembly met in the Assembly Chamber, Shillong at 10 A.M. on Monday, the 18th March, 1963.

PRESENT

Shri Mahendra Mohan Choudhury, B.L., Speaker in the Chair, ten Ministers, two Ministers of State, three Deputy Ministers and sixty Members.

— — —

**QUESTIONS AND ANSWERS**

**STARRED QUESTIONS**

(To which oral answers were given)

**Re: Auditors**

**Shri DURGESWAR SAIKIA (Thowra)** asked:

\*32. Will the Minister, Finance be pleased to state—

- (a) Whether due to short of Auditors, many institutions either Government or Semi-Government could not check the accounts timely.
- (b) Whether it is also a fact that due to short of supervising staff, auditing reports have also been pending for a pretty long time?
- (c) Whether Government proposes to establish some regional officers with an officer of the Supervisory Rank senior to Auditor for checking all the institutions timely?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance)** replied:

32. (a)—There have been some arrears in the audit of accounts by the Examiner of Local Accounts and his staff due to (i) the sharp increase in the number of accounts to be audited and (ii) shortage of auditors.

The shortage is proposed to be overcome through emergency recruitment of 50 auditors.

(b)—It is not a fact that audit reports have been pending for a long time due to shortage of supervisory staff.

(c)—The matter is under active consideration.

(Starred question No.33 standing in the name of Shri Devendra Nath Sarma was not put and answered as the questioner was absent).

**Shri DURGESWAR SAIKIA (Thowra):** What is the number of Auditors and Examiners in this State?



**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** There is one Examiner of Local Accounts, one post of Deputy Examiner of Local Accounts, and I cannot give just at present the number of Auditors.

**Shri SANTI RANJAN DAS GUPTA:** At what interval of time accounts are general by audited ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** Generally every year we try to have the accounts audited.

**Shri DURGESWAR SAIKIA:** What is the number of institutions that have to be audited by the Auditors ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** All the institutions have to be audited by the Auditors, both Government as well as semi-Government institutions like the Panchayats and Aided Schools etc.

**Shri MOHANANDA BORA (Bihpuria):** Whether Government is aware that in auditing certain High School an amount of Rs.85,000 or was detected defalcated by the Secretary or someone else ?

**Mr. SPEAKER:** This is a new question.

**Shri SANTI RANJAN DAS GUPTA (Lumding):** Whether accounts of the Panchayat are also regularly audited ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** We have started internal audit system which is now being done in the Education, Panchayats and other departments also.

**Shrimati LILY SENGUPTA (Lahowal):** সিউনিছিপালিট বোর্ড বিলাক প্রত্যেক বছৰ audit কৰা হয় নেকি ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** They are audited annually.

#### *Re: The Pay Committee*

**Shri DULAL CHANDRA BARUA (Jorhat) asked:**

\*34. Will the Minister-in-charge of Finance be pleased to state—

(a) Whether it is a fact that a few sittings of the Pay Committee formed by the Government were held recently to revise the Pay-scale of Assam Government employees ?

(b) Whether it is also a fact that several memoranda were called for from different associations of employees stating their grievances ?

(c) If so, what actions the Government have taken to redress their grievances ?



**Shri FAKHRUDDIN ALI AHMED (Minister, Finance)** replied :

34. (a)—The Pay Committee constituted in July 1962, to examine, among other things, the present scales of pay of Government servants, had two sittings, one on 12th August 1962 and the other from 25th September 1962 to 27th September 1962.

(b)—As per decisions taken by the Pay Committee in its first sitting held on the 12th August 1962, the associations of State Government employes and other organisations, institutions or individuals who might be interested and all State Government Departments and offices, were requested to submit written replies to a questionnaire or submit memoranda of their views based on the terms of reference to the Committee. They were also requested to submit memoranda of their views containing information and particulars which might be relevant to the question as to whether any interim relief was called for pending examination of the scales of pay and allowances of any category of Government servants.

(c)—After examination of the memoranda received and also taking into consideration other relevant factors, the Pay Committee submitted an interim report to Government on 27th September 1962 on the question of giving interim relief to Government employees. The report is now under consideration of Government.

Due to the National Emergency, the Committee could not meet after its sitting from 25th September 1962, to 27th September 1962. The Committee will resume its work after the Budget Session of the Assembly is over when they will examine the other questions.

The question of taking any action by Government in the matter will arise only on receipt of the report of the Pay Committee, which will be duly considered by Government.

**Shri DULAL CHANDRA BARUA (Jorhat)** : Did the Committee receive memoranda from all the associations of employees, which were called for and, if so, what was the number ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance)** : I have received a large number of memoranda, but I cannot say if all the organisations have replied or not.

**Shri DULAL CHANDRA BARUA** : Is it a fact that some associations refused to submit memorandum ?

**Mr. SPEAKAR** : I donot think this question can be replied by the hon. Mintster.

**Shri DULAL CHANDRA BARUA** : Can the House expect that at least in the next sitting of the Pay Committee a final decision be taken regarding the interim relief ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance)** : Sir, I have already replied to that question.

(Starred question No. 35 standing in the name of Shri Mahadeb Das was not put and answered as the hon. Member was absent).



## UNSTARRED QUESTIONS

**Re: The Assam Passengers and Goods Carriage Tax**

**Shri SARBESWAR BORDOLOI (Titabar)** asked:

26. Will the Minister-in-charge be pleased to state—

(a) From which date the Assam Passengers and Goods Carriage Tax have been enforced ?

(b) What is the system of realising this tax from the Passengers and Goods and from the vehicle owners ?

(c) How much money have been realised as tax so far ?

27. (a) What is the administrative set up to realise the Assam Passengers and Goods Carriage Tax ?

(b) How many officers of different cadre have been appointed ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance)** replied :

26. (a)—16th August, 1962.

(b)—The tax is realisable from owners of public service vehicles. They have to collect the tax for carriage of passengers and goods at the rate of 10 per cent of the fare or freight charged. The amount of tax has to be shown clearly in the ticket or receipt issued by the owner or his agent. The owner has to deposit the tax collected in a Government Treasury and furnish returns to the Superintendent of Taxes at the end of each month. The assessment is done by the Superintendent of Taxes on the basis of the returns so furnished.

In lieu of the per centum tax, owners of motor cabs (taxis) and public carrier vehicles are given the option to pay in lump sum. The lump sum is payable in annual or monthly instalments. The annual payment may be made in one instalment or in two or four equal instalments to be paid half yearly or quarterly, in advance.

(c)—Rupees 7,80,465 upto 31st December, 1962.

27. (a)—The administration of the Assam Passengers and Goods Taxation Act, 1962 is entrusted to the Commissioner of Taxes. He has the following categories of officers to assist him :

(i) Assistant Commissioners of Taxes.

(ii) Superintendents of Taxes.

(iii) Inspectors of Taxes.

(b)—Six Superintendents of Taxes and thirteen Inspectors of Taxes have been appointed in addition to the existing staff for the purpose of administration of the Act.

**Shri SARBESWAR BORDOLOI (Titabar)** : As regards the reply to (c), may I know what is the estimated amount to be realised as new tax for the year 1962-63 in the budget estimate.

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance)** : Sir, I have already stated what amount has been realised up to 31st December, 1963 and the exact position will be known after the figures of the last few months are collected.



**Shri SANTI RANJAN DAS GUPTA (Lumding):** What is the reason for poor collection ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** Because we have started collection of this tax only with effect from the month of August, 1962, the machinery is new. The State Transport and Steamer company have not yet deposited the collection made by them.

**Mr. SPEAKER:** What is the total amount assessed on this account ?

**Shri FAKHRUDDIN ALI AHMED:** We were expecting Rs.45 lakhs for the current year.

**Shri SANTI RANJAN DAS GUPTA:** Was it not stated, when the Bill was introduced, that it would amount to Rs.84 lakhs ?

**Mr. SPEAKER:** It was only a guess work.

**Shri TARAPADA BHATTACHARJEE (Katigora):** Is the Government aware that in the City Buses in Shillong, tickets are not issued ?

**Shri FAKHRUDDIN ALI AHMED:** Some Complaints were brought to my notice regarding this, and I have since asked the department concerned to check this and see that tickets are issued.

**Shri SARBESWAR BORDOLOI (Titabar):** As this tax is to be realised from the bus owners, may I know what is the co-ordination between the Transport Department and the Sales Tax Department ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** No question of co-ordination arises here because this tax is to be realised by the bus owners and paid into the treasury and the Sales Tax Department only verifies whether the amount has been deposited and see whether tax is realised or not.

**Shri SARBESWAR BORDOLOI (Titabar):** Will it not be better if tax is realised by the Transport Department ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** This is a matter of opinion.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** Unless there is some amount of co-ordination between the Commissioner of Taxes and the Motor Vehicles Department, how will the Commissioner of Taxes get the details of vehicles ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** How can this question arise ? It has not been stated that there is no co-ordination.

**Shri LAKSHMI PRASAD GOSWAMI:** Yes, the reply was that it is not necessary.



**Shri SANTI RANJAN DAS GUPTA (Lumding):** Are the taxes collected by the State Transport Department also included in this amount?

**Shri FAKHRUDDIN ALI AHMED:** The tax are collected by the State Transport Department.

**Shri DULAL CHANDRA BARUA (Jorhat):** Has Government appointed any new staff?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** I have already replied to that in my reply (a) that six Superintendents of Taxes and thirteen Inspectors of Taxes have been appointed in addition to the existing staff for the purpose of administration of the Act.

### Obituary Reference

**\*Shri BIMALA PRASAD CHALIHA (Chief Minister):** Sir, before we proceed with the business of the day, I would like to make a reference to the demise of Shri Patanjali Shastri, *ex-Chief Justice* of the Supreme Court of India. He was too well-known a man all over the country, and he held a very responsible position in the Republic of India. His life ended on the 16th March 1963 at the age of 74 years. We are extremely sorry at the loss of this great man of India and convey our deep sense of sorrow at his demise.

I would also like to refer to the demise of another important leader of our country, Shri Jai Narayan Vyas, who expired on the 14th March, 1963 at the age of 63 years. He was once the Chief Minister of Rajasthan and also held many responsible positions like the President of the Rajasthan Pradesh Congress Committee. He was one of the foremost persons of Rajasthan, who joined the National Movement. As a result he courted imprisonment more than once. Sir, we express our deep sorrow at the demise of this leader of our country.

I have with great sorrow to refer to the death of Shri T. Cajee, the Chief Executive Member of the United Khasi-Jaintia Hills District Council. His life came to an end quite unexpectedly yesterday. He came from a respectable family from Laitkynsiew. After his B.Sc. Degree from the St. Xavier's College, Calcutta, and B.L. Degree from the University Law College, Calcutta, Shri Cajee joined the teaching staff of the St. Anthony's School and was its headmaster for many years. In the meantime, he passed B.A. from the St. Edmund's College. He was for some time the Chief Scout from Assam.

He was the Vice-Chairman of the Shillong Municipal Board for 3 years from 1941-43. He was also one of the foremost Congressmen of the United Khasi-Jaintia Hills District. Later he joined the Khasi-Jaintia Federated States Party which was founded by late Rev. J. J. M. Nichols Roy. In 1953, Shri Cajee joined the Eastern India Tribal Union and was its General Secretary. In 1957, he was elected to the District Council for the Khasi and Jaintia Hills from the Laitryngew Constituency. In 1960, he was elected Chief Executive Member of the District Council of the Khasi and Jaintia Hills. Earlier he was an Executive Member of the District Council for some time.

He was married in the year 1932. He leaves behind, his widow, two sons and two daughters. The eldest son who has entered the Indian Administrative Service is undergoing training in the National Academy of Administration in Mussorie.



Shri Cajee had interest in literary works also. He translated into Khasi the book entitled "The Notes on the Khasi Laws" by Sir K. C. Kently, i.e.s. He also wrote a book on Geography in Khasi entitled "Ka Pyrthei". His age at the time of his death was 63 years.

Sir, we deeply mourn his death. It is a great loss to our State. I knew Shri Cajee personally. He was a man of strict principles and we are very sorry that we lost him so unexpectedly. I have no doubt that we all feel his loss. I, on behalf of myself and the members on this side of the House, convey our deep sense of sorrow at his death. We have also decided, Sir, to declare holiday in the United Khasi-Jaintia Hills District on the day of his funeral, which is awaiting arrival of his son.

I hope, Sir, this august House will associate with me in expressing our sorrow at the demise of all these gentlemen and in conveying our condolence to the Member of the bereaved families.

**Shri LAKSHMI PRASAD GOSWAMI (Lahorighat):** Mr. Speaker, Sir, when, the country is in need of the services of all talented persons at this time of National distress, it is really sad that we are losing great personalities one after another.

Shri Patanjali Shastri was known not only as a patriot and Jurist but also as a man of literary repute. He was a scholar also.

The Leader of the House has rightly referred to late Vyas, whose name is very popular throughout the country.

As regards late Cajee, I knew him personally. He had a deep sense of patriotism. He loved his people very much and he wanted to uplift their condition. He translated the Khasi Law into Khasi language and he wrote many books also. He was for some time a teacher and was a very popular and able teacher. He served the cause of the Khasi people in different capacities very ably.

At the demise of these personalities we have really lost the services of great people. On behalf of myself and the members on this side, I join with the Leader of the House in paying our respect to the departed souls.

**Shri ENOWELL POHSHNA [Jowai (Reserved for Scheduled Tribes)]** Mr. Speaker, Sir, though a man of this district, I came to know the news of the death of Mr. T. Cajee only last night. It is really a very sad news to us. It is five years now that I came in contact with him. I always found him to be a man of principle and personality. He loved the tribal people very much. As the Chief Executive Member of the District Council, I always found him to be a man of determination to do anything which he thought right and honest for the progress and development of the Khasi people. If there was anybody who could be called a scholar among the Khasi people, he is one of them. He made important contributions to the Khasi literature and Khasi laws.

Sir, [with these few words, on behalf of the Hill Members of this House, I fully associate myself with the feelings of the Leader of the House and I am also very grateful to him for bringing this news to the notice of the House. I join this House in sending my heartfelt condolence to the members of the bereaved family of late T. Cajee.



With these few words, Sir, I resume my seat.

**Mr. SPEAKER:** I whole-heartedly associate myself with what has been expressed by the Leader of the House, the Leader of the Opposition Front and Shri Pohshna on the sad and sudden demise of Shri T. Cajee. Many of our hon. Members might not have come in contact with him but those who had the opportunity to see him from a closer quarter will surely agree with me that Shri Cajee was a perfect gentleman and he was a lovable personality. His unexpected death has taken away a man from our midst whose services at this critical juncture of our national history was more than ever necessary. Shri Cajee as the Chief Executive Member of the United Khasi and Jaintia Hills District Council showed his administrative ability and a keen desire to serve his people and the country.

Dr. Patanjali Shastri lived almost full span of his life. He was a versatile lawyer. He became a judge of the Federal Court, then became a Puisne Judge of the Supreme Court and was Chief Justice of the Supreme Court for three years. He was a great Jurist, an eminent lawyer and an authority on Constitutional law. His death has left the field of law in India definitely poorer.

The news of the sad and sudden demise of Shri Jaynarayan Vyas is a great shock to us. Shri Vyas was one of our old guards. He was a great fighter for freedom. He fought against the imperialistic forces with boldness and courage. He courted imprisonment for five times. He was an able administrator. We pray for the eternal peace of our departed distinguished leaders and send our heartfelt condolences to the bereaved families and the proceedings of these obituary references shall be sent to the members of the bereaved families.

Now, I request the hon. Members to stand up in their own seats for a minute.

(The House stood in silence for one minute).

### **Incorrect Publication of the names of the certain M. L. As. in Frontier Times.**

**Mr. SPEAKER:** My attention has been drawn in regard to a matter regarding reporting certain speeches made by the hon. Members. In yesterday's paper, I think, the speech of Shri Upendra Sanatan has been wrongly reported as the speech of Shri Molia Tanti. The name of Shri Chanu Kheria has been reported as Thanu Kheria, in same paper. Then, again the name of our hon. Member, Shri Bahadur Basumatari has been reported as Shri Pakhirai Deka (*Laughter*). I do not know how these mistakes cropped up in the newspapers. Most probably it is due to the oversight of the reporters. I request the reporters kindly to correct the names and publish the names in future correctly. This kind of mistakes does not redound to the credit of the newspaper reporters.

### **Calling Attention under Assembly Rule 54 Re: a matter of urgent Public Importance.**

**Shri TANKESWAR CHETIA (Nazira):** Mr. Speaker, Sir, this Calling Attention Motion arises out of a news item appearing in the Assam Tribune of 8th March, 1963 which is consequent upon boundary dispute between Sibsagar and Nagaland. There have been in the past innumerable encroachments on our Reserved Forests which constitute three-fourth of



the forested area of the Sibsagar district. There were encroachments in the Tirupahar (Tiru hills), in the Geleki Reserve Forest and also in the Desoi Reserve Forest. These encroachments were apparently presumed to be the activities of the hostile Nagas. Now, from the news it appears that these encroachments were not done by the rebels but by the officials of the Nagaland administration. In fact, they pushed the inner-line boundary inside our Reserve Forests by three miles at one place and four miles at another place. Then, they issued permits also to individuals to cut trees in our Reserve Forests and realised royalties for their administration. Persons who are given permits by our Government use to fell timbers in these Reserved Forests, but they are faced with great troubles as sometimes these people from Nagaland demolish the buildings of our permit-holders and also threatened them with dire consequences.

This is a great problem, Sir. We have every sympathy for their newly created State, the Nagaland, but at the same time, we hope that there should be peaceful atmosphere between us and no undesirable incident takes place between us. So, it is my earnest appeal to the Government that immediate steps be taken to settle the boundary dispute according to the latest notification and nothing short of this should be accepted as a compromising formula or working basis.

Thank you, Sir.

**Shri SIDDHINATH SARMA (Minister, Forests):** Mr. Speaker, Sir, the Nagas from the Nagaland have been encroaching Geleki Forest Reserve since 1951 and have been jhumming over a very large area. The Geleki Reserve and three other Reserves on the border of the Nagaland have been leased out to Messrs Woodcrafts Assam, Mariani, since before the creation of the new Nagaland Administration. Complaints were received from Messrs. Woodcrafts that there has been systematic obstruction by Nagas including Naga hostiles to peaceful exploitation of trees from the border areas of these Reserves. These Nagas claimed the area as belonging to the Nagaland. Even when Nagaland was a part of the State of Assam, Government decided and conducted a survey of the boundary of the Sibsagar and Naga Hills in 1951-52 and demarcated the boundary with boundary pillars. In 1953-54 there was a second survey and the boundary was demarcated. During these demarcations there was obstruction by the Naga villagers and the demarcation could be conducted only under Police escort. During the last few years, the iron boundary pillars were removed by the Naga villagers with or without the connivance of the Nagaland authorities and were replaced further north of the actual boundary, well inside our Reserves.

