KAILASH CHANDRA’s SHORTHAND TRANSCRIPTIONS - VOLUME-19
Speech of hon. Law Minister, Government of India
in Rajya Sabha on 11-3-1992. on electoral reforms

TRANSCRIPTION NO. 399

About eleven hon. Members have taken part in the debate and have given valuable suggestions on the electoral reforms. The Bill that is before the House is only on one point, that is, countermarching of elections should not be there if an independent candidate dies. But taking this opportunity, almost all the Members have expressed their views on the need for electoral reforms at an early date.

As far as this Bill is concerned, I don't think there will be any objection from any Member. Even the hon. Member who moved this statutory Resolution, said that if the Government assures (100) that it is going to bring in a comprehensive electoral reforms Bill as early as possible, he has no objection to this. This Ordinance had to be issued because of the experience in Parliament and Assembly elections in various States, particularly in the State of Punjab. During the last Punjab elections a number of independent candidates were killed and that has made the Government think seriously what it should do. Elections in 13 Parliamentary constituencies, including the ones in Punjab, were countermarched. Elections in 22 Assembly constituencies in the whole country, including nine in Punjab, had to be countermarched. (200) So, this high incidence of deaths has made the Government think and come forward with an ordinance which will enable the elections to go on in spite of deaths of independent candidates. The effect of it, you have seen in Punjab. This time the incidence of deaths was not so high. We were able to conduct the election and the Government ooked by the people of Punjab was restored after a long time. I hope the House will agree unanimously as far as this part of it is concerned.

About the electoral reforms, the Government is also more serious. (300) We have been making a lot of efforts. I will come forward with some of the suggestions later, but as the hon. Member, Dr. Jain, has said, a lot of effort has gone into this thinking about the electoral reforms.

The Prime Minister called a meeting of the leaders long back and later on, late Shri Dinesh Goswami, who was the Minister of Law, had constituted a Committee under his Chairmanship and made a deep study and had come forward with two or three Bills. Three Bills are also pending in the Parliament. We could not proceed with them. (400)
TRANSCRIPTION NO. 400 Railway Budget

Sirs, I rise to support the Railway Budget for 1992-93. The Railways are one of the biggest media for communication and to carry people and goods and serve the nation. Here we have found that the Railways are really aware of their duties and responsibilities and it is one source by which our economy can gain momentum and which helps to fulfil our social obligation. We respect the Indian Railways. However, there is still room for improvement of services to be rendered to individual passengers. A lot has to be done towards improvement of railway stations, cleanliness and catering service.

We have to initiate a number of steps to plug leakage of revenue during transportation, that is, during movement of goods from one place to the other. This will surely help the economy and also minimise damages and also minimise the claims from affected persons.

The Railway Ministry have to think in terms of rehabilitation and renovation of railway track and also conversion of metre gauge into broad gauge lines in tribal areas. My humble suggestion for broad gauge line to be considered in the Eighth Five Year Plan is from Bulsar in Gujarat to Nasik in Maharashtra. This will help in the development of the tribal belt in both the States and will provide many opportunities to the people of the area. This is a very long-pending demand with the Central Government. I hope the hon. Minister would think in this direction and satisfy both the States.

The performance of the Railways is satisfactory when we see the data provided by the Minister. The growth of passenger traffic is 5 per cent. There is control on the working expenses. By putting in extra efforts, the earnings are increasing at a satisfactory level. (300)

Keeping in view the demands and requirements, fifteen new trains are being introduced from 1st July, 1992. We are thankful to the hon. Minister for this. However, these are much less in number, considering the growing demand. The service improvement group is to be activated so that the local problems of each and every area could be attended to and resolved to the greater satisfaction of the passengers.

In this connection, I demand that computerised reservation system should be introduced at Surat in Gujarat. As you know, Surat is an industrial centre. This is a long-standing demand. (400)
I rise to support the Railway Budget and compliment the Railway Minister and his Ministry. The contribution of pension fund, which has been enhanced during 1991-92 has resulted in an addition of Rs. 40 crores to the amount of the Budget. It is really an excellent measure. Sixteen new lines have been introduced and 277 kilometres have been targeted for opening before March 1992. Further programme for opening new lines in 1992-93 is totalling to 364 kilometres. Altogether 16 new lines are going to be introduced.

Madam, introducing land management is also a correct step. Track renewals for a distance of 300 kilometres have been introduced. Priority is given to railway electrification with a target of 3500 kilometres in the Eighth Plan. New schemes for electrification of about 1500 route kilometres have been included in the Budget. Exemption has been given altogether for several essential commodities from increase in freight rates.

