

**Proceedings of the Second 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
Tuesday, the 12th June, 1962.

P R E S E N T

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

QUESTIONS AND ANSWERS

UNSTARRED QUESTIONS

(To which answers were laid on the table)

Re: Package Programme

Shri PABIN CHANDRA SARMA (Nalbari-East) asked:

6. Will the Minister, Agriculture be pleased to state—

- (a) What was the cause of delay to execute the "Package Programme" in Silchar for the last 2 years?
- (b) Whether there were some insurmountable difficulties as to execute the same in Silchar?
- (c) Whether it was not possible to shift the same to some other places in the State?
- (d) Whether it is a fact that the money allotted against the "Package Programme" to the tune of rupees ten crores had to be surrendered or lapsed?
- (e) If so, why?

M. MOINUL HAQUE CHOUDHURY (Minister of Agriculture)
replied:

6. (a)—The selection of the district of Cachar for the Package Programme has been finally approved by Government of India but it was suggested that the actual launching of the programme should wait till some preliminary work is done on the basis of the recommendation of an Expert Team which visited Assam last April. The recommendations of the team is expected shortly.

(b)—No.

(c)—Cachar has been finally selected and the question of shifting the programme to another district does not arise.

(d,—The total allocation is rupees one crore during the Third Five Year Plan and not Rs. 10 crores. The allocation during last year was diverted for other schemes and not surrendered as such.

(e)—Does not arise.

Shri MAL CHANDRA PEGU [Majuli (Reserved for Scheduled Tribes)] : Sir, what are the other schemes ?

Mr. SPEAKER : There is no other scheme. It relates to Package Programme only.

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture) : Money has been diverted to other schemes.

Shri MOHI KANTA DAS (Barchalla) : What are the other schemes, Sir ?

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture) : This is an approved scheme. There is no other scheme only money sanctioned for this scheme has been diverted.

Shri MAHAMMAD UMARUDDIN (Dhubri) : What is the basis for which Cachar has been selected for this scheme ? Sir, in doing so, whether the other districts were also taken into consideration ?

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture) : Yes. All other districts were taken into consideration and thereafter Cachar was selected.

Shri MOHI KANTA DAS (Barchalla) : What was the allotment for the first year, Sir ?

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture) : The total outlay for this scheme was one crore out of which 14 lakhs have been sanctioned for the last year.

Shri MAHAMMAD UMARUDDIN (Dhubri) : Sir, my point is on what consideration Cachar was selected for this scheme ?

M. MOINUL HAQUE CHOWDHURY : Sir, potential increase of agricultural production is the main reason for selection of Cachar for this scheme.

Shri RAM NATH DAS [Dergaon (Reserved for Scheduled Castes)] : What is the population of Cachar, Sir ?

Mr. SPEAKER : How the question of population comes here ?

Shri RAM NATH DAS : Sir, I think population may be one of the factors for which Cachar is selected for the scheme.

Shri MAHAMMAD UMARUDDIN (Dhubri) : Whether Expert opinion in this connection was taken ?

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture):
Yes.

Shri LAKSHMI PRASAD GOSWAMI (Laharighat): When the scheme was first taken up, Sir?

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture):
The year before last.

Shri MOTIRAM BORA (Nowgong): Did the Expert take opinion of our Government.

M MOINUL HAQUE CHOWDHURY (Minister, Agriculture):
Yes.

Shri MOTIRAM BORA (Nowgong): What was the opinion of the Government as to the district in which the scheme is to be established?

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture):
The Government of Assam recommended Cachar District for this purpose.

Shri LAKSHMI PRASAD GOSWAMI (Laharighat): Was it approved by the Central Government.

M. MOINUL HAQUE CHOWDHURY (Minister, Agriculture):
Yes, it has been approved by the Central Government.

Re: M/S. Silchar Electric Supply

Shri NANDA KISHORE SINGHA (Silchar-West) asked:

7. Will the Minister-in-charge, Electricity be pleased to state:—

(a) Whether any amount of loan has been given to M/S. Silchar Electric Supply Ltd. ? If so, what is the amount?

(b) Whether Government propose to nationalise the above Electric Supply Company?

(c) If not, the reason for not nationalising M/S. Silchar Electric Supply Ltd. ?

Shri KAMAKHYA PRASAD TRIPATHI (Minister-in-charge, Electricity) replied:

7. (a)—An amount of Rs. 2 lakhs was sanctioned to the Company in 1956 and a further sum of Rs. 3 lakhs in 1961 by the Assam Financial Corporation on the recommendation of the State Government.

(b)—Government propose to acquire all the private Electricity undertakings as and when funds become available.

(c)—Does not arise.

Calling Attention under Assembly Rules 54 *Re: Oil Refinery at Gauhati which has stopped functioning*

Mr. SPEAKER: Before taking up item No.2 I want to apprise the House that in this connection I have received a letter addressed by Shri Kamakhya Prasad Tripathi, Minister of Industry to the Speaker. The letter is "there is a short-notice question regarding internal working of the Gauhati Oil Refinery. The Gauhati Refinery is owned and managed by the Government of India and the Government of Assam has the minority share only, as such has no administrative control in the management of the refinery. Under Rule 36 of the Rules and Procedure and Conduct of Business in Assam Legislative Assembly this matter cannot be discussed in this House. The proper forum will be the Parliament. Therefore, short notice question which is submitted cannot be admitted."

Yours faithfully,

Shri Kamakhya Prasad Tripathi,
Minister, Industry.

I think, Mr. Tripathi, Minister, Industry will like to speak in this connection.

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industry): While quoting Rule 36, which says—A question must relate to a matter of administration for which the Government is responsible. Its purpose shall be eliciting the information or suggesting action for a matter of public importance. The point on which I want to drive the matter is that the responsibility of Government of Assam in the management of the refinery is but little that is to say Government of Assam has only a minority share out of the land vested in the industry. Therefore, Sir, the control and management itself is not vested with the Government of Assam. Therefore, we may not know the running in the internal working of the refinery. Therefore, proper forum will be the Parliament. As a matter of fact, Parliament has discussed this question.

Therefore, this rule will also provide that since we cannot elicit any information from the management of the Refinery; the Government of Assam having no control over the refinery, the Central Government will be responsible. I hope the Hon. Speaker will give the ruling accordingly.

***Shri KHOGENDRA NATH BARBARUAH (Amguri):** Sir, in many previous occasions this House discussed about the working of the Refinery. Sir, Refinery is an important industry in Assam and if it is stopped suddenly.....

Mr. SPEAKER: You speak on the point of order. Do you want to question the legality of otherwise of whether this motion can be admitted and discussed in the floor of this Assembly?

***Shri KHOGENDRA NATH BARBARUAH (Amguri):** Sir, many a time there was discussion in the floor of this Assembly about the establishment as well as working of the refinery.

***Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** Sir, may I speak? The interpretation of the rule in question given by the hon. Minister, Industry is not acceptable.

Mr. SPEAKER: No, I think hon. Minister has quoted a wrong Rule. The correct rule will be Rule 131, Sub-Rule 9. It shall not relate to a matter which is not primarily concern of the Government of the State.

Shri LAKSHMI PRASAD GOSWAMI: Now, Sir, whether this Oil Refinery is entirely a Central Subject that is to be decided first Hon. Minister Industry admits that Government of Assam has some interest in it. When the Government of Assam has some interest in it to that extent this House has interest in this Refinery. My submission is that this House is competent to discuss this Oil Refinery issue. Because this State is directly involved in it. If this State would not have been involved at all, if the entire matter is a central subject, I would have agreed to the interpretation given by the Hon. Minister. So, I cannot agree to this interpretation. The Assam Government has distinct interest in it and as such this House is competent enough to discuss this question.

Shri FAKHRUDDIN ALI AHMED (Minister, Law): Sir, sub-clause (ix) of Rule 131 is very clear on this point. It says 'it shall not relate to a matter which is not primarily the concern of the Government of the State'. My hon. Colleague, Shri Tripathi, has already submitted before the House that the management of the refinery is not the concern of the Government of Assam. The purpose behind the desire drawing attention is to get certain information from the Minister and also to discuss the functioning of the refinery. Our difficulty lies in the fact that because this matter is not within our jurisdiction no information regarding the functioning of refinery if it can possibly be given by my colleague to the House, as he is not concerned with the management of the refinery and does not know the details—how the refinery is being managed. The only Government from which these informations can be sought is the Central Government. The hon. Member may also be aware that under the Constitution "Regulation of mines" is a subject which is the responsibility and within the jurisdiction of the Government of India. This refinery which is concerned with the refining of mineral oil and a public sector project is under the control and management of the Government of India. They are the proper authority whom these questions should be addressed to. I was referring, Sir, to item 53 of list under the Seventh Schedule, viz. 1: "Regulation and development of oil fields; mineral oil resources; petroleum and petroleum products; other liquids and substances declared by Parliament by law to be dangerously inflammable". This is a subject which is to be dealt with by the Government of India. Therefore, my submission is that the proper forum for referring to the questions regarding this refinery will be the Parliament.

Mr. SPEAKER: Some pertinent questions have been raised by Mr. Goswami. He said that the Government of Assam have some financial interest as they have invested some money in the refinery and, therefore, this House has a right to know how that money is being utilised.

Shri FAKHRUDDIN ALI AHMED (Minister, Law): The question can be asked if it is restricted to number of shares purchased, and to the extent of our financial interest in the project but whether the refinery is working properly or not is a matter which cannot be referred to the State Government because we have neither concerned with management nor any information about it. If the purpose of the hon. Member is to find out the amount which has been invested by us and the profit we shall get out of such investment we shall certainly be able to give him the information if so desired.

***Shri LAKSHMI PRASAD GOSWAMI (Laharighat):** On a point of clarification, Sir. The Law Minister admits that this House has a right to know what is our interest in the Oil Refinery.

Mr. SPEAKER: How many shares have been purchased?

***Shri LAKSHMI PRASAD GOSWAMI:** The relevant question then comes how many shares we have purchased and whether we are going to gain anything. Now if we have purchased some shares the next question naturally arises whether this refinery is going to give us any return; that means, whether it is going to be a profitable concern or not. If it does not become profitable who is at fault...

Mr. SPEAKER: It is too early to speculate on this point.

***Shri LAKSHMI PRASAD GOSWAMI:** No, Sir, this question arises from the very statement given by the Law Minister. If it is admitted that this House is entitled to know how many shares we have purchased, the question whether we are going to get any profit or not immediately arises. If there is apprehension that we may not get any profit, the question naturally arises how the refinery is being managed, whether our money is secure and whether it is properly utilised. These are all relevant questions which naturally come up.

Shri FAKHRUDDIN ALI AHMED (Minister, Law): Sir, the word "primarily" is very important. The Rule says "it shall not relate to a matter which is not *primarily* the concern of the Government of the State". The management of the refinery is not primarily the concern of the Government of Assam. Therefore, any question regarding its management cannot be asked here. It will be impossible for the Minister-in-charge of Industries to give any reply as he has no such information and the refinery on being approached may not give the necessary information because the Government of India is *primarily* concerned with the management of the refinery.

Shri BAIDYANATH MOOKERJEE (Minister, Medical): Mr. Speaker, Sir, the position has been made clear by the Hon'ble Law Minister and I would like to add only one thing. As has been very rightly pointed out by you, Sir, sub-rule (ix) of Rule 131 is really relevant in this case. Now, one hon' Member has said that we discussed about the Refinery in the past. That was on different issue altogether so that principle cannot be applied here. In the current Session we have discussed about Army personnel and their activities. Of course, I did not like to intervene at that stage, but I feel, Sir, that we went beyond our limits in that case. We have been discussing matters which entirely concern the Central Government. This refinery is also a Central affair and we cannot discuss it on the floor of this House. We sometimes due to our over-zealousness commit some mistakes as was done when we criticised the Army personnel. You know Sir, how very dangerous it is to condemn the Army as inefficient.

Mr. SPEAKER: You confine your arguments to this particular matter.

Shri BAIDYANATH MOOKERJEE: Yes, Sir, but I have referred to this matter so that we avoid such dangerous and uncharitable criticisms in future regarding our Army personnel who are serving to protect our country at the risk of their lives.

So far as this particular point is concerned, it relates entirely to the Union Government. But then as we have got our shares in this industry we are interested to know how much shares we have got, what is the capital investment and so on. Shri Goswami said that the question naturally arose as to whether the refinery is making any profit or not. Sir, it is just the beginning and it is very difficult for the State Government may even for the Central Government, to answer this question. If this question is discussed in the Parliament, even then at this initial stage it would be difficult for anybody to properly assess whether this refinery is a losing concern at the present moment. Therefore, I submit Sir, neither this question can be answered by the State Government at this stage, nor does it primarily concern the State Government. Therefore, I think, Sir, this matter cannot be discussed here.

***Shri DEV KANT BOROOAH (Minister, Education):** I only want to supplement what the Hon'ble, Finance Minister and Minister of Industries said in this connection. The Board of Directors which manages the Refinery is appointed by the President of India and as such they are entirely under the control of management of the Government of India. I wonder Sir, whether this House can be even remotely concerned with the internal working of the Refinery. The establishment of the Refinery was quite another thing. It was demanded that it should be there, it was only a request made to the Government of India that it should be established here and whatever the opinion of this House in respect of establishment of Refinery it was not obligatory or binding so far as the Government of India is concerned. They were free to decide whether it should be in Assam or outside Assam. Moreover Sir, the question of the internal working of the Refinery was discussed in the floor of the House in the Parliament. Therefore, Sir, I do not think it is admissible in terms of what our Hon'ble Finance Minister has said. Thanking you.

***Shri SARAT CHANDRA GOSWAMI (Kamalpur) :** On a point of order Sir.

Mr. SPEAKER : Is it on the point of information or on a point of order.

Shri SARAT CHANDRA GOSWAMI : Yes, on point of order. The Hon'ble Education Minister said that the Board of Directors of this Refinery is appointed by the President of India and the Hon'ble Finance Minister has been pleased to say just now that the Government of Assam has purchased some shares. I think the share-holders have the right to know how their investment is managed or how their money is being utilised. From that point of view, I think this House has a right to discuss something about its money invested in the concern.

(Voices :—This is to be discussed in Parliament).

I want to clarify myself whether as share-holder of building the Refinery Assam State is one of the share-holders, whatever may be that amount, share-holders have an inherent right to know how their money is utilised and managed.