In recent times, M/s Woodcrafts complained that they were facing difficulties in working out trees marked for them, particularly in Geleki Reserve due to the interference by the Nagas. The matter was brought to the notice of the Government and the Chief Secretary and the Inspector General of Police agreed to depute as much Police escort as was possible, in order to enable M/s Woodcrafts to fell the trees and extract them. Immediately after preliminary work for felling an extraction was done, the Nagas threatened the employees of the M/s Woodcrafts, but our officers of the Forest Department requested M/s Woodcrafts to continue operation of these trees and that Police help would be provided whenever necessary. Accordingly, the extraction work proceeded but the encroaching Naga villagers in Geleki reserve began to clear jungles making alignment



of a fake boundary, well inside our Reserve. The matter was again brought to the notice of the Government and our Chief Secretary wrote a letter to the Chief Secretary to the Nagaland requesting the latter to confirm that these clearing of boundary were not done under the orders of the Naga Hills authority. Meanwhile, the Area Superintendent, Tuli in Mokokchung district, wrote to M/s Woodcrafts, Assam, asking them not to operate trees in those areas which the Area Superintendent claimed as falling within Nagaland.

On the 5th March, 1963, this Area Superintendent and another official along with armed Naga village guards, came and apprehended two of the supervisors of M/s Woodcrafts, Assam. On receipt of the information the officer of Assam Police Battalion Outpost arrived at the spot and got the employees released from the custody of the Naga officials. The Naga officials wanted our Platoon Commander to give written assurance not to cross the boundary pillars and also not to allow the contractors to extract timbers beyond the boundary pillars which were apparently removed from its original site, inside our Forest Reserve. Further detailed information has been called for from the Divisional Forest Officer. Meanwhile, our Chief Secretary issued the following Radiogram to the Chief Secretary, Nagaland, Kohima.

"Report received that on 5th March at 1530 hours, Shri Chudhing Ao, Area Superintendent, Tuli and Shri Jamir, Circle Officer, Chantogia, with Forest Beat Officer and one platoon armed Village Guard appeared at timber extraction point of M/s Woodcrafts, Ltd., in Geleki Forest Reserve under Police Station Nazira, District Sibsagar and threatened our Platoon Commander on protection duty with consequences. They also wanted to take two employees of M/s Woodcrafts Ltd., to Nagaland on the plea of recording their statements, but our Platoon Commander refused to make over any. The Nagaland officials wanted our Platoon Commander to give written assurance not to cross the boundary pillars and also not to allow the contractors to extract timber beyond the boundary pillars. Reports indicate that the boundary pillars in this area may have been removed and replaced much inside Assam State by mischievous Naga elements. You would agree that these matters be dealt with Government level instead of local officers taking direct initiative. Grateful if you issue instructions to your officials to desist from interference with our contractors. Any dispute may be looked into jointly by the officials of the two State. Grateful for urgent reply of action taken. Please also refer may telegram No. PLB 3663 dated 23rd February, 1963 and kindly intimate action taken."

Prior to this, similar encroachment by the Nagas was made in the Ugorijan Tea Estate of Sibsagar district. The Assistant Commissioner Wakching, Nagaland issued a peremptory order on the Manager of Ugorijan Tea Estate directing him to discontinue reclamation of land of the Tea Gardens which the officer claimed to be disputed. Our Chief Secretary wrote a D.O. letter to the Chief Secretary of Nagaland on 8th February, 1963, requesting the Chief Secretary of Nagaland to vacate the order of the Assistant Commissioner, Wakching and issue all necessary directives that no interference is made in the working of the Tea Gardens.

On 31st January, 1963 at 7 P.M. the Assistant Commissioner of Wakching accompanied by four armed Nagas visited Suntak T.E. and attempted to enter the T.E. premises forcibly. On being refused entry by the Gate Chowkider of the Tea Estate, the Assistant Commissioner and party left in anger and threatened the Gate Chowkider of dire consequences. It is alleged that he used the following words. "Oh", your Manager is



big man. I will see him and if your garden people will be seen in our land we will shoot them." On receipt of this information, our Chief Secretary wrote a letter to the Chief Secretary, Nagaland, Kohima on 2nd March, 1963, requesting the latter to issue instructions to his officers to put a stop to all such high handed and unbecoming activities of the Assistant Commissioner and other officers under him. He was further requested to issue instructions to Nagaland officers not to interfere with the legitimate rights of the Tea Gardens owners of Assam. On the 25th February, 1963 the Chief Secretary of Nagaland wrote a letter to our Chief Secretary admitting that the action of his Assistant Commissioner, Wakching, was improper in as much as that he had no authority to issue any prohibitory order on the proprietor of the Ugorijan T.E. He also agreed with our Chief Secretary that such matters of dispute should not be dealt with by officers of the lower rank but, should be referred to the Deputy Commissioner concerned for settlement and if necessary should be referred to the Government of the respective States. In the letter, the Chief Secretary of Nagaland stated that portion of the Tea garden was disputed since 1954-55 and the Deputy Commissioner, Tuensang stopped the Manager from working out that portion of the garden. The Deputy Commissioner, Tuensang also stopped the local Nagas from reclaiming that part of the land. He suggested that the area should be demarcated again to resolve permanently all disputes.

Our Commissioner of Upper Assam Division also suggested in his letter dated 15th February, 1963 that the boundary in this particular region should be immediately demarcated. The matter is under examination of the Government and a decision would be soon taken to demarcate the boundary of the Nagaland and Sibsagar.

### General Discussion of the Budget

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** Mr. Speaker, Sir, the hon. Members from this side of the House in their speeches on the Budget were very much critical mainly on the taxation provision. I am glad to note that the hon. Members irrespective of their party affiliation have voiced their protest against the piling up of taxes on the budget and extracting out money from the poor people. As regards the Members of the Treasury bench, I doubt very much if they will stick to their stand taken by them against taxation to the last. But so far as the Members from this side of the House are concerned, I am sure that they are determined to fight against this taxation provision. If the Members of the Treasury bench do not stick to their stand, the Finance Minister will ultimately get their support and he will surely merrily pass the Budget and his purpose will be served. But, Sir, is it the eyes inside this House which are crucial to justify new taxation provisions? Democracy does not decide by the majority eyes. It is the opinion which has been expressed on the floor of this House or which has been whispered into our ears by the people outside that has to be taken into consideration. It is the public opinion which is the primary thing in a democratic set up. So, when we have heard the criticisms on this taxation proposal, we should take it as the opinion of the House and the opinion of the people outside. That is why, I appeal to the Finance Minister to take into consideration the economic conditions of this poor State of Assam. Sir, I am glad to learn that the Finance Minister took up the case of Assam with the Central Government, and I have noted with surprise that comments made by the Finance Minister about the response he has received from the Central Government. I have come to the conclusion that the Finance



Minister has become disappointed to see the attitude of the Central Government. His remark at the end of paragraph 10 of the Budget speech is sufficient to tell this House that the Central Government is indifferent to the problems of Assam and the Central Government do not take seriously the representation made by our Ministers before the Central Government. In his speech Finance Minister stated "We expected that at least in respect of those our difficulties appreciated by them early action would be taken by Government of India ; but I regret to say, so far we have not been informed of any decision taken by the Government of India, even though this year's working season in the State prior to rains, is fast slipping away. It is very unfortunate that, though the magnitude of the problems and of the difficulties and the challenge to solve them, which Assam presents, are admitted and appreciated by all those in authority in the Government of India, yet there is inadequacy of response. This is hard to explain when everybody admits that Assam should be helped but nobody is ready to do so." He made this remark after the visit of Shri T.T. Krishnamachari. So, Sir, I am sure he will get the support of the entire population of Assam in his expression of disappointment about the attitude of the Central Government as has been shown towards Assam. But, at the same time, the people of Assam have the right to know whether this Government has been able to bring it to the notice of the Central Government the economic difficulties and poverty this State of our is facing. The cost of living in Assam is increasing day by day and the per capita income of the people of Assam is stagnant ; it has not increased and the Finance Minister has agreed to it. The Finance Minister, while showing the position of per capita income in this State, has given the comparative figures between 1950-51 and 1961-62. If we compare the per capita income of 1961-62 with that of 1950-51, we find that the per capita income has increased by Rs. 4 only. But Sir, the Finance Minister has ignored that the per capita income in Assam in 1955-56 rose upto Rs. 268 as against Rs. 260 in 1950-51, and if we calculate the per capita income on the basis of 1955-56 which was Rs. 268 then the per capita income in 1961-62 has fallen by 8.

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** This is due to the increase in population.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** I am coming to that. Now, Sir, as regards the National Income the Finance Minister has shown that it has increased by 6 per cent during these years. Now, in calculating both National Income and per capita income we are to take the population of the State into consideration. So, on the one hand, we find that the National Income has increased although the population has also increased, and on the other, the per capita income has not increased ; it has fallen by Rs.8. Therefore, it is a very difficult proposition to accept. If per capita income has fallen, the National Income cannot rise by 6 per cent. So, I feel that there is something vitally wrong in representing Assam's case before the Central Government. Sir, a fall of per capita income by Rs. 8 on the basis of 1955-56 is a staggering feature of the economic situation of the country. I agree with the Finance Minister that the fall is due to the increase of population. But, is it not proper for the Government to bring it to the notice of the Central Government and try to convince them that as the population of Assam has increased by 34 per cent in comparison with 1951, Assam's case should be considered specially ?

Sir, if we see the price index we will find that it has increased and has not shown a downward trend in Assam. The index number of the wholesale price as has been shown in the State Budget of



1963-64, in 1960, the wholesale price index was 128.8, and in 1961 it has slightly fallen to 113.9. The Finance Minister has given his calculations for January till August 1962—In January, the price Index of food stuff was 130 and in August 143. So, on one side, we find that the per capita income has gone down and on the other side, we find that the price index of our essential food stuff has increased. It is sufficient to show how the economy of this State of Assam is moving. That is why, I have very much doubt whether this Government has been able to convince the Central Government that Assam's condition has gone from bad to worse. In all the speeches delivered by our Finance Minister, which I have the opportunity to listen, I find that there is always a reference of natural calamities. So, Sir, if we have to face natural calamities every year, it has definitely hampered in our food product, and our Revenue Department has failed in its land policy. Sir, entirely no new scheme is taken by the Government to enthruse our people to grow more food. There is always a halting stand, so far as the distribution of land is concerned and it is the psychology of the common people to have the confidence that he has the right to enjoy the fruit of his labour and energy he put, is his own profit. Therefore, the cultivators should get sufficient inspiration to put his best energy and labour. So, Sir, unless that is done, all tall talks of agricultural production and all talks of planning various schemes have no meaning.

Sir, the Finance Minister has shown us the position of the agricultural development in our State and in his speech he has again reminded us the target of Third Five Year Plan. So far the target is concerned, it is alright. But while taking on the subject of agriculture, the Finance Minister has not brought before the House what is the progress and achievement during this period. He has only referred to various schemes adopted by the Government and the targets as fixed by the Statistics Department, but as regards achievement he is quite silent. If I am to speak the truth, Sir, the progress in the Agricultural Department is absolutely unsatisfactory. Sir, the other day, hon. Member, Sri Md. Umaruddin, from the Treasury Bench, brought before the House statistics of different States in India. I would also like to draw the attention of the hon. Members to the targets fixed by different States in our country. I only quote some of them there. Andhra Pradesh has fixed the target at 24 lakh tons, that means, an increase of 36 per cent more than its previous years. So also Kerala has an increase of 38 per cent, Orissa 46 per cent and Assam has only 23 per cent as her target. So, Sir, when all other States in our country has devoted so much energy and thought over agricultural production, why our State could not devote her energy in this front? Our achievement is very poor. Sir, this is the state of affairs in respect of agricultural production and its development in our State. Sir, another thing we find is that our Government is more concerned in spending money than its achievement. The Finance Minister has given the figure of the target of the Third Plan as 4.20 but has not mentioned anything about the result achieved during these years. So, Sir, I like to suggest that our Government may take the example of Uttar Pradesh as regards planning is concerned. I have a booklet with me. It is an Annual Review of the developmental activities during 1961. Their Publicity Department published the Pamphlet from which, we may know not only the position of money invested, there is an indication of the progress they have achieved. It relates to such development schemes which are included



in the district-plan, and it has given not only the money actually spent on different schemes, but it has given their failures and successes also. If we follow the procedure adopted by Uttar Pradesh, by publishing the review of progress of works department-wise, we will get a clear picture of our position. We only know the amount of money allotted but we do not have actual idea of achievement and improvement of our developmental activities.

We really cannot judge the Government's achievement or failure. If we follow this procedure the departmental heads will be keen in showing some progress of their schemes. If we publish such a booklet and such a Progress Report of work of Department then the departmental heads will surely take the matter seriously and will try to show some progress of work in their own sphere of activities.

The Finance Minister, Sir, has referred to employment position. According to him the employment position has improved so far Assam is concerned, and at the same time, he has given us to understand that the commercial concerns and the Central Government have improved the position and that the employment position of commercial concerned in this State has also improved. So far as Central Government and commercial concerns are concerned, Sir, I am in doubt as to the percentage of people employed by them from the children of the soil. When we talk of employment position in Assam we must take into consideration the number of persons employed of this State by the industrial concerns and in the Central Government services. The industrial concerns in the State are indifferent, rather very reluctant, to take the children of the soil in their respective concerns. Recently, there was a report in Assam Tribune, dated Shillong February 13, stating that there was downward trend in the employment position in Assam during the month of December last year. It went on to say that the Employment Exchange statistics revealed that 1,183 vacancies were received at the different exchanges during the month as against 1,517 vacancies booked during the previous month thus recording a fall of 334 vacancies. This position was due to non-receipt of bulk demands from Central Government establishments and private employer while the same increased to same extent under the State Government departments during the month in relation to those recorded in the last month. Though the Finance Minister has given somewhat a bright picture about the employment position under Central Government and commercial concerns, I am in doubt whether even 5 per cent of the children of the soil are appointed by them. Not only that, Sir, we sometimes hear that the public sector in the State Government of Assam does not give sufficient scope of employment to the children of the soil. I am really surprised to see the picture given by the Finance Minister that in 1962-63 the number of unemployed is 1.1 lakh in rural areas and 10,000 in urban areas. The figures he has given us are the figures of 1960-61 as they are found in the Review of Progress of Second Five Year Programme in Assam. According to the survey of unemployed persons conducted in 1960-61 the number of unemployed persons is around 10,000, but I am sure, it is estimated at 1.1 lakh in 1960-61. According to the same volume the numbers of rural unemployed is 1.1 lakh in 1960-61. So, Sir, the figures given by the Finance Minister are that of the year 1962-63. But actually they are the figures of unemployment position in Assam in the year 1960-61. So, are we to take that the unemployment position has remained static since 1960-61 to 1962-63. This shows that there is something wrong somewhere. Sir, I am to say that this unemployment question or problem has not drawn the attention of the Government as much as it ought to



have. I want to say further that this Government has not given sufficient thought over this unemployment problem of the State. Either the Finance Minister is wrong or the Statistics Department is wrong in placing the figures before us. Sir, how the same figures can continue from 1960-61 to 1962-63. I feel that when we approach the Central Government on this point we do so with wrong data. That is why, Sir, our Government fail in getting justice from the Central Government. Every month we find that 4 or 5 Ministers run to Delhi with all the paraphernalia. Finance Minister, Industries Minister and Chief Minister go to Delhi sometimes jointly and sometimes singly with public money to convince the Central Government about Assam's economic position and in order to get the favour of the Central Government. Sir, why should we go with beggar's bowl to convince them. We should go there to take our share as of right. Assam is part of India. The findings of the Expert Committee regarding India's actual economic position is applicable to Assam also. That is why, I would like to draw the attention of the House to a very staggering report recently published in some newspapers and booklets about the economic position of our country.

The Planning Commission has lately been devoting thought to the fundamental question of economic planning: how long will it take before every Indian has at least enough to eat?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** Is it Planning Commission's report?

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** Sir, I am reading from a report appearing in the Statesman, dated 28th January, 1963.

And the answer the Commission is reported to have arrived at, after a prolonged meeting on the eve of the Republic Day, is staggering in its starkness, even if it is by no means a surprise. At the current rates of economic growth and increase in population, the planners concluded gloomily at least a third of India's population will continue to be below the bread-line at the end of the twentieth century.

That even this would be a great improvement over the present position is clear from the fact that nearly two-thirds of the country's population now subsists at starvation level. But the Planning Commission was clearly of the opinion that the pace of progress towards a square meal for every citizen had been slow and must be accelerated. In this connection, some concrete measures were considered at the Commission's meeting on Friday, but a detailed discussion was deferred, for most of the time was taken by a searching analysis of the problem whose gravity is not always brought out fully by a delineation of its broad outlines.

For instance, the Commission's examination underlined the fact that more than a third of the entire national income at present goes to the top 10 per cent among the 439 million Indians. This 10 per cent also account for a fourth of the country's aggregate consumption. At the other end of the social scale, the poorest 10 per cent of the people earn less than 2½ per cent of the national income, and consume less than 3 per cent of the worldly goods available to the nation. In absolute terms, the average monthly income of the 10 per cent people at the bottom rung of the ladder is less



than Rs.7 per head. The 10 per cent in the next "upper bracket" earn less than Rs.10 per month, and the 10 per cent in the "still higher bracket" less than Rs.12 per month. For a further 10 per cent of the people, the average monthly income is below Rs.15, and for the next 10 per cent below Rs.18. Yet another 10 per cent of the people earn no more than Rs.21.50 per month.

### Minimum Nutrition

In other words, 60 per cent of the population earn much less than the overall national average of per capita monthly income of Rs.25 while the experts have conclusively proved that a man must eat food worth Rs.35 per month to attain the minimum standards of health and nutrition.

It is significant, however, that while the Commission does not question the expert opinion, all its calculation about the year 2,000 A. D. are based on the assumption that whoever attains a monthly income of Rs.25 by then would have enough to eat.

Sir, this is the position of our country as a whole. Now with this background if we consider Assam's case it is really frightening. So, I appeal to the Finance Minister who is expert in placing before this House deficit budget; because since 1960-61 Assam is having deficit budget and he has been asking the people to make up the gap. The Finance Minister himself said that from the Passenger Goods Carriage Tax, we could not get the amount we expected and during the last session of the Assembly the Finance Minister came with an amendment whereby he sought to impose lump sum tax on public vehicles. Now, when we come to realise lump sum amount and at the same time when we make provision of 10 per cent tax we must take it for granted that the owners of public vehicle realise this 10 per cent in excess from every passenger and luggages booked. This lump sum fixed by the Finance Minister is to be equal to the sum collected from the owners of the public vehicles or boats as the case may be in the name of realisation of tax. This should be taken into consideration that when we realise this tax, we do not realise these taxes from the owners of the vehicles, but we are going to realise from the poor travelling public. So, I want to know from the Finance Minister what is the basis of fixing this lump sum amount of tax. Further, Sir, it is not the donation that Government is going to receive from the owners of the public vehicles or boat. The Government is going to get the tax realised from the poor people by the owners of the vehicle, yet the Government is at the mercy of the owners of the vehicles. I think this should not be the procedure of imposing tax and I feel that this is not at all the principle of taxation. Therefore, Sir, our Government has a very much conspicuous position in failing to realise arrears. About 2 crores of rupees are still to be realised as arrear from different heads. In this connection, I shall quote some figures.

**Mr. SPEAKER :** Wherefrom are you quoting ?

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat) :** From the statement showing the action taken or proposed to be taken by Government on various recommendations, suggestions or remarks made by the Public Accounts Committee. Leaving aside the total of about 7 crores I have counted.. ..