The hon. Minister, the Prime Minister and the Deputy Chairman of the Planning Commission shall have to be complimented for their progressive policy deciding that the entire country should have one gauge. That is why, the conversion of metre-gauge to broad gauge has been introduced. This is a very correct measure. This will promote the backward areas and simultaneously provide employment to the poor and the needy. I would like to remark that the conversion of narrow-gauge in the most backward area, that is, Kolar District of Karnataka, has not been included.

I do not know why the Minister is giving it a step-motherly kind of treatment. Kolar is a backward and drought-prone area. The Minister has taken measures to see that there is only one gauge throughout the country, that is, the broad-gauge, and yet he has neglected this particular narrow-gauge line. I hope the Minister will kindly consider this aspect and see that this will be converted into broad-gauge line. The rise in fare and freight charges is not high when compared to the previous Budget. This Budget has in fact taken care of the poor and the ordinary class passengers. There is criticism that the increase in fare and freight charges is steep and is not in the interest of the rail user.
The second-class compartments and sometimes even the first-class compartments are very crowded. Drinking water is not being provided. The toilets and bathrooms are not clean. The railway authorities should pay more attention to the basic requirements of the passengers. The food that is being supplied is not at all good and hygienic. It is very often cold and exposed; let alone the taste of food which is very bad at times. Care must be taken by the management to provide good and hygienic food. The hon. Minister has been kind enough to supply hot and hygienic food to the (500) members in the Central Hall and in the Parliament. Likewise, the same kind of good food should be supplied to the passengers also. As the catering service is being privatised, the service should improve. It is criticised that laying of double line in some parts of Tamil Nadu and other areas has not been taken up. This is true and it has to be done on priority. I suggest that new lines should be laid and the narrow-gauge and metre-gauge lines should be converted to broad-gauge lines. The workers as well as people suffer when funds (600) meant for conversion are not released. This is especially so in the case of Konkan Railway and Mysore-Bangalore route. Anyway, this Budget has sought to provide employment opportunities to the down-trodden people. It contributes a great deal for the development and growth of the country. The railway stations need to be properly equipped so that proper catering services are maintained. A lot remains to be done as far as leakage of revenue is concerned, whether it be in the passenger line or in the transportation of goods. This will also help in improving the economy of the Railways. (700) Steps are also to be taken to maintain safety and security of both the passengers and the goods. Important officers like Chief Engineers, and other officers should also be instructed to arrange meetings and discussions with the local leaders and social workers so that they get acquainted with the problems faced by the passengers.

Punctuality should also be maintained strictly. Wagons should be made available for transporting perishable articles like vegetables, potatoes, tomatoes, and mangoes.

Their services and their due promotions should be safeguarded. Some junior officers of Railways were on hunger strike recently at the Boat Club, New Delhi. (800) Equal pay for equal work and to promote officers who were denied their right, whether on percentage basis or otherwise, as against the direct recruits were their demands. When they were on hunger strike, they were not called for negotiations.

840 words
This statement is a brief report for the information of Parliament on my visits to the U.S. in May 1964 and the U.S.S.R. during August-September, 1964. The object of my visit to the U.S. was to secure material and financial assistance for the implementation of India's Five-Year Defence Plan covering the period April 1964 to March 1969 to which I had made a reference during the debate on the Demands for Grants of the Defence Ministry in (100) March, 1964. There was also a long-standing invitation from the U.S. Defence Secretary to visit the U.S. to discuss problems of mutual interest. I also received later an invitation from the Defence Minister of U.S.S.R. I took this opportunity to discuss with the Soviet Government various matters connected with the implementation of our Defence Plan.

The task of re-equipping and modernising our Armed Forces is a very stupendous one. In order to ensure systematic development of our Defence potential in the light of the threat facing the country earlier this year, (200) we prepared a Five-Year Defence Plan. The programmes of modernisation of the Defence Forces and improvement of facilities for logistic support of the Armed Forces would call for additional outlays on Defence. The increase, in terms of internal resources, will be of the order of about 10 to 12 per cent over the current level of Defence expenditure. But the total requirement of foreign exchange for the Defence Plan has been assessed at about three times the normal allocations which can be made to Defence from our own export earnings.