***Shri DULAL CHANDRA BARUA (Jorhat) :** As regards this, Sir, I want to point out that we are primarily concerned with the money, that is, the money of the Government of Assam. We have purchased shares so, we have invested some money to this Industry. Therefore, we are primarily concerned in that. So, this matter can be discussed here. Moreover, our Education Minister referred to the point that the industry was established by the Government of India. Now Sir, when the Government of India already decided to have the industry here, it is our concern, the concern of the Assam Government. Therefore, Sir, this matter should be discussed here.

***Shri KHOGENDRA NATH BARBARUAH (Amguri) :** Sir, my submission is this that on matters of Central affairs to criticise and to bring the Government of India to our notice that, Sir, we cannot take any decision but we can draw the attention of the Central Government.

(Voices)

Mr. SPEAKER : Order, order.

From the day I received notice of this motion, I was thinking whether this motion is admissible or not. In the beginning I was in some doubt about the admissibility of the motion. Therefore, I would like to keep it open to decide it on the floor of the House after hearing the Hon'ble Minister and other Members in this connection. I have heard the Ministers, Minister, Industries, Law Minister and the Minister in-charge of the Medical. I have taken the opinion of the Minister, Medical, because he is very keen in observing the rules and procedures of the House, though he has raised certain irrelevant point also on the point of order—(Laughter). Now, at present, this is at the disposal of the House, I am grateful to them for giving me some lights on this subject. But instead of going into the matter of the point of order, I would dispose it of in some other manners

I do not want to give any ruling on the point of order raised by the Industries Minister, whether it is Central subject or it has some jurisdiction over it. I want them to go into the merit of the thing. I come to the ruling. The Motion is under Rule 54. The Rule 54 says that the Member may, with the previous permission of the Speaker, call the attention of the Minister to any matter of public importance, make a statement or ask for permission to make a statement in later hour or on other date. The hon. Member Shri Khagendra Nath Barbaruah, with previous permission of the Speaker has called the attention of the House under this Rule. Now it is upto the Minister to reply, but from the discussion just now we had, it is very clear that no Minister has in his disposal any fact which may give some light to the queries made by Shri Barbaruah. Therefore, I believe, no useful purpose will be served by raising a question when there is none here competent enough to give reply to these queries. Therefore, I think no useful purpose will be served by making this Statement.

The Public Gambling (Extension to Mizo District) Bill, 1962

Shri CHATRASING TERON (Minister, Local Self-Government):

I beg leave to introduce the Public Gambling (Extension to Mizo District) Bill, 1962.

Mr. SPEAKER: The Motion moved is that leave be granted to introduce the Public Gambling (Extension to Mizo District) Bill, 1962.

(The Motion was put as question and adopted)

Shri CHATRASING TERON: I beg to introduce the Public Gambling (Extension to Mizo District) Bill, 1962.

Mr. SPEAKER: The Motion moved is that the Public Gambling (Extension to Mizo District) Bill, 1962 be introduced.

(The motion was put as question and adopted)

(Secretary, Legislative Assembly then read the title of the Bill)

Shri CHATRASING TERON (Minister, Local Self-Government): Sir, I beg to move that the Public Gambling (Extension to Mizo District) Bill, 1962, be taken into consideration.

Mr. SPEAKER: Motion moved is that the Public Gambling (Extension to Mizo District) Bill, 1962 be taken into consideration.

(The motion was put as question and adopted)

The Assam Fixation of Ceiling on Land Holdings (Amendment) Bill, 1962

Shri SIDDHINATH SARMA (Minister, Revenue): I beg leave to introduce the Assam Fixation of Ceiling on Land Holdings (Amendment) Bill, 1962.

Mr. SPEAKER: The motion moved is that leave be granted to introduce the Assam Fixation of Ceiling on Land Holdings (Amendment) Bill, 1962.

(The Motion was put as question and adopted)

***Shri SIDDHINATH SARMA (Minister, Revenue):** Sir, I beg to introduce the Assam Fixation of Ceiling on Land Holdings (Amendment) Bill, 1962. This amendment is necessary because consequent on the enforcement of Assam Gramdan Act, 1961, it has become necessary that the land ceiling on the Gram Sava be exempted from the purview of the Ceiling Act and it has also become necessary to keep some land holding for industrial purpose or purposes in some way or other that too from the purview of the Ceiling Act. Provision has also been made under Section 28 of the land Ceiling Act. Hence, this amending Bill is introduced.

Mr. SPEAKER: Motion moved is that the Assam Fixation of Ceiling on Land Holdings (Amendment) Bill, 1962, be introduced.

(The Motion was put as question and adopted)

(Secretary, Legislative Assembly then read the title of the Bill).

The Bengal Public Demands Recovery (Assam Amendment) Bill, 1962

Shri SIDDHINATH SARMA: Mr. Speaker Sir, I beg leave to introduce the Bengal Public Demands Recovery (Assam Amendment) Bill, 1962.

Mr. SPEAKER: The Motion moved is that leave to be granted to introduce the Bengal Public Demands Recovery (Assam Amendment) Bills, 1962.

(The Motion was put as question and adopted).

Shri SIDDHINATH SARMA: Sir, I beg to introduce the Bengal Public Demands Recovery (Assam Amendment) Bill, 1962.

Mr. SPEAKER: Motion moved is that the Bengal Public Demands Recovery (Assam Amendment) Bill, 1962 be introduced.

(The Motion was put as question and adopted),

(Secretary, Legislative Assembly then read the title of the Bill).

Excess Demands Relating to Financial year 1958-59

Shri FAKHRUDDIN ALI AHMED (Minister, Finance): I beg to present a list of Excess Demands relating to Financial year 1958-59.

Election to Assam Embankment and Drainage Advisory Committee

Shri MOINUL HAQUE CHOUDHURY (Minister, Agriculture):
Sir, I beg to move that this Assembly recommends that a Committee be formed for the life time of this Assembly to be called the "Assam Embankment and Drainage Advisory Committee" with the following Members:—

President—

- (1) Minister, Public Works Department (Flood Control and Irrigation Wing), Assam.

Secretary.—

- (2) Superintending Engineer, Flood Control (Planning) Assam.

Members.—

- (3) Chief Engineer, Public Works Department (Flood Control and Irrigation Wing), Assam.
- (4) Chief Engineer, Public Works Department (Roads and Buildings Wing), Assam.
- (5) Additional Chief Engineer, (Embankment and Drainage Wing) Assam.
- (6) Additional Chief Engineer, (Roads and Buildings) Assam.
- (7) Superintending Engineer, Eastern Embankment and Drainage, Circle, Assam.
- (8) Superintending Engineer, Central Embankment and Drainage, Circle, Assam.
- (9) Superintending Engineer, Western Embankment and Drainage, Circle, Assam.
- (10) Minister, Agriculture.
- (11) Minister, Forests.
- (12) Minister, Electricity.
- (13) Secretary, Revenue Department.
- (14) Secretary, Finance Department.
- (15) Secretary, Tribal Areas Department.
- (16) Director of Agriculture (may be invited by Government when meetings are held, to attend in a non-voting capacity).
- (17) Joint Agent, R.S.N. & I.G.N. Co., Gauhati.
- (18) Ten members of the Legislative Assembly (to be elected by the Assembly).
- (19) Two members of the Parliament (to be nominated by the Government—one from Lok Sabha and another from Rajya Sabha).
- (20) Invitees, if any.

"The Committee is to advise Government on all important schemes and also fix priority in respect of Embankment and Drainage (Flood Control and Irrigation) Schemes which Government propose to undertake from time to time and this Assembly do elect in accordance with the instructions contained in the Voting Paper, ten Members of the Assembly from all the Districts to the said Advisory Committee."

Mr SPEAKER: The Motion moved is that this Assembly recommends that a Committee be formed for the life time of this Assembly to be called the "Assam Embankment and Drainage Advisory Committee" with the following Members:—

President—

- (1) Minister, Public Works Department (Flood Control and Irrigation Wing), Assam.

Secretary—

- (2) Superintendent Engineer, Flood Control (Planning) Assam.

Members—

- (3) Chief Engineer, Public Works Department (Flood Control and Irrigation Wing), Assam.
- (4) Chief Engineer, Public Works Department (Roads and Buildings Wing), Assam.
- (5) Additional Chief Engineer, (Embankment and Drainage Wing), Assam.
- (6) Additional Chief Engineer, (Roads and Buildings Wing), Assam.
- (7) Superintending Engineer, Eastern Embankment and Drainage, Circle, Assam,
- (8) Superintending Engineer, Central Embankment and Drainage, Circle Assam.
- (9) Superintending Engineer, Western Embankment and Drainage, Circle, Assam.
- (10) Minister, Agriculture.
- (11) Minister, Forests.
- (12) Minister, Electricity.
- (13) Secretary, Revenue Department.
- (14) Secretary, Finance Department.
- (15) Secretary, Tribal Areas Department.
- (16) Director of Agriculture (may be invited by Government when meetings are held, to attend in a non-voting capacity).
- (17) Joint Agent, R. S. N. and I. G. N. Company Gauhati.
- (18) Ten members of the Legislative Assembly (to be elected by the Assembly).
- (19) Two members of the Parliament (to be nominated by the Government—one from Lok Sabha and another from Rajya Sabha).
- (20) Invitees, if any.

The Committee is to advise Government on all important schemes and also fix priority in respect of Embankment and Drainage (Flood Control and Irrigation) Schemes which Government propose to undertake from time to time and this Assembly do elect in accordance with the instructions contained in the Voting Paper, ten Members of the Assembly from all the Districts to the said Advisory Committee”.

In this connection I have received a Motion tabled by Shri Mohi Kanta Das, M.L.A. The Amendment was submitted to the Assembly Office to-day at 9-35 A.M. Therefore it could not be circulated to the hon. Members. Therefore for the information of the hon. Members I read out his Amendment “that the word 10 appearing under Serial No 18, the list of Members of the proposed Assam Embankment and Drainage Advisory Committee be deleted and words 16 be inserted”. This is the Amendment tabled by Shri Mohi Kanta Das.

Shri MOHI KANTA DAS (Barchalla): I beg to move that the word 10 under Serial No.18, in the list of Members of the proposed Embankment and Drainage Advisory Committee be deleted and word 16 be inserted. My purpose of Amendment is to give wider representation of the Members Legislative Assembly in the Assam Embankment and Drainage Advisory Committee

Mr. SPEAKER: Motion moved is that the word 10 under Serial No. 18 in the list of Members of the proposed Embankment and Drainage Advisory Committee be deleted and word 16 be inserted.

Shri MOINUL HAQUE CHOUDHURY (Minister, Agriculture, etc.): The Government has no objection to the Amendment.

Mr. SPEAKER: The question is that the word “ten” appearing in Serial No.18 in the list of the Members of the proposed Advisory Committee to be deleted and the word “sixteen” be inserted.

(The question was adopted)

The question is that this Assembly recommends that a Committee be formed for the life time of this Assembly to be called the Assam Embankment and Drainage Advisory Committee with the Members, as mentioned in the Motion and as amended according to the amendment now carried.

(The question was adopted)

Election to the Assam Slum Areas Advisory Council

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Town and Country Planning): Sir, I beg to move that this Assembly do elect three Members to the Advisory Council under Section 3(1)(x) of the Assam Slum Areas (Improvement and Clearance) Act, 1959.

Mr. SPEAKER: The Motion moved is that this Assembly do elect three Members to the Advisory Council under Section 3(1)(x) of the Assam Slum Areas (Improvement and Clearance) Act, 1959.

(The Motion was put as question and adopted)

Election to Minority Commission, Assam

Shri BIMALA PRASAD CHALIHA (Chief Minister): Sir, I beg to move that this Assembly do elect two M.L.As.—to be Members of the Minority Community, Assam—One to be elected by and from among the M.L.As. representing the minority community, viz. Muslims and the other to be elected by and from among the M.L.As. representing the majority community.

Mr. SPEAKER: Motion moved is that this Assembly do elect two M.L.As.—to be the Members of the Minority Commission, Assam—One to be elected by and from among the M.L.As representing the Minority Community, viz., Muslims and the other to be elected by and from among the M.L.As. representing the majority community.

(The Motion was put as question and adopted)

Election to State Advisory Board for Basic Education

Shri DEV KANT BOROOAH (Minister, Education): Sir, I beg to move that this Assembly do elect five representatives of the Assam Legislative Assembly from amongst its Members by single Transferable vote in accordance with the provision of Section 4(c) of the Assam Basic Education Act, 1954 to the State Advisory Board for Basic Education.

(Secretary to issue notice fixing the date and time for holding the election, if necessary.)

Mr. SPEAKER: The Motion moved is that this Assembly do elect five representatives of the Assam Legislative Assembly from amongst its Members by single Transferable vote in accordance with the provision of Section 4(c) of the Assam Basic Education Act, 1954 to the State Advisory Board for Basic Education".

(The Motion was put as question and adopted)

Election to Gauhati University Court

Shri DEV KANT BOROOAH: Sir, I beg to move that this Assembly do elect five representatives of the Assam Legislative Assembly from amongst their own members in accordance with the provision of section 9 (1) (XXV) of the Gauhati University (Amendment) Act, 1960.

(Secretary to issue notice fixing the date and time for holding the election, if necessary.)

Mr. SPEAKER: The Motion moved is that this Assembly do elect five representatives of the Assam Legislative Assembly from amongst their own members in accordance with the provision of Section 9(1) (XXV) of the Gauhati University (Amendment) Act, 1960.

(The Motion was put as question and adopted)

Election to Assam Text Book Committee

Shri DEV KANT BOROOAH (Minister, Education): Sir, I beg to move that this Assembly do elect two Members in accordance with the instruction contained in the voting paper to the Assam Text Book Committee under Rule 7(1) (9) and (10) of Part II of the Rules for Text Books Library and Prize Books.

(Secretary to issue notice fixing the date and time for holding the election, if necessary.)

Mr. SPEAKER: The Motion moved is that this Assembly do elect two Members in accordance with the instruction contained in the voting paper to the Assam Text Book Committee under Rule 7(1) (9) and (10) of part II of the Rules for Text Books, Library and Prize Books.

(The Motion was put as question and adopted)

Election to Soldiers', Sailors' and Airmen's Board, Assam

Shri BIMALA PRASAD CHALIHA (Chief Minister): Sir, I beg to move that two Members of the Assam Legislative Assembly be elected by majority votes of the Assembly to the State Soldiers', Sailors' and Airmen's Board, Assam, to be constituted by the State Government.

(Secretary to issue notice fixing the date and time for holding the election, if necessary.)

Mr. SPEAKER: The motion moved is that two members of the Assam Legislative Assembly be elected by majority votes of the Assembly to the State Soldiers', Sailors' and Airmen's Board, Assam, to be reconstituted by the State Government.