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance) :** Shri Barua said that there has been arrear of 7 crores in land revenue alone.



**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** Sir, the arrear of taxes outstanding under Agricultural Income tax as stood on 31st March, 1961:

1960-61: Rs 68,90,088. Tax realised upto June, 1961 is Rs.18,88,721. So, arrear outstanding upto June, 1961 is Rs.5,02,767. Then coming to the Assam Sales Tax, we find an outstanding of Rs.62,53,882 and realisation upto June, 1961 was Rs.4,65,760 and the outstanding arrear was Rs.54,44,077. I will quote some more, Sir. The statement showing yearwise analysis of outstanding dues under Central Sales Tax, the arrear from 1956-57 to 1960-61 was Rs.1,55,419 and out of it only Rs.10,833 was realised upto June, 1961. Then again, the statement showing the arrears on Assam Finance Sales-Tax. The amount outstanding in 1960-61 was Rs.2,60,167 and out of it only Rs.10,215 was realised. Again the amount outstanding on tax under the Assam Sale of Petroleum and Petroleum Products (including motor spirit and lubricants) (Taxation) Act, 1955 was Rs.3,69,101 and realisation upto 1961 was Rs.52,960 and the arrears under the Assam Profession, Trades, Callings and Employment (Taxation) Act was Rs.3,17,279 outstanding and the amount realised till June, 1961 was Rs.39,924. Sir, in this way, I will come to one big figure. Under the Assam Taxation on Goods carried by Road or Inland Waterways, the amount outstanding in 1961 was Rs.72,95,597 and realisation upto June, 1961 was Rs.15,278. So, Sir, this is the position.

**Shri MAHAMMAD UMARUDDIN (Dhubri):** For how many years the outstanding arrears cover?

**Mr. SPEAKER:** Till 1961.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** From 1950-51. Now, Sir, what steps the Government has taken to realise the outstanding dues before Government ask the people to pay the taxes. The Government has the obligation to tell the people that is the step which Government has taken so far to realise the large amounts of arrears outstanding till to-day. Have the people no right to ask Government about the steps taken in this regards? Sir, every year, we find the Finance Minister and other Ministers come up for supplementary demands. But, have not the Departments as well as Government any idea about the expenditure in different Departments in this respect. Sir, I am sorry to submit that Government has miserably failed in accounting. I am referring to Government of Assam Audit Report, 1962. Here I tell you, Sir, the amount of savings in different Departments.

**Mr. SPEAKER:** You are left with only five minutes.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** From this Audit Report, Sir, in Agriculture, in 1961, the saving was 26.8 per cent; in Industries 37.7 per cent, in Famine Relief 38 per cent; saving on account of expenditure on Displaced Persons 33 per cent.

**Shri MOINUL HAQUE CHOUDHURY (Minister, Agriculture):** That was the disturbance year.

**Shri LAKSHMI PRASAD GOSWAMI:** On Loans and Advances 72.7 per cent and during the disturbance period the saving from the expenditure on Displaced Persons was 33 per cent; on loans and advances the



saving was 72 per cent, on Capital Outlay and industrial development 23 per cent. From this we know that Government is very sadly inaccurate in calculation; they come with supplementary demands; get the demands passed on the floor of the House, but they do not know as to the actual expenditure in different Departments. On the basis of this calculation, Government go on taxing our people. Sir, I shall be obliged if I am given a few minutes time.

As regards the Industries Department, it is a notorious Department. We always find the amount spent and not the achievement. Our Industries Minister is very renown economist and he is a professor of economics. Now, Sir, he goes on piling figures after figures. But we are never told as to the progress of achievement as if the progress is to be taken from the amount spent. At the same time, he is also the Minister for Electricity. In Shillong the Meter Factory was established and an amount of about 50 lakhs of rupees was earmarked. Out of this, Rs 10 lakhs was spent entirely in construction of buildings and in purchasing land.

**Shri BIMALA PRASAD CHALIHA (Chief Minister):** No land was purchased; that was the Government land.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** If land was not purchased, then the entire amount of Rs.10 lakhs was spent on construction of buildings alone. But this does not improve the position of Government. Then recently, I learnt that there was a meeting of Rotary Club somewhere and one of the experts in that meeting informed the meeting that this meter factory shall have to be closed down within a month or so because Government at the time of going in for this meter factory did not take into consideration the foreign exchange available from hard currency area. The Government did not care to consider the price which this meter produced in the factory will fetch in the market; the cost of production was not taken into consideration. As a result, what happened? We do not get any machinery and the meters produced in Shillong cannot be sold in Shillong market for less than Rs.55 per meter whereas other meters are available at Rs.40 per meter and I do not know what sin the consumers of electricity have committed that they have to pay the excess price. The State Electricity Board has made it compulsory for the consumers to purchase the meters manufactured in the Shillong Meter Factory. So, Sir, this is another sort of exploitation of the people in the name of the development of the country. Enough was spoken on the floor of the House regarding the Garo Hills Thermal Plant. I have also my doubt about this Thermal Plant going into production as we are made to believe. Only the other day, the Chief Electrical Engineer of the Assam State Electricity Board, in the meeting of the Institute of Engineers at Gauhati, in course of his speech, stated that the Garo Hills Project would not be successful, Although Government has taken up this Project, there is no means of transport, no means of communication built up as yet and the money which will be necessary for making the roads, for building up communication and transport will be very huge as the site where the project is to be located is very high. So, naturally, there suspicion that this project will not at all come into existence.

Now, about Kopili Valley Project. As one hailing from the village Kampur on the bank of the river Kopili I have reason to be proud of whenever the name of the Kopili, is used. Now Sir, this Kopili Valley Project has got its start about 10 years back and the survey is continuing as yet.



(Mr. Speaker—Not ten years, 8 years). I would concede these two years, Sir, I do not quarrel for the two years. Now after 8 years we hear that a foreign team is going to survey whether this Kopili Valley Project is feasible or not. If that is so, then what was the reason for spending such a huge amount? (Bell rang) I shall soon finish, Sir. (Mr. Speaker—I give you five minutes time more).

Now Sir, about the Cement Factory. This matter was referred to by different Members in course of their speeches. The question of starting the factory came in the year 1948. Here also the Geological Survey of India took the survey and give their opinion that the limestone was available here. Now, we are surprised to hear that the Geological Survey Department of Assam has now approached the Indian Bureau of Mines with a view to ascertain whether the limestone at Cherrapunji will be sufficient to run a cement factory. This is indeed very strange. This is the sample of progress of our developmental works. I want to know from the Government save and except the Spun Silk Factory for which the Government had spent a lot of extra money, what is the other factory in Assam in the setting up which the Government has displayed signs of any measure of appreciable success being achieved? That is why—I thank you Sir, for extending a few minutes time more to me—I ask, is this the way of improving the economic condition of the country? Sir, unless the per capita income of the people is increased, unless the national income is augmented, unless the lot of our poor people is improved, we have no justification to tax our people in the name of emergency. Because, this emergency cannot be fought only with money. We should also be able to rouse the morale of the people, and the morale of the people cannot be strengthened, unless and until we are in a position to show before them certain tangible results of the money that has been extracted from them. If they do not see anything such, how shall we be able to enthrall them? If the Government is serious about the human material, if it is serious about keeping the morale of the people—I am sure, Government is serious about it, because our Ministers and the Deputy Ministers very often go out into the interior of our country to address meetings with a view to improve the morale of the people, because, they understand that it is the people's will which is the most important factor in fighting the Chinese aggression. I would request Government very earnestly to study the People's mind. Sir, on the other day, I had a talk with a certain Member of the Treasury Benches. I asked him what is your reply to the people when so many allegations against the Government are there and when they are so much sullen and discontent. He replied that he had nothing to reply because these people came to him for their personal necessary and when these necessities are met, they go satisfied and do not bother about the allegations or whatever that may be. But Sir, we are in the midst of the people we know their reaction to the Government's taxation measures. I would sound a note of warning to the Government and say that our people are highly discontent and in this way we cannot prepare the people for the emergency. So, I hope Government will take into consideration the temper of the people before they go ahead with their taxation measures.

**\*Shri DEV KANT BOROOAH (Minister, Education)** : Mr. Speaker, Sir, I am grateful to the Hon'ble Members as well as the Members of the different Autonomous District Councils for their observations in respect of the functioning of the Education Department in the current



as well as in the past years. It is indeed highly heartening to hear that many Hon'ble Members were kind enough to commend so favourably about the achievements of the Education Department in the matter of expansion of education. Sir, I very much appreciate their kind feelings. But I would like to take them into confidence, because, I believe democracy ultimately depends upon a free and fair discussion. I would, therefore, like to take them into confidence and place certain aspects of the educational development of the State before them for their consideration.

**\*Shri PABINDRA NATH SARMA (Nalbari-East):** Sir, on a point of order. Can a Minister other than the Finance Minister under Rule 143 exercise the right of reply in the Budget discussion?

**\*Mr. SPEAKER:** The Hon'ble Minister, besides being a Minister is also a Member of the House. Therefore, he is entitled to take part in Budget discussions.

He will submit his own observations. Ultimately, the reply will come from the Finance Minister. He will address the House as a Member of the House.

**\*Shri PABINDRA NATH SARMA (Nalbari-East):** It will be misconstrued.

**\*Mr. SPEAKER:** The reply will be given by the Finance Minister.

**\*Shri DEV KANT BOROOAH (Minister, Education):** I am intervening in the debate to provide clarifications on certain points raised by the hon'ble Members including the Member from Nalbari-East. Evidently, the hon'ble Member is new to the house and perhaps new to parliamentary practice, but, one lives to learn.

Sir, the expansion of the educational institutions of the current year has been briefly mentioned in the Budget Speech. At the time when the Budget Speech went to print, we did not have all the figures, particularly in respect of the Hill areas and also of the distant places. In this year, the Department of Education has taken over 35 High Schools under the deficit Scheme, 32 for Boy's and 3 for Girl's; 155 High Schools under the *Ad hoc* Scheme, 137 for Boy's and 18 for Girl's. It is not 116 as mentioned in the Budget Speech.

The number of Middle English, Schools we have taken over under the Deficit Scheme is 137—125 for Boy's and 12 for Girl's. Under the *Ad hoc* scheme 230; 217 Boy's and 13 for Girl's. The increase over last year's number in terms of *ad hoc* High Schools is 227 per cent and so far as Middle English Schools are concerned, it is 176 per cent. It has been, Sir, a somewhat unusual expansion and today in terms of schools both at primary and secondary level Assam stands at the top. So far as primary education is concerned, in terms of number of Schools *i. e.*, in terms of lakh of population, we are First in India. That is on the basis of the 1959-60 statistics because that is the only statistics available for the country. In terms of secondary schools, we are seventh; in terms of collegiate education (number



in lakhs) we are third in India, On all hands, Sir, it would be considered a very notable achievement—even in the well known Communistic jargon it would be considered as a “Leap Forward”. But, Sir, there are some drawbacks which I would like to bring to the notice of the hon’ble Members for there consideration in order that we might find a solution that have been created by this expansion. In this connection, I may add that all the new schools that we have taken—I did not have the detailed break up—but it is a very safe guess that the overwhelming majority of the schools are in the under-developed areas including large tribal areas of the Plains and the Hill Districts. Hon’ble Chief Minister, Sir, during the last session of the Assembly, made a pronouncement of Policy in this august House that the underdeveloped areas—the mentioned Goalpara and the Hill Districts—shall be taken special care of. Whatever has been done in the current year is with a view to implementing that intention of the hon’ble Chief Minister.

Before I come to the other aspects, I would like to discuss the comments of the Autonomous District Council from the Budget Estimates of the Autonomous District for the current year 1963-64. The hon’ble Members are aware that this was introduced when there was some discussion about it and Sir, when I held the exalted position you are holding now decided that it is an integral part of the discussion. The House is grateful to the hon’ble Member from Tezpur who is also the Chief Whip of the Congress Parliamentary Party for raising this problem of the Hill Districts.

Sir, I have carefully gone through their comments so far they relate to the Education Department and there are one or two points that require clarifications. One main comment, grievance, seems to be that compared to the total provision available so far as Lower Primary Schools are concerned, the share for the the District Council has been inadequate. Sir, it is inadequate in terms of the demand for education all over the country and all over the State. But comparatively speaking, Sir, we have not dealt unfairly with the Hill districts.

Out of 1700 posts available for the entire State during 1961-62 as many as 917 were allotted to the different district councils. Of the total available additional posts of 2200 teachers in current year’s budget as many as 1007 posts have gone to the district councils including 207 for the Shillong Municipal area and the area adjoining to the Municipality. Some of these schools received only a nominal grant. This time, we have taken over all the schools and paid these teachers full pay as teachers are entitled in this State. Sir, I do not want to take time of the House and strain the patience of the hon’ble Members, but it would be indicative of the fact that we have given the Hills districts not only their due share but a little more.

Then, again, Sir, there is a question of delay of payment of the amount to the District Councils. Under the Constitution, the District Councils are the authority to deal with Primary Education. So, we have provided them with funds. Sir, according to the arrangement these funds would be paid by instalments only after submission of utilisation certificates. When utilisation certificate is issued in respect of one instalment, the other instalment is paid. That created a lot of



delay. There is a list of telegrams and letters which we sent. I find in respect of Mizo Hills we sent a number of telegrams and letters—letters and telegrams—but the particulars were not available. I understand the difficulties both in submitting the utilisation certificates as well as other problems they have.

Therefore, it has been decided that the entire money at the beginning of the year will be placed at the disposal of the District Council on the basis of expenditure of the previous year. Sir, in this year, we have paid to all these districts—Mizo Hills we have paid Rs. 1,76,797, Khasi & Jaintia Hills Rs. 8,91,389, Garo Hills Rs. 6,56,451, Mier Hills Rs. 5,19,047. There is a shortfall in the Garo Hills because, last year, we made an over-payment of Rs. 1,07,000 to the Garo Hills District Council. So, Sir, I do not think that there is any grievance on this score. I discussed this matter with late Mr. T. Cajee and came to certain conclusions. He extended the hand of co-operation to the fullest measure and about other districts also there was no complaint and lack of co-operation. I hope, Sir, we will be able to do better next year than we did last year.

Another grievance was about schools in Hill areas. Sir, there is grievance that we have not taken many Secondary Schools and Middle English Schools in the Hill areas. This year, we have taken 15 High Schools from the Hill areas on *ad hoc* basis, 34 Middle English Schools on *ad hoc* basis, 1 High School on Deficit basis and 15 Middle English Schools on deficit basis, and the total being 65 Middle English and High Schools.

Certain reference has been made about the provision against Government Art Colleges. That is about the Tribal Hostel (Kenialworth). The expenditure covers the allowances of the hostel Superintendent, pay of the menials and other contingencies.

Sir, I suppose, that takes care of grievances of the Autonomous District Councils and they will have no grievances on this score of not getting their due share, so far the Education Department is concerned and I hope, Sir, in the coming year we will be able to co-operate more fully than what we could do under the circumstances over which we had no control during the last year.

Sir, I would now refer to what I have said earlier about the problems that have been created by expansion. Sir, the expansion has created lot of problems, problems of non-availability of suitable teachers, problems of buildings, problems of poor results and the Hon'ble Members being the representative of the people will be justified in demanding what is the return of the investment. Like any frugal businessman, the Education Department have to keep proper accounts for the money spent. We have built so many schools, so many colleges—what is the return? Every Hon'ble Member or for that matter every citizen of Assam or every tax-payer in Assam is eligible to ask.

The Hon'ble Member from Thowra mooted something about inspection. After all, it is only through proper supervision and inspection, we will know how our Department is working, how our schools are



functioning, how our teachers are teaching and how our boys are progressing. About that Sir, with the help of the Planning Department and also Government of India and also my officers, we have got certain interesting figures which would be of some interest to the Hon'ble Members. Sir, I will start with Secondary Schools, because, that is the backbone of the education in any State in a developing economy and that is the category of students who come in for different developmental work in any State in a developing economy. Sir, last year, we spent Rs. 2½ crores on Secondary Education. That is the investment. The Hon'ble Members from the Opposition front would be surely interested to know what return we have got out of that investment. Last year, in the Matriculation Examination, 16,847 students appeared and out of them 489 passed in the First Division only three of them securing 75 per cent or above in the aggregate. This 489 students are not enough to feed the Engineering Colleges and the Medical Colleges. Then, again, only 1380 passed in Second Division. There was a time when there were schools under the Calcutta University which produced students with 3, 4, 5, stars (asteriska). Then Sir, 6486 passed in the Third Division and this is the return we got from an investment of Rs 2½ crores on Secondary Education.

**Shri SANTI RANJAN DAS GUPTA (Lumding):** On a point of information, how much of this money has been actually invested? .....

**\*Shri DEV KANT BOROOAH (Minister, Education):** Then, Sir, how it has happened. I also wanted to know. After all, generalisation is very easy. This is a general picture. I want to prove into the details. Apart from the inspections done by our Inspectors of Schools, I sent the Additional Director of Public Instruction, Dr. P. C. Goswami to go and inspect certain High and Higher Secondary Schools. I also sent the Director of Public Instruction to visit certain Schools and the Additional Director of Public Instruction also and asked them to report to me direct. I read those reports, wrote to the Head masters and I tried to find out what is the position. I will give you an instance. The Dibrugarh Girls' Higher Secondary School which is one of the oldest schools and I am told that it was established in the year was born. In 1961-62, it had 902 pupils on its roll, in the teaching staff it has 4 M.As, 1 M. Sc, 6 B. Scs and 6 B. T. The percentage of pass in 1961-62 was 25.3 per cent. The percentage of pass in Arts Section was only 13 per cent. There is another school named 'T. C. Girls' Higher Secondary School. It had 669 pupils in 1961-62, 8 M. As, 2 M. Scs, 5 B Scs and 4 B.Ts in its teaching staff. Here the percentage of pass is 96 per cent—100 per cent in Arts. Then again, there are two schools, one is at Patacharkuchi from where our Hon'ble Member, Shri Homeswar Deb Choudhury comes. There the percentage of pass was 93 per cent. There is another school by name Bajali Higher Secondary School. I am told at a distance of 3 miles, where the percentage of pass in 1961-62 was 37 per cent, number of teachers and qualifications being same. Then again, Sir, there is another school named Kampur Higher Secondary School where the percentage of pass in 1962 was 36.2 per cent and that is because out of 103 boys in class X, only 59 were sent up and 21 passed. If we take into account the boys who were in the class X, the percentage of pass comes to 20 per cent only. I have three years' reports of Inspection done by the Additional Director of Public Instructions which show that this school produced 4 First Divisioners and 7 Second Divisioners and the rest in Third Division.