The major constraint therefore, which would affect the implementation of the Defence Plan is the availability of foreign exchange in time to meet the import requirements of the various constituents of the Plan. As the economic development plans also require heavy investments of foreign exchange in order to ensure that the progress of India's economic development is not affected, it is necessary to secure assistance from friendly foreign countries for the implementation of the Defence Plan. I reached Washington on May 18, 1964, and had discussions with the U.S. Secretary of Defence. I also had discussions with Secretary of State, Mr. Dean Rusk.
Sir, regarding the first part of the observations made by the hon. Member arising out of the comments of Professor Gaddly as I remember there were three points: firstly that the Planning Commission had not developed appropriate criteria and secondly that it had not worked out the annual plans with appropriate break-ups. These were two things, and then there was another question about the Planning Commission mixing up with the policies of Government and not giving proper advice/ or submitting to wrong policies and also that the Planning Commission did not watch the progress of the Plan even in (100) its broadest elements.

These are fairly grave charges. It is up to the Planning Commission to say what answer/ it has for these things. Regarding annual Plans and break-ups, Sir, hon. Members here are familiar with the annual Plans/ and that the Central and State Governments base their annual Budgets on annual Plans, after a very careful examination of all aspects and after discussions/ prolonged discussions, between the States and the Central Ministries. All the material that is available/ is pressed into service. To that extent, Professor Gaddly's charge is not correct. About criteria, the complaint may be true, (200) because it takes experience, time and technical tools to develop the criteria and the yardsticks. Though we have made some progress in this direction since the First Plan was got ready, I do not think that we can be or/ should be satisfied with the progress that has been made.

Regarding the other thing, the question of watching progress by the Planning Commission, even in general terms, and that it was not able to check certain errors and that it was not able to make certain things go right/ well, I cannot touch for the Planning Commission having done its part in this respect (300) adequately and correctly because I have in mind a certain aspect of the duties and responsibilities of the Planning Commission about which there cannot be complete justification, for example, on the question of foreign exchange resources. There was the question of import licences which were issued, regarding which some hon. Members said that they had been issued on a lavish/ scale over a certain period. It is quite true, and a statement was laid on the Table of this House/ about these licences and an explanation was given. Even that explanation did not deny that somebody was responsible for it. (400)
We may say that it was the responsibility of the Finance Ministry or the Commerce and Industry Ministry but the responsibility of the Planning Commission cannot entirely be disowned. This is something which I have in my mind but I also know hundreds of things to which the Planning Commission diligently applies itself, writes informs and conveys its advice on many matters. It does so from day to day. What Prof. Gadgil has said about the Planning Commission may be partly true but not largely so. And regarding the kind of policies, it is a debatable ground. (500) It may be that with some policies Prof. Gadgil agrees and not with certain other policies. Therefore, when the Planning Commission aligns itself with certain policies of the Government, it helps the Government to formulate policies in a certain manner and if those policies somehow do not coincide with the viewpoint of a particular person, for him to say that the Planning Commission has succumbed to judgement is not a good and correct thing. It really is throwing doubt on the integrity of the Planning Commission.

Sir, the hon. Member quoted from an article by Prof. Galbraith and observed that (600) the socialism to which this Government is committed to this country is not a natural ardent in socialism himself and he explained those aspects, that is, we here in India have much less of regulation of the economy than is the case in countries which have no plans at all. We are unable to direct our economy even to the extent as is being done in countries which do not lay any claim to socialism. That is the main content of Prof. Galbraith’s article. For what purpose he said that, that is not the question here. (700) He said that in advanced countries they have tools and instruments for controlling and directing the economy on line compatible with certain objectives. It is true that we have not got all these tools and instruments sufficiently well developed in this country. The hon. Member, Mr. Dave, said that fiscal and credit regulation won’t suffice for fulfilling Plans of this size magnitude and complexity. What is perfectly true. Not that we have no instruments; we have some instruments but as far as I can judge, they are not adequate. On the other hand, when Government applies some of these instruments and tools, (800) there are shouts from a number of people against whatever regulation we introduce and practise. Then. Sir, the question of centralisation was raised. It was pointed out that planning in this country is centralised and it should now be decentralised.
This Bill has been brought forward for the purpose of amending the 1954 Act which originally applied to Part A State High Courts, but after the reorganisation has been so adapted as to make it applicable to all the High Courts in the present States. Formerly, so far as the then British India was concerned, we had the Order of 1937 under the Government of India Act of 1939. That Act or the Order was in force as appropriately amended or adapted from time to time. (100) Then, you are aware that the Constitution was passed and according to the Constitution, certain rules were laid down both in the body of the Constitution itself as also in one of its Schedules. So, certain conditions of service were specified as, for example, the question of the remuneration of the High Court Judges and the Chief Justices in the various High Courts. But some matters remained, therefore, in 1954 an Act was passed by Parliament so far as the then Part A State High Courts were concerned. Before that, Sir, you are aware that after the (200) integration of States, we had under the Constitution what was known as Part B States, and there were High Courts therein. So far as these High Courts were concerned, an order was passed in 1953 governing the conditions of service of the Part B State High Court Judges. Subsequently, after the re-organisation of States you are aware, Sir, that advantage was taken of the amendments to the Constitution in certain respects so far as the High Court Judges were concerned, and those amendments actually came into effect from 1st November 1956. (300) Thus, you will find, Sir, that from 1st November 1956 we have the High Court Judges Act of 1954 duly adapted after reorganisation. That is the main Act or, as it is sometimes called, the parent Act, which is now sought to be amended in respect of certain matters.