(Motion was put as question and adopted)

**Election to the small scale Industries and Handicrafts
(Advisory) Board.**

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industry): Sir, I move that this Assembly recommend that they do proceed hereby to elect six members from among the members of this Assembly to be members of the Small Scale Industries and Handicrafts (Advisory) Board. The members of the Board will hold office for life time of the present Legislative Assembly.

(Secretary to notify the date and time for holding the election, if necessary).

Mr. SPEAKER: The motion is moved. The question is that this Assembly recommend that they do proceed hereby to elect six members from among the members of this Assembly to be members of the Small Scale Industries and Handicrafts (Advisory) Board. The members of the Board will hold office for life time of the present Legislative Assembly.

(Motion was put as question and adopted)

Election to Cottage Industries (Advisory) Board

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industry): Sir, I move that this Assembly recommend that they do proceed hereby to elect six members from among the members of this Assembly to be the non-official members of the Cottage Industries (Advisory) Board to be constituted in pursuance of the provisions under section 3 of the Assam Aid to Industries (Small and Cottage Industries) Act, 1955 (Assam Act II of 1956). Non-official members shall hold office for a period of two years under rule 4 of the Assam Aid to Industries (Small and Cottage Industries) Rules, 1960. The Board, so constituted, shall—

- (1) Consider loan applications for amounts above Rs. 5,000 and also the loan applications relating to displaced persons.
- (2) Review generally the work relating to industrial loans.
- (3) Advise Government for taking steps to accelerate disposal of loan applications to encourage development of Small and Cottage Industries and for effective realisation of loan issued.

(Secretary to notify the date and time for holding the election, if necessary).

Mr. SPEAKER: The motion moved is that this Assembly recommend that they do proceed hereby to elect six members from among the members of this Assembly to be the non-official members of the Cottage Industries (Advisory) Board to be constituted in pursuance of the provisions under section 3 of the Assam Aid to Industries (Small and Cottage Industries) Act, 1955 (Assam Act, II of 1956). The non-official members shall hold office for a period of two years under rule 4 of the Assam Aid to Industries (Small and Cottage Industries) Rules, 1960. The Board, so constituted, shall—

- (1) Consider loan applications for amounts above Rs. 5,000 and also the loan applications relating to displaced persons.
- (2) Review generally the work relating to industrial loans.
- (3) Advise Government for taking steps to accelerate disposal of loan applications to encourage development of Small and Cottage Industries and for effective realisation of loan issued.

(Secretary will notify the date and time for holding the election, if necessary).

(Motion was put as question and adopted)

**Laying out copies of amendments to the Assam Motor Vehicles
Rule, 1940**

Shri SIDDHINATH SARMA (Minister): Mr Speaker, Sir, I beg
to lay out copies of amendments to the Assam Motor Vehicles Rule, 1940.

Adjournment

The Assembly was then adjourned for lunch till 2 p. m.

After lunch

Governor's reply to Motion of thanks

Mr. SPEAKER: I have a message from the Governor which runs as
follows—

RAJ BHAVAN
Shillong, June 12th, 1962

“My dear Shri Mahendra Mohan Choudhury,

Thank you for your letter No.11147/L.A., dated 11th June, 1962,
informing me that the motion moved by Shri Muhammad Umaruddin
M.L.A., on the Address which I delivered before the Assembly on the 5th
June, 1962, was unanimously adopted. I shall be grateful if you will kindly
convey to the House my deep appreciation of the keen interest shown by
the members of all sections of the House who participated in the debate
in regard to the matters mentioned in my Address.

I hope that the members of the House will work together in the best
interest of the State and their deliberations will be constructive and in con-
formity with the highest democratic traditions and standards of Parliamen-
tary decorum.

With our best wishes.

Yours Sincerely,
S. M. SHRINAGESH.”

Shri Mahendra Mohan Choudhury,
Speaker, Assam Legislative Assembly,
Shillong.

Before the Finance Minister starts his budget speech I think five
minutes' time may be given for distributing the budget speech and other
papers.

**Presentation of the final Budget for the year 1962-63 and
Budget speech**

Shri FAKHRUDDIN ALI AHMED (Minister, Finance): Mr. Spea-
ker, Sir, I rise to present the final budget estimates of the State of Assam
for the financial year 1962-3.

Shri RAMNATH DAS [Dergaon (Reserved for Scheduled Castes)]:
Sir, we have not received even the budget speech.

(After a pause)

Mr. SPEAKER: Have the hon. Members got copies of the budget
speech now?

MR. SPEAKER, SIR,

I rise to present the final budget estimates of the State of Assam for the financial year 1962-63. The House had approved a vote on account for a sum of Rs. 20.54 crores to cover the expenditure during the first quarter of 1962-63 as before the close of the last financial year, the new Government, constituted after the general elections, did not have adequate time and opportunity to formulate and finalise the programmes to be undertaken this year. In particular, the financial provisions necessary on new schemes and projects to be implemented outside the State annual plan had not been included in the earlier estimates presented at the time of the vote on account. The estimates that I shall now be presenting before the House take into full account not only the development programmes and projects to be implemented this year as part of the State's annual plan but also the additional expenditure outside the plan considered essential in the interests of efficient administration and all-round development of the State's economy. Inevitably, the expenditure programme for this year, as now proposed, is considerably higher than that estimated at the time the vote on account was approved by the House, necessitating greater sacrifices in the interest of the future development of the State and for achievement of the cherished goals that we have set ourselves.

2. Before I go into the details of the Budget proposals, I should like to touch on certain salient features of the national economic scene as has been done by me in the past and as these are inevitably reflected in the economy of the State. The completion of a decade of planned progress by the close of the Second Plan in 1960-61 has created the necessary base for the future development of the country and with the implementation of the Third Plan, a self-generating economy is expected to be achieved. These years are, therefore, crucial years as they mark the period of economic 'take-off'. The total outlay of

Review of
economic
conditions.

Rs. 10,400 crores in the Third Plan is equal to the actual investments effected during both the First and Second Plan periods. It is expected that, with the implementation of the Third Plan, the national income would go up by 34 per cent against the increase of 18.1 per cent from Rs.248 to Rs.293 at the close of the Second Plan. Agricultural production, which had increased by 40 per cent by the end of the Second Plan, is expected to be increased by a further 28 per cent, the increase in 1960-61 alone being 8 per cent, so as to reach a production figure of over 101 million tons by 1965-66. The present food position in the country is fairly satisfactory and with considerable reduction in the volume of food imports, valuable foreign exchange would be available for import of machinery and equipment. The foreign exchange situation, however, continues to be extremely difficult. While aid from friendly foreign countries is expected largely to cover the gap, a very intensified effort is called for towards promotion of exports. In the field of industrial development in the country, the achievements have been spectacular in view of the increase in industrial production by about 70 per cent between 1951 to 1960 and by a further 7 per cent in 1961. Particular importance has been given to the power and transport sectors which are major pre-requisites for industrial progress, together with a substantial growth of key industries such as steel, petroleum products, coal, heavy engineering and electrical machinery manufacture and the like. The temporary shortages and stress and strain in power availability and in rail movement facilities for coal and other industrial raw materials have, at the same time, to be admitted but these temporary bottle-necks themselves indicate the dynamic trend towards rapid industrial growth and development. The fact that, despite heavy investments in both the public and private sectors, the general index of wholesale prices together with the working class consumer price index in the country continued to remain fairly stable during the last year as against the trend of increasing price levels during the Second Plan years is indicative of the nation's growing economic stability and is a reflection of the greatly increased production figures in both the industrial and agricultural sectors of the economy and a happy augury for the coming years.

The great increase in population, as revealed in the last census is, however, a serious problem which reflects itself in the continuing problem of unemployment, though in lesser measure, despite the substantial increase in employment opportunities as a result of growing industrial and other development activity. This factor is also projected in the per capita income figures and greatly reduces the per capita income increase despite a substantial increase in our national income.

3. Though the economic developments in the country have been reflected in Assam also, its comparative isolation has resulted in the impact and repercussions of these developments being substantially less than in many other States and the economic picture in the State is somewhat different. A very significant trend has been the great increase in population in the State by 34 per cent during the decade from 1951 to 1961, the population figure rising from about 88 lakhs in 1951 to about 119 lakhs in 1961. This phenomenal increase of population resulted in the per capita increase being only nominal over the last decade though the increased State national income figures rose by 34 per cent from Rs. 224 crores in 1950-51 to about Rs. 300 crores in 1960-61, in terms of 1948-49 prices. By the end of the Third Plan, however, the State national income is expected to increase by nearly 35 per cent over the 1960-61 level and per capita income is expected to go up, by about 20 per cent, to Rs.308. In the field of agriculture, progress was not as satisfactory as was hoped, owing to uncertain weather conditions and natural calamities like floods and cyclone, etc. However, the fact that our State has more or less reached a level of marginal self-sufficiency in food production is evident from the substantial reduction of food imports into the State from 83,000 tons in 1957 to only 3,000 tons in 1961 in spite of considerable increase in population. In the sphere of industries, the major event has been the commissioning of the Noonmati refinery which is likely to refine 7.6 lakh tons of crude oil annually. The total crude oil production in Assam oil-fields will continue to expand and when the second public sector refinery at Barauni goes on stream, the total crude oil production in Assam will be about 7 times the

level in 1961. The tea industry in this State created a new record in 1961 when production reached the figure of 183 million kgs of tea compared with the previous figure of about 171 million kgs in 1958 and 1959. The production of coal in the State increased to 7.34 lakh tons in 1961 from 6.65 lakh tons in 1960. Steps are being taken for setting up several new industrial projects in the State and these are likely to be completed during the Third Plan period. With the completion of these projects, the State will have made considerable headway in the field of industrial progress. It is a matter of concern, however, that the price index in Assam continues to be considerably higher than in many parts of the country, leading to the cost of living in this State being much higher. The general whole-sale price index rose from about 124 in 1959 to 131 in 1960 and to about 135 in 1961 but has come down to about 130 in February and March this year. The food price index, as indicated by me in my last year's speech, stood at 129 in 1959 and 1960 but in 1961 it increased to about 131 but has come down again in the first quarter of this year. The rise in the price index and the increase in the cost of living was, however, quite substantial in the Second Plan period as was the tendency in the country as a whole and as is indicated by the various price indices. It is hoped that, with greater and more varied production in the different sectors of the State's economy during the Third Plan period, it will be possible to bring the price level in this State down to the levels pertaining in some other parts of the country where it is much lower at present. This will, however, depend particularly on the extent to which agricultural production can be increased in the State to meet the requirements of the growing population. In respect of employment, a survey conducted in the State indicated an increase from 1.44 lakhs to 1.6 lakhs in persons employed in Government and quasi-Government establishments, while there has also been a substantial increase in employment opportunities in the private sector. The greatly increased population figure is, however, reflected in a considerable increase of 'employable' persons and this is undoubtedly a matter of some concern. Though a large proportion of such increase has been absorbed in the agricultural sector where the problem is more of under-employment

than of not finding work at all, the number of persons remaining on the live register of employment exchanges in the State remained between 27,000 to 31,000 and was 30,537 in March 1962, though it must be remembered that all the persons remaining on the live register are not, strictly speaking, unemployed, a recent survey indicating that only 35 per cent and 61 per cent of such registrants at the Shillong and Gauhati exchanges respectively were unemployed. It has, however, to be recognised that the number of persons desirous of employment considerably outstrips the extent of employment opportunities and it is hoped that with the growth of greater employment opportunities consequent on the industrial development of the State, the problem would be greatly mitigated in the next few years.

Accounts of
1960-61.

4. I should now like to deal with the actuals of 1960-61 and the revised estimates for 1961-62. The year 1960-61 opened with a small balance of Rs. 80.59 lakhs. In the original Budget estimates for that year, it was estimated that the total receipt on revenue account would show a surplus of Rs. 172.72 lakhs while there would be a deficit of Rs. 237.31 lakhs on capital account. In addition, a surplus of Rs. 166.11 lakhs was estimated on public account. It was therefore expected that the year would close with a balance of Rs. 182.04 lakhs. The actuals for this year, however, varied considerably from the estimates owing to a large number of adjustments effected during the year on the receipt side, together with heavy expenditure on certain items not anticipated at the time the Budget estimates were prepared. The detailed figures in this regard are as follows—

1960-61

In lakhs of rupees

		Budget estimates	Actuals
(a)	Revenue Receipts	3,760.45	3,599.55
	Revenue Expenditure ..	3,587.73	4,050.00
	Surplus (+) or deficit (—) on revenue account.	(+) 172.72	(—) 450.45
(b)	Capital Receipts — ..	1,040.97	930.67
	Capital Expenditure ..	1,278.28	1,574.93
	Surplus (+) or deficit (—) on capital account.	(—) 237.31	(—) 644.26

	Budget estimates	Actuals
(c) Surplus (+) or deficit (—) on public account.	(+) 166.11	(+) 292.76
(d) Deficit on Contingency Fund Account	Nil	(—) 46.99
(e) Net closing balance	(+) 182.04	(—) 768.35

On the receipt side, the main reasons for variation were the greatly reduced receipts to the extent of Rs. 185 lakhs because of non-payment of dues of the Road Carriage Tax, following the Supreme Court decision, together with a substantial shortfall of about Rs. 280 lakhs in the Central assistance anticipated for the year because of adjustments made during this year by the Planning Commission in respect of Central assistance for the entire Second Plan of the State. These figures were partially counterbalanced by increase in receipts on account of share of income-tax together with State excise duty, agricultural income-tax and the like but the overall receipts on the revenue side were much less than expected. On the capital side, the actual receipts also came to less than the estimates because of shortfall of loan assistance from the Government of India and shortfall in recovery of loans and advances made by the State Government. On the expenditure side, the figures are much higher because of increased expenditure on various heads and, in particular, on education, law and order, famine relief, food subsidy, etc., besides increased expenditure than was anticipated on procurement. The unfortunate language disturbances and the Mautum famine in the Mizo district taxed our resources greatly during the year. The financial position at the close of 1960-61 was, therefore, undoubtedly very unsatisfactory and the State Government had to take two ways and means advances from the Government of India to clear the overdrawals in the State Government's account with the Reserve Bank.