Then Sir, there is another school in my home town, in my own village, Puranigudam which became a high school in 1930. I found from the record that my father, when he failed to prosecute his studies further, because, his widow mother could not provide him with money for his education, became the Head Master of this School in 1904. The school has been in existence for the last 60 years, but wonder whether this school has produced any First Divisoner uptil now. Then Sir, there is another school at Thowra from which my Hon. friend comes. Sir, the hon. Member said something about the inspection notes. He said that inspections are done in a very perfunctory manner. I quite agree that something has to be done about it and I am trying to improve it. I asked the D.P.I. and A. D. P. Is to inspect the schools, in addition to the Inspectors of schools and to report to me directly and then I myself wrote to the Headmasters and I got the reports also. Sir, this is an inspection report given by the D. P. I. on the Dibrugarh Girls' High School. I am reading out a portion of it. "The poor results recorded above were also supported by the performance of the students of Class XI as found in course of Class inspection. A large majority of the pupils in the Class could not express simple ideas in English. Poor knowledge of sentence pattern and of the use of the principal tenses as shown by the following examples is revealing :—

- “1. You are greatest than he. (Meaning older).
2. You are greater than age of he.
3. You are bigger than his old.
4. You are eldest years than he.
5. I did not pass in the last examination.
6. I am not passed in the examination.
7. Do you went to Gauhati.
8. Will you come to Gauhati } (Have you gone.)
9. I prefer history than literature,
10. I preferred to history than literature. (For prefer history to literature.)”

In Puranigudam school, some of the students could not even tell the name of the President of India. This is the state of affairs, Sir, and I think surgical operation is necessary. Then Sir, there are well-known schools like Nami high school with 2 M. As, 1. M. sc., and 10 B. As. But what is the result? In 1959 only 43 per cent students passed, in 1960, 45 per cent and in 1961 only 32 per cent passed. If we include the number of students retained in the School, i.e., the boys who could not pass the test the percentage comes to only 17. I do not like to dilate upon the matter. Sir, if this is the position of the well-established schools, what about the venture schools and other schools? I am trying to prove into the matter and the Government has already appointed a Committee under the Chairmanship of Dr. M. N. Goswami and the Committee has been asked to submit its report within three months.



Sir, I shall now come to collegiate education, but I do not like to speak much about it. Here also everything seems to be topsy-turvy. The percentage of students passed B. A. in 1961 is only 35. Some of the Colleges like Cotton College have done well but others have not. Sir, now-a-days, there is no distinction between the Government colleges and other colleges in so far as the pay scales of the professors are concerned. The pay scale of the professors of Government colleges is Rs.225 to Rs.500, and the pay scale of the professors of the Aided Colleges is Rs.200 to Rs.600. The minimum qualification prescribed for both the types of colleges is also the same. Sir, the students of Cotton College have done well in the examination. The Percentage of pass in the I. Sc. examination is 62 per cent in case of Cotton College and 24 in case of Prag Jyotishpur College and in I. A. the percentage is 75 in the case of Cotton College and 38 in the case of Prag Jyotishpur College. Sir, I am giving the percentage of two colleges in Gauhati. Therefore, Sir, something has to be done about it. There is something wrong in the State of Denmark, that is, the field of Education in Assam, in which I refuse to play the role of Prince Hamlet. I have already taken the help of some of my Advisors both in my Department and in the Planning Department and also some of the knowledgeable persons both here and Delhi. Sir, I looked into the figures of different States. The figures relating to the year 1959-60 are only available. We did not get the figures of the later period. There is one very interesting feature, apart from other intangible features, and that is the inadequacy of instructors in our schools. There is shortage of trained teachers in our schools. Although we are at the top of the pyramid so far as primary schools are concerned and very near to the pyramid in secondary schools and colleges, the percentage of trained teachers is very low. Sir, in Madras, the percentage of trained teachers in higher secondary schools is 92, in middle English School 96 and in Primary school 98. In Assam, the percentage of trained teachers in high and Higher Secondary schools is only 17, in Middle English 26, and in Primary schools 33. You know, Sir, I sometimes like to do unconventional things. I worked out the percentage of trained teachers in our schools and I found that out of 4,457 graduate teachers in our high schools only 620 are trained, which means 16 per cent of the total number of graduate teachers. Even to train up the remaining 3834 graduate teachers (the number is sure to increase very considerably) we will require 32 years if more training institutes or seats are not arranged.

There are altogether about 120 seats in our training institutions for graduate teachers.

As regards training of under graduate teachers, namely, Degree Examination plucked or Inter passed, there are around 3000 such teachers to be trained up. The seats in the Training College at Jorhat for such teachers number only 40. So, to train up such teachers with the existing facilities it will require 50 years. But, Sir, I do not think none of us will live to that age. So, Sir, there seems to be only one answer and that is to train up the teachers as fast as we can. But, Sir, that requires money.

In this connection, I would point out about investment in education. We have investment in education, but, Sir, I would like to let the figures speak for themselves. Sir, as regards expenditure per pupil, as has been assessed by



the Government of India, in different States for college education are as follows—

						Rs.
Andhra	...	...	...	...	...	337
Assam	...	...	...	...	...	180
Madras	...	...	...	...	...	404

As regards expenditure for higher secondary education per pupil we spend Rs.103, somewhat more than that of other States and that is because of the higher salary we have to pay to the teachers in higher secondary schools.

But in collegiate education, our investment is the lowest, because we had been investing in essential things like buildings, libraries etc. In this State, we have built libraries without books and I think, Sir, if we proceed in the way as we are proceeding, there will be only schools and not education. That is why, I like to sound a note of caution and warning that investments in education has to be stepped up and also returned have to be ensured. Sir, as I said earlier, expansion of education does not mean lowering the standard of education. There is no inherent contradiction between these two positions which have been proved by the history of pedagogic science all over the world.

Now, Sir, education is a matter which always requires special care, because our boys today are much handicapped. They are so greatly handicapped that it is, I find, extremely difficult to find fault with our boys. Our boys when they come out of institution to the public field, they find it difficult to pull on. It was only last year, one of our boys from Assam, Sri Gohain broke the record of securing 68 per cent marks. And another boy from Assam, a son of a peon, stood first in the Sainik School at Panchet Hill, West Bengal. He stood first not only in other subjects but also in Bengali. There is nothing wrong with our boys. They are not bad soldiers and they are not bad officers, but on the top of it, there arises the question of employment. Facilities, amenities and instructions are not adequate to our boys and that is why, they find it extremely difficult to compete in the I.A.S. Examination. Except some boys of the Hills Districts, boys from the Plains Districts could not keep pace with others. Now Sir, Forest, Medical and Engineering services have become All India Services. What chance our boys will have in these examinations we will have yet to see. Boys who join provincial engineering services after passing from the Engineering Colleges of Assam can become the Chief Engineer. But, since in all India services students from Sibpur, Rurki, Delhi and Kharagpur are competing, our boys will have to compete with these boys. Sir, I do not like to take much time speaking of individual cases, but I am interested to a boy who stood first in the Higher Secondary School securing 68 per cent. Sir, for taking admission into the Delhi College of Technology, minimum 75 marks are required. I took the boy personally to Delhi to get him admitted. Now, Sir, when the minimum marks for the admission in the Delhi Technological College is 75 per cent, what chances our boys who pass out from our Engineering colleges in Assam can get against those boys who come from



Rurki, where Dr. Khosla is the Vice Chancellor. So, that is why, I say that it will be unjust and unfair to our boys if we cannot provide adequate facilities, amenities and instructions to them. For that our officers, teachers should have endowed with that zeal and that sense of dedication.

**Mr. SPEAKER:** Mr. Borooah, please try to conclude.

**Shri DEV KANT BOROOAH (Minister, Education):** Sir, awareness of our people is also essential, in this respect. People generally refuse to take spurious education just as they refuse to take scurious drugs. But people must know what is going on. Guardians of our people must know what is going on in respect of expenditure they have to spend for education of their children.

Sir, the other day, the honourable Member from Hojai said that I tried to evade replying minor questions. But I like to say that not only I like to reply him, but also I like to put more questions.

**Shri SANTIRANJAN DAS GUPTA (Lumding):** On a point of information, Sir. I have only pointed out that the Honourable Minister has not honoured the commitments.

**Shri DEV KANT BOROOAH (Minister, Education):** Sir, in this Department, we have only one and a half auditor.

(“How is that—voices from the House”)

Because one is there and the other is on leave. This auditor has to run from one place to another.

He has audited 22 schools where the defalcation cases amount to Rs.84,000. I have asked to take drastic steps permissible under the law. About two schools of which the honorable Member has suggested, we got one school already examined and regarding the other which is at Lumding, I have not decided yet, because Lumding case is likely to be very controversial. So, I would like to be sure about my position. Hon. Member from Hojai put a question the other day about the provision for education for the Bengali speaking boys and girls in Assam so far as higher secondary education is concerned. In Assam Valley, we have converted 3 Bengali night schools into higher secondary schools and they are Vivekananda high school, Gauhati Bengali high school and Sisupathsala high school.

Sir, there are other points which I would like to mention. One is about tea garden high schools. This is a very important matter and this touches the basis of our national policy of socialist pattern. To-day the whole country is concerned with the education of the tea garden labourers. In spite of having so many schools in tea gardens the number of which will be about 570, one reason why the progress is not so satisfactory is that whole-time teachers are not available to teach in such schools and so we are to manage with part-time teachers only. If we really want to have democratised education then we must take the control of these tea garden school teachers in our hand so that the same kind of educational instructions can



be given there as is done elsewhere. In this connection, there is already a scheme and according to the first phase of this 70 schools in Cachar district are to be taken over and in the next phase we are going to take over 115 schools or a little more.

He raised another question which is of great importance and this is that some tea garden manager it is I think of. Sepon tea garden—is not permitting other children not belonging to the garden to read in his garden school. It is really painful to hear this. This sort of disintegration cannot be encouraged. I will, however, take up the matter with the tea industry in order to see that there is integration in the schools at all levels. Just as we expect other children to go tea garden schools so we expect tea garden children to go other schools at all levels.

Sir, one thing, I would like to mention about financial assistance is that the Home Ministry and Planning Commission have been pleased to grant each State 1 lakh of rupees for post-Matric scholarships for all tea garden and ex-tea garden boys and girls and that is why from the next year all the tea garden and ex-tea garden boys and girls, irrespective of caste and sects, are going to get scholarships at the same rate as the Union Ministry desires. We are thankful to the Home Ministry and the Planning Commission for this good gesture for the education of our down-trodden labourers of tea garden in Assam.

Another thing which is agitating the minds of some hon. Members is about primary schools. As I said on an earlier occasion, we have now a number of primary schools per population of 1 lakh. Thereby I do not mean that there is no room for education at the primary level. In our villages the number of such schools are few and far between and it is because our population in the villages remain very scattered. We have run out of our quota so far as our plan is concerned in respect of primary schools. In the Education Ministers conference. I pleaded for additional quota besides the State's ceiling to provide fund for employment of more primary school teachers in the State. There was an allocation of money for 3,000 teachers, but then this emergency came. As you know, the Dibrugarh University was well on its way to come into existence when it was postponed because of the emergency. The proposal for starting M. Sc. class in Gauhati Cotton College had to be postponed during the emergency and similarly, the expansion of primary education with the help of fund allocated by the Planning Commission outside the State had to be held up.

One point more and I will conclude. Our people are aware that our patriotic teachers and patriotic students played important role during the emergency. The Gauhati University has made N. C. C. training compulsory. It would be unfair to the students community if I do not mention that if given proper instruction, guidance and facilities, our boys and girls who are having such N. C. C. training will be able to hold their position as high as those of other States. This is an endeavour for which I humbly seek the earnest co-operation of all the Members of the House.

Thank you, Sir.

**SHRI MOINUL HAQUE CHOUDHURY** (Minister, Agriculture, etc): Mr. Speaker, Sir, since it is for the first time in this session, I am speaking in a debate and since a large number of Members have spoken



about flood and flood control measures in the State and also about agriculture, I hope, you will please be little liberal in giving me some time.

Sir, first of all, I will confine myself to the subject of agriculture. I am extremely grateful to the large number of hon. Members who have taken part in this debate for the favourable comments they have made while discussing about the progress of agriculture in the State. During the debate on the Governor's Address also many hon. Members spoke about agricultural development and most of the members expressed satisfaction particularly with reference to the achievements of the Agriculture Department during the emergency. In this otherwise congenial atmosphere, somewhat discordant notes have been struck by hon. Shri Mohananda Bora, Moulvi Umaruddin and the leader of the opposition group. I will first of all take up the criticisms made by the Leader of the opposition group who has spoken today before I take up the replies to the comments made by us and Shri Mohananda Bora. Sir, the Leader of the Opposition feels that while many other States in India have fixed much higher targets for Agricultural production the State of Assam has fixed a much lower target in the 3rd Five Year Plan. This is a very simple matter. My Colleague, the Education Minister, while speaking first before me was discussing about investment and the target to be fixed in accordance with the investment. The investment in the First Five Year Plan for agriculture in the State was of the order of 2 crores 79 lakhs for 5 year.

**Mr. SPEAKER:** Whatever time is taken by the Hon. Minister and the Finance Minister to give reply to the debate will be given by sitting late.

### Adjournment

The Assembly was then adjourned till 2 P. M. for lunch.

### AFTER LUNCH.

#### **Shri MOINUL HAQUE CHOUDHURY (Minister, Agriculture):**

Mr. Speaker Sir, I was replying to the criticism of the hon. Leader of the Opposition. He said that while in some other States, higher targets were fixed for agricultural production during the Second and Third Plans, the targets fixed by Assam were much lower compared to them. Sir, the reason is very simple. If this State is to or if we decide to fix a higher target of production for Agriculture, then we shall have to give higher priority to agriculture. But upto now we have not been able to give that amount of priority to Agriculture which the other States had given.

Sir, in the First Five Year Plan, our total investment in agricultural production including minor irrigation both under the Agriculture Department and Public Works Department comes to Rs.279 lakhs. My Friend, the Education Minister has said today first before me that the Education Department has been spending a sum of Rs.2½ crores annually for Secondary Education alone. As against this the total investment in agriculture in the First Plan was of the order of 279 lakhs for five years. In the Second Plan, under all these heads, it was of the order of 436 lakhs. It is definitely a small



amount and a small investment compared to the problem. If we are to raise our target for Agricultural production equal to the other States, say, Andhra, Madras and the like, greater allocation shall have to be made for Agriculture. So, it would not be correct to say that our target for agricultural production is lower than other States or with reference to the investment we made or are making.

Sir, my Friend, Shri Mohananda Bora, finding fault with a small officer under the Community Project somewhere in an outlying area in North Lakhimpur, came to the conclusion that the department of agriculture has no right to exist and that the department should be abolished. This is a Council of despair. I don't think anybody will agree to it or take it seriously.

Sir, I do not agree with the contention of Shri Bora, for the simple reason that in spite of our best efforts or in the best possible organisation there will be some failings here and there. Now I would like to take up the criticism of my Friend, Md. Umaruddin. He, in course of his speech said, Sir, that the agricultural production in the State had not increased substantially; rather it was showing a downward trend despite heavy amount spent or invested in agriculture which according to him was of the order of 21 crores. Sir, according to him compared to the investment of about 21 crores, the return do not commensurate with the money spent. Sir, in order to prove his contention he has taken up the figures of production for the year 1956-57 to say that the statistics of production for the subsequent years had shown that our production was not the same as was in 1956-57. Sir, it is not correct to take a particular year or 1956 as a base year because in that particular year there was bumper production. In fact, there was a substantial increase in agricultural production in that year due to favourable weather condition. I would most respectfully submit that this is a very misleading way of calculation when we all admit that agriculture is still a gamble of nature—over-rain, draught and flood; it is not correct to make a particular year as a base because in that particular year nature might have been favourable to us.

**Shri MAHAMMAD UMARUDDIN :** Sir, I was taking the average of seven years.

**Shri M. MOINUL HAQUE CHOUDHURY (Minister, Agriculture) :** Sir, 1956-57 is one of the best years of agricultural production so far as the India is concerned; because of the favourable weather condition, the agricultural production in the country was one of the highest. Sir, in the whole country in 1956-57 the production was of the order of 2 crores, 90 lakhs and 35 thousands Metric Tons, but in the next year, i. e., 1957-58 in the whole of India the production came down to 2 crores, 52 lakhs and 83 thousands Metric Tons. This shows a decrease of 37 lakhs and 52 thousand metric tons in the whole country. What was true about India was true about Assam as well. Assam's production in the year, 1956-57 was of the order of 17 lakhs, 10 thousands and 378 tons, and this came down to 1613050 tons in the next year. Sir, I was looking for the causes of the low production in that year and I have found that the rainfall in that year was very low. In 1956, the



average rainfall in Assam was 1116.18 inches but it came down to 88.17 inches in the next year and its repercussion on agriculture can be understood particularly when there was not much irrigation facilities in the entire State. When the rainfall came down to 88.17 from 116.80 inches the production also came down considerably. In the Goalpara district, the rainfall came down to 77.52 inches from 140.59 inches. In the district of Nowgong which is one of the best agricultural districts the rainfall came down to 41.72 inches from 74.16 inches. In the Garo hills also the rainfall came down to 42.87 inches from 107.51 inches. That is the reason for which it would not be correct to take 1956-57 as the base year.

Sir, when our agriculture still suffers from various vagaries of nature, it would not be proper to take any year as base. The only way is to take the average of some years. Looking at the year wise production during the First Five Year Plan I find the average comes to 16.04 lakhs tons a year. In the Second Plan period, if we take the entire production of the Second Plan the average comes to 16.58 lakhs annually. Therefore, there was definitely an increase.

**Shri MAHAMMAD UMARUDDIN :** Sir, the department has quoted different figures of production for the different year in the same period.

**Shri M. MOINUL HAQUE CHOUDHURY (Minister, Agriculture) :** Sir, I will try to give a reply to this question. There is no doubt about it that the figures are somewhat divergent. I must explain to this House the proper position. The figures quoted by Md. Ummaruddin for the period from 1958 to 1962-63, I am told, they are provisional figures. I owe an explanation to this House as to why they are provisional figures.

Sir, in Assam agricultural statistics were to be reported by all Deputy Commissioners once in every year. The reports from the Deputy Commissioners used to be processed and published by the Department of Agriculture and in such publications the Department of Agriculture or the Director of Agriculture was indicated as the source. Later on, Sir, I believe in the year 1961-62, possibly from April, 1961, the responsibility was transferred to the Department of Economics and Statistics and they took over these figures. The tables from 1952-53 to 1957-58 were finalised only during 1959-60 but the draft reports for printing are yet to be finalised. The delay was due to non-submission of reports in time or submission of defective returns entailing protracted correspondence. Regarding the statistics of area under crop, the present data are not of uniform standard of accuracy and reliability in different districts. This is mainly due to the difference in the method of collection. While the area under crop in the temporarily-settled districts is based on what is supposed to be field inspection by the Mandals and the other Land Records staff, the acreage statistics for the permanently settled areas of Goalpara and Cachar and those of the hill districts are based on the report of the village headman or the village chowkidar and the agricultural staff. In practice, the district officers do not regularly receive these reports and are often left with the alternative to make some kind of estimates on the basis their general information.