One is with regard to leave, and it is considered necessary to specify certain circumstances. The second is about the making of some of these rules applicable to Additional High Court Judges because special provision was made in the Constitution by the Seventh Amendment. (400)
Now, in this Bill it has been made clear that so far as these Acting Judges and Additional Judges are concerned, their service as such will be counted for the purpose of pension only if they are subsequently made permanent judges. Otherwise, for example, if no such provision was made, then their service for the purpose of pension would be counted only from the time they are made permanent. But here, it has been made clear that in case they are made permanent, their previous service as an Acting or Additional Judge will also be taken into account for the purpose of their pension. (500)

So far as leave is concerned, whatever leave they would be entitled to in view of the period of service that they have put in as Acting Judge or Additional Judge will be taken into account, and under the scheme of leave as mentioned in the Act of 1954 they would be entitled to a period or periods of leave as then laid down.

Then, Sir, after this a very important question arose so far as the expired leave was concerned as also the question of the pensions of the former Part B State (600) High Court Judges who were continued as Judges in the new High Courts that were established on the reorganisation of States. We had some High Courts, as you are aware, in Part B States. When under the Constitution these Part B States themselves ceased to be as such and they were placed in the reorganised States of India, naturally the High Courts in Part B States also disappeared. So far as these Judges were concerned, a very large number of them were ultimately appointed as Judges in the new High Courts under the States Reorganisation Act, (700) and naturally a question arose as to what is to be done so far as the period of service that they had previously put in the Part B State High Courts was concerned. A question arose as to whether the period of service that they had put in as a High Court Judge, including in some cases as Chief Justice, should or should not be taken into account, or whether some other formula should be introduced by which a particular period and not the whole period should be taken into account. In this connection, two questions arise. One is about leave. (800)

If, for example, they were entitled to certain periods of leave and then by the time the new High Courts came into existence, they continued in effect to be High Court Judges, what was to happen to the unexpired leave period?
TRANSCRIPTION NO. 405 (Debate on Railway Budget)

Madam, I would like to speak on several items dealing with the various aspects of the operational side of the Indian Railways. Firstly, we have to take into consideration that after partition the Indian Railways had to bear a great strain. A lot of disturbances did happen in the very structure of the Railways and it was with great foresight that it could be met so well. The first thing that occurs to us is about the rolling stock. The rolling stock is very important because India used to import a large number of engines and so many other things which are associated with the operational side. It is very heartening to see that today most of these things are being produced in India. Recently, I had the privilege of visiting some of these factories, especially the Chittaranjan Factory, and I saw that the recent manufacture of an electric engine was something indicative of the wonderful achievement. Steam engines and diesel engines are manufactured at the latter ones, Varanasi. These have gone a long way in meeting the demands of the Railways sufficiently. As far as many other things connected with the electric equipment are concerned, I find that they are also produced in a large number at Bhopal at the Heavy Electricals Factory which I had the privilege of visiting/only the other day, and they have given a very good account of themselves. These things should augur well for future activities as far as the Railways are concerned.