5. In the revised estimates for 1960-61, it was estimated that the year would close with a deficit of Rs. (—) 373.44 lakhs. In actual fact, however, the deficit was much higher and amounted to Rs. (—) 768.35 lakhs as indicated above. At the time the estimates

for 1961-62 were prepared, working on the revised estimates of Rs. (—) 373·44 lakhs being the closing balance for the year, it was expected that the year 1961-62 would close with a deficit of Rs. (—) 231·07 lakhs. In view, however, of the actual deficit opening balance being as high as Rs. (—) 768·35 lakhs, it was inevitable that the closing balance for 1961-62 would be much higher than the original estimate of Rs. (—) 231·07 lakhs. The actual deficit closing balance at the end of 1961-62 came to Rs. (—) 658·74 lakhs. The details in this regard are indicated hereinafter—

1961-62

(In lakhs of rupees)

	Budget estimates	Revised estimates
(a) Closing balance as on 31st March, 1961.	(—) 373·44 (as per revised estimates)	(—) 768·35 (as per actuals)
(b) Revenue Receipts ..	3,687·49	3,948·83
Revenue Expenditure ..	3,701·51	4,143·66
Deficit (—) or Surplus (+) on Revenue Account.	(—) 14·02	(—) 194·83
(c) Capital Receipts ...	1,429·00	2,798·30
Capital Expenditure ..	1,622·46	2,549·57
Deficit (—) or Surplus (+) on Capital Account.	(—) 193·46	(+) 248·73
(d) Deficit (—) or Surplus (+) on Public Account.	(—) 23·59	(+) 5·89
(e) Deficit (—) or Surplus (+) in Contingency Fund Account.	....	(+) 49·82
Total Deficit (—) or Surplus (+) during the year.	(—) 231·07	(+) 109·61
Net closing balance	(—) 604·51	(—) 658·74

6. The budget for the year 1961-62 placed the revenue at Rs. 3,687·49 lakhs and expenditure from revenue at Rs. 3,701·51 lakhs, leading to a revenue deficit of Rs. 14·02 lakhs. According to the estimates framed on the basis of actuals of first 11 months and the anticipated receipts and expenditure for the last month, the revenue receipts came to Rs. 3,948·83 lakhs and revenue expenditure came to Rs. 4,143·66 lakhs, the estimated revenue deficit increasing to Rs. 194·83 lakhs. The increase of Rs. 261·34 lakhs in the anticipated revenue as compared with the original budget

is mainly the result of transfer of Rs. 330 lakhs from the Contingency Fund, grant in aid of Rs. 115 lakhs from Government of India for expenditure incurred on the Naga Hills disturbances in 1956-58 by the State Government, grants of Rs. 22.45 lakhs in connection with expenditure on Mautum and language disturbances together with grants-in-aid covering the expenditure on border roads. These grants were, however, counterbalanced by less receipts amounting to about Rs. 134 lakhs on account of Central assistance expected towards the State Plan and less assistance to the extent of Rs. 90 lakhs on account of other natural calamities than anticipated, together with other lesser variations. The question of payment of the balance Central assistance for the last year has already been taken up with the Planning Commission. The excess in expenditure of Rs. 442.15 lakhs is mainly due to the increase of expenditure on account of transfer of Rs. 330 lakhs to Contingency Fund, payment of interest of Rs. 40 lakhs on loans and expenditure on civil works and flood control schemes amounting to Rs. 65 lakhs and 26 lakhs respectively. The details of other variations have been given in the Budget Memorandum.

On the capital side, the revised receipt is Rs. 2,798.30 lakhs against the original estimate of Rs. 1,429 lakhs showing an increase of Rs. 1,369.30 lakhs which is mostly due to ways and means advances of Rs. 900 lakhs from the Government of India which have since been fully adjusted against share of Central taxes and duties due to the State, further loan to the extent of Rs. 340 lakhs from the Government of India on various accounts, ways and means advance of Rs. 1 crore from the Reserve Bank of India and recovery of loans and advances of Rs. 33 lakhs by the State Government. Capital expenditure is also anticipated to rise by Rs. 927.11 lakhs. This is mainly due to increased expenditure on repayment of ways and means loans referred to above, counterbalanced by other variations under other accounts.

To sum up the position for 1961-62, the anticipated surplus of current receipts over expenditure during the year in the revised estimates is

Rs. 109.61 lakhs as against the deficit on current account amounting to Rs. (—) 231.07 lakhs anticipated in the original estimates for the year. In view, however, of the heavy opening deficit at the beginning of the year, the closing balance on 31st March, 1961, continued to show a fairly heavy deficit estimated to be Rs. (—) 658.74 lakhs. This anticipated closing balance is substantially higher than the estimated closing balance at the time the vote on account was taken when it was expected to close the year with a deficit of Rs. (—) 439.58 lakhs. This increase is largely due to shortfall in estimated Central assistance on plan account which matter has already been taken up with the Planning Commission.

Implications of the Third Finance Commission's Award.

7. As I had discussed the detailed implications of the Award of the Third Finance Commission in so far as this State was concerned in the course of presentation of my proposals for a vote on account in March last, I do not propose to repeat those details again. I had pointed out that while the increase of over Rs. 3 crores annually, which the State would be entitled to receive as a result of the Award, would cover the existing gap on revenue account, including the committed expenditure from the Second Plan, it would not adequately cover the resource requirements necessary to enable the State Government to meet the special problems of the State and the urgent and inescapable commitments on the non-plan side. The revised budget proposals, which I shall be placing before the House, fully confirm this view that the Award of the Third Finance Commission falls considerably short of meeting the State's just and legitimate aspirations. Despite our efforts to prune non-plan expenditure to the maximum extent and to keep it to as low a figure as possible, consistent with meeting the essential needs of the State, it has not been possible to completely wipe out our existing ways and means deficit. It is necessary for the Central Government to review this position and to ensure that this border State, bristling as it is with multifarious problems and difficulties, is given the necessary financial backing and assistance to meet these problems and difficulties effectively. I am confident

that the Central Government will appreciate our position and the efforts that we are making from our own side and will give us the necessary assistance to completely restore normalcy to our State finances by the close of this year.

Annual
Plan for
1962-63.

8. As the House is aware, the total outlay on the State's Third Plan amounts to Rs. 120 crores of which Rs. 87 crores will constitute Central assistance while Rs. 33 crores would be required to be met from State resources. During 1961-62, the first year of the Third Plan, an annual plan of Rs. 17.4 crores was approved. From the departmental figures available, it appears that most of the annual plan outlay has been spent. The tempo of development expenditure has increased very rapidly, as will be self-evident from the fact that plan expenditure was only about Rs. 9.5 crores on an average during the first four years of the Second Plan. The implementation of the last year's annual plan has indicated that most of the development departments are now in a position to take up sizeable development programmes in their respective sectors and to fulfil the physical targets consequent on greatly expanded programmes being taken up.

9. The Planning Commission had suggested that, for this year, the annual plan outlay should be limited to only Rs. 20.4 to 21.6 crores, being 17 to 18 per cent of the total Third Plan outlay. The State Government were, however, of the view that the rapidly increasing tempo of expenditure necessitated a higher allocation, particularly for implementation of the bulk power development programmes which were absolutely essential for the transition towards an industrial economy. I am glad to inform the House that, in the course of discussions, the Planning Commission accepted the view point of the State Government and agreed to an additional allocation of Rs. 3 crores for power projects, besides Rs. 20.4 crores for the State Plan. The sector-wise allocations of this year's plan is given at Annexure II. The revenue and capital content of this year's plan, as provided for in the budget, stands at Rs. 941.08 lakhs and Rs. 1,275.29 lakhs respectively. The capital content of the plan stands at 59 per cent as against the estimated 54 per cent of the last year's plan, the increased content of capital expenditure being a very desirable trend.

Steps taken
for speedier
plan imple-
mentation.

10. In order to ensure that the annual plan is fully implemented, the procedure for sanction of plan schemes has been considerably simplified. Financial Advisors and Finance and Accounts Officers have been attached to most of the major development departments, the former being authorised to sanction the continuing schemes and projects. The procedure for financial scrutiny and sanction has been considerably modified and a series of discussions were arranged by the Finance and the Planning departments with the development departments concerned during the last month with the result that most of the plan schemes have already been cleared. Delayed sanctions would, therefore, no longer constitute a bottleneck to the implementation of the State's Plan and I am confident that this year we shall be able to fully implement the annual plan, despite the fact that the outlay is much larger than in any previous year and is more than twice the average annual expenditure during the Second Plan period. It is also proposed to set up a Committee to examine building construction costs and to suggest ways and means as to how such costs can be reduced. Since building construction constitutes a substantial portion of plan expenditure, this examination is expected to yield fruitful results. Steps are being taken to reorganise the Planning department including the setting up of an Evaluation wing for progressive evaluation of the work done on various plan schemes and projects. The question of constituting a State Planning Board is also under consideration.

Objectives of
planning in
the State.

11. The threefold targets towards the fulfilment of which planning in the State is proceeding are, firstly, to effect the transition to a balanced agro-industrial economy and to provide the necessary pre-requisites for industrial development, secondly, to build up the agricultural economy of the State on the two pillars of panchayats and co-operatives and thirdly, to meet the essential requirements in the field of educational and medical facilities and the like.

Power deve-
lopment.

12. Great emphasis has been given to the rapid growth of power in respect of which Assam continues to lag far behind other States and the State Electricity Board has been and is being sanctioned the necessary funds for implementing a comprehensive programme in

this regard. The construction of the Umiyam Hydro-Electric project, which is expected to generate 51,000 k.w. in its first two stages within the Third Plan is progressing satisfactorily and is expected to provide much needed electricity in the Khasi and Jaintia Hills, the Lower Assam Valley and Cachar by 1964. Work is also proceeding satisfactorily on the Namrup Gas Thermal project, which is expected to produce 69,000 k.w. by 1964, to meet the needs of the Upper Assam area, including the requirements of the fertiliser plant and other projects based on natural gas, which are likely to develop in the area. A project for generation of 5,000 k.w. of electricity in the Garo Hills has been undertaken and necessary orders placed and work commenced. An extensive system of high tension transmission lines along two grids is in the process of being laid, together with sub-transmission and distribution lines, which would take power to small urban areas and villages in the State, besides the larger centres of consumption. Arrangements have been made to electrify Nongpoh, Umling, Umran, Lalcharai and other villages as part of the rural electrification programme. The detailed Kopili Project report, which is being prepared by the C. W. P. C., is expected very shortly. Preliminary work on this multipurpose undertaking has already been taken up by the State Electricity Board and it is hoped that the main work will be taken up in the very near future.

Industries

13. Together with power development, the tempo of activity in the industrial sphere, generated during the last few years, continued to be maintained during the last year. Besides the completion of the Gauhati Refinery, the Spun Silk Mill was completed in the State sector and manufacture of meters taken up at Shillong through the State Electricity Board. The crude oil pipeline between Naharkatiya and Gauhati has been completed and work is now proceeding on the section between Gauhati and Barauni. A project report for the gas distribution scheme in the Namrup-Tinsukia area has been received from the French firm of consultants appointed by the Government and work on this gas pipeline project would be taken up during the year through the Assam Gas Company Ltd., which has been registered. This company, in the State sector, is also expected to take up a project for gas

fractionisation and a project report in this regard is under preparation. Work on the fertiliser plant proposed at Namrup in the public sector is proceeding. In the private sector, satisfactory progress is being made towards the establishment of two cotton spinning mills, a superphosphate and sulphuric acid plant, a cement factory in Cherrapunji, a petroleum coke calcination plant near the refinery and a hard-board plant near Gauhati. The rayon and paper pulp projects in Cachar are under negotiations with the private sector groups who are holding licenses for these projects. Various projects for utilisation of the different natural gas fractions in the Naharkatiya area are under consideration, together with the setting up of an LPG plant to process the refinery gas available at Gauhati. The State Government have participated financially to varying extents in most of these projects as also smaller units such as that of Assam Chemicals and Pharmaceuticals, Ltd., in Gauhati. It is a matter of considerable concern, however, that the difference between the Ministry of Mines and Fuel of the Government of India and the State Government in the matter of oil royalty still remains to be resolved in spite of our repeated efforts to reach a settlement. As I had explained to the House, the definition of well-head value of crude oil has been altered in the Supplemental Agreement entered into between the Government of India and the Burmah Oil Company from that which existed earlier and in accordance with which we have been receiving royalty till the first part of last year. If this modification is accepted, the royalty per ton payable to the State would be substantially lower than what the State would have been entitled to, on the basis of the earlier definition. More than the question of quantum of rate of royalty, the basic question is whether the Central Government or the State Government are legally competent and have the right to fix the rate of royalty. It is contended by the Mines and Fuel Ministry of the Government of India that rate of royalty on oil fixed under the Supplemental Agreement has been fixed in exercise of Government of India's regulatory powers under the Constitution. We do not accept this position as the regulatory provision in the Constitution cannot be interpreted and utilised to deprive the State Government of its legitimate and proprietary rights

over minerals including oil resources which, under the Constitution, vest in the State Government.

The State Industries Minister and myself have been to New Delhi more than once in this connection and only recently, even though the House was in session. Despite our efforts in this regard, however, no solution has been possible and we have only been made a general offer of participation to an extent of about 15 per cent in the Gauhati refinery. No detailed proposal has been received even in this regard and in view of the basic issues involved and the limited returns likely from this general offer, the Government will examine and consider what further suitable action is called for. The inequitable imposition of West Bengal Entry Tax on Assam tea merely auctioned in Calcutta has not been taken off in spite of our efforts in this behalf. A Committee, on which the various tea interests have been fully represented has been appointed to examine the question of holding tea auctions in Assam. On receipt of the report of the Committee, which is expected very shortly, it would be considered if such auctions would be started in the State and what necessary pre-requisite measures need to be taken in this regard.

14. In respect of small and cottage industries, the programmes for imparting technical guidance, assisting in the supply of raw materials, giving technical training in various trades with Government stipends and granting loans for setting up and expanding small and cottage industries units are proposed to be continued, in greater measure, during the current year. A scheme for providing practical training in industry has been taken up and 65 trainees have been sent to the Sindri and Nangal units of the Fertiliser Corporation of India for training and ultimate absorption in the Namrup plant. Apprentice trainees are also being selected and sent for training both inside and outside the State in industrial undertakings. Steps are being taken for establishing two raw material depots and a quality marking scheme is also proposed to be introduced from this year. A unit for the manufacture of agricultural implements and small tools is also proposed to be set up, together with a service workshop and two more training-cum-production centres in the rural areas, with three trades in each. The Small-scale Industries Development Corporation has been registered and together with the Marketing

Cottage
and Small-
scale Indus-
tries.

Corporation, it is intended to give a considerable fillip to the growth of small scale industries in the State. This Corporation would take over the management of industrial estates and units departmentally managed at present. Steps are being taken to establish four more industrial estates at Sibsagar, Makum, Golaghat and Gauripur while construction of an estate at Nalbari has been taken up. A cane and bamboo production centre has been taken up at Karimganj. In the hill districts also, schemes for the development of cottage and small industries are being taken up through award of stipends, grant of loans and subsidies, industrial schools and training-cum-production units at Shillong and Aijal.