Sir, while a check was made upon the figures relating to the period from 1958-59 to 1962-63, quite a big amount of discrepancy was discovered. In fact a study was undertaken in the year 1961-62 and it was found that in many cases, the figures stated in the tables of agricultural statistics did not



relate to the entire geographical area of the districts. In some cases the district returns reported acreage figures which were even less than the figures reported for the areas covered by the Sub-Deputy Collectors' Circles in the circle abstracts. In the temporarily-settled districts the entire geographical area is not covered by Sub-Deputy Collectors' Circles. For example, the area under tea garden grants, the forest reserves, etc., are not included in the Sub-Deputy Collectors' circles. Therefore, the reports supplied by the Deputy Commissioners, based on Sub-Deputy Collectors' reports, cannot be the report of the total area under cultivation in the entire district of that Deputy Commissioner. This escaped notice; for example, it was found that while according to the Surveyor-General of India, the area of Kamrup, Darrang, Nowgong, Sibsagar, Lakhimpur and Cachar districts of the order of 13,079,000 acres, the area for which village papers exist is of the order of only 8,861,000 acres. That means, Sir, we have got village papers for an area which is less by 32 per cent of the total area in these districts the same being outside the jurisdiction of the Sub-Deputy Collectors. Naturally, the production in these areas were not taken into consideration.

Then, Sir, the district returns for compilation of tables of agricultural statistics submitted by the Deputy Commissioners were supposed to include information about area under crops which were grown in forest reserves, tea garden grants, etc. An attempt was made to check whether the information about crop average in these areas were also included in the district returns by obtaining the circle abstracts from the Sub-Deputy Collectors. A comparison of the two sets of figures, viz., as reported in the tables of agricultural statistics and as worked out from the circle abstracts showed a great divergence. For example, in 1954-55, it was reported in the tables of Agricultural statistics that Kamrup district had an acreage of 3,01,106 under autumn paddy and 5,89,235 under winter paddy. But the figures obtained by summing up the circle figures as per crop abstracts were 3,12,714 acres respectively. Thus the figures in the tables of Agricultural statistics were less by 11,608 acres and 41,113 acres respectively. Sir, to save time. I shall now give figures for two districts for the year 1954-55 which had been checked up. While according to the table of agricultural statistics, the area under crop in the Kamrup district was 9,70,377 acres, according to the circle abstract it was 11,63,182 acres. In the Sibsagar district, while, according to the table of agricultural statistics, the area under cultivation was 6,98,411 acres, according to the circle abstract it was 8,26,728 acres. In one case, the difference is 1,92,805 acres, and in the other the difference is 1,98,317 acres. As such Sir, when we deal with these figures or try to rely on them we have got to be very careful about them. But even from these figures, if one takes the average, he will find the average yearly production during the First Five Year Plan comes to 16.04 lakh tons as against the average of 16.58 lakh tons in the Second Plan period. This shows there was an increase to the tune of 54000 tons per year.

Sir, it was said that we had spent about 21 crores of rupees for Agriculture and allied subjects in the two plan periods, but there has been no corresponding return. My Friend, the Education Minister, referred to about the students in good old days who used to get more than 75 per cent marks in their Matriculation Examination. Although I was one of them, but I admit, I was bad in Mathematics. In spite of my poor Mathematics I have not been able to agree with Moulvi Umarruddin. I do not understand how this figure of Rs.21 crores as investment in agriculture was arrived at. Even if the entire expenditures on the Embankment and Drainage Department and



the various other allied Departments are taken together one do not come to that figure. Further Sir, it is not correct to consider, or conclude, that the entire flood control programme was utilised for the benefit of agriculture. For example, a substantial amount of money was spent for Dibrugarh and other town and village protection works like Palasbari, Sualkuchi, Jamuguri, even my friend's constituency Bilasipara town, Dhubri, Goalpara, Silchar, Karinganji, Nowgong, Nahorkatiya, Tarabari, Mangaldai, Bhajo, Sibsagar, Nazira, etc., and even the Jorhat waterworks protection. and setting up of a township at Mirza. If all these are to be passed on to agriculture. I am afraid, such calculation or such figure should be incorrect.

Then again, Sir, big amounts were spent for setting up of office buildings because the Embankment and Drainage Department had not got office buildings. Office buildings as well as residential quarters including huge messes here at Shillong for headquarters office buildings of the Embankment and Drainage were also included in the flood control programme budget. Then, Sir, quite a big amount of money was spent on investigation. Should we pass on all these expenditures to the agriculture? Sir, I can give many more concrete examples. I may cite here an extreme case. In the Second Plan, we were supposed to have spent Rupees 91.42 lakhs for major and medium irrigation. But did we spend a pie for such irrigation or could we irrigate one acre of land? Sir, the answer is 'No'. Sir, although this amount was put under the head major and medium irrigation, the entire amount of 91.42 lakhs was spent in collecting basic data. We have had no data for undertaking such irrigation projects. Hence the provision was spent for setting up of a River Research Institute and soil laboratory, for setting up administrative machinery for setting collection of hydrological and other minimum data. Therefore, one pie was not spent under the Second Plan period for the agriculture direct. Can anybody argue that since this amount was spent, therefore, there should be an immediate increase in production? This is about Embankment and Drainage Department. Coming to the Agriculture.....

**Shri MAHAMMAD UMARUDDIN (Dhubri):** Will the Minister be pleased to state the amount that has been spent on embankments?

**Shri M. MOINUL HAQUE CHOUDHURY (Minister, Agriculture):** I hope, Sir, if I am given enough time I will be able to give this and many more details. But I have been given a limited time. Coming to the Agriculture, the same is true. The bulk of the Plan allocation during the Second Plan had to be utilised for establishment of basic institutions in the State which did not exist before or which were not sufficient compared to the requirements of the Department and such expenditure which were of the nature of capital investments were not expected to have any immediate effect. For instance, Sir, the Agricultural College, the Extension Training Centres, Seed Multiplication Farms, Research Station, Fruit Preservation Factories, Agriculture workshops, etc. All had to be developed by spending a substantial portion of the Plan allocation. But their immediate effect could not be expected to be proportionate to the expenditure incurred in developing these institutions. Sir, this is not the experience here, but it is the experience all over the world that in the initial stages when basic institutions had got to be set up or expanded, the investment in agriculture did not come forward with immediate and proportionate return. We have got to wait for it particularly when there are various institutional and natural handicaps. Having these facts in mind we should draw conclusions. What



I am contesting is this, when we talk of big figures, we should not apt to forget all these things. When we talk of 21 crores of investment, and in fact. I was started day before yesterday to hear about this big sum of 21 crores invested in agriculture. We should not forget these facts. If such was the investment I would not have fought for money for agriculture. I think we have not put a very big amount for agricultural development in this State. Having kept these facts in mind, we have to consider whether the production in Assam had remained static or not. Sir, there is a very simple fact. In the year 1950-51, the production in the State was of the order of 13,67,000 tons. From 1950-51 to 1960-61 we have had added a population of 26 lakhs of people. Taking the average consumption and making a calculation by normal mathematical process, one finds that these 26 lakhs of people would require more than 4 lakhs tons of foodgrains. I have before me the figures of imports of foodgrains, whether it is wheat, flour or rice in the State of Assam. Sir, just on the eve of the Second Five Year Plan, that is in the year 1956-57, our import was of the order of 41,431 tons. After adding this 26 lakhs of people our average yearly import during the five years spreading over the Second Five Year Plan was of the order of 51,000 tons. How we are meeting the situation then? Is it not a miracle? We had only 10,000 tons more as import and as against it the food requirements for 26 lakhs of people was of the order of 4 lakhs tons. How we were meeting the problem of feeding these people if the production was static or, if there had been no increase in production? This is a simple question. Not an ounce of foodgrain in the State, it being in a different food Zone, is allowed or can be brought to the State without permit; Railway or Steamer will not book any foodgrain not covered by valid documents. Therefore, we have got the accounts and these accounts will show that in the Second Five Year Plan period, our average import annually was of the order of 51,000 tons and on the year prior to the Second Plan in the last year of the First Plan, our import was 41,000 tons. It was an increase by 10,000 tons a year. But, in the mean time, the population has increased very much and this had been the subject matter of a great number of speeches in this House. This increased population of 26 lakhs alone require more than 4 lakhs tons of foodgrain a year and we are feeding them. Therefore, to say that the agricultural production has remained static and that there has not been any increase in the production either per acreage or the total would not be correct proposition. However, I may say that the increase in food production is not proportionate to the unusual increase of the population in the State in this period. If the food production would not have increased substantially the State with this increase of population would have been in perpetual famine condition. We are marginal before the increase of this 26 lakhs of people and will continue to be so. But that does not mean that agriculture has not shown any progress; in fact, if agriculture would have remained the same in the State as it was before the Second Five Year Plan, how could or can we feed these 26 lakhs of new mouths? This fact we should not easily brush aside.

Sir, coming to the per acre average yield, I do not know how it could be said that the State had remained static in this respect.

**Shri DULAL CHANDRA BARUA (Jorhat):** I want to bring to the notice of the House that these replies are expected from the Finance Minister.

**Mr. SPEAKER:** He said that the reply should come from the mouth of the Finance Minister.



**Shri M. HAQUE CHOUDHURY** [Minister, Agriculture] : Sir, if the House is not interested in having replies from the Minister-in-charge they should not raise such details.

Sir, I do not know deriving knowledge from which source it was stated that the average production in Assam had not increased holding at the figures collected from Sample Survey and duly verified. I find that the yield per acre was of the order of 838 pounds in average during the First Plan period ; in the Second Plan, it has gone up to 872 pounds. Therefore, there is an increase and it does not compare unfavourably with the All-India figure. Sir, I have before me the year wise All-India figures of rice production from 1948-49 to 1959-60. In these ten years, the lowest was 596 pounds and the highest was 834 pounds per acre and these are less than those of Assam. In fact, Sir, very recently, while the package programme was inaugurated in Cachar District, the Minister for Agriculture of the Government of India Dr. Ram Subagh Singh said in his speech that Assam had got one of the highest yield of rice per acre (a voice) I am glad that my Friend is now admitting it. Sir, when it is found that their is increase in production it is not attributed to my credit, but when it is a question of decrease, the discredit is mine.

I have shown from the figures before me that our yield is higher than many other States. But, again I confess, we are not the highest in India. There are States which have got higher yield than our, e.g., the States of Madras or Andhra. But the reasons are obvious. Because larger areas of land compared to ours had been brought under irrigation. Therefore, they could show a substantial increase in production coupled with the fact that use of fertiliser is linked up with irrigation. My Friend, Md. Umaruddin was referring to certain figures of Orissa to say that Orissa had doubled their production in the meantime. Sir, again, my friend has based his argument on wrong figures as it is now admitted that the figures of production for the period from 1954-55 to 1958-59 showing their production as less as about 5 quintals per hectre was wrong. Therefore, when in the later years they had tied up their Statisticals data they had shown that their production was something between 8 to 9 quintals. As such, there was no question of doubting of production by Orissa.

The next point to which I would like to refer (Mr. Speaker—Your time is almost up is about the fertiliser. It is true Sir, that we started with a consumption of something like 5,000 tons and we reached a figure of 10,000 tons in 1958-59, and 9,000 tons 1959-60. Well thereafter, as you know, Sir, there had been very-bitter criticism in this House to the effect that the private dealers were indulging in black-marketting. We recognised that fact and we changed the system of distribution of fertiliser completely and entrusted the job of distribution to the Assam Apex Co-operative Marketing Society. Unfortunately, the Co-operative also failed, a fact which my friend Md. Umaruddin had also stated in course of his Budget speech. Therefore the distribution came to something like 2 thousand 4 hundred and 33 tons in 1960-61. However, since then, we were thinking to change the system of distribution. The private agents could not do a good job in the past the Co-operative institutions, because of their inherent weakness, also could not do any better. We therefore addressed ourselves to the task of removing these difficulties. In course of our examination, we found that the distribution margin allowed in the previous years was not commensurate with the high cost of storage and transport charges in Assam. After long



negotiations with the Government of India, the distribution margin has now been increased. We now hope that we will be able to set up a better organisation and we will be able to show some what better results in this respect.

Whatever may be the nature of the condemnation and criticism, I would like to say that because we have not been able to ensure irrigation or prevent flood our achievement is not as much as we desired or wanted it to be. But whatever increase in production is there that is largely to my mind due to the measures taken by the Government. But I am also not shutting my eyes to the various difficulties in the matter of organisation of the department. We are suffering from dearth of technically qualified people. A large number of our officers are technically unqualified, contrary to our expectation many of them even at the Directorate level have not come upto the mark. That is rather one of the disquieting aspects. But these difficulties are obvious in a situation like this, particularly in a backward State like Assam. Then Sir, the apathy of our people to use fertiliser and new methods is there. Had our people been keen to use fertiliser, fertiliser could not have been blackmarketted for use in tea plantation. A part from that, one fourth of our land is only under double cropping. Our people do work for only 158 days in a year. Forty three per cent of the families do not work in the slack season. 39 per cent of the families contribute one person to work in slack season. This is one of the weaknesses of our people. If we want to increase the agricultural production, we must be much more hard working than that. Then Sir, the system of ek sana patta in this State is also highly affecting the agricultural production. If I remember aright, more than one third of the settled land is under the system of annual patta. The annual patta lands cannot be sold, cannot be transferred, cannot be mortgaged; it is neither heritable nor transferable. The result is the agriculturists do or cannot invest his money on long term basis on such lands and as a result, no permanent improvement of such lands can be effected. Although we have taken a decision to convert these annual patta lands into periodic ones which is in conformity with the decision of the Planning Commission, the progress is exceedingly slow. As a result the production is suffering very much. Economic backwardness of the people is another cause which is also contributing to the backwardness of the agriculture in the State. A strong Cooperative movement is the only answer to this point. We have not been able to make our co-operative strong. I myself was the Co-operative Minister and I tried for five years to build the co-operatives on a strong footing. I confess, I could not be fully successful in my efforts. As I said repeatedly in this House, unless and until all of us take full interest in the building up of the co-operatives on a sound and strong footing, this will remain a dream for ever which will never be realised. What we lack in the co-operative institutions is the lack of right kind of leadership at the village level. Some how or other right type of people are not coming forward to take up the leadership in our co-operative endeavours and as a result of this, co-operatives have not yet been able to achieve any appreciable measure of success. These are some of the draw-backs of our agriculture.

**Mr. SPEAKER:** Your time is almost over.

**Shri M. MOINUL HAQUE CHOUDHURY (Minister, Agriculture):** Sir, the matters relating to Flood control and Embankment and Drainage have remained entirely untouched. Coming to this question of flood



control, I would say that flood is a very serious problem in this State. Inspite of what we have done so far with regard to this, I can't claim that we have solved the problem. As a result of the measures taken by us the flood has changed to cause somewhat to new areas thus changing the geography of the floods. In some places when some embankments are put up other areas in the opposite bank are completely submerged by floods. As a result of non-completion of our programme, on the one hand, our problem has remained unsolved and on the other hand, the desired result has not also been achieved to the full extent. The Finance Minister has rightly pointed out [in his Budget speech that in course of the last six or seven years, even before the last two devastating floods, we were losing at the rate of 450 lakhs of rupees per year in crop. That is the annual average of 450 lakhs in crop means. Sir, loss of 45 lakhs maunds in terms of paddy. That is the loss we are incurring before the last two floods. In the last two floods our loss was in the term of crores and not lakhs. In this background, one should examine the positions as it obtains now. Even in the Third Plan itself we have not given the requisite importance to flood control. Here the proposition is very simple. In the Second Plan our expenditure was of the order of Rs.4.23 crores. The Third Plan is of the size of one and half times the Second Plan. So, in normal course, the size of our 3rd flood control Plan should be  $1\frac{1}{2}$  times the provision of Second Plan even if no added importance is given to this programme. On that basis, Sir, our 3rd Plan should have been of the order of Rs.7 crores, but unfortunately, it is not so. It is of the order of only Rs.5 crores. Now, of this amount Rs.1 crore is allocated either for town protection works or investigation which cannot have a direct bearing on agricultural production. Of the remaining money, near Rs.2.45 crores are for corrective measures like providing sluice gates, raising and strengthening of the existing embankments and completing the incomplete schemes. In fact, unless these money are spent, possibly the results which were expected in the 2nd Plan cannot be achieved and therefore, it is possibly too early to talk of the money spent in the Second Plan as being spent without any return. Thus the Embankment and Drainage Department is left with Rs.1 crore 50 thousand for new services in a period of five years. If, against this background, my Hon'ble friends who have come forward with various demands for new works examine the matter, they will find a helpless situation. In course of deliberations in a meeting of the Technical Committee where Central Government technicians were present, we found that unless and until more than Rs.9 crores were given to us for the remaining period of the 3rd Plan of which Rs.3.2 crores for the next financial year, over and above the normal plan allocation, it would be difficult to complete the barest minimum of the incomplete schemes. Out of this Rs.3.2 crores i. e., the additional amount we demanded for the year 1963-64 we have been assured of only Rs.1.50 lakhs. But, Sir, in giving us Rs.1.5 crores (150 lakhs) another thing has been done. The demand for medium irrigation for the year was Rs.47 lakhs. It has been reduced by 42 lakhs of rupees. On one hand, additional Rs.150 lakhs has been given for flood control and on the other hand, Rs.47 lakhs which should be our normal allocation on the basis of the Plan has been reduced by Rs.47 lakhs. Virtually the State has been given Rs.108 lakhs and not 150 lakhs of rupees. This is the position. Sir, the State which was looking forward to improve its agricultural production by having some irrigation projects, particularly the Jamuna irrigation project, has received a big jolt and we have now to cry halt so far as Jamuna and other medium irrigation projects are concerned. We cannot take up the Jamuna project. Our hope to increase agricultural production by it will have to be given a good bye.



I will now try to reply to some of the points raised by the hon'ble Members. Shri Rathin Sen drew our attention to certain constructions made by Pakistan on the Kushiara river opposite Charakuri. I inspected last this area during this very session. Sir, we have advised our officers to carefully watch the development and the results therefrom.

My friend, Shri G. S. Roy thinks that we have not been fair to Cachar district. This, I think, is not a correct proposition. Shri Ramesh Chandra Barua reminded us of the Expert Committee's recommendation.....

**Shri SANTI RANJAN DAS GUPTA (Lumding):** Is the hon'ble Minister replying to the Budget Speech ?

**Mr. SPEAKER:** He is speaking on agriculture.

**Shri MOINUL HAQUE CHOUDHURY (Minister, Agriculture):** Shri Ramesh Chandra Barua referred to the Dibrugarh Protection Works and the recommendation of the Expert Committee. Sir, we have taken up the works of strengthening the Dibrugarh protection works in this financial year and the work is in progress.

My friend, Shri Tarapada Bhattacharjee referred to about the construction of Kakrakhal bund and stated that if there was a Subdivision, the work could be accelerated. I think there is no necessity of having a Subdivision there till the completion of the survey and investigation.

Shri Lakhya Nath Doley spoke about the training of the rivers Kakoi and Singara. These schemes did not receive priority and as such, they could not be included for want of money.

Shri Mathias Tudu referred to the Tamra Dingdinga scheme. It is under completion, only 20 per cent of the head work has to be completed. The public bund, two miles downstream of the head work was never closed by the department and the public has been assured of water supply.

My friend, Shri Umaruddin spoke about the need for strengthening the department. I do not know what he means by this. If his idea is to have more technical personnel or experts, I entirely agree with him. We do not say that we have very many experts but the difficulty is that in spite of requests Government of India have pleaded more or less inability in this respect.