Madam, about the amenities and so many other things concerning the second class passengers, the Railways have done very well. A democratic Government, as it is, has to look to the needs of the second class passengers who subscribe to the tune of 80 per cent of the Railways' revenue. Installation of fans in coaches, construction of passenger halls and, above all, the abolition of the invidious distinction about exit and entry of the passengers do speak very well of the administrative side. And apart from the amenities, the exciting thing that we see is that those people who have been working mean the railway staff have also been accorded a number of facilities. At some places, it was a heartening scene to see students taking wholesome meals which were subsidised by the Railway Administration. These are some of the points to which I have to draw your attention.
After having given my thoughts to these things, I would like to speak on certain matters which have engaged my attention currently. Madam, I feel that at this hour we have to devote our attention to saving every rupee that we can. In that context, I say that as far as construction of buildings is concerned, it should be done in the same perspective. I mean, there are stations which have been demolished; stations which could have been quite serviceable for years to come. There were some very good stations, they were quite strong ones. Some were given a new look. (500) At this hour of emergency, when we need every rupee to be saved, this has to be given serious consideration to. The second point that I would like to bring to the notice of the hon. Minister of Railways is that as far as the narrow railway lines are concerned, I have gone through some of our financial aspects, and I am not really happy. I feel that as early as possible the narrow gauge should be abolished, because if you could save to the tune of Rs. 2-3 crores annually and the same could be invested (600) in converting the line into broad gauge or even metre gauge, that would be a better project. I understand that the Railway Board is also giving serious consideration to this aspect of the thing.

Now, I would like to draw the attention of the hon. Minister to a very important factor. As is the progress made in other democratic countries, in the matter of our Railways also we should try to make it more modern, we should rationalise it and also make it modern in a manner which may compare favourably with the railways in other advanced countries of the world. (700) which have gone much ahead of us. I mean in this connection that our Research, Designs and Standards Organisation should be given more consideration than has been given to it so far. Madam, I can quote, in this context, some of the organisations working in various countries, especially in Japan, Britain and America. Japan is one country which has gone far ahead of even many of the Western countries. Those who have seen the performance of the Japanese Railways will bear me out that it is an amazing feat, how the entire system has gradually been developed, (800) how it is all, more or less, electrical equipment and electrical operations with manual labour employed the least, whereas we have the steam locomotive and some of the crude methods for operations on the Railways. Japan has gone far ahead of us.
Mr. Chairman, I support this Resolution very strongly, but my doubt is whether the environment required for successfully carrying it out can be created in the country. The experience of cooperation in the past has been analysed in the Report of the Rural Credit Survey of the Reserve Bank, and their conclusions are not very encouraging, but even then we should lay our hope on cooperation and we must proceed.

Now, I am speaking about distribution cooperation of consumers. In this country, I know in the last few years the traders have been making large profits by raising prices. (100) We often complain of deficit financing as the cause for the rise in prices, but really a large part of it is due to the traders. Take the case of even vegetables in Delhi. For instance, the vegetables are sold at very high prices because of the traders' colluding together. And this has been going on all over the country. That is to say, goods are sold at high prices not because the prices at the source are high, but because the people who are trading in them join together, add all kinds of extras and sell them at high prices. (200) This has been going on for the last many years, and the prices have been going on fluctuating. This has resulted, as the hon. Member pointed out, in the setting up of enquiry committees and commissions, and the important consideration has been about increasing dearth allowance to catch up with the rising cost of living. Now, Sir, the cost of living increases have been chiefly on account of this unnecessary rise in prices due to joint action by the traders. And what has been the consequence of all that? There have been so many enquiries (300) and there have been strikes because the pay has not been increased according to the cost of living. I do not want to go into all that, but the point here is that all these troubles, these labour troubles especially are largely due to these high prices. So, it must be effectively controlled. If we can cooperatively organise shops in different areas under non-official management, it is possible to do that. It is necessary to keep the prices under control, especially of the necessaries of life. The hon. Member mentioned various articles. First of all, food grains are the most important.
In regard to foodgrains, fair price shops are there in Kerala, for instance, but the prices of other articles are still going up in almost all the towns in the country, not because they are not available in the countryside, at lower prices but people have to buy them locally and the traders are controlling them. The same is the case with clothing also. All kinds of articles which are required by the common man are being sold at very high prices, so, all these items have to be taken up.

Now, people may ask, 'who will do all that?' (500) That can be done and has been done. I have got experience of Madras for nearly 20 years. There, there is the Urban Cooperative Society which is doing exceedingly well. It has got about 30 branches in the city. The Society was started by poor teachers to provide such things for themselves and for others who are drawing small salaries. These people come in the evening and work together like brothers.