Geology and
mining.

15. The Directorate of Geology and Mining has been strengthened to take up an expanded mineral investigation programme. It is also intended to exercise greater check and follow up in respect of mining and mineral exploitation by different parties in the State. It is also proposed to have a statistical unit attached to the Directorate to collect and analyse all materials relating to production despatches and value of minerals raised in the State. In the current year, it is proposed to take up investigation of raw materials for setting up of a cement plant at Bokajan, investigation of mineral occurrences in the water-spread area of the proposed Kopili dam and investigation of raw materials for the production of stone-ware and porcelain. In addition, the detailed geological survey and proving of raw materials such as coal, lime-stone and clay for the cement factory in Cherrapunji would be taken up, together with the proving of other limestone deposits in the State. It is expected that, as a result of these investigations, sufficient data will be available for taking up mineral industries in the State for which there is very great potential.

Sericulture
and
Weaving.

16. Three eri seed grainages and one basic muga seed farm with a research sub-station at Dhakuakhana are in the process of establishment besides expansion of activities in the existing farms and grainages. In addition, organisation of eri seed grainers and selected muga seed cocoon growers with necessary financial and technical assistance, supply of charkha at concessional rates, establishment of nurseries for food plants and plantation of muga

food plants in grazing reserves covering 200 acres were taken up. Two muga seed cocoon-growers societies were also organised. Seven handloom schemes were also taken up aiming at all-round development of the handloom weaving industry. Under the Article 275 programme, a number of schemes were taken up including the establishment of six chowki rearing centres, 8 collective mulberry gardens and one reeling centre at Tura. To provide sufficient training facilities in weaving, 2 training centres each in the hills and plains districts were established as a follow-up programme. Some handloom demonstration centres were also set up in the hills to render technical facilities to the weavers. Three hundred and eighty-six sets of looms and accessories were distributed at concessional price among the deserving weavers for conversion to fly-shuttle loom. Subsidies and grants-in-aid were granted to deserving mulberry growers. For these schemes, an amount of Rs. 2.79 lakhs was spent as against an allocation of Rs. 2.82 lakhs. On the sericulture side, Rs. 7.38 lakhs was spent against a total allocation of Rs. 9.58 lakhs. The activities of the Khadi and Village Industries Board were continued and expanded in different spheres. A special grant of Rs. 2½ lakhs will be given to the Board during the current year from the normal budget towards working capital in addition to the annual grant of Rs. 5 lakhs.

Communica-
tions.

17. It is proposed to continue the expansion of road communication facilities during the current year. A fairly large programme with an outlay of Rs. 5.8 crores was taken up and implemented during the Second Plan period. The bridge projects are now making good progress. Work on the Barak bridge, which had been suspended for want of foreign exchange, will be resumed in the next season, with the release of some foreign exchange for this project. Another important bridge, that across the Jiabhorali, has been almost completed and ready for taking traffic. During the current year, it is also proposed to take up an expanded road construction programme. In the hill districts, about 40 miles of roads with bridges were constructed at a cost of Rs. 60 lakhs during 1961-62 and an outlay of Rs. 45 lakhs has been allotted for road communications in these districts during the year, together with a provision of over Rs. 8 lakhs

for roads in the plains tribal areas. Certain roads have also been taken up and are further proposed to be taken along the borders. Up-till now, 712 Sramik Bahinis have been set up and allotted work amounting to over Rs. 20 lakhs by December, 1961. This movement is gradually growing and will enable greater participation of the rural people in road construction contracts.

Besides road communications, inland water transport facilities are being gradually expanded and work on the inland port at Pandu is proceeding. The Joint Steamer Companies have also taken up a programme for rehabilitation of their fleet of vessels operating between this State and Calcutta. The railway facilities have also been improved greatly in recent years and the completion of the Brahmaputra bridge during this year will be an important milestone in the development of communications between this State and the rest of the country. The section between Amingaon and Siliguri is being dieselised for goods traffic. The section between Rangapara north and Dhalabail on the North Lakhimpur section has been opened to traffic and further construction is in progress. The railway line from Dangari to Dholla which was closed since the 1950 earthquake will soon be re-opened while construction of the Kalkalighat-Dharmanagar line has been taken in hand. The capacity in the hill section between Lumding and Badarpur will be increased from the existing 50 wagons to over 200 wagons a day. The dieselisation of the hill section is also under consideration. A products pipeline is proposed to be constructed by the Indian Refineries Limited from Gauhati to Siliguri which would relieve the goods movement problem by transporting a major proportion of the products of the Gauhati Refinery. The State Government are, however, of the view that the real solution to the problem of the transport bottleneck constantly facing the State lies in opening a railway line to Garo Hills through Goalpara and in having a broad gauge system up to Gauhati in the first instance. We have been pressing the Government of India in this regard.

In the field of road transport, it has been decided to nationalise the Makum-Lekhapani-Digboi and Golaghat-Dergaon routes together with the route

from North Gauhati to Barpeta during the current year. Additional amenities and facilities are also proposed to be provided to passengers during the current year.

Panchayats

18. The Government's insistence on democratic decentralisation and to the healthy and effective functioning of the panchayats set up in the plains area of the State, underlines the unqualified acceptance by Government of the importance of the problem and of Government's policy to appeal to and prepare the people to take advantage of facilities for increasing agricultural production and for all-round development in rural areas. The panchayat organisation of 16 Mahkuma Parishads, 120 Anchalik Panchayats and 2,500 Gaon Panchayats has already been set up in the State. Most of the Anchalik Panchayats have been fully integrated with the organisation at the Block level and the BDOs are functioning as the *ex-officio* secretaries of the panchayats. A training institute for panchayat personnel will be completed during the current year. A separate scheme for the training of panchayat secretaries is already being implemented and it is proposed to train 340 such persons this year. Through sammelans of officials and non-officials at various levels, distribution of instructive literature and the like, information is being sought to be disseminated to the panchayats as far as possible. Inspecting and audit staff have been provided to assist the panchayats in maintaining proper accounts, etc. Provision for grants to cover the travelling allowance and dearness allowance of the president and vice-president of the Anchalik panchayats has been made so as to enable them to exercise necessary supervision in their respective areas. During this year, it is also hoped to set up panchayati adalats in some areas to dispose of a certain level of cases. The assets and liabilities of the defunct local bodies are being taken over by the panchayats and the employees of these local bodies have, for the most part, been already absorbed under the Anchalik panchayats.

While the panchayat organisational set up has been created, what is most necessary is that they should effectively take over the multifarious functions assigned to them. To enable them to discharge their roles

effectively, 25 per cent of the land revenue collections together with the collection of local rate had been assigned to them hitherto. An amount equivalent to more than 2 per cent of the land revenue collection has, since last year, been given as grants to Anchalik panchayats towards 50 per cent of their expenditure in respect of travelling allowance and dearness allowance of the office-bearers of such panchayats. Besides, specific allocations were made for rural water supply, communications and local development works. Despite the above allocation of revenue, it has been seen that the panchayats have not functioned as effectively as had been earlier hoped. In order to provide the panchayats with a stronger financial base, it is proposed to increase the share of land revenue collections from 25 per cent to 37½ per cent. This is an important step that Government propose to take this year with a view to ensure that these units of local self-government are able to function effectively. The increased share of land revenue shall be earmarked for rural water supply, rural communications, etc., and no separate grants will be given for these purposes. While the grants for local works, rural communications and water supply hitherto given out of the annual budget of the State came to only Rs. 7.5 lakhs, the additional percentage of land revenue that would be transferred to the panchayats would yield about Rs. 18 lakhs. It may thus be pointed out that together with the sum which would be given as grant to Anchalik panchayats to reimburse 50 per cent of their expenditure on travelling allowance and dearness allowance of office-bearers and further expenditure for setting up panchayati adalats and for fairs and exhibitions, etc., the panchayats will be receiving over 40 per cent of the net collection of land revenue from this year. Besides this, the entire net collection of local rate is made over to Gaon panchayats to enable them to discharge their vital role and responsibilities effectively. It is also proposed to place the maintenance and improvement of primary schools squarely under the control of the Gaon panchayats and, for this purpose, it is proposed to increase the local rate from 25 nP. to 50 nP. in the rupee and to transfer the additional revenue thus collected in the panchayat areas to the panchayats themselves. Separate legislation to effect the above purpose together with such

amendments to the Panchayat Act as are likely to improve the functioning of panchayats are proposed to be introduced in the current session. It has also been recognised that it is necessary for panchayats to take up productive and remunerative schemes and a third important step is the provision of funds to the extent of Rs. 5 lakhs to assist the panchayats in taking up such schemes, which provision may be further increased if necessary. It is proposed to channelise this scheme through a separate governmental agency which would be able to assist and guide the panchayats in this regard. All these important steps are expected to bring about a substantial transformation in the role of the panchayats and the functions that they are required to and should be in a position to perform.

Co-operation.

19. Side by side with the effective functioning of the panchayats as units of local self-government, it is considered necessary to build up the co-operative structure as far as possible. Last year, 5 primary marketing societies were organised and 4 godowns sanctioned on which over Rs. 5 lakhs was spent. The societies were given loans and grants to construct 40 godowns in rural areas. Four primary land mortgage banks were established as feeders to the Central bank. Three hundred and ten additional service co-operatives were set up, besides 12 primary consumers co-operative societies. During the current year, with a view to strengthen the co-operative credit structure, it is proposed to issue Rs. 2 crores as short-term, Rs. 50 lakhs as medium-term and Rs. 25 lakhs as long-term loans through various co-operative institutions subject to the condition that they reduce their over-dues and show satisfactory working. An amount of Rs. 1 lakh will be contributed to the Apex Marketing Society as additional share capital contribution of the Government to strengthen its financial position. It is also proposed to take up revitalisation of the department on the lines of the suggestions of the Government of India as far as practicable. An amount of Rs. 1,60,000 has been provided for taking various steps to revitalise 400 rural credit co-operative societies. This will be done by giving them subsidy of Rs. 400 each to strengthen their existing staff and by other suitable measures. During the current year it is proposed to organise 6 primary marketing societies. It is also proposed

to continue giving of subsidy to the societies on the approved pattern. An amount of Rs.4,17,460 is to be spent for this purpose. The department proposes to construct 50 rural godowns at a total cost of Rs. 5 lakhs. An amount of Rs.6 lakhs is proposed to be advanced to the Assam Warehousing Corporation as share capital contribution of the Government. It is also proposed to intensify the programmes relating to the rural credit organisation of the Central banks. In the current year, an amount of Rs.6,95,000 will be given as subsidy to service co-operative societies and credit unions. It is also proposed to give further subsidy to the Central banks with a view to help in accelerating the progress of rural credit. Side by side, 3 more land mortgage banks will be organised. It is also proposed to extend the setting up of processing co-operative units. A rice mill is proposed to be set up in the co-operative sector during the current year. Another important activity in the current year will be the establishment of pilot projects for co-operative farming. A provision has been made for establishing 2 pilot projects at an estimated cost of Rs.2,44,000. It is also proposed to advance loans to non-pilot project farming societies and a sum of Rs.1,02,000 has been earmarked for this purpose. The training of co-operative farming personnel will also be taken up during the current year. Other activities in this sector include training and education of non-officials, contribution towards relief guarantee fund and the setting up of grading units for the benefit of primary marketing societies.

20. Against the target of 160 blocks agreed to by the Government of India for this State, as many as 96 blocks are already in operation and another 16 are in the pre-extension stage. 83 of these are in the plains areas and 29 in the autonomous districts. During this year, it is proposed to commence operation of another 48 blocks to cover the entire State. The blocks already under operation cover 34,454 sq. miles and 18,794 villages inhabited by 56.51 lakhs of people which means about 75 per cent of the villages and 67 per cent of the population in the State are covered. More effective measures are being taken for attracting people's participation in increasing measure and gradual shifting of the responsibilities

for planning and implementation on the agencies of the people due to the integration of blocks with panchayats. Wider powers have been delegated to district, subdivisional and block levels for quicker execution of programmes. The block is now being gradually recognised as the unit of planning and development with the block panchayats laying down the policies and the BDO co-ordinating the execution of the various programmes. The blocks in operation include 6 post-stage II blocks which were started in 1952-53 and have passed through the intensive development stage and stage II during the last 10 years. The various development departments would be required to ensure that the tempo of expenditure in these areas is kept up as far as possible while the institutions set up under stages I & II are satisfactorily maintained. Under the Government of India's direction, 3 pilot projects with an outlay of Rs. 2 lakhs each for maximum utilisation of manpower and resources available in the rural areas and participation of people in kind and labour to bring more land under cultivation have been taken up in Balijan, Nowboicha and Mukalmua Blocks. It is estimated that on completion of these projects which have provided part-time employment to about 7,000 people, about 41,000 acres of land will be brought under cultivation. To meet the special needs of areas predominantly inhabited by the tribals, additional provisions were made by grants from the Home Ministry and under such grants, 6 M. P. C. D. Blocks in the hill districts and one in the plains area of Murkong-sellek were set up. Two Vigyan Mandirs have been also set up in the State for carrying out research and analyses and 3 more are likely to be set up in 1962-63. Special attention is being paid to women's and children's programmes and a co-ordinated scheme for this purpose is being implemented in collaboration with the State Social Welfare Board and the Social Welfare Directorate. During 1961-62, expenditure incurred amounted to approximately Rs. 124 lakhs as against the current year's provision of Rs. 125 lakhs while the people's participation in cash, kind and labour upto the end of 1960-61 came to Rs. 2.7 crores in monetary value which is about 1/3rd of the total Government expenditure on these programmes.

Agriculture

21. In the Second Plan, agriculture was allocated Rs. 4.73 crores of which Rs. 4.36 crores was spent, representing 92 per cent expenditure. The additional food target of 2.50 lakh tons accepted by the Planning Commission for the Second Plan period was achieved and at the end of the Second Plan, the total food production is estimated to stand at 17 lakh tons.

For the Third Plan, the target of additional food production has been fixed at 4.20 lakh tons, to achieve which the following programmes have been taken up by the Agriculture Department:—(1) Minor Irrigation (2) Land Reclamation (3) Fertiliser and Manure (4) Improved seeds (5) Improved agricultural practices. In addition to these, other new schemes such as double-cropping, oilcake distribution, cotton development, ginger development, etc., have been included in the annual plan of the current year and are in the course of implementation. The revised potential of 3.33 lakh tons additional food production in 1961-62 has been fully achieved. Ten thousand field management committees have been established for helping in the execution of different schemes in collaboration with the panchayats. A "Grow your own vegetables" campaign has been started particularly in the subdivisional towns and it is proposed to distribute one crore seedlings during the Rabi season. It is proposed to organise 3,000 demonstration trials in the block areas with the help of field management committees. During the last year, a new programme for distribution of improved ploughs to the cultivators at a subsidised rate of Rs.10 per plough was adopted and 24,000 ploughs were distributed among the different blocks at 200 to each block for sale amongst the cultivators. This programme is proposed to be continued in larger measure during the current year and 27,000 improved ploughs are proposed to be sold.