Shri Bishnulal Upadhyaya referred to the Salongi bund and stated that while we would allow the Railways to construct an embankment on the east bank we should also insist upon them to have a bund on the other side as well. In fact, we have been insisting about it. Moulvi Abdul Momin Choudhury referred to about the Kochua project. This is under construction. Shri Tankeswar Chetia stated that without providing a drainage channel the sluice gate at Nazira would be useless. He felt that it would give no service to the people. Sir, our technical advice is otherwise. Shri Tilok Gogoi and also my friend, Shri Probin Sarma from Nalbari-East stated that embankment are not the ultimate solution. I entirely agree with them. Sir, in this connection I would refer to one case about which Shri Nanda Kishore Singh also referred to. To solve the flood problem we must take up construction of some retention dams in some rivers. We examined the case of Barak river. It has been found that the construction of a retention dam is to be undertaken.



with a view to control the river produce electricity and also have controlled navigation we will require an amount of Rs.15 crores at least. Sir, this is in the case of one river and we have many rivers in the State. Naturally, such a scheme for a number of rivers will cost a huge amount of money. I have indicated already that the State is hardly in a position to find out the requisite money. Flood is a very big headache in this State—it is the biggest problem and the size of the problem is so big that with the existing resources of the State, it is not possible to tackle it. Therefore, in my own opinion, Sir, this should be taken up in the Central sector as a central project. The Government of India should have a corporation for tackling this problem. They should invest money on a phased programme on it. What is the real solution of the problem nobody seems to be sure about it. At one stage, Government of India thought—in fact their man who is now Adviser to the Government of India for Flood Control, Shri B. S. Nag, was one of our Chief Engineers under whose Chief Engineership we executed a large number of embankments—embankments were the solution of the problem, now they say that it is not the solution. What is the solution then? My friend, Shri Tripathy, was saying something about dredging. Some of the people of Government of India reject that it is as not feasible. What is then the actual solution? Our feeling is and Sir, we are going to press the Government of India, that they should take the help of a really qualified foreign team of experts. They should investigate into our problems and come to certain conclusions quickly. And when conclusions are reached then for the benefit of the State, for establishing the agriculture in this frontier State, we should have a Centrally sponsored scheme, which should be executed with right earnest and speed.

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Planning and Development):** Sir, I was a little surprised to hear the Leader of the Opposition while protesting against the taxation measures that they will fight out, even outside, these measures. The other day the Communist Party of West Bengal have also decided to fight the elections on the issue of taxes. When the Communists of West Bengal, who were supporters of China, want to fight the taxation measures it is quite understandable, but when the P. S. P. Leader wants to fight on the measure of taxation.....

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** I did not say like that. I challenge the statement of the Hon. Minister.

**Shri KAMAKHYA PRASAD TRIPATHI:** Whatever the case may be all over the country, this year's taxation measures of both the Centre and the State have been fought not on the basis that no taxation should be levied but rather on the basis that this or that tax should be more proper than the other. This year, the fight has not been that poor people should not be taxed. Normally, the fight is that poor people should not be taxed, but the rich people should be taxed. But we are under going a war situation. In this situation, the poorest people, even the beggars came forward and handed over their collections to the Prime Minister so that the war can be fought. What was the reason? The reason of this was that such war cannot be fought only by taxing a few. Therefore, poor people also have to give and they also have to be taxed. This basic fact has been forgotten by the Hon. Leader of the Opposition. I have no doubt that this matter would be appreciated by the Opposition, that



in this situation the Opposition should not oppose the taxation measures or say that poor people should not pay tax, but should suggest what other taxations are better and that may be adopted. Whether we should tax Kerosene or salt? Naturally, we have decided Kerosene because salt is indispensable. In the case of Kerosene, one can burn less or can light less number of hours at night if it proves costly. But salt.....

(Voices)

My friends are smarting at my remarks, because, in discussion, they have gone out of focus.

(Voices)

That is not objectionable. It is not an unparliamentary statement.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** This is improper.

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries etc.):** They will realise that this year's taxation has been essential for the security of the country. They should not suggest that this is not justified. They may suggest other items for taxation. They cannot suggest this time that the poor people should not be taxed. It would be seen that we have taxed according to our socialistic pattern, i. e. to tax the rich more than the poor. We have carried out surveys and found out that of the taxation nearly 53 per cent is on the higher slab which has an income of Rs.15,000 or more. (It is not my calculation, it is the calculation of the Director of Statistics)

(Voices)

What calculations my friends have? They have no calculations. Therefore, what I say, Sir, in the matter of taxation, we have followed the right Policy that rich should be taxed more and the poor should be taxed less. We divided the groups into four categories. The first category is those whose income is below 15,000 per year and the second category whose income is between 1,500 and 6,000, the third category is whose income is between 6,000 and 15,000 and the fourth category is whose income be above 15,000. Now our State taxes on this highest slab is, 53 per cent and the new tax is 62 per cent on the higher slab. This is what we have calculated.

**Shri DULAL CHANDRA BARUA (Jorhat):** Why does not he confine his statement to industries? We would like to hear these things from the Hon. Finance Minister.

**Shri KAMAKHYA PRASAD TRIPATHI:** Therefore, Sir, it would be seen that we have followed our principle that we have taxed the rich more than the poor less. Now, Sir, coming to the cost of living index, we have carried out a survey in this regard also. People who have an income of Rs.100, who have an income of Rs.150, who have an income of Rs.300, and who have an income of Rs.800. It shows that the



impact of taxation was, at the lowest level—7 per cent second category with income of 150—5. per cent third category with income of Rs.300—2.5 per cent and the fourth category with income Rs.800—3.5 to per cent.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** What my submission is that we have decided to extend the sitting of the House for longer hours to give more time to the Finance Minister to enable him to reply to our objections. Then why should the Industries Minister has come forward defend the Finance Minister.

(Voice—What is the harm)

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries):** We have heard the Hon. Member for one hour. He should have some patience to hear me too. The Hon. Members were saying that the taxation is very high. But my friend, Mr. Umaruddin has said that in the present situation the taxation measure is not high. It was said by one Member that the *per capita* taxation is Rs.44. He made a confusion between revenue and taxation. The *per capita* taxation is not Rs. 44, the *per capita* expenditure is Rs.44. The *per capita* taxation is Rs.19. Now, if the *per capita* taxation is Rs.19 and the expenditure is Rs.44, the balance is obviously from the Central Government contribution. So the balance of Rs.25 (Rs.44-19) we are getting from outside. We are getting this contribution from the Central Government. My Hon. friend, the Leader of the Opposition, has remarked that you are running so many times to Delhi, but you are not getting anything.

(Voices)

Now, I am pointing out facts. The Hon. Member makes an allegation. He should have patience to hear facts.

**Shri DULAL CHANDRA BARUA (Jorhat):** Those are your facts.

**Shri KAMAKHYA PRASAD TRIPATHI:** I am quoting the figures to prove that our going to Delhi has not been unfruitful. (.....).

Now, take for instance, the 51 crores budget. Out of this budget figure only Rs. 25.45 crores is coming from taxes. Where comes the balance from? I ask the hon. Members. They do not know. Therefore, this sort of blank discussion is hardly useful.

**Shri DULAL CHANDRA BARUA:** The hon. Minister is also making blank discussion.

**Shri KAMAKHYA PRASAD TRIPATHI:** I have now pointed out to the hon. Members that they should have some patience to hear the other sides view. Sir, I was surprised that the hon. Leader of the opposition should loose himself and use a word against the Industries Department which generally is not used. If some back-benchers use it, I do not mind, but such a thing is not expected from the Leader of the Opposition.....



**Shri DEV KANT BOROOAH (Minister, Education):** And the future Chief Minister.

**Shri KAMAKHYA PRASAD TRIPATHI:** The hon. Members should have restraint in their speeches.

**Shri SANTI RANJAN DAS GUPTA (Lumding):** When the hon. Minister said back benchers, did he mean us ?

**Shri KAMAKHYA PRASAD TRIPATHI:** Back-bencher means new-comers. I hope, Sir, the hon. Members while discussing in this House would use balance words so that they are not capable of different interpretations.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** But this should be shown by the senior Members.

**Shri KAMAKHYA PRASAD TRIPATHI:** Sir, the hon Member talked about Kopili project. I do not know why the hon. Member is sordid. I cannot advance the project unless the investigation is complete. The investigation has been carried on by the C. W. P. C. It is a Central Government organisation. They submitted the project report last year but they have now discovered certain faults in the dam site. Now what to do ? Does the hon. Member suggest that inspite of that faults we should undertake construction straight way ? Sir, it is a 70 crores project. Sir, you know what happened in Poona. When the dam broke and whole country-side was flooded. What happened in Bhakra ? The dam on one side was threatened. Then an international expert was brought and the expert suggested certain corrective measures and then the dam was saved. Therefore, Sir, the project report must be ready. First, it is to be decided whether the dam should be a cement or a rock filled dam. On this question we want expert opinion. Therefore, our Electricity Board has set up a Committee to go into this matter. The Committee consists of Mr. Chopra, Chairman, C. W. P. C., Mr. B. S. Nag, Adviser, Planning Commission, Mr. C. L. Handa, Member, C. W. P. C., Mr. N. Nichel, an International Expert, Mr. B. Cook, another International Expert and Mr. S. P. Choudhury, Chief Engineer of our Board. Now, this body would go into this question and advise what kind of dam it should be, and on that basis the project report would be finalised. Therefore, there is no point in blaming us again and again why we are not taking up Kopili Project.

**Shri LAKSHMI PRASAD GOSWAMI: (Laharighat):** But you have not mentioned anything about it. ?

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries, etc.):** How can I mention when I know that this is not going to be taken up this year ? We have provided funds for the purpose of investigation and investigation is carried on even to-day. We went to the Government of India and asked for a sum of Rs.2½ crores for meeting the preliminary expenditure, but the Government of India said 'until the project report is finalised, you should not spend anything except for investigation. Therefore, Sir, it should be realised that the Government is very earnest about it because, there is no other scheme with us which has reached the stage of maturity. If



we do not undertake this scheme then there will be terrible power famine in the Fifth Five Year Plan just as there was terrible power famine till to-day when there was no adequate electricity scheme undertaken in the State. That would be the condition if we do not take up the Kopili Project. So, we are earnest about it and there should be no suspicion that the State Government is not earnest about it. It should be realised that we are keen about it and as soon as the project report is finalised it would be undertaken.

Then Sir, another highly respected hon. Member, Shri Omeo Kumar Das, has raised a question about the Electricity Board and the Umtingar project in this House in spite of the fact that the Chief Minister replied to it exhaustively. Sir, what is the idea in pursuing this matter is not clear to me. We are blamed for having given up the Umtingar Project. It is not the Electricity Board which is responsible for giving up this project. I take the responsibility for having given up the Umtingar Project. It is not the Board but the Minister and the Government who are responsible for it. I said that the Umtingar Project should be given up. After hearing the hon. Member I looked into the matter and I am not sorry for having given up this project, because it was not an economic project.

**Shri SANTI RANJAN DAS GUPTA (Lumding)**: Is the Hon. Minister replying to the debate on the Governor's Address?

**Mr. SPEAKER**: Order, order. The hon. Members can interrupt any speaker only on two grounds, first, on a point of order and second, on a personal explanation. Except on these two grounds, no hon. Member should interrupt or interfere with the speeches of other hon. Members.

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries, etc.)**: Sir, the Umtingar project was a 6,000 K. W. project.

It was chiefly meant for the cement factory at Cherrapunji. But the cement factory did not come into being. If the Umtingar Project had been undertaken it would have come up without the cement factory and consumption would have been the problem. So, we gave it up and took up Umiam Hydel Project. We discussed with the Central Government about Umiam Hydel Project and got their approval. But did we actually lose 6,000 K.W. by giving up Umtingar? No. We got the Planning Commission to agree to sanction 6,000 K.W. for being set up by the Refinery themselves. It will be remembered that Assam Chief Minister Sri. Medhi had promised that the State would provide electricity if the Refinery was set up in Assam. The refinery according has set up 6,000 K.W. from Rumanian Credit. So, we did not lose 6,000 K.W. from Assam. On the top of it we got Umiam Project in the bargain. It is a 36,000 K.W. project. It was sanctioned in the middle of the Second Plan. That was a credit to us and Board. The Umtingar had been put by the Planning Commission for want of foreign exchange in second priority. They agreed to give Umiam first priority. It was good for the State. Thus in place of losing 6,000 K.W. we gained about 36,000 K.W. plus 6,000 K.W. by mere bargaining. So I say that it is absolutely wrong to say that we have lost anything. We want more power for our industries. We have already put in further sets with a capacity of over 10,000 K.Ws.

**Shri SANTI RANJAN DAS GUPTA (Lumding)**: I think these are all Diesel Plants?



**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries):**  
Yes, these are all diesel plants.

Now sir, coming to the question of cost I would like to say that it was estimated that the cost of production for Umtingar would be very high. It was to be about one anna six pies, and if transmission to Gauhati was taken into account, the cost would be 14.56 nP. So, obviously, it is not economic to industrial enterprises. Therefore, relinquishing the project of Umtingar is justified.

Great power shortage is indicated in the State. For example, each paper pulp and Rayon Units will require over 6,000 K.W. Graphitization Plant at Gauhati will, I think, require 36,000 K.W. or so. Textile Mills at Gauhati and Charduar will require nearly 1,000 K.W. So, large scale power planning was necessary, in fact we were already late in the day for this purpose. Once the Umiam generates power, our industrial developments will commence.

So, sir, I am sorry to hear that Sri Omeo K. Das being disappointed at the Electricity Board for not maturing production of electricity of Umiam or Namrup. But it should be known to the Hon. Member that the target date for both is June 1964. How can then Sri Das be disappointed before that date for failure? Even the toy scheme Umtru took 5 years. How then can he think that Umiam can mature earlier than even 4 years when it is to produce 4 times the electricity of Umtru? I donot know who are his advisers. He could have discussed with me first about his information. He is my respected senior. He has merely to send for me and I shall come. It is a dangerous thing to take information third hand. Therefore, I request all the honourable Members that if in future any information is desired by any Hon'ble member, he should approach me directly and I shall be too glad to apprise him of each and every information regarding this Hydel Project. For the information of the Hon'ble member, in this connection, I would like to say that C.W.P.C., who is expert in the line, have very good opinion of the Electricity Board and they are of the opinion that Umiam Project is the fastest going scheme in India.

**Shri OMEO KUMAR DAS (Dhekiajuli):** On a point of information, sir, my point was not against the Umiam Project.....

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries etc)**  
Sir, the Umiam Project was not taken at the beginning of the 2nd Plan but it was taken only in the middle of the 2nd Plan. It was inaugurated in 1960. I make bold to say that one of the wisest thing the Assam Government has done was to exchange Umiam for Umtingar. C.W.P.C. people now appreciates the speed at which the work in the project is going on. Some time back the then Deputy Minister of Government of India, Sri S. Chanda visited Barpani. He appreciated our work. He later on came to Shillong and expressed surprise that in Assam there was also little spirit of appreciation and that an ex-Minister had nothing to say in appreciation of this fast moving project except to say that there were two Chief Engineers.



How many electricity boards in India have been able to complete 5 years expenditure in 3 years? Sir, Shri Dhebar told me that when he was the Chief Minister of Sourashtra he was given 21 crores for the 1st plan and he got a promise from the Planning Commission that if any other State did not spend its money then that money would be diverted to other States including his State if he fulfilled his plan earlier and he ended his plan with 42 crores. Assam Government wanted 42 crores for the first plan but when it finished it could spend less than 21 crores which was provided for the Plan. Now Electricity Board has spent 5 years provision in 3 years. Is it not Creditable. But there is not a single word of appreciation for this Board. Is it rational Sir, not to be kind? The hon. Member who does not speak a single word of appreciation. I have no doubt that while their criticisms are welcome they should not forget the good points. Criticisms in democracy must not only mean denunciation but also appreciation. With appreciation and denunciation democracy thrives. So, Sir, I am praying for a little appreciation. I hope for it. There is nothing personal about it. After all, the Electricity Board is doing very good work, and from that point of view it deserves appreciation.

A reference was made about Shri Gupta. He was the Chief Engineer of the Punjab Electricity Board which deals with lakhs of k.w.s whereas for our whole State of Assam we generate only 85,000 kwt. We invited the Chief Engineer from the Punjab who is dealing with lakhs of k.w.s to see if there is anything wrong in our planning. Was it wrong? Secondly, there were also inclusion of Chief Engineer of the Board in the Board itself, it is not new. Andhra, Rajasthan, Madhya Pradesh, Bihar, Mysore, West Bengal, Gujrat and Orissa Electricity Boards also have the same set up. Sir, are these States unwise that they have this set up? Therefore, Sir, how can we say that the set up of our Electricity Board is wrong? It is not wise to say so.

Of course, we are not going to say that we are not wrong anywhere. There may be some difference of opinion but that difference of opinion cannot be the sole ground that our Electricity Board should not be appreciated.

Now Sir, coming to Umiyam Project, when it was first taken up, it was to generate 27,000 K.W. and after it was taken over by the Board that capacity has been raised to 36,000 K.W. This shows that its capacity has gone up after the Board took up the project. Its capacity has increased by 33 percent. Besides excavation work, diameter of the tunnel height of the dam all have increased.

Sir, to expect to complete the work before the target date of June, 1964, will be wrong. The target is in June, 1964. I hope Hon. members will bear with me when I say that we should hold patience to see the completion of the work in 1964. I have decided to invite Hon. member of this House to visit the Umiyam dam on the 31st of this month so that they may have a look at it and form their own opinion and to satisfy themselves how far we are making progress. I would like to mention that tenders for the contract for construction of the project was called on both conditions (i) that power will be provided by the Board (ii) the contractor



will provide his own power. After giving the contract we found that foreign exchange had become very scarce and if we permitted then we thought that if the contractors to have his own powers he will become the owner of the generating sets together with foreign exchange and later on when we wanted the set after the completion of the dam we would not be able to get it. Foreign exchange was not likely to improve. So, we decided to sit up ourselves. We have thus been able to give power to other contractors also besides selling 450 K.W. to Shillong Hydro Electric Co. I think, it was a correct decision of the Board.

Sir, Shri Dulal Barua raised a question that some international expert came and criticised the issue of raw materials. I do not know where from he has got this report. I have looked for such a report and did not get such a criticism. No such point has been raised anywhere.

Then Sir, there was a question of Meter Factory. My friend takes great pleasure in saying that this industry has failed. Now Sir, our Meters are assembled Meters. It is true that we want to produce Meters and for that we have entered into a collaboration agreement. But for machinery we require foreign exchange. Our Chief Minister has himself taken up the matter for foreign exchange with Government of India. So far we have not got it. That does not mean that the Meter Factory will be closed. (A voice : It has gone down). The Hon'ble Member seems to find an unhealthy pleasure in seeing our industry has failed as if he belonged to some enemy country. It is not good to give such expression. There will be appreciation when the industry develops. Industry takes time to grow. My friend is ignorant about this industry. Any way, Sir, we are trying very hard to get foreign exchange and when we get it we will go to produce meters.

In anticipation that we might not get foreign exchange, we should not start industries at all, such a suggestion would be wrong for any State. Every member should realise what difficulties we have to face to establish an industry in our State. No industry is going to be easy in Assam we have to fight every inch of our way before an industry is located in Assam.