The difficulty is that we have a wrong conception of cooperation. We have been trying to put it into the hands of paid officers. I am not entirely against it but we do want honorary workers at the top. As the hon. Member said, this idea must be implanted in the minds of the people in their very childhood. In the schools, there are schools in some parts of the country where cooperative societies are run by the school boys. They make their own cooperative purchases and sales. In my opinion, therefore, the whole thing must start in schools and colleges. There, all purchases must be made on cooperative basis and thereby the very idea of cooperation must be put into the young minds. By practical experience they must be taught. (700) They will then develop into most useful honorary workers afterwards.

I have been speaking about cooperation, that is to say, distributive cooperation, but we can go further. Even in productive cooperation we could do a lot. There is plenty of waste land in the country. If only the landless labourers are colonised in those places, made to work cooperatively for increasing production, surely production could be increased in the country. We are talking aloud about increased production but we connect it with imposing slogans like 'ceiling on land', etc. There is plenty of waste land all over the country. (800) But they have to spend money over that land. They can be given about five to ten acres and in this, cooperation can help. In that way, you are sure of increasing the production in the country.
TRANSCRIPTION NO. 407 re. small-scale industries

Madam Deputy Chairman, I am glad that the Seventh Annual Report of the National Small Industries Corporation Limited has been taken up for discussion today. I am one of those who sincerely believe that small industry has to occupy a paramount position in our economy. I do believe that it has to play a very vital and dynamic role in our economic growth and development. Some time past, when this matter was debated on my motion, I made certain observations. The hon. Member was good enough to reply to some of the points raised by me. Except the reply (100) I heard on that occasion, nothing seems to have been done in regard to the various matters which inhibit the growth and development of the small sector.

Madam, our country is a country of small people, small traders, small entrepreneurs without much resources at their command and a country which requires very large effort to absorb the unemployed men and women and we all agree that the small units provide a large scope for employing the unemployed. Government has been professing all along that it believes, as we do here, in the development of the small scale sector. I wish the (200) professions would come true but unfortunately I find that not so much of fervour is exhibited in implementing the professions that they have been making off and on.

At the outset, I have to point out that there seems to be no appreciation or understanding of the nature of the small units. I say this because small units have been mistakenly conceived as units manufacturing only small items. I am afraid this conception is wrong and small units are in a way large units in miniature. They can manufacture all the items that the large units can manufacture. (300) Small units are small because investment is small, machines employed are very few but all the products of large industry can very well be manufactured by small units and thus the small-scale industries cannot be termed small in the sense we regard cottage industries or village industries. So, this conception has to be clearly understood whenever we deal with small industries.

Now, what are the problems besetting the small-scale industries? Some attempts were made in the past, perhaps even by the National Small Industries Corporation, to remove the bottlenecks which were there. Steps have been taken to streamline the procedure (400)
Now, the biggest bottleneck which is inhibiting the functioning of this organisation seems to have been not removed at all. I want to be assured by the hon. Minister that the Ministry is serious or earnest about removing this important bottleneck. Unless that is done, all the other steps taken by the National Small Industries Corporation already will have no meaning at all. I want the National Small Industries Corporation to function very well and very effectively and it should further the aspirations and ambitions of small people in the country. Today, the biggest bottleneck seems to be finance. On the last occasion when I was discussing this matter, I pointed out that even during the emergency, sufficient finance should be provided for the growth and development of small industries in the country and that things meant for Defence during the emergency could also be produced very well indeed by the small units, provided there is co-ordination and there is proper planning. Now, paucity of resources seems to be the biggest hurdle in the way of development of small scale units. All along these years, this organisation has depended more on foreign credits. The capital structure of this organisation is very small, has very low capital, has only 50 lakhs of rupees, and the paid-up capital is 40 lakhs of rupees. With this capital, it would be difficult for this organisation to operate and to help various schemes which it has undertaken. So, it has, by and large, depended upon foreign credits and it is amazing to note that while Government professes before Parliament and before the country that it believes in small-scale industries, it wants to promote small units everywhere. It does not, at the same time, think it advisable to provide foreign exchange allocation at all. I do not know the reasons for not allocating at least a small amount of foreign exchange to the small-scale sector. I expected that the Government which believes in the development and growth of small industries would have automatically or normally, taken steps to allot a certain amount of foreign exchange for small units but this has not been done. All along, this organisation has been made to depend upon foreign credits only and nothing beyond that. What is the position today? Today, this organisation which has done something in removing certain traditional bottlenecks which were operating, continues to exist in a very pitiable condition. Now, applications now/ in a large number. And all the applicants are told that there will be no more sanction of the applications.