Last year, Assam produced a record crop of jute. The production was 11.3 lakh bales as compared to 8.13 lakh bales in the previous year. The work on jute will be intensified in the districts of Kamrup, Darrang, Nowgong and Goalpara which contribute 90 per cent of the jute crop in Assam. In order to popularise the use of fertiliser in jute cultivation, about 700 demonstration trials have been organised in the

State. The work on oilseeds, which earn foreign exchange, will be intensified in the districts of Goalpara, Kamrup, Darrang, Nowgong, Sibsagar and Lakhimpur. The work on arecanut, cocoanut, black-pepper and cashewnut will also be intensified. In the year 1962-63, the potential target for additional food production has been fixed at 67,300 tons. It is proposed to achieve this target by intensive cultivation, increased distribution of fertilisers and improved seeds, double-cropping, etc. It is also proposed to intensify cultivation of each crop such as jute, sugarcane, arecanut, cocoanut, cashewnut, black-pepper, oilseeds, cotton, etc. The targets for each crop in acreage are given below:—

Cashewnut ...	...	...	1000 acres.
Black-pepper	.	...	91 „
Cocoanut ...	.	...	1,000 „
Arecanut ..	...	...	1,000 „
Jute ...	...	...	10,000 „
Sugarcane ...	...	...	4,000 „
Horticulture	...	...	2,000 „

The work on agricultural research has been intensified. It is proposed to reorganise rice research in the State by strengthening the present station at Titabor to a full-fledged Central Research Station with regional stations at Barpeta, Shillong and Karimganj. The Government of India will share 50 per cent of the expenditure. In other fields also, research is being reorganised and work on the Regional Fruit Research Station, Cocoanut Research Station and Arecanut Research Station is going on according to the programme laid down. In order to bring to the notice of the extension workers, farmers and others the department has published a number of reports on research work and others are in the press. In simple form, the research results are being spread to the field management committees with the help of leaflets. In the agricultural education sphere, the Assam Agricultural College has been expanded to admit 100 boys each year. A new extension training scheme has been sanctioned and will operate soon at the college. An inservice training course for the officers has also

been started together with a course for irrigation training. The Home Science wing in the college will be started as soon as the buildings are constructed.

22. Side by side with agriculture, fishery development would also be given emphasis this year. During 1961-62, the department produced 2,305 maunds of fish in a water area of 83 acres, besides 50 lakh fish seeds. The Inland Fisheries Extension Unit at Gauhati would be taken over this year for management. The total provision for fishery development this year is Rs. 9 lakhs.

Fisheries

23. During the Second Plan period, 7 hospitals, 14 dispensaries, 4 rural artificial insemination centres, 3 urban artificial insemination centres, 30 key village centres, 2 extension centres, 2 mobile dispensaries, 1 dairy farm and 2 poultry extension centres were established. In addition, 3 existing artificial insemination centres were extended, 37 dispensaries provincialised, 2 V. G. Rs. cultivated for fodder and 4 gaushalas were developed. In the last year, 6 veterinary dispensaries and 3 veterinary hospitals have been established. The Assam Veterinary College buildings have progressed fairly satisfactorily. As against the revised plan allocation of Rs. 18.23 lakhs for 1961-62, Rs. 17.31 lakhs has been spent. To improve milk supply in Gauhati town, milk pockets in surrounding areas have been surveyed in order to examine the possibilities of collection of milk from such pockets and marketing the same in the town in addition to the quantity available from Khanapara Dairy Farm. During the current year, the allocation under this head is Rs. 27 lakhs.

Animal Husbandry and Veterinary.

Forest and Soil Conservation.

24. Some important new schemes were taken up as part of the forest development programme during the last year. Considerable progress was achieved towards the completion of the Timber Treatment and Seasoning plant which would put properly seasoned timber on the market. Investigations were undertaken regarding the availability of raw materials for various forest based industries and pulp projects. At the close of the last year, a new scheme has been taken up, sponsored by Government of India, for raising plantations of fast growing species to cope with industrial

demand. It is proposed to have 9,000 acres of plantation under this scheme in this State during the Third Five-Year Plan. Large-scale plantations of timber species such as teak and plywood were taken up throughout the State during the last year. In the sphere of soil conservation, a new division has been set up for tackling the soil conservation problems in the plains districts of the State with particular reference to river-bank erosion, flooding and sheet erosion caused by uncontrolled professional and village grazing. During the year, a reconnaissance survey of the problem areas east of Tezpur was completed.

25. Considerable importance continues to be attached to the execution of flood control and irrigation schemes as in previous years. During 1961-62, 52,000 acres of land were brought under flood control schemes while under minor irrigation 19,000 acres benefited. In 1962-63, it is proposed to bring an additional area of 58,000 acres under flood control and 25,000 acres under minor irrigation. As against an allocation of Rs. 111.01 lakhs under the plan for 1961-62 for the Department, Rs. 125.49 lakhs were spent. In addition, about Rs. 81 lakhs were spent under different items from State resources, including repairs and maintenance. For the Third Plan, Rs. 5 crores has been allocated for the State flood control programme, Rs. 228 lakhs for medium irrigation projects and Rs. 2 crores for new minor irrigation schemes. For completion of the incomplete embankments and taking other urgent measures a provision of Rs. 8 lakhs has been made from the normal budget and this work would be executed in the current year.

During the last month, the Brahmaputra again started eroding its banks near Mohanaghat and Nogakhalia, about 2 miles downstream of the Dibrugarh protection works and the bank has been eroded at these places to a width of 50-60 ft. Government have already constructed a dyke along the entire bank of the river to protect these areas from flooding. Further protective matters like floating cages, bamboo rafts, etc., have been immediately taken up at both Mohanaghat and Nogakhalia. The erosion at both the places has now slowed down.

Food and
Supplies.

26. The general food position in the State in 1961-62 was satisfactory and the prices of food-grains remained more or less steady due to the special efforts made by Government to meet the additional commitments due to flood, civil disturbances in Cachar and destruction of crops by cyclones in Mizo Hills. During the last year, the State Government had built up a buffer stock of about 21 lakh maunds of paddy by procuring through the Apex Marketing Society, marketing co-operatives and service co-operatives. Supply position of other essential food-stuff such as salt, sugar, pulses, wheat and wheat products in the State was also satisfactory as the State Government were able to maintain a regular flow from outside by arranging an adequate number of wagons. All controls on sale, distribution price and movements of sugar were withdrawn from 28th September, 1961 according to the Government of India's decision but necessary steps were taken to maintain an adequate supply. It is proposed that State trading in food-grains through co-operatives should continue during the present year. The State procurement operation for building up a buffer stock to the extent of 33 lakh maunds in the current year is being financed by obtaining cash credit accommodation to the extent of Rs. 3 crores from the State Bank of India. The supply position in respect of iron and steel materials and G.C.I. sheets continues to be difficult in spite of special efforts made for securing additional supplies, in view of the over-all production in the country having fallen far short of expectations and the continuing increased demands. The supply position of relaxed categories of iron materials, specially rods and bars was however satisfactory. Supply of cement, however, continues to be unsatisfactory mainly on account of non-placement of wagons by the railways at factories. An overall 25 per cent drop in production due to power cuts also contributed to inadequate supply.

Education

27. The scheme for introduction of compulsory primary education, which was taken up during 1961-62, will be further expanded during the current year. In addition to the 1,700 additional teachers appointed during the last year, 2,000 additional teachers are proposed to be appointed during 1962-63. Additional

amounts have been also provided in the budget for furnishing primary schools with minimum teaching aids and equipment for implementing the programme of orienting the primary schools to the basic pattern. In order to carry out the programme for improving inspection, it is proposed to appoint 25 sub-inspectors of schools during 1962-63. Seven high schools were converted into higher secondary schools during 1961-62 and it is proposed to convert another 12 high schools this year. The State Government has created a loan fund of Rs.12.5 lakhs for giving loans to non-Government secondary schools for expansion of school and hostel buildings and purchase of furniture and equipment. The State Government has decided to establish a Sainik school in the State for which a token provision of Rs 2 lakhs has been made in the current year's budget. A phased programme for development of colleges under the three-year degree course scheme has been taken up. Under this scheme, a sum of Rs. 5.90 lakhs has been sanctioned as non-recurring grants to 24 colleges during 1961-62 for construction of buildings and purchase of equipment. Under the cultural programme, it is proposed to further expand the activities undertaken by the Sangeet Natak Academy, the Publication Board, the Assam Flying Club and the State Sports Council. In order to encourage young students to join the defence forces, 20 scholarships have been created which are tenable in the different Sainik schools in India. About Rs. 175 lakhs have been spent during 1961-62 under the plan as against an allocation of Rs. 176.80 lakhs. It has also been decided to make a provision of Rs. 10 lakhs in the Plan for construction and improvement of school buildings other than for primary education and including girls' high schools in the less developed areas of the State. A provision of Rs. 1 lakh has been made in the non-plan budget for preparation of text books. The question of relating scholarships to the economic capacity of the students' parents is engaging the attention of Government. This may be a very desirable step both in the interest of giving greater relief to the economically needy students and towards effecting greater integration within the State. With the gradual industrial development of the State, great stress is being given to technical education in order both that there may not be any shortage of technical

personnel for executing of plan schemes in future and to ensure that local persons of the State are given an opportunity for employment as skilled and semi-skilled personnel in industries developing in the State. Facilities for training in the basic engineering course, at degree, diploma and certificate level, have been provided. During 1961-62, 180 students in the degree course and 420 students in the diploma course have been admitted in the 2 Engineering Colleges and in 4 Polytechnics against the sanctioned intake capacity of 240 and 660 seats respectively. The shortfall was mainly due to lack of accommodation. There is an allocation of Rs. 50 lakhs for technical education and Rs. 15 lakhs for craftsmen training under the plan for the current year. The important schemes proposed for the current year are—establishment of one new polytechnic, setting up of 6 junior technical schools and introduction of 5-year integrated course in the existing 2 Engineering Colleges at Gauhati and Jorhat together with award of a greater number of scholarships both within and outside the State. For craftsmen training, it is proposed to establish 3 new Industrial Training Institutes at Shillong, Tinsukia and Aijal and expand the existing Industrial Training Institutes at Gauhati and Bongai-gaon. These new institutions, when established will create additional facilities for training of 1,000 students per session. It is proposed to admit 120 students in the current year which is the first year of the 5-year integrated course to be introduced in the 2 Engineering Colleges at Gauhati and Jorhat.

Publicity

28. The activities of the Publicity Department were expanded in different directions during the last year and six new schemes were undertaken for moulding public opinion towards securing public co-operation for implementation of the plan, in addition to the continuing schemes. Necessary steps have been taken for starting construction of a film-studio building with laboratory at Gauhati in the current year at a total cost of Rs. 5 lakhs.

Medical and
Public
Health.

29. As against a total plan allocation of Rs. 140 lakhs, about Rs. 125 lakhs was spent during 1961-62 on medical and public health schemes. Steps were taken to establish 3 T. B. clinics and for expansion of T. B. beds in 4 district hospitals. Preliminary

arrangements have been also made to start State-wise small-pox eradication programme from the beginning of the year 1962-63. Arrangements were also made for establishment of more Leprosy centres for control of leprosy. Steps were taken to establish 4 more dispensaries in the rural areas. Six medical graduates were selected for deputation abroad for higher post-graduate medical education in addition to continuance of training of nurses, midwives, etc. Eight Ayurvedic sections attached to eight subdivisional hospitals have been established in addition to 10 Ayurvedic dispensaries. Construction work on five primary health units on block-area basis has been taken up. Thirty family planning clinics were established during 1961-62. For control of venereal diseases, one additional clinic at Dhubri is proposed to be opened. Construction of buildings for the purpose of shifting of the hospitals at Shillong and Jorhat are expected to be completed shortly. It is also proposed to start a 10-bedded T. B. ward at Nowgong, Tezpur, Jorhat and Silchar. Construction of buildings for the Medical College at Gauhati will be taken up during the current year and some new departments will be added. Necessary steps are being taken to finalise the acquisition of land near Silchar for a Third Medical College. It is proposed to establish 50 family planning clinics in rural and urban areas during the current year. An additional provision of Rs. 13 lakhs is proposed to be made for the improvement of dispensaries previously under the Local Boards which were taken over by Government and for taking over and improving subsidised dispensaries during the current year.

Three rural national water supply and sanitation schemes have been taken up at Tangla, Dambuk and Charing and are expected to be completed during the current year. Another new scheme has been taken up at Sootea in the current year at a cost of Rs. 2 lakhs. The first phase of national urban water supply and sanitation schemes taken up at Shillong and Gauhati has been completed and necessary provision has been made for taking up of further stages. Eight new water supply and drainage schemes at Tinsukia, North Gauhati, Karimganj, Rangiya, Nowgong, Hojai, Kokrajhar and Silchar have been selected for execution.

during the Third Five-Year Plan. Survey work in respect of these new schemes is in progress. Under Article, 275, 8 new dispensaries were set up in the hill areas during the Plan period. In addition, 18 dispensaries were started in temporary buildings constructed by the District Council in Mizo Hills, pending permanent construction of buildings by the Public Works Department. In the plains tribal areas, 3 dispensaries were established during the Second Plan. Three Maternity and Child Welfare Centres have been taken up in 1961-62 in hill areas and 2 Leprosy colonies will be established soon in Mikir Hills district at Sonapur and Malasipather.

Housing and
Town Plan-
ning.

30. Against a total provision of Rs. 23.71 lakhs for different schemes of housing in 1961-62, Rs. 15.45 lakhs were spent. Under the Low Income Group Housing scheme, 148 houses and tenements were completed and under the subsidised Industrial Housing scheme, 24 tenements were completed. No amount could be spent under the Plantation Labour Housing scheme due to the difficulty in provision of security. In order to meet this difficulty, Government is taking steps for creating a pool guarantee fund. As soon as this is done, it is expected that it will be possible to disburse funds under this scheme. The rules for the grant of loans under Village Housing scheme have been finalised and its implementation will start in the current year. Under Middle Income Group Housing scheme, the entire allotment was spent during 1961-62. A sum of Rs. 3 lakhs has been provided under this scheme for the current year. Loans and grants were given to different Municipalities and Town Committees during the last year for carrying out schemes of urban improvement and similar provision would be made this year also. The Government desire to lay particular stress on providing satisfactory housing facilities for municipal sweepers and fund provision has been made to give loans for this purpose to municipal bodies which are in a position to take up such constructions in the current year.