Now about the Meters, where from the Hon'ble Members got information that our produced Meters are selling at Rs.50 when others are selling it at Rs.40 ? I have verified that G.E.C. Meters are selling at Rs.48.50 nP.

**Shri DULAL CHANDRA BARUA (Jorhat):** Sir, on a point of information. May I ask the Hon'ble Minister that whether it is a fact that he was out of station when the Experts came and the department did not inform the Minister about this.

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries, etc):** Sir, I had a long discussion about the industrial development of Assam including everything with the international team. So, at that time there was no criticism about the type the hon. Member mentioned.

Sir, G.E.C. Meters are selling at Rs.48.50 nP. Rampho Meters are selling at Rs.48.50 nP, Joypur Meters are selling at Rs.46.75 nP and Halves Meters are selling at Rs.48.50 nP. Sir, this is the Calcutta price and then



the cost of insurance and freight are there. So, my point is that if we are selling the Meters at Rs.50 or Rs.55 where is the injustice? Sir, you know that we have made a decision, so far as Assam Industries are concerned they would be given a price preference of 7 per cent. All these methods have been introduced everywhere also so as to develop their industries. Sir, from all these facts, I think, the hon. Members would realise that we are earnestly doing what we can do, to make our State industrially developed.

**Mr. SPEAKER :** Mr. Tripathi, you have got only 7 minutes more.

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries etc.):** So, Sir our whole idea is to bring down the price, when we go into production, to Rs.35 only. Now we are assembling the parts only. But when we will produce the parts also in the factory our production will be 10,000 meters per month. Now our production is only 11,000 meters per year. So, naturally the price is high now. Yet we are competing with other producers.

Sir, another thing I want to point out. The honourable Member said that we are forcing people to use our meters and thereby compelling them to pay more price. Sir, I may tell the honourable members that we are not forcing the people to buy our meters and we have not made any law for the purpose.

Then again, Sir, a question was raised by honourable Member, Shri Das about furnace oil for thermal plant. We have taken up this matter with the Government of India, as well with the Oil Refinery and Indian Oil Company. We have offered Rs 85 per ton. But they have asked for Rs.130. So, we have given them to understand that unless they agree to our price we are not interested. If they succeed in bringing down the price then we would produce cheap fuel oil accept and set up a thermal plant based on furnace oil at Gauhati with a capacity of 30,000 K.W. But it would be adequate only for 30,000 K.W. Now, where from my friend, Leader of the opposition got the information that Garo Hills Project is going to fail I do not know. It is a fact that no well developed road is there. But, for that, to say that Garo Hills project is a failure is almost sadistic. It is a reflection on the project, not a reflection of the absence of road. It may be said that due to communication difficulties the project may be delayed. In debate proper phrase should be used. Anyhow, I am not here to teach him language; I am not a professor here.

Garo Hills Project starts with 5,000 K.W. and goes upto 60,000 K.W. In the Fourth Plan it would be expanded to 2,00,000 K.W. For 4th Plan, expansion of Garo Hills project is the only thing available there Garo Hills project is a must for us. I may inform Shri Das that coal mining is not going to be taken up by Electricity Board. This is being given to the N.C.D.C. When they will take charge of mining we will get the coal and produce electricity.



**Shri OMEO KUMAR DAS (Dhekiajuli):** I asked whether Government want to do mining themselves and my advice was a caution only.

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries, etc.):** Previously we thought of doing it ourselves. Then we revised the decision, in that, we have already asked N.C.D.C. to do it.

**Mr. SPEAKER:** Have you concluded ?

**Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries etc.):** Sir, I have concluded, but I do not know, whether I have been able to convince the hon. Members.

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** Sir, Speaker, Sir, the discussion on the Budget is nearing conclusion. During the last 5 days as many as 50 hon. Members have taken part in the discussion lasting nearly 20 hours excluding the time taken by my colleagues this morning and afternoon.

Sir, I am grateful to all the hon. Members for taking keen interest in the discussion, giving their suggestions, offering their criticisms and in placing their own views. I have welcomed all these criticisms and suggestions because in a democracy it is necessary that before decisions are taken, there should be free and frank exchange of views all among the persons concerned and full consideration of the pros and cons of all the proposals placed in the interest of the State or of a particular area. I do not consider myself as infallible nor do I consider the decisions so be sacrosanct as not to be altered if the changed circumstances and other compelling reasons demand for revision, change or modification. Therefore, I welcome the discussion in the House hoping that such suggestions will be given by the hon. Members as will benefit our State and enable us to improve upon after their advice and suggestions. Sir, I would request the hon. Members to have the same kind of approach in considering what we have to say in reply. The Government feels that such an approach is a necessity particularly for the development of our State.

I would, for the present, leave this aspect and come to the various points raised by the hon. Members in the course of the discussion. Sir, it has been said that, on account of the existing financial condition of the State, it was not necessary to go for taxation. Sir, once again I would like to acquaint the hon. Members with the present financial position in order to disabuse them of this impression. The hon. Members may have seen that for the next financial year receipts under Revenue Account are estimated at Rs.51,25,60 lakhs and the expenditure on Revenue Account is estimated at Rs.50,96,61 lakhs. On the side of the Revenue Account, thus there will be a surplus of Rs.28.99 lakhs. Then again under Capital Receipts, it has been estimate that the Receipt would be of the order of Rs.3,218.85 lakhs and the expenditure under capital receipt will be Rs 3,18.17 lakhs thus yielding a surplus under capital head of about 70.63 lakhs. The receipts under the Public Account are estimated at Rs.1,33,14,41 and the expenditure on Public Account is estimated at Rs 1,32,65,59 giving a surplus, under this head, of Rs.48,82 lakhs. So, outside the Revenue Account, a surplus of Rs.119.50 lakhs is estimated. If we add to it the surplus from the Revenue Account, it is estimated that the next financial year will end with a total surplus of



Rs.148.49 lakhs. But unfortunately, the position is not as rosy because we have to start the next financial year with a deficit opening balance of Rs.437.85 lakhs. If we take this deficit opening balance into consideration even the surplus shown under different heads would not cover ultimate deficit and the year 1963-64 is estimated to close with a deficit closing balance of Rs.127.36 lakhs. That would be the position at the end of the year. The figures I have placed before the House include receipts from additional taxation proposals which are estimated to yield Rs.162 lakhs. The year will thus close with a deficit closing balance of Rs.1.27 crores.

Sir, I have already pointed out that it was not desirable to close the year with a perpetual deficit closing balance. The hon. Members may also have seen the news items in the *Statesman* of the 14th March 1963 under the captions "Trim Expenses or Expand Earnings" and "Desai's Instructions to States"; I shall read it which is as follows:— "Once again Mr. Morarji Desai is reported to have enjoined on the State Government to live within their means and not to rely on financial support from the Centre to make both ends meet. The Union Finance Minister is believed to have made it clear that unless the States learnt either to trim their expenses or expand their earnings, he would be reluctantly constrained to direct the Reserve Bank to discontinue the overdrafts to them."

I would like the hon. Members to realise that, in view of the difficulties faced by the Central Government itself and in view of warning contained in the quoted news item not to have over drawn accounts with Reserve Bank, it is essential that we should try to do away with the chronic deficit closing balances as early as possible. This necessity, apart from the needs to provide funds for developmental programme one and to meet requirements arising from national emergency has compelled me to put forward a new taxation proposals before this House. These proposals are to be considered essentially having regard to the defence and development requirements. The Central Government, due to their own difficulty of finding fund to meet the defence requirement can not perhaps permit the the State Governments to keep continuous over draft accounts with the Reserve Bank. This is one aspect which I would like the hon. Members to bear in mind. The other point which I would like the hon. Members to realise and remember is that under the Third Five Year Plan we have been given an allocation of Rs. 120 crores. Out of this 120 crores, the Government of India's contribution would be Rs.87 crores and the balance of Rs.33 crores of rupees will have to be contributed by us to be entitled to Central contribution. In the year 1961-62 an outlay of Rs. 17.40 crores of which Rs. 12.50 crores was Central contribution and Rs. 4.90 crores was contribution from the States resources was approved by the planning commission. For 1962-63 the total outlay originally approved was Rs. 20.40 crores. Out of this, the Central contribution was Rs. 14.40 crores and Rs 6 crores were contributed by the State. Though originally a plan outlay of Rs. 20.4 crores was sanctioned, in fact, the programmes with an outlay of Rs. 25.79 crores, in the process of being implemented. It would thus appear that so far as the Central Government is concerned, they have hitherto been contributing their due share towards the outlay of the plan. For the coming year 1963-64, an outlay of Rs. 20.3 crores was first suggested of which the Centre had agreed to contribute Rs. 14.3 crores and the balance of Rs. 6 crores was accepted as the State's contribution out of its resources. The hon. Members should realise the necessity of finding this 6 crores of rupees for our next year's annual plan.



We had to satisfy the Planning Commission that it would be possible for us to provide six crores of Rupees out of resources in order to get Central assistance of Rs.14.30 crores from the Government of India. This six crores comprises of 3 crores of rupees to be raised by Public Loan either the surplus between the next year's receipts and expenditure under revenue account and 75 lakhs of rupees to be raised by additional taxation.

Thus the committed resources of 6 crores of rupees for the next year's plan outlay include Rs. 75 lakhs which we have to raise by fresh taxation. Since it would not be possible for the State to undertake within the total outlay of Rs 20.3 crores all the schemes essential for the development of the State our Planning Minister and myself in consultation with all the Departments concerned approached the Planning Commission for outlay in addition to Rs. 20.3 crores originally proposed. We asked for an additional allocation of Rs.12 crores. This demand was repeatedly pressed before the Central Government as well as the Planning Commission. After a prolonged discussion, covering two or three visits both by me and my colleagues, the Chief Minister and the Industries Minister, to Delhi, we were able to persuade the Planning Commission and the Government of India to agree at least to additional allocation of Rs.9.50 crores. But this additional outlay has been agreed to by the Planning Commission and Government of India subject to the condition that at least the State Government must also bear burden by contributing the minimum of Rs. 75 lakhs through additional taxation and thus increasing our resources by Rs.75 lakhs over and above the originally committed contribution of Rs.6 crores. The Planning Commission has agreed to additional Rs. 9½ crores subject to our finding Rs.75 lakhs for this additional outlay. Therefore, we are committed both under originally accepted contribution and towards the additional outlay to raise by additional taxation an amount of Rs. 1½ crores.

Therefore, I would pose before the hon. Members this simple question :— Whether we should cry halt in respect of expenditure essential for the development of the State and thus drop proposal for taxation or we should go on with schemes for development for which expenditure as also for expenditure necessary under National Emergency resources will have to be raised by affecting economy by loan and by taxation. Now, in order to have an outlay of Rs.29½ crores it is essential that apart from the contribution from Central, we have to find resources to fulfil State's obligation. There is no other way through which we can increase required resources except by additional taxation to the extent of Rs.1½ crores. So, apart from the fact that we have to cover the gap of deficit by the end of the year to the extent of 1.27 crores, we are committed to find through additional taxation a sum of Rs. 1½ crores. Then many hon. Members have stated that I ought to have waited to assess the impact of increase in Central taxes and the excise duties before making my taxation proposal. I have been accused of being in a hurry in placing taxation proposal before this House. I should like to clear the doubts and misconceptions of those who think that my action was hasty or that the taxation proposals are not at present justified. There is as I have already indicated a gap of Rs.1.27 crores to be covered by the end of next financial year. It is doubtful if additional receipts from Government of India on account of their increase in taxes and Excise duties will cover this gap. It has not been possible for me to assess the additional receipts to which we shall be entitled to, but I would like the hon. Members to remember that our State has small population as compared to most of the States.



The Central Excise duties and taxes, etc. are distributed from divisible pool among the States on the population basis and on that basis we are entitled to get only 4.27 per cent of the divisible pool. While I cannot give the exact figures, I feel that the additional income which is likely to accrue to us in the coming year on account of increasing Excise duty and income-tax, will not even be sufficient to cover the deficit of Rs.1.27 crores left uncovered.

Secondly, I would also like the hon. Members to remember that a Pay Committee has been appointed. I do not know what will be the financial impact of the recommendation to be made by Committee. The last Pay Committee in 1956 made recommendation, so far as I remember resulting in an additional expenditure of over 125 crores. Since we have constituted the pay Committee, the Government will have to give due consideration to the recommendations made by it. We have, therefore, to keep in mind the additional liability likely to result from the recommendation of the Pay Committee.

Thirdly, as I have also referred in my Budget speech it has been my misfortune as the Finance Minister to be faced every year with loss resulting from natural calamities or such other factors. We had to incur a heavy unforeseen expenditure on these account of two to three crores of rupees every year. These facts have to be taken into consideration. Further, since the Prime Minister has already warned us of the likelihood of trouble all around us; we cannot lose sight of this fact. If by God's wish there is no flood and we are not affected by any calamities, perhaps, we may close the coming year in a better financial position. But we cannot ignore the fact that, on account of the Chinese massive preparation and Pakistan attitude, we may have to incur additional expenditure to what has been provided in the budget at this time of National Emergency on security measures. Taking all these facts into consideration, there is no other alternative but to breach the existing deficit financial gap. I would not like to conceal from the House the fact that had it not been for the bad year on account of the floods, perhaps I would have come forward with more drastic proposals for taxation. But, having regard to the fact that our people have been suffering from the after effects of two successive floods, I have avoided such measures as would put an unbearable burden on our people. It is only for this reasons that I have placed before about Rs.1.62 crores through additional taxation. I hope, Sir, that, after this detailed clarification, the hon. Members will agree that there is ample justification for the Government and for me to place the proposals for additional taxation. Now, Sir, it has been said, at least by some of the hon. Members have criticised that there is very heavy burden of taxation on the poor people, and for that reason they want to oppose the the taxation measures.

In fact, I was satisfied with the trend of discussion in the House, because, barring a few Members, by and large, the other Members have supported the taxation proposals. Only this morning I was rather a little taken a back when I heard a very stringent and unkind criticism, with a note of warning, from the hon. Leader of the opposition. He said that the taxation proposals were going to be opposed by him. (Shri Lakshmi Prasad Goswami: On the floor of the House only) Sir, very naturally, no taxation proposals are liked by the people. Therefore, I can well understand the



the opposition to any taxation proposals. But I hope, after the necessity, and reasonableness of these taxation proposals are fully clarified by me to the House the hon. Members, particularly my friend, the Leader of Opposition will change his attitude. I shall try to clear all the doubts and fear, entertained by them. I hope, he too will revise his present attitude and extend his whole hearted support to these measures. I am fully convinced that they are not only vital for raising resources for the development of our State but also to meet the present emergency.

Now, first of all, I would like to deal with criticism that these taxation proposals would put heavy burden on the poor people. Sir, I have no doubt that the enhanced rate on agricultural income tax will not affect at all the poor people. So far as the increase in the vehicles taxation are concerned, I concede that they will effect all classes of people including to a certain extent poor people. I propose to give the exact impact of such tax later on. Then a tax is proposed to be levied on immovable property in town areas. If we have such poor persons as have property of rental value of Rs.1,000 per year, in view of the circumstances now prevailing in the country, I would not hesitate to take away from them Rs.30 per year. I do not think such a person can be called poor. I would like to say that he should not grudge to pay a portion of this to provide for better amenities in the town.

Now, coming to the increase in the rate of sales tax on luxury goods, let us examine the items on which the rate of sales tax is proposed to be enhanced? These are the items on which the rate is proposed to be raised to 10 per cent from the existing rate of 7 per cent.

Motor vehicles, motor cycles, wireless sets, fountain pens, torch lights watches and clocks, gramophones and radiograms including spare parts and accessories, photographic and other cameras and enlargers, lenses, films and plates, bulbs and batteries for torch lights, perfumes and cosmetics other than hair-oils and toilet soaps, electroplated articles and wares in articles plated with gold and silver, ivory articles and articles inlaid with gold, etc., etc.

These are the 20 items on which in place of the existing rate of sales tax of 7 per cent, we propose to increase the rate to 11 per cent.

The stamp duty is proposed to be increased to bring at par with other States. I do not see how poor people can be affected by this increase. Those who can afford to pay for purchases of stamps for purpose of registration of deeds, etc. Surely can afford to pay a little more.

As regards the increase in Excise Duty on country made liquor, I have on the other hand, been urged by some hon. Members that should be still further increased.

Coming to the tax on the Kerosene Oil, an item which has come in for a good deal of criticism, I maintain, it will not put heavy burden on poor people.

I shall first give some figures to show the justification and reasonableness of the taxation proposal. Our national income, at current prices, is



1950-51 was Rs.254 crores. It has risen to Rs.385 crores in 1961-62. The *per capita* income at current prices, has increased from Rs.290.7 in 1950-51 to Rs.319.1 in 1961-62.

What I want the hon. Members to bear in mind is that it is pertinent to take into consideration the increase in the national income from 1950-51 to 1960-61 while examining whether increase in taxes is justified and reasonable. The State taxation as percentage of State National income in Assam is only about 3.6 per cent. Even including Central taxes the total tax Revenue collected in Assam forms about 9.4 per cent of State National income. This may be compared with India's 8.9 per cent of National income in 1960-61 which is proposed to be stepped up further to about 11.5 per cent by about the end of Third Plan. In our State, in the current year, State tax was only 3.6 per cent of the State National income and in the next year, it will be 4.5 per cent. Let us compare this position with other countries. In the highly developed countries the tax revenue as percentage of National income is follows:—

United Kingdom	...	...	...	...	37.1,
United States of America	...	...	...	...	29.3,
France	...	...	...	...	28.1,
Sweden	...	...	...	...	33.3,
New Zealand	...	...	...	...	32.2,
Italy	...	...	...	...	23.5,

Even in the under-developed countries, I may point out that tax Revenue as percentage of National income is much higher as compared to India and Assam as can be seen from the following figures of some of the under developed countries some of which are more backward than our country.—

British guinea	...	...	...	...	17.7,
Ceylon	...	...	...	...	19.4,
Jamaica	...	...	...	...	13.3,
Colombia	...	...	...	...	12.9,
Tanganika	...	...	...	...	12.2,
Uganda	...	...	...	...	17.1,

The Planning Commission has recommended that tax Revenue as percentage of National income should be stepped up to 11.5 but State tax imposed as percentage of Assam National income as pointed out will be only about 4.6 by the end of next year. It is much below the percentage in the under developed countries like Uganda, Ceylon, Jamaica, and Tanganika, etc. Therefore, the contention that our people are burdened with heavy taxation not found elsewhere is not borne out by these figures and fact.