31. Considerable headway was made in the implementation of schemes under town and country planning. The master plan for greater Gauhati has already been prepared and published in the official gazette

inviting criticisms and suggestions from the public. A Gauhati Development Authority has also been constituted for implementing the execution of the master plan. A master plan for Tinsukia has also been drawn up and will be published soon. A separate 'Authority' for Tinsukia will be also constituted shortly for executing the master plan for this town. For training of town planning personnel, scholarships are being annually given to deserving candidates for training in different institutions outside the State. Under the urban development programme, grants-in-aid are being given to the Municipalities and Town Committees for specific urban development schemes such as roads, bridges, culverts, etc. A sum of Rs. 2.87 lakhs was sanctioned to different municipalities during 1961-62 as grant against local rate collections. A scheme for development of Gauhati has been separately taken up for improvement of the present unsanitary conditions in the town and for its future development according to the provisions of the master plan. Funds have been provided for carrying out survey work and preparation of a comprehensive drainage scheme for Gauhati. Some amounts have also been provided for drainage and sewerage and other proposals relating to the development of the town. The department is also preparing development plans and projects for selected villages under the Rural Housing scheme in N. E. S. and C.D. Blocks; actual development plans for 15 such villages have been prepared and will be taken up for execution.

Labour welfare.

32. Implementation of welfare schemes for progressive improvement of the standard of living of the industrial workers continued satisfactorily and, in addition, financial assistance to non-official organisations is also being given. The financial allocation for labour welfare schemes is Rs. 7.50 lakhs for 1962-63 with which the present schemes will be continued. Three more centres for plantation labour and one welfare centre for urban labour will be established during the Third Plan. The Tea Plantation Provident Fund scheme has been working satisfactorily as an important social security measure.

Employment exchanges.

33. Six more employment exchanges and 6 employment information and employment assistance

bureaus were opened in 1961-62. It is proposed to open 9 more employment and assistance bureaus in rural areas during the year 1962-63. A special employment exchange for plantation labour has been set up at Dibrugarh last year for mobilisation of surplus labour of tea estates to different areas. In addition, 2 vocational guidance and employment counselling units have been set up at the employment exchanges at Gauhati and Dibrugarh for advising the unemployed in the right selection of their career. An University Employment Bureau has been set up at Gauhati last year to deal with the educated unemployed. The Liaison Officer, Employment, is also taking necessary action to maintain close liaison with industries and business in the private and public sectors with a view to securing employment for local people and for introducing apprenticeship training for qualified candidates for employment in industries to be established during the Plan period. The organisation of the Liaison Officer is proposed to be expanded so as to cope with the increased scope and responsibilities in respect of proper placement of local persons in industrial units in the State.

Welfare of
backward
classes.

34. Considerable progress continued to be made in the implementation of schemes for the welfare of backward classes. Apart from the general plan provision, the Third Plan provision under Article 275 for welfare of backward classes is Rs. 12.70 crores of which Rs. 10.30 crores is in the state sector. The total plan provision for 1961-62 was Rs. 173.59 lakhs in the State sector which was fully spent during the last year. The main emphasis was laid on the completion of incomplete buildings, projects and road. In the Central sector, some important schemes were taken up including the establishment of a Tribal Research Institute at Shillong and conversion of almost all the C. D. Blocks in the hills and 3 C. D. Blocks in the plains tribal areas into special tribal blocks. A plot of land has been acquired at Mawlai for the proposed Research Institute and plans and estimates for buildings have been sanctioned. Arrangements are being made to recruit necessary staff for setting up a Planning and Evaluation wing in the Institute with a Deputy Director in charge. The Government of India have decided that all C. D. Blocks in the country with a

tribal population of at least 66 $\frac{2}{3}$ per cent should be converted into special tribal development blocks. Each of these blocks will get Rs. 10 lakhs in the intensive phase and Rs. 5 lakhs in the post-intensive phase from the Home Ministry in addition to the normal C. D. provision of Rs. 12 lakhs during the intensive phase and Rs. 5 lakhs in the post-intensive phase. Accordingly, all the C. D. Blocks in the hills will be converted into tribal development blocks by the end of the current plan period. A major scheme has been taken up in the United Mikir and North Cachar Hills for combating leprosy which is most prevalent there, with a total plan outlay of Rs. 17 lakhs. The scheme includes survey, propaganda, and domiciliary treatment. Primary education in the hills was transferred last year to the control of the respective District Councils except in the United Khasi-Jaintia Hills District and in the North Cachar Hills. The United Khasi-Jaintia Hills District Council has already taken over primary education from the beginning of the current year. Along with the transfer of schools, recurring grants have been placed at the disposal of the District Councils concerned. The rice subsidy scheme for border areas of United Khasi-Jaintia Hills and Garo Hills was continued during the last year at a total expenditure of Rs. 13.43 lakhs in addition to the scheme for subsidised supply of essential commodities in Lungleh subdivision costing Rs. 4 lakhs. Pending completion of the water-supply scheme at Aijal, the emergency water-supply scheme to supply water to the people of Aijal is being continued. Immediately after the Mautum famine, some parts of the Mizo Hills district were affected by cyclone during the early part of last year in which connection relief measures were undertaken to the extent of about Rs. 2 $\frac{1}{2}$ lakhs. On the recommendation of the Advisory Council for the plains tribal areas a Committee has been constituted to examine the working of the tribal belts and blocks in the State.

The current year's outlay for welfare of backward classes amounts to Rs. 170 lakhs. Emphasis is proposed to be given, as in previous years, to road construction schemes and a sum of Rs. 53.4 lakhs is proposed to be spent on roads in the hills and plains tribal areas. An allocation of Rs. 18.75 lakhs has been set apart

for the free education scheme while expenditure on post-matric scholarships will also be increased considerably. Grants-in-aid are proposed to be given to District Councils for taking up development programmes to the extent of Rs 12 lakhs during the current year. For completion of continuing schemes and for taking up additional facilities in the sphere of medical and public health including water supply, it is proposed to spend Rs. 28.24 lakhs. Stress is also being given to the soil conservation programme in these areas and a sum of Rs. 14.45 lakhs is proposed to be spent on various soil conservation measures, including terracing, contour bunding and cultivation of cash crops.

35. During 1961-62, a sum of about Rs. 7 lakhs was spent under different projects relating to social welfare which included a scheme for establishing 7 State Homes and District shelters in addition to grant of financial assistance in favour of welfare organisations. In the current year, there is a provision of about Rs. 6 lakhs and it is proposed to establish a Home for orphans and destitute children at Nowgong in addition to taking up of socio-economic projects in slum areas and the continuing schemes. Financial assistance to voluntary organisations will also continue to be given. The construction of buildings for the Vagrants Home at Gauhati is nearing completion and with the starting of this institution, it is hoped that it will be possible to reduce beggary and vagrancy in the State.

Under the Third Plan there is a total sanction of Rs. 15.80 lakhs for development of tourism. A well furnished tourist lodge with 12 beds has been constructed at Shillong and is ready for functioning. To attract tourists to Shillong, the Ward Lake, Crinoline falls and Golf course are being developed. It is also proposed to develop the Umiyam Hydel Project site as a tourist spot. At Gauhati, a well-furnished tourist lodge has been constructed and another tourist bungalow is being constructed on the banks of the Brahmaputra. Accommodation has also been arranged at the Stadium Guest House at Gauhati for tourists. A tourist lodge with 12 beds is under construction at Sibsagar and another tourist lodge with 25 beds is

being constructed at Kaziranga for meeting the increased demand due to influx of foreign tourists. With these increased facilities, it is expected that the State will benefit by the larger flow of tourists.

Relief and
Rehabilita-
tion

36. The Relief and Rehabilitation Department for displaced persons was wound up with effect from 1st April 1962, the residuary work in connection with the execution of spillover schemes being entrusted to a small cell. A provision of Rs 42 lakhs has been made in the current year's budget for completion of some of the schemes including the construction of two maternity and child welfare centres at Umling and Ramkrishnanagar, two dispensaries at Fakua and Bishnupur and construction of a 10-bed T. B. ward at Nowgong and a 5-bed T. B. ward at Tezpur. In addition, financial assistance has been given to Municipalities and Local Bodies for provision of civic amenities such as roads, drainage, etc., to displaced persons in areas where their concentration is heavy. The rehabilitation of persons affected by the unfortunate language disturbances was completed satisfactorily. A total sum of about Rs. 164.79 lakhs has been spent upto-date by way of loans and grants to such persons. To wind up this work, a further sum will be required during the current year for which necessary provision has been made.

37. While the developmental sectors of the economy have been carefully merged into one co-ordinated pattern in which the various programmes are dovetailed, it has also been necessary to provide for a number of measures and schemes on the non-plan side so that the growing needs of administration can be effectively met. While every effort has been made to restrict non-development expenditure as far as possible, expenditure on certain essential items has necessarily to be incurred and provision for such items has had to be made.

Administration.

38. In the field of general administration, various steps have been taken to improve the quality of administration. A full-fledged Administrative Training School has been started at Jhalukbari with a retired I.A.S. officer as Principal for imparting training to different classes of civil servants. Necessary provision has been made for taking up the construction of buildings for this institution. The Secretariat Training School is

continuing the training of Secretariat assistants and assistants from the heads of departments offices, as usual. The Organisation and Methods Division has brought about a greater realisation of the need for regular office inspection and watch over disposal of receipts, besides initiating various procedural improvements. Special training in work-study is being arranged so that gradually it may be possible to evolve administrative methodology and follow-up on more scientific lines. The staff committees set up for the secretariat, heads of departments offices and district offices are functioning quite satisfactorily and have proved useful and advantageous. A Committee consisting of the Chief Secretary and some senior officers has been constituted to go into various important administrative problems. Steps are being taken to set up a translation wing in the Law Department for translation of various laws and acts into vernacular. The Government attach considerable importance to the need for separating the judiciary from the executive and this matter is under active consideration at present. A Committee of senior officials has gone into the detailed implications and it is expected that necessary steps to effect the above purpose would be able to be initiated during the current year.

Pay Com-
mittee.

39. The Government have been considering, for some time, the question of setting up another Pay Committee, not only to meet the representation of the various service organisations in this regard but in order to effect further rationalisation in the pay structures pertaining to State Government servants. It has since been decided to set up such a Pay Committee and necessary action in this regard will be taken very shortly. It is necessary to stress that further rationalisation in the matter of pay scales should bring, in its wake, improvement in administration and this is a task to which every Government servant should devotedly apply himself or herself as much as possible.

40. Apart from measures to tone up and improve the quality of administration, measures for expanding administrative facilities are also being taken. It is under examination in this context as to the extent to which additional administrative units including a new subdivisional unit are necessary and can be taken up during the current year. It is proposed to start an administrative unit in the North Lakhimpur

subdivision and to expand the existing administrative facilities at Nalbari. Provision has been made this year for opening of Sub-Registrar's offices at Rangiya, Tinsukia and Sibsagar. Provision has also been made for constructing a rest-house at Dibrugarh for tribal people visiting the area. The question of how the administration at the block after the stage II period is over can be co-ordinated with the revenue and general administration at this level is under examination, together with a proposal for provision for extra S. D. Cs. circles in non-cadastral 'char' areas. Greater stress is proposed to be paid to stricter audit and accounts of Governmental funds and a review of the audit staff under different departments is being undertaken to ensure that the funds allotted for various purposes are being properly utilised. It is expected that, through these measures, the level and quality of administration should be substantially improved in the coming years.

41. I should also like to emphasise that every effort is being made to keep the cost of administration to as low a level as is possible in the circumstances of and as is consistent with a fast developing economy and the need for extending administrative facilities considerably, both of which factors inevitably entail increased administrative costs. Economy is sought to be effected not only in the matter of creation of new posts other than for development needs and requirements of law and order but also in respect of T. A., D. A., contingencies and other like expenditure. The cost of administration in this State would compare very favourably with that of most other States in the country.

42. The creation of a Board of Revenue in the latter half of the last year has been another important step towards improvement of administrative facilities. In the light of experience of its working and to extend its role as an appellate authority, it is proposed to introduce amending legislation during this session.

Considerable importance has also been given to measures of land reforms. Besides the implementation of the Ceiling Act, 119 Adhi Conciliation Boards were reconstituted Anchalik panchayat-wise throughout

the 7 plains districts and these new Boards are working satisfactorily. The question of amending the Consolidation of Holdings Act is under examination. The Assam Urban Areas Rent Control Act, 1961, has been brought into force to provide for fair and reasonable rent for tenants in urban areas. The Assam Gramdan Act, 1961 was brought into force from March, 1962 and is in the process of implementation. It is proposed to give the fullest assistance by way of loans and in the organisation of the movement in the gramdan areas. The efforts of Acharya Bhawe have borne considerable fruits in the State and it is now necessary to build on the foundations that have been laid by him by giving special attention, to the extent possible, to the gramdan villages.

Police

43. Together with improvement in and extension of administration, it has been considered necessary to extend the facilities for maintenance of law and order. It is proposed to set up a number of new outposts in interior parts of the State, both in the plains and hills districts during this year. A programme for expanding police housing facilities would also be taken up. The border outposts would be strengthened and increased in number, to check and prevent infiltration of Pakistar nationals and to deal with other border problems. Depredations caused by Naga hostile groups operating in the neighbouring districts are however, a matter of great concern and serious incidents have taken place in the last few months leading to loss of property and injury to villagers living in areas adjoining the Naga Hills. This matter has already been taken up with the Central Government but it is further proposed to recruit considerable additional police force to deal with this problem during the current year. It has been necessary, in the last few years, to borrow considerable police forces from other States. This is, however, only a temporary solution to the pressing needs of the State and is, in any case, very expensive. It is, therefore, considered essential to raise additional police forces by the State Government directly to meet our present problems and any emergent needs that may develop in the future. The village defence organisation is also proposed to be further strengthened during the current year. The circle organisers of this organisation, who

were previously paid a fixed pay of Rs.65 per month have been brought on to the category of Government servants and placed in the regular pay scale with effect from the current year. By and large, the law and order position in the State has been quite satisfactory and with the strengthening of the police force and extension of outposts, police stations, etc., it is expected that it would be possible to meet any untoward developments in the future, without undue difficulty.