**Shri SANTIRANJAN DASGUPTA (Lumding):** Is it on the basis of National Income or certain other prices?

**Shri FAKHRUDDIN ALI AHMED:** It is on the basis of National income at current prices.

**Shri SANTIRANJAN DASGUPTA:** What is the percentage on the basis of population?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** What I was asking the hon. Member to consider was the increase in the National income and tax as percentage of the National income which are pertinent to examine whether the burden of taxation is heavy. During 1955-56 to 1960-61 the National income of our State at current prices has increased from Rs. 274 crores to Rs. 335 crores that is to say by Rs. 111 crores. On the other hand, the State tax revenue has, during this period, increased by Rs. 5.2 crores, or only 5 per cent of the national income generated. This is lower than what the Planning Commission envisaged during the Second Plan period, that 30 per cent of the additional national income generated should be saved for the purpose of investment. The Planning Commission has suggested that 30 per cent of the national income generated should be ploughed back for further investment to increase further resources and national income. So far as Assam is concerned, we have ploughed back only about 5 per cent of the generated national income. It is much below the percentage suggested by the Planning Commission. Even on per capita consideration as the hon. Shri Santi Ranjan Dasgupta would like to examine, it will be found that Assam's *per capita* income has increased from Rs. 274 to Rs. 319 that is to say by Rs. 45 during 1955-56 to 1961-62. On the other hand, the *per capita* State taxation has increased, during this period by Rs. 2.30. Thus, on an average, Government has not taken away the whole of additional income in the form of taxes taking into consideration the need for progressively increasing the standard of consumption of the people also. Even with the new taxation proposals the *per capita* taxation will rise by Rs. 3.64 only in 1963-64 and this is also mostly due to receipts on account of collection of arrear taxes and royalty and sales-tax on crude oil,

So, the hon. Members may be pleased to consider how far they are wise of the remark when they assert that our people are groaning under heavy taxation. These statistics do not support their contention. These are matters which can not be accepted merely because they are asserted. These are the matters which have to be examined on facts, figures, actual conditions prevailing and trends in other State and Countries.

**Shri SANTI RANJAN DASGUPTA:** The Hon'ble Minister has disclosed the *per capita* figure as 319 or something like that, but, in this book he says this figure for the year 1960-61 is Rs. 260.

**Shri MAHAMMAD UMARUDDIN (Dhubri):** That is the constant price.

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** I am quoting current prices which also make allowances for the rise in prices.

**Shri SANTI RANJAN DASGUPTA:** That is the current price.



**Shri KAMAKHYA PRASAD TRIPAHI (Minister, Industries):** This is the static price.

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance)** What I was pointing out was that there was no basis in the assertions that the people in the State were overburdened with taxes. Sir, such contentions have to be considered on facts and figures. I would beseech the hon. Members, who are the representatives of the people to guide them and to acquaint them with the actual facts and figures, and not misguide them by quoting incorrect figures and by giving wrong interpretation. It is necessary that we have to educate our people properly and divert their minds and energy for the development of the State so necessary for the security of our State.

In order to examine further the criticism made by some Members, I propose to classify the people into four categories, i. e., agriculturists, working class, lower middle class, and the upper middle class. If we take Rs.100 as current cost as the model budget of an average agriculturist family per month, the items of household consumption included in his budget could be :—foodgrains, meat, vegetables, etc., costing Rs. 63.75, Oil seeds, other fats costing Rs. 3.50, Milk and Milk products costing Rs.3, tobacco and tobacco products, costing Rs.2.50 beverages costing Rs.3.25, fuel and light costing Rs.6.25, housing, furniture, etc., costing 0.25 nP, clothing costing Rs.9 and miscellaneous costing Rs.8.50 all these total cost amount to Rs.100 per month. The additional cost due to new taxes will be 71 nP per month because so far as the foodgrains, meat, vegetables, oil seeds, oils, fats, milk and milk products are concerned, there is no addition to cost on account of taxes.

There will be, on account of taxes, addition to expenditure of 40 nP. on tobacco 75 nP. on beverages, of 13 nP. on fuel and light and of 3 nP. on miscellaneous of this addition to cost on account of taxes namely 71 nP the addition to cost on account of State taxes will be only 3 nP. comprising of increase of 1 nP. on beverage and of 2 nP. on fuel and light. The additional impact of all these taxes on agriculturists will be only 71 nP. per average family with budget of Rs.100 per month. Now, if we take the working class with model family budget of Rs.150 per month the additional cost, due to taxation, will be 74 nP. per month of which cost due to state taxes will be only 2 nP. per family. In the case of the lower middle class family, with model family budget of Rs.300 per month, the additional cost due to taxes will be Rs.7.37 per month of this Rs.7.37, so far as the cost from State taxes is concerned it will be only Rs.1.20. Then in the case of upper middle class family with model budget of Rs.800 the additional cost due to taxation will be Rs.27.87 of which the cost due to State's taxes will be Rs.4.27 per month. The hon. Members will, I hope, now be satisfied that the State tax or Kerosene oil will not add much to the monthly budget of the poorest section, which will have to incur an expenditure of only 71 nP. per month on account of both the Central and State proposed taxes. In placing before this House my proposal for the taxes, I have taken into consideration the conditions of the people and the impact these taxes are likely to have on them particularly the common people. The hon. Members should after these clarifications have no apprehension that the new taxes will put a very heavy burden on the poor people. The impact of these taxes will be heavier on the richer section.



**Shri DULAL CHANDRA BARUA (Jorhat):** The price will not remain constant. What will be the impact on the price fluctuations?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** I shall deal with this also. So far as the State is concerned, I am not replying on behalf of the Union Minister, my taxation proposals will increase the burden of an agriculturist with a model budget of Rs.100 per month by 3 nP., labourer with a model budget of Rs.150 per month by 2 nP., lower middle class with a model budget of Rs.300 per month by Rs.1-20, out of upper middle class with a model budget of Rs.800 per month by Rs.4-27. This will be the position so far as these four categories are concerned.

**Shri NALINDRA SANGMA (Dainadubi (Reserved for Scheduled Tribes)):** How the people will know that he is paying only .03 nP?

**Shri FAKHRUDDIN ALI AHMED:** I am talking of the average family and model budget: There may be persons having less to spend than Rs.100 per month and more than Rs.800 per month.

**Shri NALINDRA SANGMA:** My point is, we are to pay according to the charge of the dealers. How we will know how much the dealers are charging?

**Shri FAKHRUDDIN ALI AHMED:** These figures are based on the existing current prices.

**Mr SPEAKER:** It is now 4-30 P. M. We propose to sit till 5 P. M. and in the meanwhile, if the finance Minister cannot conclude his speech will the House permit him to finish it to-morrow.

(Voices—Yes, Sir).

Then we do not sit beyond 5 P. M. to-day.

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** Sir, in the course of his speech, Shri Madhusudhan Das made an observation that the figure of per capita income, which I have given denotes per capita income of the rich alone and that it does not include the per capita income of the poor. I would like to place for his consideration that to find out the per capita income the total income of a State is divided by the population of the State, which include the rich, poor and everyone. That is how per capita income is ascertained. I do not know how this method of ascertaining the per capita income can be challenged. It is open to him to assert that the figure of per capita income quoted by me relates to the per capita income of only rich people and not the poor people.

**Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** What he meant to say is that although we have given the per capita income against the population, yet this income goes to the richer section of the people, i.e. 10 per cent of the people.



**Shri FAKHRUDDIN ALI AHMED (Minister, Finance) :** As I have pointed out, the National Income of any State or country divided by its population gives the per capita income of that State or country. So far as our State is concerned, it is already within the knowledge of the Hon. Members that, together with increase in the National Income there has been a disproportionate large increase in the population of our State. This has resulted in the increase in per capita income being less than what would have been if the increase in population had also been normal. It is very difficult to find out exactly on which class of people and to what extent the burden of different State taxes ultimately impinge. We may, however, form a broad idea and examine the criticism dividing the population into four categories. (1) Those who have an income of less than Rs.1,500 per year, (2) whose income is between Rs.1,500 to Rs.6,000 per year (3) whose income is between Rs.6,000 and Rs.15,000 per year and (4) those who have an income of above Rs.15,000 per year. Now, let us examine the immediate impact of the taxes on these different sections of the people. So far as State taxes are concerned, they can be broadly classified as (1) taxes on income, (2) taxes on property and (3) taxes on commodities and services. Under the first category of State taxes comes Agricultural Income Tax and professional tax. Agricultural Income Tax, which yielded Rs.91 lakhs in 1951-52, Rs.230 lakhs in 1956-57 and is expected to yield Rs.341 lakhs in 1963-64, is clearly borne by the highest income group, that is to say, those persons whose income is above Rs.15,000 per year. From an yield of Rs.91 lakhs in 1951-52 it is expected that in 1963-64 it will reach the figure of Rs.341 lakhs, that is to say, an increase of about 2½ crores of Rupees in about 12 years, all of which will come from the highest income group. The yield from the Professional tax, which was Rs.3 lakhs in 1951-52, has steadily grown and is expected to be Rs.12.3 lakhs in the current year. The burden of tax falls mainly on the middle class people, on the poor people it is nil. Under the Second category of State taxes comes land Revenue, stamp, duty and registration fees. The impact of these taxes is mainly on the richer section of the people. I would request the hon. Members to note the burden of taxes on different sections of people very carefully. It may help them to appreciate the correct position. The yield from the land Revenue, under the Second category of taxes has increased from Rs.181 lakhs in 1951-52 to Rs.277 lakhs in 1960-61 and is expected to yield Rs.420 lakhs in the current year. The burden of Land Revenue falls largely on the rural people and the amount paid varies directly with the size of the holding. This increase in yield from land revenue is mainly on account of receipts of royalty from crude oil etc. as under the head "Land Revenue" are also included other receipts like sales of property, royalty on coal mines and minerals and oil extraction etc. which are not land revenue in the sense it is properly understood. Excluding such receipts, the expected yield from land revenue for the current year at current rates would be only Rs.260 lakhs. This amount also includes the tax paid by the tea gardens. The land revenue collected from the mines as royalty and from the tea gardens falls on the rich. Broadly speaking, the rest of the land revenue is collected from the poor and middle class people (except from some urban holdings). On the basis of distribution of rural holdings by size groups it is estimated that 35 per cent of the revenue is paid by the lowest income group, another 39 per cent by the next higher group. The same observations are applicable to local rates which are assessed at a fixed percentage of land revenue. Stamps and registration charges are mainly paid for capital transfer. It is difficult to say



on which group the burden of these are the heaviest. It is most likely that the burden of these are evenly distributed over the middle and higher groups. Under the third category of taxes comes taxes on commodities and services. The State Excise duties are levied on alcoholic liquors and the main contribution is from country spirits. The main burden of these are mainly on the poor classes who consume the country spirits. The license fee comes from the middle income groups. The taxes on motor vehicles are shared by the Industrial and Commercial concerns, owners of private cars and owners of Taxis, Buses and the public carriers. The impact of the taxes are mainly on the two higher income groups, because the owners of the vehicles belong to the richer section of the people. Besides, a substantial portion of this tax is borne by the Government itself on account of State Transport Vehicles. The number of articles on which sales taxes have been levied is quite large and varied. The tax on such articles as are purchased by poor classes will fall on them but the essential commodities like food-grains, milk, vegetables etc., which are mainly consumed by the poorer section of the population and which account for the major portion of poor man's family budget have been exempted from taxation. Again, the rates of luxury items which are consumed by rich people, are higher. The tax on goods carried by public motor vehicles and Boat will increase the cost of transportation of goods. As the burden will be proportionate to the freight charged, the tax will hit the heavier and bulky item more than the lighter articles.

From the considerations of the above analysis, it is estimated that 55.4 per cent of the State taxes are borne by the highest income group and the rest of the burden is shared more or less equally by the three lower income groups. Thus, in the ultimate analysis, the incidence of the State Taxes conforms to the principle of equity and progression. Of the four categories of the people, 75 per cent of the State's population belongs to the first category, i. e., having an income of less than Rs.1,500 per year. Considering the distribution of population by income groups with disproportionately high number in each of the lower income groups, the per capita burden on the lower income is very much less compared with that borne by the richer section.

The incidence of the various taxes falls on both the urban and rural consumers. The burden on the rural sector is comparatively less as except for taxes on property, the rest can be levied only when monetary transactions take place. It is well known that subsistence production is still the dominant characteristic of our rural economy.

It has been estimated that the tax from the rural areas of Assam is only 2 per cent of the income from agriculture (excluding tea) in the State National income of Assam whereas State taxes, as a whole are about 4.5 per cent of total State National Income. Total receipts from State taxes in 1963-64 at current rates have been budgeted at Rs.17.86 crores. The likely distribution among the people of different income groups is as follows.—

15.9 per cent to the group of Rs.1,500 and below, 15.2 per cent to the group Rs.1,500—6,000, 15.5 per cent to the group Rs.6,000—15,000 and 53.4 per cent to the group above Rs.15,000. The distribution of the burden of additional taxation is likely to be as follows.—

10.3 per cent to the group Rs.1,500 and below; 8.8 per cent to the group Rs.1,500—6,000; 19.0 per cent to the group Rs.6,000—15,000 and 61.9 per cent to the group above Rs.15,000.



Adding the yield from additional taxation, the distribution of State Taxes among the four income groups works out as follows:—

Income group Rs.1,500 and below ... ..	15.4 per cent.
Rs.1,500—6,000 ... ..	14.8 per cent.
Rs.6,000—15,000 ... ..	14.8 per cent.
Above Rs.15,000 ... ..	55 per cent.

Now, Sir, from the foregoing analysis, it is not correct for any of hon. Members who say that there is any inequity and want of progression in the incidence of State nor it is correct to say that the entire burden of proposed taxes will fall on the poor classes. As I have already said, the policy of the Congress Government is to impose taxes on those who can afford to bear the burden. Further, the receipts derived from different taxes has hitherto mainly been spent for the benefit of rural population in order to bring them to standard of people better placed in the State or Country. For this reason, to provide better and more amenities to urban population, it is proposed not to allocate more funds to towns out of General taxes or taxes realised from rural areas but cut of new taxes on property the burden of which will fall only on those owning properties in towns and urban areas.

**Shri SANTI RANJAN DASGUPTA (Lumding):** Mr. Deputy Speaker, Sir, on a point of information. Will the Minister be pleased to give all taxes to the municipalities or town committees whatever collected from the houses?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** Yes—after deducting the collection charges. In this connection, I would like to point out that there may be some houses constructed not within the Municipal areas but just adjacent to them. If it is the desire of the Hon. members that such houses also should be brought within the purview of property tax, we can include them and the tax so realised may be given either to the adjoining Municipality Town Committee, to the Panchayat or to any local authority set up for the purpose of development of those areas. It is for this reason that I have not included the receipt from tax on property in the over all resources of the State. Under existing provision of law, Municipalities and the Town Committees can impose these taxes within their areas to augment their income. As Municipalities and Town Committees have failed to utilize those opportunities, we have been constrained to take over this thankless task of imposing this tax and realising it on their behalf. There are huge arrears of taxes to be realised by Municipalities.

**Shri SANTI RANJAN DASGUPTA (Lumding):** Sir, on a point of information. So far the Hojai Town Committee is concerned, there is no arrears pending.

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** Yes, so far as the Hojai Town Committee is concerned, I may inform the Hon. members that it is functioning well. Sir, I find that there are huge arrears outstanding in most of the Municipalities and I hope they will follow the example of Hojai Town Committee.



The facts and figures, which I have placed before the House, I feel, should leave no doubt in the minds of any Hon. members about the necessity, equity and progression of taxes placed for approval before the House. These will not impinge a heavy burden on our common people. The hon. Members will agree with me that we have to increase our resources and receipts not only to meet the needs of the developmental programmes but also to discharge our responsibility and obligation in connection with the defence of our country.

It has been suggested by some Members that it would not have been necessary for the Government to go to the extent of imposing taxes if it had taken proper care and steps to realise the revenue, existing taxes and outstanding arrears. The argument advanced is plausible and I would have certainly not gone for fresh taxation if it was possible to argument the receipts by merely accepting the suggestion. Besides, there are certain misconception about these matters which I would like to remove. During the last two years, there has been marked improvement in collection of taxes and arrears. I shall give some figures to substantiate my statement. The collection of agricultural income-tax for the year 1961-62 is as follows:—

			Rs.
Amount outstanding on 31st March 1961	...	...	68,91,088
Less amount under Bakijai and appeal. revision, etc.	...	...	19,51,549
The amount to be collected came to	...	...	49,39,539
Out of this collection made during 1961-62	...	...	31,40,845
And the balance that remained	...	...	17,98,694

The percentage of arrear collection is about 63 per cent.

And for the year 1962-63 the following figures will indicate the position.

Amount outstanding on 31st March 1962	...	...	86,67,764
Less amount under Bakijai and appeal, revision, etc.	...	...	27,27,355
The amount to be collected came to	...	...	59,40,409
Collection made upto January 1963	...	...	35,36,153
And balance that remained comes to	...	...	24,04,256

The percentage of arrear collection comes to about 71 per cent. The percentage of collection in 1961-62 was 63 and for 1962-63 was 71. This shows that there is an improvement by about 8 per cent over the last year's figures.



Rs.

Now, Sir, coming to collection of Sales-tax and other taxes: (Other than carriage tax).

The total outstanding on 31st March 1961	...	60,01,321
Less amount undkr Bakijai, appeal, revision, etc.	...	41,78,221
So, the amount to be collected was...	...	18,23,100
Amount collected in 1961-62	...	10,91,908
Balaence to be collectrd	...	7,31,192

The percentage of arrear collection is about 61 per cent.

In 1962-63 (upto to October, 1963) the total outstanding on 31st March 1962.

Less amount under appeal, revision, etc., and under Bakijai.

So, the amount to be collected comes to

The amount collected in 1962-63

The balance to be collected

The percentage of arrear collection is about 63.

Then, Sir, there is an arrear of about Rs.92 lakhs to be collected from the road carriage tax. As I have already explained to the House, this arrear could not be collected because of a stay order passed by the High Court in appeal petitions pending before the High Court for more than a year. I do not know when we are likely to get the decision of the High Court on these appeal petitions. But, as soon as the judgement is given and if it is in our favour, action will be taken to realise early this arrear.

**Shri DULAL CHANDRA BARUAH (Jorhat):** Sir, may I draw the attention of the Finance Minister that there is arrear of about 7 crores of rupees in Assam on account of land revenue ?

**Shri FAKHRUDDIN ALI AHMED (Minister, Finance):** So far as arrears of land revenue and local rates from all the plains districts are concerned, upto 30th September, 1962, these come to Rs.1.92 lakhs. It is not 7 crores, as my friend, Mr. Baruah is saying. The main reasons, for deterioration in collection of land revenue and local rates was the unprecedented floods in 1962 which caused the loss of standing crops. The magnitude of



distress was such that Government thought it necessary to sanction the following amounts for relief to the people, affected by flood last year :—

Gratuitous Relief	...	...	..	...	32,31,810.15
Test Relief	...	...	...	...	14,15,687.00
Rehabilitation loan	...	...	...	...	9,84,450.00
Seed loan	...	...	...	...	31,92,500.00
Cattle loan	...	...	...	...	3,46,000.00

The total amount spent on relief measures came to 91,70,457.15

When, therefore, the Government had to spend 91 lakhs of rupees for the relief of these flood affected people, it was difficult to realise the land revenue of and arrears from those who were badly affected by the floods and had no capacity to pay. Many of those badly affected by floods are approaching the revenue authority for remission of land revenue because they could not collect last year any crop due to the floods from their lands. That is why, Sir, land revenue collection particularly last year was very bad.

**Mr. DEPUTY SPEAKER :** The House stands adjourned till 10 A.M.

### Adjournment

The Assembly was then adjourned till 10 A.M. on Tuesday the 19th March, 1963.

R. N. BARUA,

Secretary,  
Legislative Assembly, Assam,