44. Prohibition has been introduced in Goalpara district from 1st April, 1962 in pursuance of the State Government's policy.

Estimates
for 1962-63.

45. Sir, I shall now turn to the budget estimates for year 1962-63. For this year, the receipts on revenue account have been estimated at Rs. 4,404.63 lakhs against the revised estimates of Rs. 3,948.83 lakhs for the year 1961-62 and expenditure on revenue account at Rs. 4,322.22 lakhs against the revised estimate for the last year of Rs. 4,143.66 lakhs. The increase in revenue to the extent of Rs. 455.80 lakhs, as compared with the revised figure for the last year, is mainly due to higher receipts estimated on account of grants-in-aid from Government of India for the Plan and the impact of the Finance Commission's Award. Explanations for variation in details are furnished in the Budget memorandum. The receipt estimates include a considerable sum expected from the Central Government against various heads of assistance including expenditure on border security and on police, etc., and a great deal would depend on whether financial assistance from the Centre on various accounts as requested for by the State Government would, in fact, be forthcoming. To the extent of shortfalls in such assistance, there would be a further resource gap.

46. The capital expenditure for 1962-63 is estimated at Rs. 2,864.55 lakhs as against the revised estimate of Rs. 2,549.57 lakhs for 1961-62. The above figures of revenue and capital expenditure include Rs. 2,316.37 lakhs for the State's annual plan and Rs. 144.46 lakhs for Central share of centrally sponsored schemes. The list of new schemes included in the budget on the non-plan side will be found at Appendix 'A' to the Budget memorandum while the

details of the plan schemes are included in Volume III. Of the total capital expenditure proposed, Rs. 1205.61 lakhs has been provided for repayment of loans by the State Government, Rs 943.45 lakhs for new loans and advances by the State Government and the balance of Rs. 715.49 lakhs for capital expenditure on schemes taken under the Plan and outside. The total debt of the State Government to the Centre on 31st March, 1961, was Rs. 45.74 crores. Of the total capital expenditure, the expenditure proposed under the plan is Rs. 1390.70 lakhs including Central Sector schemes. For financing the Plan schemes, Central loan assistance has been estimated at Rs. 1299.48 lakhs. The estimated total receipt on capital account comes to Rs. 3141.40 lakhs including a provision of Rs. 150 lakhs expected as Central Loan assistance on Second Plan account. This also includes Rs. 300 lakhs for which it is proposed to float a market loan in the course of the year. The State's share of small savings collections has been estimated at Rs. 350 lakhs. The budget estimates for 1962-63 indicate a surplus of Rs. 82.41 lakhs under revenue account and a surplus of Rs. 338.02 lakhs outside the revenue account. Thus, the overall surplus of current receipts over expenditure is estimated to be Rs. 420.43 lakhs during the year as detailed at Annexure I. It is proposed to divert this entire estimated surplus of current receipts to meet the deficit in the ways and means position of the State. Even after adjusting this amount, there would still continue to be a ways and means deficit of Rs. (—)238.31 lakhs in the State Government's accounts with the Reserve Bank. It is not possible to continue with this large ways and means deficit and a substantial effort will have to be made to reduce the deficit as far as possible. It is in this context that it is necessary to consider measures for raising additional resources.

47. Though the resource picture has not been satisfactory over the last 2-3 years, I must emphasise that the State's financial difficulties are primarily of a temporary nature and caused by events and circumstances which could not be anticipated. I attach the greatest importance to restoring normalcy to the State's finances and it is with this purpose in view that, despite the manifold demands and pressure on State's

resources, it is proposed to divert the surplus of current receipts over expenditure entirely towards clearing our existing overdrawals on the Reserve Bank. At the same time, the growing tempo of expenditure must be recognised and while, in earlier years, substantial ways and means surpluses emerged owing to the departments not being able to spend their respective allocations, today the position has considerably changed and expenditure is more or less upto the limit of the allocations and provisions made for the various development sectors. This in itself is a very desirable trend which, I am confident, will continue in greater measure in coming years.

48. From the resume of the plans and programmes implemented and to be undertaken during the current year in different sectors of the State's economy, it will be self-evident that the demands on the State's slender financial resources are manifold. Beset with multifarious problems, this State has a comparatively larger share of problems and difficulties to tackle and it is perhaps inevitable that the pressure on the State's resources would be very heavy. As I have indicated earlier, even after diverting the surplus of current estimated receipts over expenditure, there would still be a gap of Rs. (—)238.31 lakhs. It is essential that this large gap should be covered as far as possible and for this purpose, additional taxation measures will have to be resorted to.

Measures of additional taxation proposed.

49. It is proposed to raise an additional revenue of Rs. 158 lakhs during the current year by resorting to new taxes and duties or by enhancing the current rates. Of this, a sum of about Rs. 18 lakhs would go to the panchayats on account of increased share in land revenue collections while a further sum of about Rs. 29 lakhs which would be the yield from increased local rate would also be transferred to the units of local self-government. The impact on State resources of the proposed measures would, therefore, be substantially less and would amount to only Rs. 110 lakhs during the current year.

As a measure of encouragement to the development of cultural activities, both physical and artistic, the entertainment tax on cultural exhibitions,

organised by bodies devoted to the cause, will be reduced to a rate of 12·5 per cent and all admission charges which do not exceed 25 nP. will be wholly exempted.

(a) A tax on passengers and goods carried by public motor vehicles or boats will be levied at the moderate rate of 10 nP. of the rupee value of fare or freight. In proposing this, we are following the example of many States where a similar levy on passengers and goods is imposed. It will be seen that this levy is not unduly heavy and the incidence of tax on individuals and goods will be quite small.

(b) The local rate of land revenue will be increased from 25 nP. to 50 nP. in the rupee in all plains districts. The additional revenue collected in the non-urban areas will be distributed to the panchayats for the purpose of improving primary education facilities in their respective areas. As the entire increase will be transferred to the Panchayats, Municipalities and Town Committees, there will be no impact on State resources as a result of this increased levy.

(c) The tax on motor vehicles will be revised and raised, where necessary, to bring the State rates to the level of rates prevailing in other parts of India. Stress will be given to the rationalisation of the existing tax structure according to established principles of road transport so as to eliminate undue strain on road transport operators or private owners of motor vehicles.

(d) The rates of agricultural income tax will be revised so that incomes over Rs.20,000 per annum are taxed at a higher rate than fixed by the Assam Finance Act, 1962. The increase will range from 5 to 12 nP. in the rupee bringing the total incidence to 35 to 50 nP. in the rupee in this income group. Even then our incidence will remain much lower than the Central income tax, together with super tax.

Necessary legislation to give effect to these proposals will be introduced in the course of this session of the Assembly. The ultimate annual revenue from these measures will be Rs. 182 lakhs approximately.

50. As a result of these measures, which are likely to yield an estimated net revenue of Rs. 110 lakhs to the State Government during the current year, after taking into account the effect of the increased share of land revenue from 25 per cent to 37½ per cent to be transferred to the panchayats, the overall deficit in the ways and means of the State is likely to be reduced to Rs.(—)128·3 lakhs. It is not proposed to cover this estimated deficit for the present.

51. The present year and the years following will be vital years for Assam because it is now that the foundations for the State's future progress and development will be laid. This State, together with the rest of the country is on the threshold of a great future of progress and prosperity but the main task for all of us to solve is how to utilise whatever forces and resources we have at our command now to build a modern unified Assam which will be a strong and vital arm of the independent and dynamic India of our dreams.

The solution to our vital problems lies in ungrudging effort, toil and sacrifice and in the development of science and technology through education and creative effort but, above all, in the nobility of our character and patriotism. The division of the State based upon hills and plains or activities based upon religion and language are and were unfortunate conceptions, mistakes once committed which should be rectified. Let us keep religion where it belongs, a very personal need but not to be exploited for political purposes. Our country and State need citizens of patriotic fervour, intelligent, loyal and fearless. It is upto us to efficiently meet the challenge of the times and to lay the foundations of a bright and prosperous future for the coming generations and, in meeting the challenge, to adopt and follow the motto: think independently but work and pray in co-operation.

JAI HIND

ANNEXURE I

(In thousands of Rupees)

	Actuals, 1960-61	Budget, 1961-62	Revised, 1961-62	Budget, 1962-63
	(1)	(2)	(3)	(4)
	Rs.	Rs.	Rs.	Rs.
RECEIPTS				
Opening Balance... ..	80,59	(—)3,73,44	(—)7,68,35	(—)6,58,74
Revenue Receipt	35,99,55	36,87,49	39,48,83	44,04,63
Receipt from Debt raised in India.	8,79,62	13,43,94	26,80,69	30,67,99
Recoveries of Loans and Advances by the State Government.	51,05	85,06	1,17,61	73,41
Receipts from the Contingency Fund and Public Account.	1,39,30,83	92,78,83	1,34,51,87	1,31,04,97
TOTAL ...	1,85,41,64	1,40,21,88	1,94,30,65	1,99,92,26
EXPENDITURE				
Revenue Expenditure ...	40,50,00	37,01,51	41,43,66	43,22,22
Capital Expenditure ..	6,08,39	6,44,23	4,73,64	7,15,49
Expenditure on Repayment of Debt raised in India.	2,47,10	3,18,55	13,36,95	12,05,61
Loans and Advances by the State Government.	7,19,44	6,59,68	7,38,98	9,43,45
Expenditure on Contingency Fund and Public Account.	1,36,85,06	93,02,42	1,33,96,16	1,30,43,80
Closing Balance ...	(—)7,68,35	(—)6,04,51	(—)6,58,74	(—)2,38,31
TOTAL ...	1,85,41,64	1,40,21,88	1,94,30,65	1,99,92,26
Net Results :—				
Surplus (+)				
Deficit (—)				
(a) On Revenue Account.	(—)4,50,45	(—)14,02	(—)1,94,83	(+)82,41
(b) Outside the Revenue Account.	(—)3,98,49	(—)2,17,05	(+)3,04,44	(+)3,38,02
(c) Net excluding opening balance.	(—)8,48,94	(—)2,31,07	(+)1,09,61	(+)4,20,43
Estimated closing balance after taking estimated additional taxation receipts into account.	..	..	..	(—)1,28,31

ANNEXURE II

Statement showing the Developmental head-wise Allocation in the State Plan out of approved Expenditure of Rs.2,340·00 Lakhs for the Financial year, 1962-63.

The provision of Rs.2,340·00 lakhs under Revenue and Capital Heads for current year's State Plan includes the following provisions for various Departments—

					Lakhs of Rupees.
Agricultural Production	...	...	...	...	84·00
Minor Irrigation	...	...	...	...	65·00
Animal Husbandry	...	...	...	...	27·00
Forest including Soil Conservation	...	...	...	...	22·00
Fisheries	...	...	...	...	9·00
Co-operation	...	...	...	...	31·00
Ware-housing and Marketing	...	...	...	...	6·00
Community Development	...	...	...	...	138·00
Panchayats	...	...	...	...	30·00
Flood Control	...	...	...	...	83·00
Irrigation	...	...	...	...	37·00
Power	...	...	...	...	768·00
Industry and Mineral	...	...	...	...	166·00
Transport, Communications and Tourism	...	...	...	...	157·50
Social Services					
Education	...	...	...	...	296·00
Health	...	...	...	...	180·00
Housing	...	...	...	...	35·00
Welfare of Backward Classes	...	...	...	...	170·00
Social Welfare	...	...	...	...	3·90
Labour and Labour Welfare	...	...	...	...	14·40
Total (Social Services)	...	...	...	...	699·30
Miscellaneous	...	...	...	...	17·20
Grand Total	...	...	...	...	2,340·00

The Assam Finance (Amendment) Bill, 1962

Mr. SPEAKER : I read a message from the Governor :—

“I recommend under Article 207(1) of the Constitution of India that the Assam Finance (Amendment) Bill, 1962 be introduced and moved in the Assam Legislative Assembly.

Sd/ S. M. SHRINAGESH,
Governor of Assam.

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) : I beg leave to introduce the Assam Finance (Amendment) Bill, 1962.

Mr. SPEAKER : The Motion moved that leave be granted to introduce the Assam Finance (Amendment) Bill, 1962.
(The Motion was put as a question and adopted).

Shri FAKHRUDDIN ALI AHMED (Minisiter, Finance) : I beg to introduce the Assam Finance (Amendment) Bill, 1962.

Mr. SPEAKER : The Motion moved is that the Assam Finance (Amendment) Bill, 1962 be introduced.
(The Motion was put as a question and adopted)

(The Secretary read out the title of the bill).

The Assam Amusements and Betting tax (Amendment) Bill, 1962.

Mr. SPEAKER : I read a message from the Governor :—

“I recommend under Article 207(1) of the Constitution of India that the Assam Amusements and Betting Tax (Amendment) Bill, 1962 be introduced and moved in the Assam Legislative Assembly.

Sd/ S. M. SHRINAGESH,
Governor of Assam.

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) : I beg to leave to introduce the Assam Amusements and Betting Tax (Amendment) Bill, 1962.

Mr. SPEAKER : The Motion moved is that leave be granted to introduce the Assam Amusements and Betting tax (Amendment) Bill, 1962.
(The Motion) was put as a question and adopted).

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) : I beg to introduce the Assam Amusements and Betting Tax (Amendment) Bill, 1962, be introduced.

Mr. SPEAKER : The Motion moved is that the Assam Amusements and Betting Tax (Amendment) Bill, 1962 be introduced.

The Motion was put as a question and adopted.

(Secretary, Legislative Assembly read out the title of the bill).

The Assam sales tax Amendment Bill, 1962

Mr. SPEAKER : I read a message from the Governor :—

“I recommend under Article 207(1) of the Constitution of India that the Assam Sales Tax (Amendment) Bill, 1962 be introduced and moved in the Assam Legislative Assembly.

Sd/ S. M. SHRINAGESH,
Governor of Assam.

Shri FAKHURDDIN ALI AHMED (Minister, Finance) : I beg leave to introduce the Assam Sales Tax (Amendment) Bill, 1962.

Mr. SPEAKER : The Motion moved is that leave be granted to introduce The Assam Sales Tax (Amendment) Bill, 1962.

(The Motion was put as a question and adopted)

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) : I beg to introduce the Assam Sales Tax (Amendment) Bill, 1962

Mr. SPEAKER : The Motion moved is that the Assam Sales Tax (Amendment) Bill, 1962 be introduced.

(The Motion was put as a question and adopted).

(Secretary, Legislative Assembly then read out the title of the Bill).

Adjournment

The Assembly was then adjourned till 10 A. M. on Thursday, the 14th June, 1962

R. N. BARUA,
Secretary, Legislative Assembly.
Assam.